

MARKET WATCH

	24-07-2019	% CHANGE
Sensex	37,848	-0.36
US Dollar	68.98	-0.06
Gold	35,870	0.42
Brent oil	64.14	-1.66

NIFTY 50

	PRICE	CHANGE
Adani Ports	380.80	-18.95
Asian Paints	1483.40	-54.05
Axis Bank	712.30	-15.70
Bajaj Auto	2522.60	-1.25
Bajaj Finserv	7065.30	-105.05
Bajaj Finance	3173.55	-103.35
Bharti Airtel	338.90	-4.70
BPCIL	349.10	-9.95
Britannia Ind	2641.45	-88.75
Cipla	518.75	-10.15
Coal India	216.85	-1.20
Dr Reddys Lab	2599.05	-0.30
Eicher Motors	16381.05	-717.40
GAIL (India)	136.65	-1.95
Grasim Ind	878.45	-5.05
HCL Tech	1021.30	10.35
HDFC	2184.25	45.75
HDFC Bank	2280.90	17.40
Hero MotoCorp	2403.40	-65.90
Hindalco	197.25	-5.85
Hind Unilever	1728.65	35.30
Indiabulls HFL	611.70	-28.85
ICICI Bank	408.50	-3.45
IndusInd Bank	1362.00	-54.75
Bharti Infratel	264.15	2.35
Infosys	786.30	-3.75
Indian Oil Corp	147.95	0.60
ITC	270.85	0.20
JSW Steel	255.25	-8.05
Kotak Bank	1497.20	3.20
L&T	1387.35	-22.15
M&M	550.00	-9.10
Maruti Suzuki	5768.00	-105.75
NTPC	131.85	-1.20
ONGC	143.60	-1.00
PowerGrid Corp	209.80	-0.65
Reliance Ind	1259.10	-14.45
State Bank	339.60	-2.60
Sun Pharma	425.55	-4.70
Tata Motors	151.25	-4.95
Tata Steel	446.00	-13.85
TCS	2096.80	-15.65
Tech Mahindra	660.45	-10.75
Titan	1087.40	-11.75
UltraTech Cement	4442.85	-96.60
UPL	617.05	-28.10
Vedanta	165.05	-3.05
Wipro	264.20	-0.30
YES Bank	89.15	-1.50
Zee Entertainment	379.60	18.80

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on July 24

CURRENCY	TT BUY	TT SELL
US Dollar	68.78	69.10
Euro	76.65	77.02
British Pound	85.96	86.37
Japanese Yen (100)	63.65	63.95
Chinese Yuan	10.00	10.05
Swiss Franc	69.79	70.13
Singapore Dollar	50.42	50.67
Canadian Dollar	52.38	52.62
Malaysian Ringgit	16.70	16.80

Source: Indian Bank

BULLION RATES CHENNAI

July 24 rates in rupees with previous rates in parentheses

Retail Silver (1g)	45	(44.5)
22 ct gold (1 g)	3340	(3332)

# GST Council may reduce tax on EVs

Members likely to discuss easing of solar sector levies and rates for lotteries at Saturday's meet

TCA SHARAD RAGHAVAN  
NEW DELHI

The Goods and Services Tax (GST) Council, at its 36th meeting on Thursday, is likely to reduce the tax rate on electric vehicles, ease tax issues for the solar sector and deliberate on the tax rate on lotteries.

The meeting, which will take place over video conference, is unlikely to take up any other issue since the members prefer to discuss them in person, officials in the Council said.

"The government seems committed to its vision of popularising electric vehicles in a big way and is likely to reduce the GST rate on EVs," said Archit Gupta, founder and CEO ClearTax. "This seems like a comprehensive approach with tweaking of both direct and indirect taxes."

On the direct tax side, the



Charging for the future: The government seems committed to its vision of popularising EVs, says Archit Gupta. ■ REUTERS

government had, in the Budget, announced an additional income tax deduction of up to ₹1.5 lakh on the interest paid on loans taken to purchase electric vehicles.

In its last meeting, the Council had asked the Fitment Committee to look into

should also be considered," Mr. Gupta added. "Reduction of GST on batteries may also be on the cards."

The Council is also expected to discuss the tax incidence for the solar sector.

At the moment, according to a notification issued earlier this year, 70% of the cost of a solar plant is considered as goods and is taxed at 5%.

The remaining 30% is considered as services and is taxed at 18%. Solar manufacturers have approached the Council saying that the break up of goods and services is more along the lines of a 90-10 split rather than 70-30.

