CHANAKYA

NI POTHI

Ahmedabad 01-06-2016 Wednesday

Syndicate, BOI, IOB downgraded by S&P

Global rating agency Standard & Poor's has revised the ratings and outlook for five public sector banks - Bank of India (BOI), Syndicate Bank of India, Indian Overseas Bank (BOI), Union Bank of India and IDBI Bank.

The rating action was driven by a sharp rise in bad loans in 2015-16 and a bleak outlook for asset quality over the next 12 months.

S&P lowered BOI's long-term issuer credit rating from "BBB-" to "BB+". S&P Global Ratings Credit Analyst Amit Pandey said the agency downgraded BOI as was expected the bank's asset quality would remain weak over the next 12 months, following a recent deterioration.

The operating conditions for the corporate sector in India are tough.

In this backdrop, BOI's credit costs are expected to remain high due to continued pressure on asset quality.

S&P reduced the long-term issuer rating for Manipal-based Syndicate Bank to "BB+" from "BBB-". It downgraded Syndicate as its asset quality was expected to remain weak over the next 12 months, following a deterioration in the past two quarters.

ICICI Pru Life appoints BoFA ML, ICICI Sec as lead bankers for IPO

CICI Prudential Life Insurance has appointed Bank of America Merrill Lynch (BofA-ML) and ICICI Securities as lead investment bankers for its initial public offering (IPO) of equity.

The company, a joint venture between ICICI Bank (the majority equity) and Britain's Prudential (26 per cent), plans to file its offer document with the markets regulator by the end of this year.

The IPO could be worth as much as $1 billion, said people in the know. ICICI Prudential could be the one of the first insurance companies to hit the domestic capital market. The domestic life insurance market has about two dozen players but is dominated by state-owned Life Insurance Corporation of India.

"BofA-ML and ICICI Sec will start work on the IPO. At a slightly later stage, the company will appoint a few more bankers," said a source.

HDFC Standard Life, a subsidiary of Housing Development Finance Corp and Britain's Standard Life, recently hired Citigroup, JPMorgan, Kotak Investment Banking and Morgan Stanley to handle its IPO. The offering could take place later this year. SBI Life Insurance is also likely to soon appoint bankers.

Activity picked up after amendment in the insurance law norms last year to allow foreign partners up to 49 per cent stake from the earlier 26 per cent in Indian insurance companies.

This triggered companies to go for offerings, as most life insurers are partly foreign-owned. By Bloomberg data, Indian insurers have drawn at least Rs 9,100 crore in foreign investment since the ownership cap was raised last year.

In November, ICICI Bank had sold six per cent stake in ICICI Prudential Life Insurance to investors led by Premji Invest for Rs 1,950 crore. This deal had valued the company at Rs 32,500 crore

AirAsia gets $1 - billion offer to sell leasing company

AirAsia, the region's biggest discount carrier, received an offer valued at about $1 billion to buy its aircraft-leasing company amid a surge in the business in the continent. The shares gained to the highest level in more than a year.

The airline intends to divest the business at some point, Group Chief Executive Officer Tony Fernandes said in an interview with Bloomberg Television on Monday. The offer for Asia Aviation Capital Ltd, the leasing company that's fully owned by AirAsia, needs to be discussed further with the board, Fernandes said, declining to offer further details.

"We actually had an offer to buy it and I think this is a very powerful cash generator," Fernandes said. "At some point, we will divest in this asset. There's tremendous value and cash equation there."

As airlines serving Asia Pacific move to triple their fleet, they're finding it can be cheaper to lease jets instead of buying them from Boeing Co or Airbus Group.

The leasing business can be more lucrative than operating an airline, which has prompted conglomerates led by Hong Kong billionaires Li Ka-shing and Cheng Yu-tung to enter the industry. Fernandes's comments comes as Asia's biggest lessor is slated to start trading in Hong Kong Wednesday after a $1.1 billion initial public offering.

