



IDBI Bank, BoM reduce lending rates

MUMBAI
More banks have started reducing their lending rates, a day after the Reserve Bank of India reduced the repo rate by 35 bps to 5.4%. IDBI Bank reduced its one-year marginal cost of fund-based lending rate (MCLR) by 10 bps to 8.85% with effect from August 12. Bank of Maharashtra (BoM) has also reduced the one-year MCLR by 10 bps to 8.5%. On Wednesday, State Bank of India reduced its MCLR by 15 bps to 8.25% from 8.40%.

Nissan unveils diesel variant of Kicks SUV

NEW DELHI
Nissan Motor India on Wednesday introduced a new entry-level diesel variant of its SUV Kicks priced at ₹9.89 lakh. The new XE diesel variant will be positioned below the XL variant which is currently priced at ₹11.09 lakh. "Responding to the immense interest in an entry-level diesel variant, we have introduced the new XE Diesel trim," Nissan Motor India V-P marketing Sriram Padmanabhan said. PTI

Rane Holdings June quarter net declines

CHENNAI
Rane Holdings Ltd. (RHL) standalone profit for the June quarter dropped to ₹6.84 crore from ₹6.89 crore in the same quarter of the previous fiscal. "Group sales declined by 7% on drop in volumes in the domestic automotive sector. We were able to partially mitigate this with the support of higher sales to global customers and Indian after-market customers," said L. Ganesh, CMD, RHL.

SFL to focus on exports to beat slowdown

Major chunk of ₹350 crore, to be invested this fiscal, will go towards exports, says chairman

SPECIAL CORRESPONDENT CHENNAI
Sundram Fasteners Ltd. (SFL) is focussing on exports to enable the company to tide over the slowdown in the domestic automobile sector.
"Currently, our exports stand at 35% and retail at 10%," said Suresh Krishna, non-executive chairman, Sundram Fasteners Ltd. "In the coming years, we aim to increase it [exports] to 50%."
Mr. Krishna also said that SFL had committed to invest ₹800 crore during 2018-19 and 2019-20, of which ₹350 crore would be deployed during the current fiscal.
A significant portion from this would go towards exports.
"We were able to mitigate the adverse impact of the



SFL is setting up an SEZ at Sri City to make and export high precision engineering components, says Krishna. ■ V. GANESAN
slowdown due to a combination of various measures such as focus on exports, after-market, product innovation, cost reduction themes and adherence to TQM [total quality management] principles," he said.
"We have managed the downward trend. A good company has to manage both upward and downward trends," he added.
Q1 net declines
During the first quarter of 2019-20, SFL's standalone net profit declined to ₹93.11

crore from ₹106.65 crore in the year ago period. Revenue from operations was lower at ₹945.35 crore against ₹968.51 crore. The company reported domestic sales of ₹557.22 crore (₹614.29 crore). Exports were ₹348.28 crore (₹321.71 crore).
In the first quarter of 2019-20, SFL's domestic sales dropped by 9.3%, compared with the corresponding period last year, while exports revenue increased by 8.3%.
"The drop in overall revenue was 2.5%. If not for growth in exports, the dip would have been higher," said S. Meenakshisundaram, chief financial officer, SFL.
Mr. Krishna said SFL was in the process of setting up a Special Economic Zone unit at Sri City to manufacture and export high precision engineering components. In order to expand growth in non-auto segments, SFL has incorporated a wholly owned subsidiary named Sunfast TVS Ltd.
The new firm would focus on growth opportunities in aerospace and defence segments and continue to expand SFL's existing business in the aerospace segment.
On introduction of electric vehicles, he said more charging stations were required for EVs to gain momentum. "One has to deal with the disposal of batteries, which none has talked about," he said.
Mr. Krishna also disclosed that K. Ramesh, who was associated with SFL as a director since December 1971, resigned in June 2019 due to personal reasons.

City Union Bank Q1 profit rises 15%

Slippages lower than in Mar. quarter

SPECIAL CORRESPONDENT CHENNAI
Private sector lender City Union Bank Ltd. reported a standalone net profit of ₹162 crore for the first quarter ended June 2019, representing a 15% growth over the year-earlier period, despite an increase in provisioning.
"We were able to post 15% growth in our net profit due to the implementation of risk management system and our decision to stay away from troubled corporates," said N. Kamakodi, CEO and managing director, City Union Bank.
CUB's net interest income increased by 11% to ₹417 crore while the net interest margin stood at 4.11%.
The bank increased its provisions and contingencies on non-performing assets to ₹116 crore from ₹78 crore.
Gross non-performing assets rose to 3.34% from 3.02% and net NPAs to 1.89% from 1.70%.
It had a provision coverage ratio of 65%.
During the period, the bank recorded fresh slippages of ₹200 crore (₹126 crore) and recovered ₹80 crore (₹61 crore).
"The overall slippage in the first quarter was lower than Q4 of 2018-19. We expect to have net NPAs of 1.75% to 2% of advances, which we would achieve by the year end. Till then, there would be some aberrations," he said.