As such, they have requested that the Council amend the notification to incorporate this. This is likely to come up for discussion on Thursday.

"It is necessary to appropriate the right proportion of goods and services to solar

projects as the present allocation makes such projects incur more tax costs, which again cannot be passed on as input tax credits," said M.S. Mani, partner at Deloitte India.

Merger of lottery rates

The third issue the GST Council is expected to discuss is the tax rate on lotteries. Currently, State-run lotteries are taxed at 18% while State-authorized lotteries are taxed at 28%.

Lottery owners have requested the Council to merge the two rates, and also consider bringing that rate down to 12%.

The Council had, in its last meeting, said it would approach the Attorney General of India for his view on the matter. Those inputs have reportedly been received by the Council and will be discussed on Thursday.

## C.R.L. Narasimhan no more

Ex-associate editor's column 'Financial Scene' widely read

K.T. JAGANNATHAN  
CHENNAI

C.R.L. Narasimhan, former associate editor who also served as the business editor of *The Hindu*, passed away here on Wednesday after an illness, aged 71.

Before joining *The Hindu* in December 1993, he was with the State Bank of India group. A former merchant banker, CRL (as he was known to many in the field) quickly repositioned himself in his new role as a journalist. CRL, the financial writer, was tempered in his writing.

Yet, he was effective in pushing across his viewpoint. His writing style was simple, subtle and reader-



C.R.L. Narasimhan

friendly in terms of articulation. His understanding of the financial sector often pitchforked him into a privileged position of providing informal, but critical, feed to policy planners on assorted issues affecting this crucial sector. He ran a weekly column titled 'Fi-

ancial Scene' which used to appear every Monday in the Business Review pages of *The Hindu*.

A popular column, it had wide readership and elicited quite a response — formal as well informal — from discerning readers across the spectrum.

His knowledge of business and finance aside, what stood out in CRL was the consistency with which he churned out his column week after week with very few misses, even when he was going through trying times. He was tenacious in the face of persistent health issues. A jovial person, CRL had the uncanny ability to relate to people.

## Indices witness longest losing streak since May

Financial, auto majors lead losses

SPECIAL CORRESPONDENT  
MUMBAI

The equity benchmark indices lost ground for the fifth consecutive session on Wednesday, making it the worst losing streak since May as investor sentiment remained jittery amid selling by foreign investors, weak corporate numbers and the International Monetary Fund cutting India's growth forecast for 2019-20 to 7% from the earlier 7.3%.

The 30-share Sensex lost 135.09 points, or 0.36%, to close at 37,847.65.

The index has lost a total of 1,368 points in the last five sessions. The losses in the index were primarily led

by financials and auto majors like Tata Motors, Hero Motocorp, Axis Bank, Bajaj Finance, IndusInd Bank, Maruti Suzuki India, Yes Bank and M&M.

The broader Nifty fell 59.75 points or 0.53% to 11,271.30.

"The super-rich tax on FPI has had negative impact while poor quarterly results and below normal monsoon have dampened sentiments," said Siddhartha Khemka, head — Retail Research, Motilal Oswal Financial Services.

Provisional numbers show that foreign investors sold shares worth nearly ₹1,400 crore on Wednesday.

## Boost demand for vehicles as 1 mn jobs under threat: ACMA

Crisis-like situation on production cut

SPECIAL CORRESPONDENT  
NEW DELHI

Auto component manufacturers in India, who are reeling under stress as a result of slowdown in the automobile industry, on Wednesday warned that 10 lakh people could lose their jobs if immediate steps are not taken to stir up vehicle demand in the country.

"The automotive industry is facing an unprecedented slowdown. Vehicle sales in all segments have continued to plummet for the last several months.

"Considering the auto components industry grows on the back of the vehicle industry, a current 15-20% cut in vehicle production has led to a crisis-like situation in the auto components sector. If the trend continues, an estimated 10 lakh people could be laid off," Ram Venkataramani, president, Auto Component Manufacturers Association (ACMA) of India, said.

The auto components industry, which pitched for a reduction in GST rate to a uniform level of 18% for the entire auto industry to stimulate demand, employs about 50 lakh people.

"The industry needs urgent government intervention. There is an immediate need to stimulate vehicle demand and also sustain it post BS-VI implementation, as vehicles will become significantly expensive thereafter. We strongly recommend that the government implement 18% GST rate across the entire auto and auto component sector," Mr. Venkataramani added.