AirAsia shares gained as much as 4.2 per cent to the highest intraday price since March 2015 in Kuala Lumpur after Fernandes made the comments. The airline's shares have jumped about 90 per cent this year, helped by the carrier's surge in profits.

"It was interesting that we haven't even gone to the market and someone approached us on it, because obviously we have some very valuable assets in our A320s and a very strong order book," Fernandes said.

AirAsia, one of the biggest customers of Airbus's single-aisle A320 jets, started the leasing company in 2014. It made its first deal outside the group by leasing out aircraft to Pakistan International Airlines Corp, Fernandes said, adding that more airlines are seeking to rent its planes. The unit had 43 A320s in its fleet as of the end of March.

"AirAsia doesn't need to sell the leasing arm now because its balance sheet is alright and it will get cash infusion from founding shareholders," said Mohshin Aziz, an analyst at Malayan Banking in Kuala Lumpur.

"As a business you want to have as many avenues and the leasing arm opens an avenue for AirAsia should it need to raise cash."

AirAsia operated 171 A320s in its fleet at the end of March. The group's medium and long-haul budget carrier, AirAsia X, had 29 A330s. Asia Aviation Capital will only manage those group aircraft leased to affiliates outside Malaysia, including Thai AirAsia Co, PT Indonesia AirAsia and AirAsia India Pvt, according to filings in 2014.

Airlines in Asia will fly more than 16,000 planes within 20 years, almost tripling the current number, according to estimates by Boeing.

Fernandes said in 2014 that AirAsia's jet-leasing arm is a potential candidate for a stock exchange listing that could command half the then-value of its $2 billion airline operation.

Free cash-flow of about $40 million to $50 million will be generated in the spun-off unit's first few years, before expanding toward $100 million as it taps demand for planes from airlines in China and Africa, he said then.

BOC Aviation Ltd, the aircraft leasing arm of Bank of China, owned and managed 270 aircraft at the end of 2015, with narrow-body planes from Airbus and Boeing making up 79 per cent of the total, according to its website. It had 241 airplanes on order at the end of last year.

Poor demand saddles gold dealers, jewellers with high stocks

Bullion dealers and jewellers have huge unsold stocks of gold they're unable to offload.

They couldn't sell these due to the earlier strike and the high prices. And, despite now offering a discount up to $15 an ounce or Rs 330 per 10g to the landed cost.

New imports are also minimal. In April, it was 30 tonnes and so is the estimate for May. Analysts say demand has not been seen even after the jewellers' strike was withdrawn and is expected to remain dull for a few more months.

The one per cent excise duty imposed on gold jewellery in the Union Budget triggered a strike from March till mid-April. Prior to the Budget, there was widespread expectation of an import duty cut, which didn't happen. Buyers have waited for months to buy gold or jewellery at Rs 27,000 per 10 gm but prices went above Rs 30,000 and demand didn't revive even after withdrawal of the strike.

Chirag Sheth, consultant for Mumbai with Metal Focus, a precious metals research outfit, says: "Our field research suggests high stock levels by refineries, retail jewellers and manufacturers or traders. The local discount is, therefore, unlikely to improve until there is a major fall in these local inventories." After the Budget, due to duty changes, refineries had also put operations almost on a halt. In early May, the government made some changes which helped them to resume.

James Jose, secretary, Association of Gold Refineries and Mints, said: "The government relaxed modified the gold import/ excise tariffs from 9.5 to 9.35 per cent, giving us some more breathing space in bullion manufacturing vis-a-vis imported bullion at 10 per cent import duty."

Poor demand saddles gold dealers, jewellers with high stocks By a notification issued on March 21, the Uttaranchal government, where several gold refineries are situated and enjoying excise-free status, imposed an entry tax of 0.2 per cent on these, bringing down their margins. The differential between a refiner in the excise-free zone and those elsewhere has reduced from 0.75 to 0.4 per cent. Consequently, "Gold refineries have come out of their near-closure situation and resumed import of dore (unrefined gold) from mines abroad," said James.

According to Sheth, "Gold demand in India remains lacklustre and we are also entering a seasonally quiet period. Our forecast is that demand will only start to improve after the monsoon.

