

**MARKET WATCH**

	27-06-2019	% CHANGE
Sensex	39,586	-0.01
US Dollar	69.07	0.11
Gold	34,350	0.52
Brent oil	66.36	-0.01

**NIFTY 50**

	PRICE	CHANGE
Adani Ports	406.50	-8.45
Asian Paints	1361.40	1.45
Axis Bank	800.45	11.85
Bajaj Auto	2865.85	-2.85
Bajaj Finserv	8443.90	33.40
Bajaj Finance	3642.20	14.25
Bharti Airtel	348.65	3.10
BPCIL	392.20	0.80
Britannia Ind	2725.90	-7.00
Cipla	551.95	-4.60
Coal India	259.40	-0.90
Dr Reddys Lab	2565.60	-13.35
Eicher Motors	19479.30	327.45
GAIL (India)	306.65	-2.60
Grasim Ind	921.80	2.65
HCL Tech	1062.75	-16.00
HDFC	2195.45	27.35
HDFC Bank	2462.30	-5.60
Hero MotoCorp	2598.40	24.80
Hindalco	206.10	-2.25
Hind Unilever	1774.40	13.40
Infosys	627.45	15.20
ICICI Bank	440.95	-2.30
IndusInd Bank	1450.20	15.40
Bharti Infratel	274.80	3.60
Infosys	730.55	-8.65
Indian Oil Corp	156.60	1.65
ITC	273.50	-3.90
JSW Steel	277.35	0.20
Kotak Bank	1481.60	-9.00
L&T	1550.90	-0.30
M&M	657.90	14.40
Maruti Suzuki	6486.70	6.40
NTPC	140.15	0.10
ONGC	170.60	3.05
PowerGrid Corp	207.70	-1.95
Reliance Ind	1274.15	-20.00
State Bank	362.15	4.00
Sun Pharma	402.80	3.35
Tata Motors	165.85	4.75
Tata Steel	510.70	0.10
TCS	2252.55	-1.65
Tech Mahindra	701.95	-16.15
Titan	1329.20	20.15
UltraTech Cement	4599.15	1.75
UPL	943.50	-14.95
Vedanta	176.85	-1.00
Wipro	282.10	-4.05
YES Bank	112.40	-0.65
Zee Entertainment	343.50	0.60

**EXCHANGE RATES**

Indicative direct rates in rupees a unit except yen at 4 p.m. on June 27

CURRENCY	TT BUY	TT SELL
US Dollar	68.86	69.18
Euro	78.25	78.61
British Pound	87.51	87.92
Japanese Yen (100)	63.83	64.13
Chinese Yuan	10.01	10.06
Swiss Franc	70.40	70.73
Singapore Dollar	50.85	51.09
Canadian Dollar	52.44	52.68
Malaysian Ringgit	16.60	16.70

Source: Indian Bank

**BULLION RATES CHENNAI**

June 27 rates in rupees with previous rates in parentheses

Retail Silver (1g)	40.6	(40.8)
22 ct gold (1 g)	3239	(3247)

## Home, IT Ministries discuss data protection bill

YUTHIKA BHARGAVA  
NEW DELHI

To expedite work on the draft Data Protection Bill, the IT Ministry is currently undertaking inter-ministerial consultations to allay any concerns over the proposed Bill.

Last week, the Home Ministry had called a meeting with IT Ministry officials, along with other stakeholders, to put forth concerns over the impact of the draft bill on law enforcement agencies while maintaining privacy of the citizens' data, a senior government official told *The Hindu*.

Union Home Minister Amit Shah and IT Minister Ravi Shankar Prasad attended the meeting. "They had some concerns over how the proposed Bill would impact the working of the departments under the ministry, and how would that be balanced with privacy of citizens' data," a source said.