The industry also sought a stable policy for electric mobility. "Any further



changes in targets for roll-out of electric vehicles would increase India's import bill and damage the current robust auto components manufacturing ecosystem. This will also result in significant job losses.

"Therefore, a stable, technology agnostic, e-mobility policy is the need of the hour to ensure a smooth transition and creation of a strong local supply base."

'Unsure of future'

In a statement, the association added, "The subdued demand, recent investments made for transition from BS-IV to BS-VI, lack of a clarity on policy for electrification of vehicles, especially for two- and three-wheelers, has left the industry unsure of its future and has caused it to stop all future investments."

Data from ACMA shows that the automotive component industry's turnover stood at ₹3.95 lakh crore for 2018-19, a growth of 14.5% over 2017-18. Vinnie Mehta, director general, ACMA, said, "The first-half of 2018-19 witnessed robust growth; however the second-half saw a significant slump in vehicle sales. The component industry, in tandem, posted a somewhat subdued performance."

## DCC okays ₹3,050 cr. penalty on Airtel, Vodafone Idea

Telcos did not provide points of interconnection to Jio

SPECIAL CORRESPONDENT  
NEW DELHI

The Digital Communications Commission (DCC) on Wednesday approved the cumulative penalty of ₹3,050 crore that regulator TRAI had imposed on Bharti Airtel and Vodafone Idea for not providing points of interconnection to Reliance Jio when it entered the market.

Both Bharti Airtel and Vodafone Idea are likely to legally challenge the "arbitrary" decision.

The inter-Ministerial body had, at its meeting in June, approved the imposition of penalty recommended by Telecom Regulatory Authority of India (TRAI). It had,



however, asked the sectoral regulator to review the levy given the financial stress in the sector. TRAI stuck to its earlier recommendations.

"The DCC has accepted TRAI's recommendation on penalty on Airtel, Vodafone Idea. It will send the same

recommendation to the competent authority [Department of Telecom] in government for their decision," a senior government official said after the meeting.

An Airtel spokesperson said given the forced consolidation due to the financial stress in the sector, this decision will place further burden on the already stretched balance sheets of operators.

Vodafone Idea said in a statement, "This issue pertaining to points of interconnection has been examined by the DoT, various parliamentary and judicial authorities with no case for any default established."

## IDFC First Bank posts ₹617 cr. June quarter loss

'Loss on exposure to two NBFCs'

SPECIAL CORRESPONDENT  
MUMBAI

Private sector lender IDFC First Bank posted a ₹617 crore loss for the April-June quarter due to its exposure in two NBFCs downgraded by rating agencies recently.

"The bank reported a net loss of ₹617 crore for the quarter ended June 30, 2019, primarily due to additional provisioning for two identified stressed corporate loans to a housing finance company and a financial services company [recently downgraded by credit rating agencies], taking the provision coverage on these accounts to 75%," IDFC Bank said in a statement, without naming the

companies. The bank said that the provisions on these accounts was adequate and it did not expect to take any more provisions on this account in the near future.

The gross NPA ratio increased to 2.66% as compared to 2.43% during the same period of the previous year.

IDFC Bank had merged with Capital First, a retail-focused NBFC in December last year to become IDFC First Bank.

"The net interest margin for the bank pre-merger was 1.56% which has now crossed 3.01% in Q1-FY20, within six months of the merger," the bank said.

## Brokerages bet on HUL despite slowest growth in 7 quarters

'Company best suited to gain once the macros fall in place'

SPECIAL CORRESPONDENT  
MUMBAI

Hindustan Unilever Ltd. (HUL) may well have reported its slowest growth in seven quarters, but market participants remain bullish on the country's largest pure-play fast moving consumer goods company, whose growth is often looked upon as a barometer of the broader consumer sentiment.

Brokerages like Citi, Jefferies, CLSA, Motilal Oswal, Edelweiss and HDFC Securities among others have all said that while low growth is a concern, the company is best suited to gain once the

macros fall in place. Some of the brokerages, while marginally lowering the target price, are betting on factors like continuous margin expansion, steady earnings, complete integration of GlaxoSmithKline Consumer Healthcare (GSK) portfolio and expected recovery in rural demand.

'Steady outcome'

"HUL's business model has ample levers to flex, to ensure a reasonably steady outcome, despite challenging macro," stated Citi in its latest report while maintaining its neutral rating on the stock.

