



IN BRIEF

FCA unveils new Jeep Wrangler at ₹64 lakh
MUMBAI
Automaker FCA India has introduced the New Generation Jeep Wrangler in India with an all India ex-showroom price of ₹63.94 lakh. The four-wheel drive Jeep Wrangler has gone in for sale in 10 Jeep outlets across India. Cricketer legend Kapil Dev has been appointed brand ambassador.

HP Chromebook x360 launched at ₹44,990
NEW DELHI
HP Inc. has launched HP Chromebook x360 at a price tag of ₹44,990 onwards. The PC will offer all benefits of Google's Chrome OS along with Android application. "The HP Chromebook is optimised for PC users who depend on Google for computational work, including content creation and consumption, multiple app usage and more," it said.

'Draft policy on logistics ignores express industry'

Bring ATF under GST, says association

SPECIAL CORRESPONDENT
MUMBAI

The draft National Logistics Policy, released by the government earlier this year, has overlooked the role of the express industry (courier and parcel) and air cargo sectors in the multimodal transport mix for faster and cost effective movement of cargo, Express Industry Council of India (EICI) said. "We note that the policy document does not focus on the express industry and air cargo sectors, which are integral parts of the logistics network. The air express has also been overlooked in the multimodal mix even though air is an essential segment of the movement of goods," Vijay Kumar, chief operating officer, EICI, said in a statement.

He said in developing countries such as India, an efficient air express infrastructure could contribute directly to global competitiveness of the country by ensuring just-in-time deliveries and reducing clear-

Tata Steel to go slow on capex

Want to run a cash-positive business, says MD and CEO Narendran

SPECIAL CORRESPONDENT
KOLKATA

Tata Steel will 'recalibrate' its capital expenditure this fiscal by postponing some of its planned expenditure in Europe and splitting expenses in India in phases.

T.V. Narendran, MD and CEO, Tata Steel Ltd. (TSL), said that about ₹4,000-crore capital expenditure of the ₹12,000 crore proposed for this fiscal would be 'recalibrated'. "We want to run a cash positive business," he said. The exercise is being done in line with market conditions and lower cash flows.

Tata Steel ended the first quarter with higher production at 7.2 million tonnes, a marginally-higher consolidated revenue of ₹35,947 crore and a lower PAT of ₹702 crore.

The 'postponement' would be effected equally across TSL's Europe and India operations, where its main spend is on its Kalinganagar plant in Odisha.

He said domestically, TSL would re-prioritise its investments. A 5 million tonne per



Steely resolve: The exercise is in line with market conditions and lower cash flows, says Mr. Narendran. ■ RAJEEV BHATT

annum (mtpa) expansion is under way at Kalinganagar, where the commissioning of the cold rolling mill and the pellet plant is being prioritised.

"We hope the second half would be better as the government is taking steps to ease the situation and is regularly engaging with the industry," he said.

On the global front steel, prices were under pressure on demand concerns, affecting steel spreads across re-

gions, while in India, steel margins were under pressure with decline in average realisation and higher input costs.

Fewer subsidiaries

To a query on reorganisation of TSL's structure, Mr. Narendran said that the aim was to simplify the corporate structure by cutting down on the number of subsidiaries, many of which were over 100 years old.

TSL has over 200 subsidi-

aries, besides direct and indirect associate companies.

Mr. Narendran was here to relaunch 'steel junction', a retail store for steel products of TSL and other vendors. The store has been relocated to a central place from the eastern fringes.

He said that TSL was focussing on the branded consumer business to insulate itself from cyclicity.

On recent developments regarding the 'falling through' of the proposed deal with HBIS, he said that while HBIS was keen, clearances did not come through.

Following the termination of the definitive agreement with HBIS Group to divest 70% stake in its southeast Asia business, Tata Steel has executed a Memorandum of Understanding to divest 70% of its shareholding in Tata Steel Thailand to Synergy Metals and Mining Fund.

As the next step, Synergy will carry out due diligence and both parties shall engage to complete the definitive agreements in an expeditious manner.

'Time' is up for watches, they are more of a style statement

Market for smart watches is warming up globally: Titan CEO

MINI TEJASWI
BENGALURU

Watches may be getting old-fashioned as basic time-showing devices, but as fashion accessories, designer utilities and style statements, their market is expected to tick globally on a faster pace.