## In talks to develop land: Godrejs

Godrej & Boyce, other firms own 3,500 acres in Mumbai

SPECIAL CORRESPONDENT  
MUMBAI

The Godrej family, which owns large tracts of land in Mumbai through holding company Godrej & Boyce Manufacturing Co. Ltd. and other group companies, has admitted that it was in a discussion on how much industrial land could be converted into real estate and developed by group company, Godrej Properties Ltd.

They said they had sought external help to finalise a long-term strategy for the group. "We have been working on a long-term strategy for the group for several years. As part of this exercise, we have sought advice from external partners to help us think through options," Adi Godrej, chairman, Godrej Group and Jamshyd Godrej, chairman, Godrej & Boyce, said in a statement.

# SEBI tightens norms for MF investments

Regulator does not recognise funds' standstill agreements with company promoters

SPECIAL CORRESPONDENT  
MUMBAI

In a reaction to a series of credit-related events that put investor money at risk, markets regulator Securities and Exchange Board of India (SEBI) on Thursday tightened norms on investments by mutual funds (MFs).

Vowing to take action against MFs getting into standstill agreements with the promoters of companies, SEBI Chairman, Ajay Tyagi said, "We don't recognise any such standstill agreements. MFs are not banks and there is nothing called 'standstill'. They (MFs) are investing rather than lending and some of these restrictions have been put to bring in more discipline."

Last month, the markets watchdog had questioned the legality of an agreement between some fund houses and the Essel Group, giving the business house time till September to repay its dues.

Early this year, the Anil Ambani-led Reliance Group



Investor friendly: SEBI's move comes as a reaction to a series of credit-related events that put investor money at risk. •PTI

had reached an understanding with more than 90% of its lenders to avoid sale of any stock pledged by the promoters until September 30.

This was despite the collateral cover shrinking and margins contracting following an unprecedented fall in share prices of the group firms.

SEBI is also looking into the recent stake sale by Emami promoters in the company to raise ₹1,600 crore from

a group of investors, including SBI Mutual Fund.

Announcing a slew of reforms after its board meeting on Thursday, Mr. Tyagi said that there was a need to improve enforcement on all fronts.

SEBI's board had decided on key reforms over liquid funds, credit rating firms, promoters' pledge of shares, and royalty payments.

SEBI said MFs will now be mandated to invest in only

listed non-convertible debentures. All fresh investments by MFs in commercial papers (CPs) and equities will also be allowed only in listed securities and liquid mutual fund schemes will have to hold at least 20% in liquid assets.

### Protecting investors

Amit Singh, CEO, Investica, an online platform for investing in mutual funds said, "Today's SEBI meeting has created a tighter framework for debt mutual funds which will ensure that investors are not exposed to undue risk. By making it mandatory to invest in listed NCDs and CPs, SEBI has taken a step towards ensuring the liquidity of the instruments.

Valuation of securities in debt funds will now be on mark-to-market value and hence, there will uniformity across the industry with fair valuation of each debt security."

"The cap on sectoral limit of 25% shall be reduced to

20%. The additional exposure of 15% to HFCS shall be restructured to 10% to HFCS and 5% in securitised debt," said SEBI in a statement.

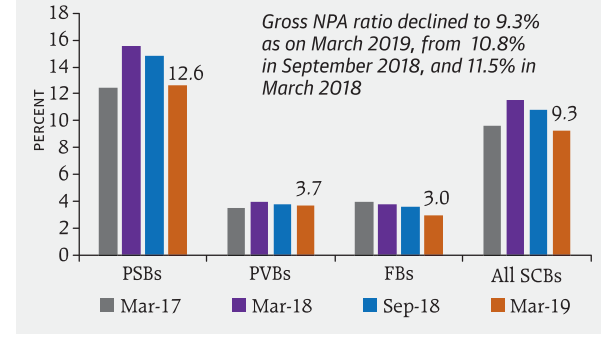
In a further tightening, promoters, promoter groups and persons acting in concert (PACs) will need to disclose the reason for creating an encumbrance as soon as 20% of their share capital is leveraged.