In a similar context, Jefferies said that the company "continues to execute better than peers on most parameters" while increasing earnings per share estimates "to reflect higher margin trajectory given benign input costs".

While Jefferies has increased the target price for the stock from ₹1,820 to ₹1,900, Citi has marginally lowered its target price from ₹1,850 from the earlier ₹1,867. On Tuesday, HUL announced its first quarter numbers, reporting a 7% growth in volume with the net profit rising 15% at ₹1,755 crore.

## Some Enfield dealers not to get HDFC Bank funding

They are well-capitalised, says lender

SPECIAL CORRESPONDENT  
MUMBAI

Private sector lender HDFC Bank has stopped inventory financing for some dealers of Eicher Motors' Royal Enfield motorbikes as those dealers are well capitalised. These dealers have been communicated about the action.

HDFC Bank clarified that the communication on loan curbs was to dealers and not for retail finance.

"It has been sent to dealers who are well capitalised and do not need bank's funding. Moreover, they comprise a minuscule percentage of the total dealer base," HDFC Bank said.

Out of about 915 dealers of Royal Enfield, the step has been taken for about 10 dealers, auto mobile industry sources said.

The move comes at a time when the automobile industry is grappling with falling



sales and Royal Enfield is no exception.

In June 2019, Royal Enfield sold 24.12% fewer units at 55,082 units as against 72,588 units sold in June 2018. On a month-on-month basis the fall was 8.52% indicating the overall slump in the automotive sector.

Data from the Society of Indian Automobile Manufacturers (SIAM) shows that auto companies sold 16.28% fewer passenger vehicles in June 2019 compared with a year earlier. Two wheeler sales are down 11.7%.

## India rises in global innovation ranking

Jumps five places to rank 52 in the Global Innovation Index 2019

SPECIAL CORRESPONDENT  
NEW DELHI

India has jumped five places to rank 52 in the Global Innovation Index 2019, up from the 57 it had in last year's rankings.

India's rise in the rankings has been a consistent trend over the last few years. It had ranked 81 in 2015, which rose to 66 in 2016, 60 in 2017 and 57 in 2018.

"The performance improvement of India is particularly noteworthy," the report, brought out by the UN World Intellectual Property Organisation, INSEAD and CII, said.

Most innovative

"India continues to be the most innovative economy in central and southern Asia — a distinction held since 2011 — improving its global rank to 52 in 2019.

"India is consistently among the top in the world in innovation drivers such as



Union Minister Piyush Goyal with Director General of World Intellectual Property Organisation Francis Gurry. ■ AFP

ICT services exports, graduates in science and engineering, the quality of universities, gross capital formation — a measure of economy-wide investments — and creative goods exports," the report added.

The report also highlighted that India stands out in

the world's top science and technology clusters, with Bengaluru, Mumbai, and New Delhi featuring among the top 100 global clusters.

"Given its size — and if progress is upheld — India will make a true impact on global innovation in the years to come," the report

said. Commerce Minister Piyush Goyal, who released the report, said that India's hope of increasing the size of the economy to \$5 trillion cannot happen without significant innovation.

"Invention comes naturally to India," Mr. Goyal said.

"Aryabhata invented the zero, which probably is the mother of all inventions involving science and mathematics and astronomy.

"We are happy that India has made significant progress to the 52nd rank in the Global Innovation Index 2019. We are happy that our culture of innovation is coming to the centre stage," he added.

Mr. Goyal also said that India must be a responsive country and work in mission mode by engaging with academia, the private sector and government agencies to improve the quality of citizens' lives even in the remotest parts of the country.

## 'India, China to overtake U.S. in tech innovation'

They will surpass U.S. by 2035: survey

SPECIAL CORRESPONDENT  
MUMBAI

India and China will surpass the U.S. as the World's Centers of Tech Innovation by 2035, according to Bloomberg New Economy Global Survey, which gathered views from 2,000 business professionals in 20 markets, including India, on the state of the world as the balance of global power shifts towards new economies.

Indian respondents are particularly confident in China and India's future role as global innovation centers — with 64% of those surveyed agreeing the countries will surpass the U.S. by 2035. Respondents also expressed strong enthusiasm for self-driving cars, with 65% agreeing they will dominate the future automobile market. From India, Mukesh Ambani, Natarajan Chandrasekaran and Nandan Nilekani are advisers to

the Bloomberg New Economy Forum (BNEF).

Overall, data shows that business professionals in emerging countries are more optimistic than those in developed markets about change, and have markedly higher expectations for the role that technology will play in the economy, business and daily life in decades to come.