Religare: Business rejig to help unlock value

Management of Religare Enterprise Ltd (REL) has been very busy in the past few months. First, in March, Religare Capital Markets made some new appointments, and then, in April, REL exited from the asset management joint venture with Invesco.

Religare is now looking at simplifying its business structure. REL presently operates out of three verticals — finance (Religare Finvest), health insurance (Religare Health Insurance Company) and capital markets (Religare Securities). The three entities are subsidiaries of REL.

Promoters hold 50.93 per cent of REL's equity as on March 31, foreign portfolio investors hold 14.8 per cent stake, while non-institutional investors hold 26.07 per cent stake.

Going forward, it plans to reorganise each of these verticals as a standalone entity. As it may take 12-14 months for REL to implement this plan, the shareholding structure of the new entities is yet to be finalised. The proposed business reorganisation essentially means that revenue and profit of each vertical will be at the disposal of the same entity, compared with the current practice where everything is consolidated under REL. As a result, each business would have better potential to independently tap equity and debt funds.

For instance, Religare Finvest, which focuses on lending to small and medium enterprises, has always been the largest contributor to REL's revenues (56 per cent). However, despite posting revenues of Rs 2,528 crore in FY16 and net profit of Rs 295 crore, its operational highlights were shadowed by weaker businesses like wealth management, asset management and health insurance.

Consequently, REL ended FY16 with loss of Rs 48 crore. The retail broking business, which includes Religare Securities and Religare Commodities, posted flat revenue growth (Rs 469 crore) in FY16 and nine per cent decline in net profit (Rs 23 crore). Likewise, despite 87 per cent growth in net earned premium, the health insurance division ended FY16 with net loss of Rs 71 crore due to high operating expenses.

Religare: Business rejig to help unlock value As individual businesses are at different stages of lifecycle, the combined value of REL appears restricted. Also, the non-performing subsidiaries dilute the value of its most profitable business — Religare Finvest, thus impacting its valuations. The move would also help the three verticals streamline their focus.

Also, with companies readying up for initial public offer (IPO) of insurance business in the bourses, business reorganisation should help REL's healthcare business list as separate entity.

Interestingly, REL's decision to realign its business comes at a time when group company Fortis Healthcare has decided to de-merge its diagnostics business — SRL Diagnostics for the purpose of listing it separately on bourses. REL and Fortis Healthcare are held by the same promoters Malvinder Singh and Shivinder Singh.

While the markets don't seem to be impressed, given the marginal fall in REL's share price on Monday, the reorganisation and separate listing of REL's businesses is expected to unlock value and allow investors take exposure to individual businesses rather than a consolidated company.

Rupay credit card launch further delayed

RuPay, the domestic card payment service provider which was set to launch its credit card in June this year, has delayed the launch of its product. The earlier timeline for the launch was January, which was later pushed to June. However, now the National Payments Corporation of India (NPCI) has decided to shift the launch date even further.

"RuPay credit card was going to be launched in June 2016 but the launch has been further put off. The board approved date for the launch on August 28 but I think that will be a challenge. But, we will definitely launch the credit card in 2016," said A P Hota, managing director and chief executive officer, NPCI.

Hota explained that the delay in launch is because NPCI is now working on a higher capacity financial technology infrastructure, which is taking time. "Currently, we have a switching system from Euronet. This has a capacity of 40 million transactions a day. However, the peak volume that we have processed is 14 million. But to be on a safe side, we have started work on a 100-million transaction capacity owned by FIS," added Hota. The management believes it might take two-three years to reach the 100-million volume capacity mark.

Going ahead, within the credit card segment, NPCI will mainly be focusing on the top end segment, which is the gold or the platinum cards as they believe growth is likely to come from the higher-end variants.

RuPay is a domestic brand in the card space and is owned and developed by NPCI, and aims to compete with Visa and MasterCard that have a strong foothold in the segment. In the past year, RuPay has gained prominence as all the accounts started under the Pradhan Mantri Jan Dhan Yojana scheme have been given a RuPay card. According to the latest data, 219.3 million accounts have so far been opened and 180.1 million cards have been issued under this scheme.