SEBI also approved the framework for issuance of differential voting rights (DVRs) and introduction of superior voting rights for tech companies, which will be effective from July 01, 2019.

Welcoming SEBI's move to allow DVRs for Indian tech companies, Bhavish Aggarwal, founder, Ola, in a tweet said, "I'm certain this will encourage Indian companies to list within the country, backed by our own people. Made in India businesses and entrepreneurs can control their destiny and build for the world!"

### A dip in time

The fall in number of banks having over 20% gross NPAs in March implies a broader improvement in asset quality, says RBI



## NPAs down, credit growth picking up: RBI

Capital infusion helps improve CAR

SPECIAL CORRESPONDENT  
MUMBAI

Gross non-performing assets in the banking system have declined for the second consecutive half year, while credit growth is picking up, the Reserve Bank of India (RBI) said in the half yearly Financial Stability report.

"With the bulk of the legacy non-performing assets (NPAs) already recognised in the banking books, the NPA cycle seems to have turned around," the report said. Gross NPA ratio declined to 9.3% as on March 2019, from 10.8% in September 2018 and 11.5% in March 2018.

Further decline Gross NPAs could further decline to 9% by March 2020, the macro stress tests indicated.

Following capital infusion by the government in public sector banks, the overall capital adequacy ratio of commercial banks improved from 13.7% in September 2018 to 14.3% in March 2019, with state-run banks' CAR improving from 11.3% to 12.2% during the period. However, there was a marginal decline in the CAR of private sector banks.

In his foreword, RBI Governor Shaktikanta Das said state-run lenders showed a noticeable improvement with recapitalisation, with both provision coverage as well as capital adequacy improving, though a significant rise in provisioning had impacted the bottomline. Highlighting the need for

governance reforms, Mr. Das said that the proof of the pudding lay in the public sector banks' ability to attract private capital through market discipline, rather than being overly dependent on the government for capital.

With the number of banks having more than 20% gross NPAs coming down in March 2019, RBI said this implied a broader improvement in asset quality. Credit growth of public sector banks were at 9.6% while private lenders continue to robust growth of 21%. Overall credit growth marginally improved to 13.2% in March 2019 from 13.1% in September 2018.

"Credit growth of scheduled commercial banks (SCBs) picked up, with public sector banks (PSBs) registering near double-digit growth," RBI said.

The picture is not so rosy on the macroeconomic front, as private consumption turned weak and a widening current account deficit had exerted pressure on the fiscal front. "This has implications for the government's market borrowing programme and market interest rates," RBI said, observing that reviving private investment demand remained a key challenge going forward. Mr. Das said a dip in consumption and private investment exerted pressure on the fiscal situation, but with current inflation outlook remaining moderate, growth could help alleviate fiscal constraints to some extent.

## NBFC crisis separated the good from the bad, says RBI

'Firms with strong fundamentals managed their liquidity'

SPECIAL CORRESPONDENT  
MUMBAI

The on-going crisis in the non-banking financial companies (NBFC) sector has brought it under greater market discipline, even as the better performing companies continued to raise funds, while those with an asset liability mismatch and asset quality concerns faced higher borrowing costs, the Reserve Bank of India said in its half-yearly Financial Stability Report.

NBFCs are facing a crisis of confidence post the IL&FS debt default in September last year, with a sharp increase in their borrowing costs.

As on March 31, there were 9,659 NBFCs registered with the RBI, of which 88 can accept public deposits. "Despite the dip in confi-



dence, better-performing NBFCs with strong fundamentals were able to manage their liquidity even though their funding costs moved with market sentiments and risk perceptions," the report said.

While bank borrowings, debentures and commercial papers are the major sources of funding for the NBFCs, borrowings from banks have shown an increasing trend as their (banks) share in total

borrowings has increased from 23.6% in March 2018 to 29.2% in March 2019 and NBFCs' dependence on debentures declined.