Buoyed by a positive market outlook, Titan Company Ltd., India's lead player in the watch industry and also the fifth-largest time machine manufacturer in the world, said it aims to sell more than 25 million watches a year, in the next five years, from the current 16.8 million. Ravi Kant, CEO, Watches & Accessories, Titan Company, told *The Hindu* that after growing at a CAGR of 3-4% in the last three-and-a-half years, the last fiscal was a milestone year for the company with a double-digit growth in terms of value and volumes.

"We were under 15 million watches three years ago and now we are touching 17



Ravi Kant

million. Last year, we sold 16.8 million watches worth ₹4,000 crore in terms of consumer prices. We had double-digit growth in value, more importantly, we reported more than double-digit growth in volume, clearly indicating a turnaround in industry," he said.

According to Mr. Kant, watches have been transforming from mere time devices to fashion accessories and functional products, and that's when the markets started seeing the emergence of smart watches.

"The market for smart watches is warming up globally. Being the leader, Titan has been launching smart watches across all our brands Titan, Fastrack and Sonata. We have also introduced a sub brand called Reflex for activity trackers and fitness trackers. Our target is to play a lead role in all segments of the value chain," he said.

Titan forayed into the space three years ago and since then has launched several smart watches in association with HP, Intel and other companies, including a start-up. Titan is now all set to launch its in-house smart movement.

The global watch market was pegged at \$90 billion in 2018, of which smart watches, wearables, wrist bands, activity trackers and hybrids accounted for \$22 billion, a 24% of the total market. Similarly in India, the wearables have reached about 17% of the total market of ₹8,000 crore.

Etihad skips Jet bidding, 3 Eols received

PRESS TRUST OF INDIA
MUMBAI

The lenders of Jet Airways have received only three Eols for sale of the grounded airline's stake, with equity partner Etihad Airways not submitting bid on the last day of the extended bidding process on Saturday.

Etihad Airways holds 24% stake in Jet Airways.

Sources told PTI that the banks received Expressions of Interest (Eols) from three entities of which two are financial players and another is a player in the global aviation space. "Three bids have been received...but Etihad Airways did not submit bids this time around," a bank source said. Industry sources said the deep-pocketed Hinduja group, which had shown interest earlier also did not turn up this time.

Panama-based fund Avantulo Group is one of the three entities which have submitted Eols, said another source.

Vistara to have London, Tokyo on itinerary after Boeing 787-9's entry

U.S., Australia routes to follow in next phase, says CEO Thng

SPECIAL CORRESPONDENT
NEW DELHI

Full-service carrier Vistara is likely to launch non-stop flights to London and Japan next year when wide-body Boeing 787-9 aircraft join its fleet.

Last week, the airline launched its maiden international flight between Delhi and Singapore. It has also announced flights to Bangkok and Dubai, which will commence operations later this month.

"In the first phase of our international expansion, we will connect destinations in Asia and Europe with non-stop flights. In the second phase, we plan to connect the U.S. and Australia," Vistara CEO Leslie Thng told reporters at an event held to mark the launch of its first international flight. He added that the airline was seriously looking at operating flights to London Heathrow and Tokyo.

The airline will first connect destinations where it al-



Doubling up: The airline will expand its fleet twofold to reach 41 aircraft by the end of this calendar year. ■ PRASHANT WAYDANDE

ready has codeshare partnerships with other carriers such as Japan Airlines and British Airways.

Over time, it plans to connect passengers to 44 destinations in 10 countries through codeshare. With 22 aircraft until March 2019, Vistara will expand its fleet twofold to reach 41 aircraft by the end of 2019. This includes nine Boeing 737-800 NG, previously leased by Jet Airways, and 10 A321neos.

Vistara will take delivery of nine A320neos between September and December,

which will allow it to fly up to Hong Kong and southern Europe. A Boeing 787-9 each will join the fleet in March and April 2020 and will enable the airline to fly up to 11 hours. In five years, Vistara aims to deploy 50% of its total capacity on international routes.

On whether it would participate in Air India's stake sale, Mr. Thng said Vistara was now focussed on growing organically.