PRATIKSHA CHEMICALS LIMITED

REGD. OFFICE: 3RD FLOOR, H K COMPLEX, OPP. DHARNIDHAR DERASAR, VASNA, AHMEDABAD – 380007

CIN : L24110GJ1991PLC015507 www.pratikshachemicals.in

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Extract from the Audited Financial Results for the Quarter and Period ended 31st March 2016

(Rs. In Lacs)

PARTICULARS	Quarter ended on 31.03.2016	Year to date ended on 31.03.16	Corresponding 3 Months ended on 31.03.15
Total Income from operations (net)	275.83	1,103.72	176.80
Net Profit/(Loss) from ordinary activities after tax	(6.75)	1.97	(39.10)
Net Profit /(Loss) for the period after tax (after Extraordinary items)	(6.75)	1.97	(39.10)
Equity Share Capital	557.03	557.03	557.03
Reserves (excluding Revaluation Reserve as per Balance Sheet of previous year)	(302.29)	(302.29)	(294.29)
i.Earning Per Share(before extraordinary items)(of Rs. 10/- each)(not annualised)			
(a)Basic	-	0.04	-
(b)Diluted	-	0.04	-
ii.Earning Per Share(after extraordinary items)(of Rs.10/- each)(not annualised)			
(a)Basic	-	0.04	-
(b)Diluted	-	0.04	-

Notes:

1.The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchange under Regulation 33 of SEBI (Listing and Other Disclosure Requirements) Regulation, 2015. The full Format of financial Results are available on the Stock Exchange website (www.bseindia.com) and on the Company website pratikshachemicals.in

2. The result of the Quarter and Period ended 31st March 2016 were reviewed by the Audit Committee and approved by the Board of Director at its meeting held on 30/05/2016.

BY ORDER OF THE BOARD OF DIRECTORS
FOR, PRATIKSHA CHEMICALS LIMITED
SD/-
MR. JAYESH PATEL
TECHNICAL DIRECTOR
(DIN: 00401109)

Date : 30-05-2016
Place : Ahmedabad

DYNAMIC INDUSTRIES LIMITED

CIN : L24110GJ1989PLC011989

Regd Office :Plot No. 5501/2, Phase III, Nr. Trikampura Cross Road, G.I.D.C., Vatva, Ahmedabad - 382 445

Tel : 25897221-22-23, Fax: 25834292

Email : accounts@dynaind.com Website : www.dynaind.com

Extract of Standalone and Consolidated Audited/ Unaudited Financial Results for the Quarter /Year ended on 31st March, 2016

(Rs. In Lakhs except earning per share)

PARTICULARS	Standalone			Consolidated	
	Quarter Ended 31.03.2016	Quarter Ended 31.03.2015	Year Ended 31.03.2016	Year ended 31.03.2016	Year ended 31.03.2015
Total Income from operations (net)	810.93	893.25	3645.65	3646.55	6908.70
Net Profit/(Loss) from ordinary activities after tax	4.77	(8.60)	128.23	128.20	225.02
Net Profit /(Loss) for the period after tax (after Extraordinary items)	4.77	(8.60)	128.23	128.20	225.02
Equity Share Capital (Face Value Rs.10 each)	302.85	302.85	302.85	302.85	302.85
Reserves (excluding Revaluation Reserve as per Balance Sheet of previous year)	—	—	1652.89	1652.53	1464.08
Earning Per Share(before extraordinary items)(of Rs.10 each)					
Basic	0.16	(0.28)	4.23	4.23	7.43
Diluted	0.16	(0.28)	4.23	4.23	7.43
Earning Per Share(after extraordinary items)(of Rs.10 each)					
Basic	0.16	(0.28)	4.23	4.23	7.43
Diluted	0.16	(0.28)	4.23	4.23	7.43

Notes:

1.The above is an extract of the detailed format of Quarterly/Yearly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly/Yearly Financial Results as on 31st March, 2016 are available on the Stock Exchange website(http://www.bseindia.com/corporates/ann.aspx?scrip=524818%20&dur=A) and on website of the company at (http://dynaind.com/investors_zone.html).