"This indicates that banks are compensating for the reduced market access for NBFCs in the wake of stress in the sector," the RBI said. Commercial paper issuance by NBFCs sharply declined post the IL&FS default.

Gross non-performing assets (NPA) of the NBFC sector as a percentage of total advances increased from 5.8% in 2017-18 to 6.6% in 2018-19, though the net NPA ratio declined marginally.

Their capital adequacy ratio (CAR) also moderated to 19.3% as on March 2019 as compared to 22.8% a year ago. The stress test revealed that their CAR may decline further.

## Cut logistics cost to 9% of GDP, Goyal tells States

'Ministries of railways, transport, shipping and aviation must work in tandem to reach goal'

SPECIAL CORRESPONDENT  
NEW DELHI

Commerce and Railways Minister Piyush Goyal on Thursday asked the various transport Ministries to find ways to reduce logistics costs in the country to 9% of GDP by 2022 from the current 14%.

Mr. Goyal held the meeting with officials from the Ministries of Railways, Road Transport and Highways, Shipping, and Civil Aviation to review the draft National Logistics Policy and the proposed implementation plan of the Policy.

"Piyush Goyal directed that all four Ministries must work in coordination with each other so that the 14% logistics cost of India's GDP may be brought down to 9%," the Ministry of Com-



On the move: The meeting mulled the inclusion of a central scheme for a cold chain across India, in the draft logistics policy. •V. SUDERSHAN

merce said in a release following the meeting.

One key aspect discussed in the meeting was the need to reduce the time taken for the trans-

port of farm produce such as foodgrains, fruits and vegetables from the farm to the market, according to an official in the Ministry of Commerce, who also at-

tended the meeting. "There was also some talk about including a central scheme for a cold chain across the country to be included in the draft logistics policy," the official told *The Hindu*.

### Reducing loss of produce

"The focus of the Minister in this regard was to reduce the loss of agricultural produce of the farmers."

"Commerce and Industry Minister also directed that whenever any new road, railway, airport and shipping port project is being considered, the Logistics Department must be a part of the consultation process so that holistic planning will be possible, freight movement will be rationalised and passenger experience will improve," the release added.

**Meaningful storytelling**

'Mind your Marketing' is a brand initiative by The Hindu BusinessLine to profile marketing professionals from across India.

"Customer experience" - how do you perceive it?

I think customer experience is often not given the kind of attention that it needs to get. Customer experience is the ultimate moment of truth in the engagement between the brand and its audiences.

Whether it is in the physical or digital retail platforms, customer experience is everything that a brand needs to get right, mapping the entire customer journey from the pre-purchase period to purchase and finally the post-purchase period. Brands that differentiate and deliver superior customer experiences will be the ones that will eventually thrive in the long run. So for me, it is a no-brainer. I think an experience that delights customers while helping them make their choices is the one that needs to be consistently and diligently driven.

**Karan Kumar**  
Chief Brand and Marketing Officer  
FabIndia

The video series of Mind your Marketing begins with Karan, scan the QR Code to watch what he has to say.

**GOVERNMENT OF ODISHA**  
**DEPARTMENT OF WATER RESOURCES**  
Office of the Superintending Engineer, Drainage Circle, Balasore.

**101-A: "e" PROCUREMENT NOTICE NO. SEDCLBS-01/2019-20**

1. Name of Work	IMPROVEMENT TO U/S NEMBU NALLAH SYSTEM INCLUDING STRUCTURES IN REMUNA BLOCK OF BALASORE DISTRICT (UNDER DIP)
2. Bid Identification Number	SEDCLBS / DOBLS - 01/2019-20
3. Value of Work	Rs.1,64,49,205/- (excluding G.S.T.)
4. Period of Completion	11 (Eleven) Calendar months
5. Date & Time of availability of Bid document in the Portal	From Dt.01.07.2019 at 10.00 hours to Dt.15.07.2019 at 17.00 hours
6. Date of Opening of technical bid	Dt. 16.07.2019 at 11.30 Hrs in the O/O The S.E.D.C. Balasore
7. Date of Opening of Financial bid	Dt. 23.07.2019 at 11.30 Hrs in the O/O The S.E.D.C. Balasore
8. Date of lottery (if required)	Dt. 30.07.2019 at 11.30 Hrs in the O/O The S.E.D.C., Balasore
9. Procurement Officer/Name & address of the officer inviting Bids	Superintending Engineer, Drainage Circle, Balasore.