More optimistic

"It is noteworthy that emerging economies are more optimistic than developed markets about the power of technology to shape a better world by the year 2035," said Andrew Browne, editorial director of the BNEF.

"Developing countries in general see technology more as an opportunity while the developed world has a greater sense of technology as a threat."



## IN BRIEF

**DHFL defaults on ₹8.07 crore bond repayments**

**NEW DELHI**  
Beleaguered housing finance company DHFL again defaulted on bond repayments to the tune of ₹8.07 crore on July 23, according to an exchange filing. The company on July 23, 2019 defaulted on '8.84 per cent, secured non-convertible debenture (NCD) for 3 years' with a total default amount of ₹8.07 crore, DHFL said in a regulatory filing on Wednesday. P T I

**Syndicate Bank posts lower loss of ₹980 crore**

**BENGALURU**  
Syndicate Bank has posted net loss of ₹980 crore in the first quarter of fiscal 2019-20 as against a net loss of ₹1,282 crore in the year-earlier period. The bank's overall provisioning for bad loans and contingencies for the quarter also fell to ₹1,969.09 crore from ₹2,326.82 crore. Total income rose to ₹6,080.69 crore from ₹5,637.51 crore a year ago, the State-owned bank informed the media on Wednesday.

**Fitch downgrades Tata Motors' rating**

**MUMBAI**  
Fitch Ratings has downgraded the long-term issuer default rating (IDR) of Tata Motors Ltd. (TML) to 'BB-' from 'BB.' "The outlook is negative," Fitch ratings said in a statement. "The downgrade reflects the reduction in Fitch's expectations for TML's profitability and free cash generation in the next two to three years, it said. Fitch said it revised its estimates as business risks had increased for the company.

# U.S. to effect steep hike in EB-5 charges

Minimum amount required for the visa will go up to \$9,00,000 from the existing \$5,00,000

**MINI TEJASWI**  
**BENGALURU**

The U.S. is all set to effect a steep increase in EB-5 visa charges.

As per information available on the website of US Citizenship and Immigration Services (USCIS), the minimum amount required to be invested in the Targeted Employment Areas (TEAs) in the U.S. will go up to \$9,00,000 (₹6.2 crore), an 80% hike from the existing \$5,00,000 (₹3.5 crore).

Also, the fees for standard investment (in urban areas) will go up to \$1,800,000 (over ₹12 crore) from \$1,000,000 (₹6.8 crore).

**First such move**

The new EB-5 fee structure, the first such move since the inception of the programme in 1990, will come into effect



**Dream visa:** EB-5 is currently the easiest channel to get green card and permanent residency in the U.S. ■ GETTY IMAGES/ISTOCK

from November 21.

Several high networth professionals, students, entrepreneurs and families in India have been exploring EB-5 in the last three decades as it is the easiest

channel to get a green card and permanent residency in the U.S. As per USCIS Acting Director Ken Cuccinelli, "Nearly 30 years ago, Congress created the EB-5 programme to benefit U.S. work-

ers, boost the economy, and aid distressed communities by providing an incentive for foreign capital investment in the United States.

"Since its inception, the EB-5 programme has drifted away from Congress's intent. Our reforms increase the investment level to account for inflation over the past three decades and substantially restrict the possibility of gerrymandering to ensure that the reduced investment amount is reserved for rural and high-unemployment areas most in need.

This final rule strengthens the EB-5 programme by returning it to its Congressional intent," he added, explaining the logic behind the fee hike. Interestingly, the Department of Homeland Security (DHS) has also taken away the power of defining

TEAs from the State governments and given it to the Federal government.

"Moving control over determining TEAs to the Department of Homeland Security is an integrity move that would prevent the gerrymandering of unemployment data that has allowed affluent areas like Manhattan in New York and Beverly Hills in California to qualify for EB-5 investment," commented Matt Hogan, VP, project development, CMB Regional Centres, Illinois, an EB-5 advisory firm.

**Scramble for EB-5 visas**

India will witness a scramble for EB-5 visas in the next few months, before the new rules kick in.

Post November, the demand will go down drastically, said immigration experts.

## HC order on coastal road a setback for L&T, HCC

Firms executing ₹14,000-cr. project

**PIYUSH PANDEY**  
**MUMBAI**

The Bombay High Court's decision to quash the Coastal Regulation Zone (CRZ) clearances given to the Mumbai Coastal Road project has come as a huge setback for Larsen and Toubro (L&T) and Hindustan Construction Company (HCC).