2.The above results were reviewed by the Audit Committee and approved by the Board at their meeting held on 30th May, 2016.

For, Dynamic Industries Ltd.
Sd/-
Deepak N. Chokshi
Managing Director
DIN : 00536345

Date : 30-05-2016
Place : Ahmedabad

MAXIMAA SYSTEMS LIMITED

CIN NO. L27100GJ1990PLC014129

Registered Office : B-1 , Yashkamal, Tithal Road, Valsad 396001,Gujarat.

Ph: +91 2632 222402/222403 Fax No : 02632 222302

Email : mkt@maximaasystems.com Website : www.maximaagroup.com

Audited Consolidated Financial Results for the Quarter and Year ended 31st March 2016

(Rs. In Lacs)

PARTICULARS	Standalone			Consolidated
	Quarter Ended 31.03.2016 Audited	Year Ended 31.03.2016 Audited	Quarter ended 31.03.2015 Audited	31.03.2016 Audited
Total Income from operations (net)	857.16	1863.39	871.74	1943.55
Net Profit/(Loss) from ordinary activities after tax	89.20	3.05	-7.07	-67.87
Net Profit /(Loss) for the period after tax (after Extraordinary items)	89.20	3.05	-7.07	-67.87
Equity Share Capital	1011.73	1011.73	1011.73	1011.73
Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year)	403.26	403.26	398.42	403.26
i.Earning Per Share(before extraordinary items)				
(a)Basic	0.18	0.01	-0.01	-0.14
(b)Diluted	0.00	0.00	0.00	0.00
ii.Earning Per Share(after extraordinary items)				
(a)Basic	0.18	0.01	-0.01	-0.14
(b)Diluted	0.00	0.00	0.00	0.00

Notes:

The above is an extract of the detailed format of Quarterly Financial Results filed with the StockExchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Company's Website (www.maximaagroup.com) or that of BSE Limited (www.bseindia.com).

For, Maximaa Systems Limited

Sd /-
Managing Director

Date : 30-05-2016
Place : Mumbai

L&T Infotech recalls 1,500 job offers

India's sixth largest software exporter L&T Infotech, a subsidiary of engineering giant Larsen & Toubro, has withdrawn offer letters to around 1,500 students in south India. These students, mostly from the 2015 batches of various Tamil Nadu colleges, had been hired through campus placements and subsequent tests. Some of these students have now started a fast near Chennai's Infotech City from Monday.

The withdrawal of offer letters is an indication that the company might have overestimated its future business after giving offer letters. The company, though, cited the 'poor performance' of the students in a second online test conducted in March this year for withdrawing the offer letters.

According to K Seetharaman, secretary of Knowledge Professional Forum, L&T Infotech had, in 2014, decided to hire 5,000 people from 20-25 colleges across India.

An email sent to L&T did not elicit any response. But an insider said the company had given only the 'letter of intent' to hire and not appointment letters.

Of these, 500-600 were hired from Tamil Nadu to join from FY15 onwards.

For 18 months, the students were 'benched' by the company. After several rounds of talks, the company held another online test in March this year. "Almost 90 per cent of the 1,500 people who appeared for the test were not qualified and it clearly shows that the intention was not to hire them," he said. This is the first time that an Indian information technology (IT) services company has asked recruits to appear for another round of test after campus selection. Under placement rules, a student cannot approach a rival company after accepting an offer letter at a campus recruitment. This clause blocked many candidates from approaching other companies.

The Forum was launched in 2000 to work on issues related to IT/IT-enabled services employees and their rights. The Forum demanded that these 1,500 students be hired by the company immediately and compensation be given for the past 18 months as they have been waiting without salary for a long time. They also demanded that campus recruitment be monitored by government agencies or institutes such as Anna University and there should be working councils in all infotech firms.