Further details can be seen from the Govt. Web site [www.tendersorissa.gov.in](http://www.tendersorissa.gov.in)

32190/11/0001/1920 Sd/- Superintending Engineer, Drainage Circle, Balasore.

**OFFICE OF THE SUPERINTENDING ENGINEER**  
**RURAL WORKS CIRCLE, BERHAMPUR**  
(At: Ambapua, Po-Engineering School Near Income Tax Office, Berhampur-760011)  
E-Mail: - [serwbpr2004@yahoo.com](mailto:serwbpr2004@yahoo.com); Tel/FAX: - 0680-2404287

**131-Q: NOTICE**  
**FOR PRADHAN MANTRI GRAM SADAK YOJANA (PMGSY)**  
**NATIONAL COMPETITIVE BIDDING THROUGH "e"- Procurement**

**Bid Identification No. Online Tender/08-2019-20/PMGSY/BPR**

The Superintending Engineer, Rural Works Circle, Berhampur on behalf of Odisha State Rural Road Agency invites the percentage rate bids (EXCLUSIVE OF GST) in electronic tendering system for construction of Roads Works under Pradhan Mantri Gram Sadak Yojana in the districts of Ganjam & Kandhamal for 08 (Eight) number of packages with estimated cost totalling to Rs.11.92 Cr (Approximate) including their maintenance for five years from the eligible contractors registered with State PWD / CPWD / MES / Railways. The registered bidder of outside Odisha, can also participate in this process, but shall have to subsequently undergo registration with the appropriate authority of the State Govt. preferably within a month of the deadline for bid submission, but prior to signing of the contract

Date of release of Invitation for Bids through e-procurement. Dtd. 03.07.2019

**Availability of Bid Documents and mode of submission:** The bid document is available online and should be submitted online in [www.pmgstenders.gov.in](http://www.pmgstenders.gov.in). The bidder would be required to register in the web-site which is free of cost. For submission of the bids, the bidder is required to have a valid Digital Signature Certificate (DSC) from one of the authorized Certifying Authorities. The bidders are required to submit (a) original Demand Draft towards the cost of bid document and (b) original bid security in approved form and (c) original affidavit regarding correctness of information furnished with bid document as per provisions of Clause 4.4 B (a) (ii) of ITB at Three places i.e. O/O Chief Engineer, PMGSY, Rural Works, Odisha, Bhubaneswar // Superintending Engineer, Rural Works Circle, Berhampur // Executive Engineer of the Concerned divisions on a date not later than three working days after the opening of technical qualification part of the Bid, either by registered post or by hand, failing which the bids shall be declared non-responsive.

Last Date/ Time for receipt of bids through e-procurement : 17.07.2019 upto 3.00 P.M

For further details and corrigendum (if any) please log on to [www.pmgstenders.gov.in](http://www.pmgstenders.gov.in).

Sd/-  
Superintending Engineer, R.W.Circle, Berhampur

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## Tata Steel Europe CEO to step down

PRESS TRUST OF INDIA  
NEW DELHI

Tata Steel on Thursday said its European business chief executive Hans Fischer will step down, effective July 1. However, Mr. Fischer will continue to serve on the board of Tata Steel Europe (TSE) as non-executive director and advise T. V. Narendran, CEO and MD of Tata Steel Limited, till September 30, according to a regulatory filing.

Henrik Adam, currently chief commercial officer of Tata Steel Europe, has been appointed to succeed Mr. Hans as the CEO from July 1, 2019. He will also join the board of TSE and report to Mr. Narendran.