The firms were executing the ₹14,000-crore project to connect Kandivali with Marine Lines in South Mumbai.

S.N. Subrahmanyam, MD & CEO, L&T said, "It is a setback for us. I worry why such action has been taken. We have been awarded the project in a fair and transparent manner. It's for the government to go to the Supreme Court."

The 29.2-km-long, eight-lane expressway was ex-

pected to reduce the travelling time from Kandivali to Marine Lines from 120 minutes to just 40 minutes.

R. Shankar Raman, Group CFO, L&T, said, "A silver lining in the dark cloud is that it has happened upfront. More marquee the project, more activism is expected."

L&T had been awarded ₹7,500 worth of contracts while HCC, in a joint venture with Hyundai Development Corporation, was executing ₹2,126 crore of contracts.

An HCC official said that the company is awaiting directions from its client, MCGM (the nodal agency), which had already filed a special leave petition in the Supreme Court against the Bombay High Court order.

## KVB Q1 profit rises 59% on lower provisioning

Net NPAs, however, increase to 4.94%

**SPECIAL CORRESPONDENT**  
**CHENNAI**

Private sector lender Karur Vysya Bank reported a 59% increase in its standalone net profit for the first quarter ended June 2019 to ₹73 crore on lower provisions.

During the quarter, the net interest margin stood at 3.49%, net interest income remained flat at ₹584 crore, non-interest income rose 7% to ₹270 crore while core fee income declined marginally by ₹7 crore to ₹168 crore. Operating profit declined to ₹445 crore from ₹460 crore.

Provisions and contingencies contracted to ₹330 crore from ₹423 crore.

The bank's gross non-performing assets (NPAs) rose



to 9.17% of gross advances representing ₹4,511 crore from 7.44% while net NPAs increased to 4.94% of net advances to ₹2,322 crore from 4.50%.

The provision coverage ratio stood at 59.05%.

Total business increased to ₹1.11 lakh crore, a growth of 5.17%, the bank said.

## Cox & Kings defaults on ₹174-cr. CPs

**PRESS TRUST OF INDIA**  
**NEW DELHI**

Tours and travel services firm Cox & Kings on Wednesday said it had defaulted on commercial papers (CPs) worth ₹174 crore.

This is another instance within a span of four weeks that the beleaguered firm has defaulted on meeting financial obligations.

"The company is working closely with its lenders to optimise its strong asset base globally and bring the situation back to normal as soon as possible," Cox & Kings said in a regulatory filing. Earlier, on July 16, the company had said it defaulted on payment on unsecured commercial papers worth ₹45 crore.

## Rane (Madras) profit plunges on slump in auto sector

Expects declining trend to continue in the near future

**SPECIAL CORRESPONDENT**  
**CHENNAI**

Leading manufacturer of steering and suspension products and die casting components Rane (Madras) Ltd.'s standalone net profit for the first quarter ended June 2019 plunged 75.9% to ₹3.2 crore on lower volume.

Total net revenue stood at ₹297.2 crore against ₹347.5 crore.

"The first quarter was a difficult quarter with significant drop in demand across vehicle segments in India. We expect this declining trend to continue in the near future. The management is working on various initia-



L. Ganesh

tives to reduce the impact of volume drop in RML India business.

Rane Precision Die Casting is working on ramping up new businesses and improving the operational per-

**The board gave its approval for enhanced investments of up to \$30 million in RPDC Inc., USA**

formance," said L. Ganesh, chairman, Rane Group.

The board approved enhanced investments of up to \$30 million (against \$20 million approved earlier) in its step-down subsidiary RPDC Inc., USA over the next five years.

The investment would be made either directly or through Rane (Madras) International Holdings BV, The Netherlands.

## Tube Investments' net up 62.9%

**SPECIAL CORRESPONDENT**  
**CHENNAI**

Tube Investments of India Ltd.'s (TII) standalone net profit for the first quarter ended June 2019 rose 62.9% to ₹88 crore.

The firm's revenue dipped 8% to ₹1,252 crore due to contraction in the in auto sector, the company said in a statement.

TII generated a free cash flow of ₹83 crore during Q1 which was 120% of the net profit, the company said.

TII surrendered 32.39 lakh equity shares under the buy-back scheme announced by Shanthi Gears Ltd. and clocked a profit of ₹19 crore on the transaction. This was shown as an exceptional item.