

IN BRIEF

**IL&FS arm defaults on ₹20.91 cr. NCD payments**

NEW DELHI
IL&FS Transportation Networks, a group company of the troubled IL&FS Group, has defaulted on payment of ₹20.91 crore due on principal and interest of non-convertible debentures (NCDs) because of insufficient funds. The principal amount and interest due and payable on March 18, 2019... was not paid to the debenture holders due to insufficient funds, the company said in a filing to stock exchanges. PTI

Rane (Madras) to invest \$20 million in U.S. arm

CHENNAI
The board of auto component manufacturer Rane (Madras) Ltd., has approved investments of up to \$20 million in its step-down subsidiary Rane Precision Die Casting Inc., USA (RPDC) over the next five years. The investment will be made through Rane (Madras) International Holdings B V, The Netherlands, a wholly owned subsidiary of Rane Madras, said the company.

Intain Fintech to launch blockchain product

CHENNAI
Intain Fintech, an AI and block chain-based software products firm, will be launching eMulya, an intelligent block chain that facilitates efficient, secure and trustworthy asset securitisation transactions for NBFCs in India by end-2019. "We tested out this platform successfully for a portfolio of two-wheeler loans in India before formally launching it in the U.S.," said Siddhartha S., CEO, Intain.

'Solar heater parts taxed at 18%'

Industry cries foul as full solar water heaters can be imported at 5% duty

TCA SHARAD RAGHAVAN
NEW DELHI

Despite the government and the GST Council repeatedly clarifying that all solar power-based devices should be taxed at 5%, players in the solar water heater space say that their components are still being taxed at the higher 18%, which is leading to higher input costs.

The GST Council had, in 2017, reduced the rate on inputs for solar components to 5% from the previous 18%, adding that "all solar equipment and its parts would attract 5% GST".

The Solar Thermal Federation of India, however, has alleged that some Customs officials in Chennai and Bengaluru are denying the 5% rate for solar evacuated tubes, which are exclusively



Officials classify the tubes used in solar water heaters as glass products and tax them at 18%, STFI alleged. ■ S. R. RAGHUNATHAN

used in solar water heaters, on the basis that the tubes do not generate electricity themselves. The officials have instead classified the tubes as glass products and taxed them at 18%.

"What is happening is that inputs for solar water heaters are being taxed at 18%, but the solar water heater itself has to be sold at 5%," a spokesperson for the STFI told *The Hindu*. "This is un-

necessarily adding to our costs."

The spokesperson said that STFI and other industry bodies had approached the GST officials to rectify this situation.

"Their response has been positive and they have agreed that our case has merit," the spokesperson added. "They said they will take this up during the next GST Council meeting, when it happens."

The officials also agreed that such a scenario was, in fact, harming the 'Make in India' programme since full solar water heater systems imported into the country were taxed at 5%, while those manufactured in India had to pay 18% on inputs, thus discouraging domestic manufacturing.

Banks should not be running Jet Airways, says AIBEA

'Why should public money be used to save an ailing airline?'

SPECIAL CORRESPONDENT
CHENNAI

All India Bank Employees Association (AIBEA) has opposed any move by the banking sector to bail out the ailing Jet Airways stating that banks should do banking business, not run airlines.

"When Jet Airways was making profits, the profits went to the pocket of the owners. When it is in loss, why should public and banks' money be spent to save them," asked C.H. Venkatachalam, general secretary, AIBEA.

"It is the business of the company and its management to run an airline and not that of the bank. Banks should do banking business,



not run airlines," he said.

Answering a query on the debt-ridden carrier, SBI Chairman Rajnish Kumar had reportedly said "it is in everybody's interest that Jet Airlines continues to fly... Our aim is that the corporate debtor (Jet Airways) should not be harmed.

"Whatever loan they (Jet

Airways) had taken from the banks should be repaid. It should not be dumped on the shoulders of the banks," Mr. Venkatachalam noted.

"Even Etihad Airlines wants its shares to be purchased by our banks. We totally disagree with such proposals and attempts of banks to purchase the shares of this ailing airline with a view to saving the company at the cost of public money," he said.