## Centre to restart AI sale process

SPECIAL CORRESPONDENT  
NEW DELHI

The government is all set to re-start the procedure for Air India's (AI's) disinvestment, it said on Thursday in what is the first official statement on the matter after the general elections.

"Continued support from the government had resulted in improvement of financial and operational performance of Air India.

As per the recommendations of AISAM (Air India Specific Alternative Mechanism), the government will now go ahead with the process of disinvestment of the company." Minister of State for Civil Aviation, Hardeep Singh Puri tweeted.

Sources say that another preliminary information memorandum with revised terms of sale is likely to be out on July 7.

# And so, after all the drama, L&T now owns Mindtree

With the engineering major's open offer oversubscribed, it now owns almost 60% of shares of the mid-sized IT firm

MINI TEJASWI  
BENGALURU

Technology firm Mindtree has come under L&T's fold. The engineering major's ₹5,030-crore open offer is reported to have been oversubscribed.

The offer closes tomorrow. With this, L&T would have gained control of almost 60% of the shares in what is regarded as the first hostile acquisition in the Indian IT space.

### Consolidation time?

The aggressive bid by L&T portends some major events in the \$160-billion Indian IT industry. Will it trigger a consolidation? Or will promoters close ranks to ward off any attempt to sneak in? A clearer picture will emerge in the coming few months.

It is ironic that Mindtree, which is proud of its motto 'Welcome Possible,' is now staring at what, till a few months ago, looked impossible.

### NEWS ANALYSIS

It all started with L&T signing a definitive agreement to acquire 20.32% stake from coffee baron V.G. Siddhartha and two of his coffee enterprises for more than ₹3,000 crore on March 18. The deal was formalised in late April.

Besides announcing an open offer for 31%, the engineering giant bought another 8.58% in the open market at ₹980 a share, bringing its total ownership to 28.9%.

Soon, a war of words broke out between the managements of the companies.



Changing hands: A concerted effort by Mindtree to stop L&T in its tracks failed. \*G R N SOMASHEKAR

Although Mindtree launched, albeit a little late, a concerted effort to stop L&T and save the company's 'carefully nurtured culture', it yielded little result. Even the panel of independent directors it set up found L&T's offer of ₹980 per share a fair price. No wonder then, large

investors in Mindtree didn't think twice before offering their stake in the open offer.

One of the co-founders, Subroto Bagchi also quit the board. Amidst everything, its second biggest single investor Nalanda Capital sold its 10.6% stake to L&T and exited two days ago. S.N. Subrah-

manyam, L&T CEO and MD, joined the Mindtree board as non-executive director. Jayant Damodar Patil, senior executive vice president, defence business of L&T, and R. Shankar Raman, its CFO, also joined the Mindtree board. The case presents a curious side as the promoters possibly had time on their hands to bring in a white knight, but still acted too late.

### Cultural misfit

Their argument, that L&T was a cultural misfit and the bid sends out a wrong message to budding entrepreneurs, didn't attract too many buyers. Meanwhile, L&T focussed its energy on Mindtree. A.M. Naik, the group chairman of L&T was on record that Mindtree was top most on his agenda. Was

Mindtree a soft target for a hostile acquisition? The turn of events hints at that. In corporate history, hostile buyouts are not frequent. Here, a professionally run company has been snapped up with ease.

"Mindtree was a soft target in a way. A company started in 1999 actually took two decades to hit its first \$1 billion revenue. It was suffering some kind of slowness," said Hansa Iyengar, senior analyst at U.K.-based Ovum Consulting. Promoters hold 13.32% in Mindtree, of which the founding promoters together hold 8.96% - including Krishnakumar Natarajan (3.72%), Subroto Bagchi (3.1%), N.S. Parthasarathy (1.43%) and CEO Rostow Ravanam (0.71%).