(The writer was in Singapore at the invitation of Vistara)

'Pak. move not to impact textile sector'

SPECIAL CORRESPONDENT
COIMBATORE

Pakistan's move to stop import of products from India or of Indian origin is not expected to have much impact on the Indian textile industry, said Siddhartha Rajagopal, executive director of the Cotton Textiles Export Promotion Council.

Pakistan imports mainly yarn and cotton from India. However, in recent years, Indian exporters have slowed down their supply to Pakistan. Between April and June this year, \$38 million worth of cotton yarn was exported to Pakistan as against \$42 million for the same period last year. The annual yarn exports to Pakistan are about \$100 million and it was mostly the low count yarns, Mr. Rajagopal said.

The Indian exporters, who are already facing a drop in cotton yarn exports, will have to look at other markets.

Chairman of the Cotton Association of India Atul Ganatra said India exported only four lakh bales of cotton to Pakistan this year as Indian cotton prices were relatively higher. Pakistan purchased mainly from the U.S. this year.

While direct exports to Pakistan (of cotton) has stopped, indirect exports might continue, he said.

Lexus targets high-networth buyers for growth in India

Luxury carmaker gears up to unveil luxury coupe

LALATENDU MISHRA
MUMBAI

Lexus, the luxury brand from the stable of Japan's Toyota, is targeting high net-worth individuals (HNIs) to grow its base in India.

Lexus, which has been positioned as a crafted luxury vehicle, 'designed and manufactured with passion', is being offered as a completely differentiated product to gain a foothold in India's small, but potentially important luxury car market. The key differentiation is that the Lexus vehicles are self-charging, hybrid electric vehicles that contribute to reduction in emissions.

"Lexus is not just a vehicle. A lot of emotion goes in to building it. This vehicle is more about experience and is a product of art. HNIs are our customer base," said P.B. Venugopal, president, Lexus India.

Having started its Indian operations in 2017, Lexus has expanded its base to three Lexus Experience Centres in Mumbai, Delhi and Bengaluru. It has authorised service centres in Kochi, Hyderabad, Chennai and Chandigarh.

Currently, the company is selling six models in India and is gearing up to introduce LC 500, a luxury sports



Poetry in motion: Luxury cars account for only 1.2% of the passenger car market in India. ■ BY SPECIAL ARRANGEMENT

coupe in early 2020 in the Indian market.

Two-door LC 500

The two-door LC 500, globally launched in 2017, is already available in 68 countries and India now joins the list, top executives said. By June 2019, the company had sold a cumulative volume of 12,000 units globally.

Lexus is looking at India in the medium- to long-term perspective. "HNIs are growing in India and the market for luxury cars will grow in the medium to long term. We are also getting strong support from the Toyota family of customers who are upgrading to luxury vehicles," Mr. Venugopal said. He said 78% of the cus-

tomers in India are from the Toyota stable.

About the firm's performance, Mr. Venugopal said, "We are doing better than anticipated and there is a huge potential for Lexus in the medium to long term."

He said Lexus, as the first Japanese luxury car brand, will help grow the luxury car market, which is only 1.2% of the total passenger car segment in India.

In developed markets, this ratio is 4-5% and India has the potential go to that level, he added.

(The writer was in Fukuoka, Japan, at the invitation of Lexus and visited the Toyota Motor Kyushu plant where Lexus vehicles are produced).

Volvo Trucks sets up Uptime Centres

SPECIAL CORRESPONDENT
MUMBAI

Volvo Trucks India has set up 12 'Uptime Centres' in India, including a Command Centre in Bengaluru, to support its customers to help improve the efficiency of trucks for better usage and profitability. The objective is to keep the fleet operational for over 20 hours a day in mining applications.

Started as a pilot project in January this year, the 'Uptime Centre', digitally linked to 11 regional centres, has gone online to benefit customers, top executives said. "The Uptime Centre will be an important part of Volvo India's Uptime journey with plans to introduce more services in the future," said V. Venkateswarlu, vice-president, Aftermarket, VolvoTrucks India, VE Commercial Vehicles Ltd.

"Whether it is maximising the productivity of the fleet, or getting most out of every drop of fuel, we are committed to making the Volvo fleet ownership as successful as it can be," he said. "The new Uptime Centre not only showcases our innovative capabilities, but also underscores how serious we are about making our customers' operations more profitable than ever before," he added.