L&T Infotech recalls 1,500 job offers A placement officer from one of the colleges, where L&T Infotech recruited candidates, said the company wrongly assessed the manpower recruitment and recruited heavily. Later, to cover its mistake, they conducted another test and disqualified many people. "We made a couple of representations but they did not reply and nobody in the company wants to take ownership. Legally, they may be on the right wicket, but morally they aren't," said an Anna University official, who did not wish to be named. L&T's Infotech had 19,479 employees as of March 2015, up from 17,627 in March 2014, according to its draft prospectus filed with the regulators. The company hires far lower annually than its peers.

The withdrawal of letters comes in the backdrop of an unprecedented move by Flipkart. The online retailer informed 10 IIM-Ahmedabad students that their joining dates had been deferred to December.

NTPC profits continue to slide, income dips by 5%

State-owned NTPC registered an annual profit of Rs 10,243 crore during 2015-16, showing a mild decline from the previous year's figure of Rs 10,291 crore.

The company, a leading power producer, has been posting decline in profit for the past three years now.

The audited total income for FY16 stood at Rs 71,696 crore, 4.8 per cent lower than that of FY15.

During FY16, NTPC recorded the highest ever generation of 242 billion units against 241 billion units in FY15. Company executives, however, said NTPC could not generate 20 per cent of its total generation capacity owing to lack of demand.

NTPC witnessed a decline in its plant load factor (PLF) or the utilisation ratio of power generation unit at 78.6 per cent in FY16, which is lower than its PLF of 80.2 a year ago.

According to company officials, the miscellaneous costs for NTPC have gone up. These include expenditure on corporate social responsibility, which doubled in a year to Rs 500 crore in 2015-16.

The new emission norms stipulated by the government for thermal power plants to meet climate change targets are also likely to hit the capital expenditure of NTPC.

According to senior officials, the cost of power production would increase by Rs 50 lakh per Mw. The current cost of power production is Rs 5 crore per MW – an average increase of 10 per cent.

With the improvement in coal supply and availability, NTPC's average energy cost came down by 13 per cent in the last quarter.

"This benefit was passed on to the consumer. We continue to recover the fixed cost from our procurers, variable cost, which is a function of the demand, continues to face hiccups," said a senior director requesting anonymity.

NTPC profits continue to slide, income dips by 5% For the quarter ending March 2016, NTPC's profit registered a 13 per cent growth over the year-ago period to Rs 2,716 crore.

The unaudited total income during the same period was Rs 18,561 crore, declining by 7.7 per cent from the fourth quarter of FY15

Subros fire puts brakes on Maruti's production

The country's largest car maker, Maruti Suzuki, suspended production at both its plants on Monday afternoon as the supply of air-conditioning systems from Subros' Manesar unit halted.

A fire on Sunday damaged the Subros plant and resumption of operations may take a few months.

Maruti is looking at other ways to source air-conditioning units. The production loss will affect Maruti's sales in May.

"Subros and Maruti Suzuki are assessing the extent of damage to essential equipment. We are also examining options of supply of components from other facilities. Production will resume as soon as components become available," Maruti said in a statement.

Subros, which has about 40 per cent market share in the vehicle air-conditioning business, also has plants in Noida, Chennai, Pune and Sanand. Maruti sources some air-conditioning systems from Sanden Vikas and Denso.

Subros sells approximately 1 million AC systems to car makers in a year with Maruti being its biggest client. Other clients include Mahindra & Mahindra, Tata Motors and Nissan-Renault. Supply to buyers other than Maruti is mostly from Subros' other plants.

Maruti produces almost 5,000 vehicles a day between its two plants- Gurgaon and Manesar- in Haryana. At the BSE, Maruti's stock ended the day at Rs 4,073.15, down 1.65 per cent from the previous trading day. The BSE Sensex ended in the green with addition of 72 points. In February, Maruti had lost two days of production or about 10,000 units, due to the component supply disruption created by the Jat agitation in various parts of Haryana. The company was forced to shut operations at both its plants - Gurgaon and Manesar - in Haryana.