He also said that private airlines were allowed only on the premise that they would be much more efficient than public sector airlines. "This virtually weakened State-owned Air India," he said.

Daiki to set up unit in A.P.

Aluminium producer to invest ₹250 cr.

SPECIAL CORRESPONDENT
CHENNAI

Japan-based Daiki Aluminium Industry Co. Ltd., through its Indian subsidiary, will be setting up an aluminium alloy plant at Sri City in Andhra Pradesh.

Daiki Aluminium Industry India Pvt. Ltd. would make an initial investment of ₹250 crore.

To be built on a 20-acre plot in the domestic tariff zone, the plant is expected to go on stream by February 2020.

The plant will produce aluminium alloy ingots. It will have an annual capacity of 84,000 tonnes. The products will be exported to automobile companies in ASEAN and Japan.

The plant is expected to generate direct employ-

ment for about 600 people with 80% of them being women, said a company release.

Daiki plans to capture the demand requirements of aluminium alloy in the country and expand the market in stages.

"As aluminium recycling is gaining importance as an economically valuable secondary raw material, we are delighted to have Daiki in Sri City, as it will effectively meet the increasing demand for secondary aluminium, and thereby help in saving mineral resources in the country," said Ravindra Sannareddy, founder-managing director, Sri City.

"We are sure their entry will enhance the symbiotic ecosystem in Sri City," he added.

Tourists eye easy visa regime spots for weekend holidays

There is 57% rise in booking enquiries over last year as many plan short trips in weekend: Yatra.com

YUTHIKA BHARGAVA
NEW DELHI

With Holi being the first 'smart weekend holiday' of the year, travel agencies have seen an increase of up to 50% in travel enquiries this year with travellers eyeing not only domestic destinations such as Mathura and Vrindavan, but also pocket-friendly and easy-visa regime international destinations such as Thailand, Dubai and Bhutan.

"Festival tourism is the new trend, with India's new age travellers rediscovering their roots and joining in the celebrations of festivals like Holi in India's Vrindavan, Mathura-Dwarka; also Mardi Grass, Songkran, and several others in international locations," Rajeev Kale, president and country head, Leisure Travel, MICE, Thomas

Cook (India).

Mr. Kale added that extending the weekend by taking a day off from work was giving rise to an interesting concept of 'smart weekend holidays', providing a distinctive boost to travel demand.

The travel agency said this festival tourism had been a "boon" for the company with its domestic travel business seeing an increase of 12% in demand.

It added that Indians were showing significant interest in the celebrations at Vrindavan's famous Banke-Bihari temple and Gulal Kund's reenactment of Holi by local Krishna-leela drama troupes. Yatra.com said it had witnessed a 57% increase in booking enquires compared to last year as



Sharat Dhall

more and more people planned short trips during the long weekend of Holi.

'Festival grandeur'

"The festival's grandeur and enthusiasm is different across cities, and apart from queries about travel to cities such as Vrindavan, Rishikesh and Mathura, we have also

received enquiries for off-beat locations such as Manipur, Karnataka, Shantiniketan, Anandpur Sahib where they will witness a mixture of different cultures and traditions," Sharat Dhall, COO (B2C), Yatra.com, said.

Pocket-friendly

Mr. Dhall added that some travellers were also looking at international destinations such as Bhutan, Thailand, Sri Lanka and Nepal, which are pocket-friendly.

Thomas Cook pointed out that this Holi weekend, work-weary millennials were taking a Friday off to create an extended weekend from Thursday to Sunday, adding that short-haul, no-visa or easy visa regime destinations were in high demand, with an increase of over 25% to

destinations such as Dubai-Abu Dhabi, Singapore, Bali, Thailand, Sri Lanka.

Likewise, Manmeet Ahluwalia, marketing head at Expedia in India, said they had observed change in outlook towards celebrating festivals in India. "While the trend of travelling during festive break has been popular, we have also seen people embracing cross-culture festivals in order to travel and explore destinations with their loved ones. People are increasingly choosing to celebrate Holi outside their city either in resorts with a close group of family and friends or taking in the experiences of the most famous Holi celebrations across the States of Rajasthan -Jaipur, Pushkar and Uttar Pradesh-Mathura, Vrindavan and Varanasi."