## Air India ground handling arm divestment delayed for fifth time

Govt. tied up with Budget work, yet to clarify bidder queries

JAGRITI CHANDRA  
NEW DELHI

The disinvestment of Air India's ground handling arm, Air India Air Transport Services Limited (AIATSL), has been delayed for the fifth time in five months. The government issued a fresh corrigendum on Thursday informing that the deadline for selecting qualified bidders had been postponed.

The government had floated a tender for AIATSL on February 12, inviting expressions of interest for a 98% stake in the Air India subsidiary.

As per this tender document, the deadline for shortlisting bidders was April 30. This has now been post-



poned to August 30, as per the latest communication.

The process has not progressed after the submission of queries by the interested entities on February 26.

A source closely involved with the privatisation process said that the "interested bidders had raised certain queries but the government is busy with the Budget an-

nouncement. The delays earlier were when the government was just entering into election mode, followed by another extension when the elections were over but the government formation was yet to happen."

### 'Preparing responses'

A government official said that the process of forming responses to questions about AIATSL's contractual commitments was under way.

The questions posed by ground handling companies pertain to grandfather rights of AIATSL at various airports as well as its contracts for providing services to Air India, among others.

## FundsIndia founders cease to be employees, confirms company

Financial services platform gives no reason for departure

SPECIAL CORRESPONDENT  
CHENNAI

Wealth India Financial Services that runs online financial services platform FundsIndia.com, on Thursday confirmed that the company's founders C.R. Chandrasekhar and Srikanth Meenakshi cease to be employees of the company.

The erstwhile CEO and COO, Mr. Chandrasekhar and Mr. Meenakshi, cease to be employees of the company, it said. However, it did not give any reason for their departure. *The Hindu* reported on Thursday that the founders had been ousted following differences of opinion with the firm's private equity investors. Mr. Me-

**The firm has named Girirajan Murugan as CEO and Suraj Kaeley as a senior adviser**

nakshi had ceased to be on the board of directors of the company since February 2018 and has been operating in a reduced capacity since then and his departure had been planned for many months, the company said.

"Mr. Chandrasekhar continues to serve on the board of the company. The vast majority of the existing leadership team remains in place and will continue to tirelessly service the company's customers as they have

been doing expertly for the past several years," it added.

The company also said its board of directors had appointed Girirajan Murugan as CEO and Suraj Kaeley as a senior adviser.

### Petition signed

The news of founders' termination invited shock reaction from mutual fund professionals on social media.

According to sources, the founders had refused to accept the termination and there was no transition plan. As many as 11 department heads and 250 employees signed a petition explaining why this move was risky at this juncture but it was not heeded, they said.

## NMDC to terminate ₹1,395-crore BHEL contract

SPECIAL CORRESPONDENT  
HYDERABAD

Public sector miner NMDC on Thursday said it was invoking the termination clause of a ₹1,395 crore contract awarded to state-owned engineering major BHEL following a delay of more than five years in completion of the work.

Pertaining to the 3 million-tonne integrated steel plant that NMDC is setting up in Nagarnar in Bastar district of Chhattisgarh, the Raw Material Handling System (RMHS) Package contract was awarded to BHEL on August 1, 2011.