The stock price of Subros, which supplies air conditioning system to Maruti ended Monday's trading with a 3.87 per cent decline at the BSE. Subros sells approximately one million AC systems to car makers in a year with Maruti being its biggest buyer. Other clients include M&M, Tata Motors, Nissan-Renault. Suppy to buyers other than Maruti is mostly met from other plants.

Subros said in a statement to BSE on Monday that there was no causality or major injury due to the fire. "The fire was controlled, however it has severely impacted the building, stocks and plant and machinery. The Company has initiated steps towards re-functioning of the Manesar plant at the earliest and steps are being taken to service the customer requirement from our other plants at Noida, Pune and Chennai," it said.

Snapdeal opens data sciences centre in California

Online marketplace Snapdeal today said it has established a data sciences centre in San Carlos, California, to get top global talent and build high-value solutions.

The centre will focus on big-data and advanced analytics to add clarity to Snapdeal's consumer-centric initiatives, help shape business strategy and optimise the operational efficiencies using data.

"We have set up a data science engine in California, which is home to domain talent, to further augment our efforts in creating a superior customer experience and strengthen our supply chain. Snapdeal is extensively working on data mining through an existing analytics team," Rohit Bansal, co-founder, Snapdeal said.

The centre houses experienced data scientists from leading global brands like Groupon, Google, Yahoo and Amazon and is headed by Nitin Sharma, senior vice-president, Data Sciences, the company said in a statement.

"The richer understanding of the customers by capturing and integrating the information on their buying behaviour will drive habit commerce and be in sync with our vision of 20 million daily transacting users by the year 2020," Bansal added.

Plastic bottles contaminate medicines, says panel

Plastic or PET (polyethylene terephthalate) bottles contaminated the medicines stored in these, concluded laboratory tests ordered by the health ministry and endorsed by the country's top statutory authority on standards for medicines, the Drugs Technical Advisory Board (DTAB). Based on the result of the lab tests, the board has recommended banning the bottling of medicines in plastics and PET meant for vulnerable groups, such as children and pregnant women.

These recommendations, made in May 2016, by the statutory panel of experts, stand in complete contrast to what the health ministry told the National Green Tribunal (NGT) in March, discrediting the results of the lab tests as inadequate, based on another report from a committee it formed specifically on the issue, chaired by an ex-secretary M K Bhan.

The study, undertaken on the instructions of the health ministry, was conducted by the government's All India Institute of Hygiene and Public Health (AIIH&PH). It found that four heavy metals - lead, antimony, Di-(2-ethylhexyl)phthalate (known as DEHP) and chromium - had leached into the five liquid medicine formulations that were tested. The leaching occurred even at ambient room temperatures. "To consider a level as safe level amounts to playing with fire," the institute said.

In the five brands it tested, the research institute found that the leaching of antimony, Di-(2-ethylhexyl)phthalate (known as DEHP) and chromium increased with a rise in room temperature. The leaching of lead increased in just three brands as the room temperature rose. On lead, the World Health Organisation (WHO) had concluded that there was no known level of safe exposure.

The lab tests were also carried out on juices, beverages, alcohol and oil packaged in plastic and PET bottles. But the results of these products are not known.

Reacting to the preliminary report of the institute in August 2015, the health ministry had formed a temporary high level committee under a former secretary, M K Bhan. The committee had found faults with the institute's lab results.

Subsequently, in an ongoing case before the NGT, the health ministry in March tabled only the Bhan committee report, which dissed the government's internal lab tests report as inadequate. The results of the lab tests were not disclosed before the tribunal.

The committee said there was no clear proof of PET bottles contaminating medicines inside them. It also recommended that PET and plastic packaging continue and standards be set for it. It admitted that there were no standards in India for safe plastic packaging, unlike in countries such as the US.