Maruti Suzuki launches BS-VI compliant Ertiga

Sixth vehicle in firm's BS-VI portfolio

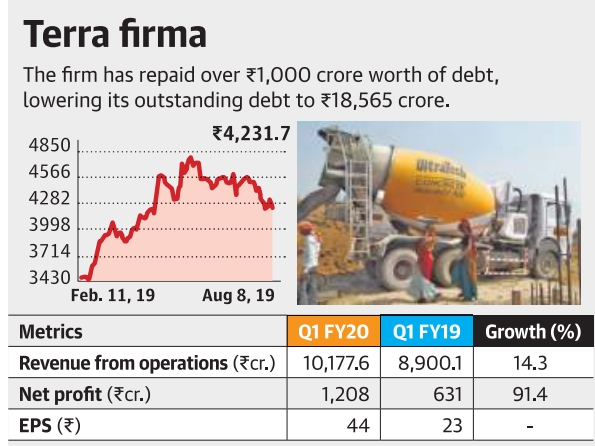
SPECIAL CORRESPONDENT NEW DELHI
Maruti Suzuki on Thursday launched the BS-VI compliant version of its MPV Ertiga, taking the total number of BS-VI compliant vehicles in its portfolio to six. The BS-VI petrol variant is priced ₹7.54 lakh onwards (ex-showroom Delhi).
"With the introduction of BS-VI petrol option in Ertiga, Maruti Suzuki has the largest offering of BS-VI compliant models – Alto, WagonR, Swift, Baleno and Dzire. The availability of the BS-VI variants on these large volume models several months ahead of the mandated date reflects Maruti Suzuki's commitment towards environment friendly

vehicles," the company said in a statement. Currently, the MPV is available in diesel and CNG variants, at a starting price of ₹9.86 lakh and ₹8.87 lakh, respectively (ex-showroom Delhi).
Emission cuts
The BS-VI compliant petrol vehicles will lead to reduction of nearly 25% in Nitrogen Oxide (NOx) emissions and can run on BS-IV petrol as well. "The BS-VI petrol cars from Maruti Suzuki have been extensively tested with BS-IV fuel and there is no operational concern," the company added.
Over 70,000 units of the Next Gen Ertiga have been sold since its launch in November 2018.

UltraTech net nearly doubles to ₹1,208 cr.

Merger synergies, better operational efficiencies boost cement firm's bottomline

SPECIAL CORRESPONDENT MUMBAI
UltraTech Cement Limited's net profit for the first quarter almost doubled to ₹1,208 crore compared with the net profit of ₹631 crore registered in the year-earlier period, due to merger synergies and better operational efficiencies.
The rise in profit for one of India's largest cement makers came on a 15% growth in net sales to ₹10,027 crore during the quarter.
The company's profit before interest, depreciation and tax stood at ₹2,840 crore compared with the ₹1,763 crore in the year-earlier period. The company achieved an operating EBITDA per tonne of ₹1,466 as EBITDA margin improved to 28%



compared with the 19% in the year-earlier period.
Overhauling of plants
"With major overhauling of the plants and completion of quality upgradation, UltraTech's Nathdwara Cement Limited has been fully integrated with UltraTech systems and processes. The plants have achieved optimal efficiencies," said the company in a statement.
The cement plants acquired from Jaiprakash Asso-

ciates in 2017 are operating in line with the existing plants of the company and have achieved PBT (profit before tax) break-even during the quarter. The company's Bara grinding unit is scheduled for commissioning during Q3 FY20 due to project delays.
The company is in the process of merging the cements division of Century Textiles with itself and after completion of the transaction and coupled with the ongoing expansions, UltraTech Cement will achieve an installed capacity of 117.35 MTPA, inclusive of its overseas operations.
The company has repaid over ₹1,000 crore worth of debt during the quarter to take its outstanding debt to ₹18,565 crore.

Siemens India profit up 21.4% to ₹248 crore

SPECIAL CORRESPONDENT MUMBAI
Siemens Ltd. has reported a 21.4% rise in its third quarter net profit to ₹248 crore for FY 2019.
The rise in profit came on a 4.9% increase in revenue to ₹3,110 crore during the quarter. Siemens follows October - September financial year.
Commenting on the results, Sunil Mathur, MD and CEO Siemens Ltd., said, "We have delivered very solid results in the third quarter although we see a slowdown in capex-related ordering by our customers. Liquidity is becoming a concern with payments being delayed and inventory offtake slowing down."