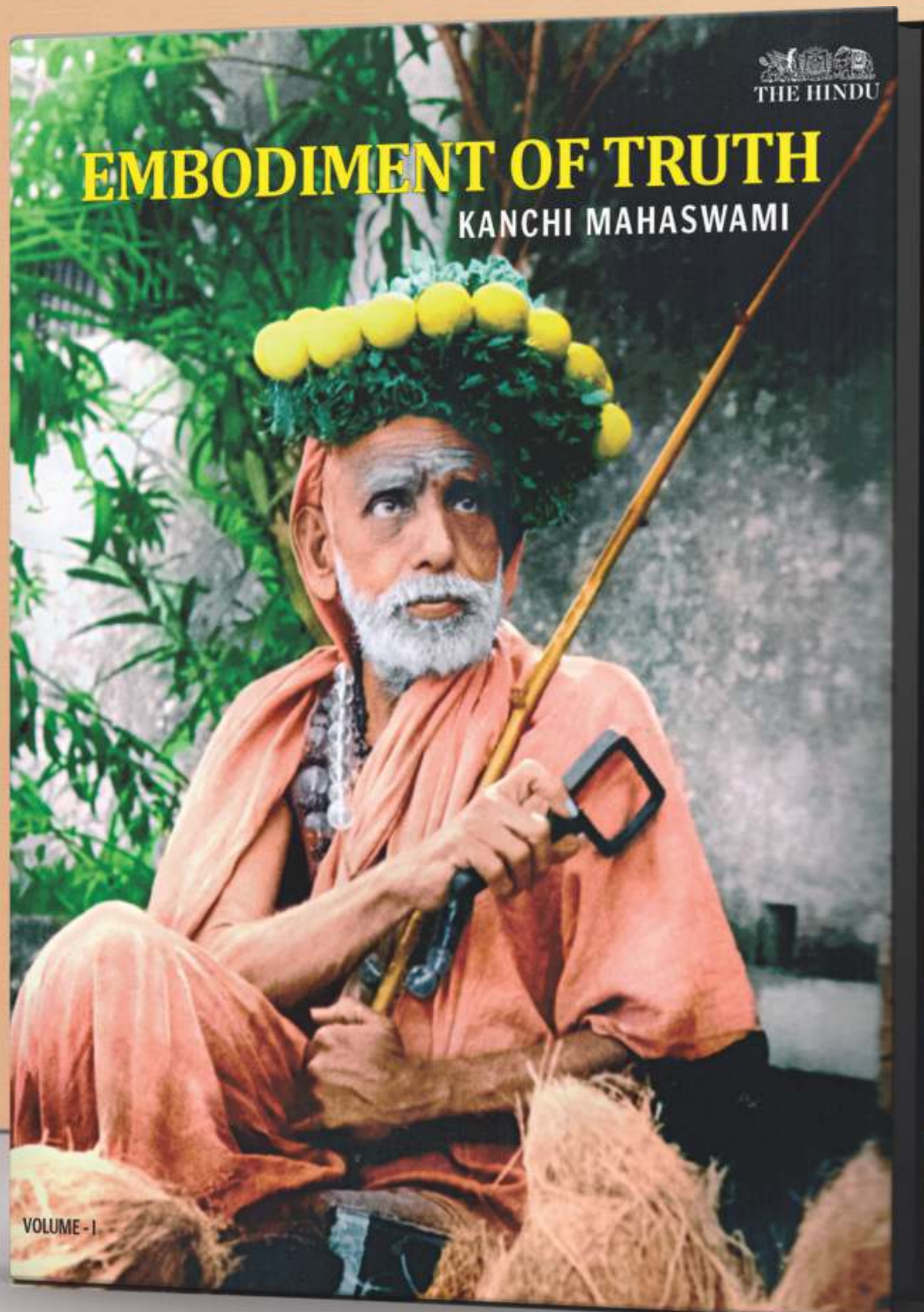
The original date of completion of the ₹1,395 crore work was February 28, 2014. However, "there is a huge delay of more than five years in completion of this package. Even after continuous follow up at NMDC and at Ministry level, BHEL is not accelerating the progress of the project," NMDC said.

Stating that a notice had been issued to BHEL on Wednesday for termination of the contract, a release from NMDC said: "the progress of work has been abysmal and after approximately 94 months since commencement of the contract, the RMHS is far from completion."

The iron ore mining major said "the work of BHEL is lagging inordinately, and is lacking intent to complete the project. BHEL is negligent towards the completion of the project. Therefore, NMDC has [invoked] the termination clause."

NMDC will now take steps through new options for expeditious completion of the work, the company said in a release.

THE HINDU GROUP



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## TRANSCENDING TIME

The journey of an Inimitable Sage traced through lens and letters

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