But in May 2016, government's statutory DTAB experts met, as they do periodically. They endorsed the lab test results of the AIIH&PH. The DTAB recommended to the health ministry to prohibit the use of plastic-bottle packaging for any liquid oral formulations having "pediatric use, geriatric use, use by pregnant women and use by any women of the reproductive age group".

These recommendations were reviewed as were the Bhan committee report and the institute's lab results.

The government research institute's special group set up on this issue itself had recommended that at least 20 per cent of any pharmaceutical liquid or semi-liquid oral product should be packaged only in glass bottles. It also said packaging companies should deploy five per cent of profits in discovering better alternatives.

In its final report, the institute also rebutted Bhan committee's critique. The rebuttle was accepted by government's DTAB.

The debate within government on this issues date back to 2013 when DTAB first recommended that PET and plastic packaging should not be permitted for pharmaceutical products catering to children and other vulnerable groups.

Mahindra profit up 6%, misses Street estimates

Utility vehicle and tractor manufacturer Mahindra & Mahindra recorded a net profit growth of six per cent during the March quarter but fell short of street estimates.

The Mumbai-based company posted a standalone net profit of Rs 583 crore for the quarter, up from Rs 550 crore in the same time a year ago. A Bloomberg poll of analysts had forecast net profit of Rs 681 crore for the reporting quarter.

M&M's standalone net sales grew 15 per cent during the quarter to Rs 10,666 crore from 9,288 crore in the same quarter of 2014-15.

The company's excise break for the Pantnagar plant expired leading to a decline in margins during the quarter, executives said. However, there was a pick-up in sales during the reporting period.

Utility vehicle sales volume grew 21 per cent to 69,082 even as tractor sales grew nearly 19 per cent to 41,129. In both segments the company commanded a market share of 41 per cent during the quarter.

After five consecutive quarters of declines, the tractor industry grew 7.9 per cent in the fourth quarter of 2015-16. This was due to a marginally higher rabi grain production and low industry base.

The forecast for growth in tractor sales for the industry is 10 per cent. The company's board recommended a dividend of Rs 12 per share of Rs 5 face value, which would absorb a sum of Rs 842 crore, M&M said.

Standalone net profit for the year ended March 31, dipped 4.6 per cent to Rs 3,167 crore from Rs 3,321 crore in 2014-15. Net sales for the year were Rs 40,396 crore, up 6.61 per cent from Rs 37,891 crore in 2014-15.

Last year, the company launched nine vehicles, including the TUV300 and KUV100, which pushed up growth.

M&M will not be able to match that rate this year. "This year we will not be making any new platform launch," said Pawan Goenka, executive director.

Coal India hopes to win orders from Bangladesh

As the domestic demand for coal has started dwindling with surplus stock at power plants, Coal India has started exploring export opportunities, hoping to enter Bangladesh with the upcoming Maitree super-critical thermal project there. A team recently visited Bangladesh and is likely to table its report soon.

State-owned power generator

NTPC is developing a 1,320-Mw thermal power project in Khulna, Bangladesh, in partnership with Bangladesh Power Development Board (BPDB). A company, Bangladesh India Friendship Power Company, with a 50:50 ownership ratio has already been floated in this endeavour.

"Previously, Bangladesh had asked us to rationalise the prices of higher grades coal at par with international prices which could open up this corridor for us… It is one country we cannot ignore," a senior Coal India official said. Recently, Coal India increased prices by 6.29 per cent, hoping to generate extra annual revenue of Rs 3,234 crore. "This price revision will also be applicable for exports," the official added.

NTPC, together with BPDB, will select the lowest bidder. This puts Coal India in direct competition with Chinese and Indonesian coal suppliers. "Signing of Financial Services Authority will depend on the price quoted by lowest bidder and as such there will not be any preference for any particular company or country," an NTPC official said. A 1,320-Mw plant would require six million tonnes of coal every year, with a buffer stock of three weeks.Although Coal India is confident that the proximity with Bangladesh and the development of inland waterways will make its coal cheaper than the Indonesian variant, experts said its feasibility also depends on the grade of coal opted by the plant and the price volatility in the international market

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