

Essar to cut residual debt by 70% to ₹12,000 crore

Group enters final leg of deleveraging after oil and steel businesses' sell-off

ADITI DIVEKAR
Mumbai, 11 March

The Ruia-owned Essar Group has entered the final leg of its deleveraging exercise as it plans to cut residual debt by 70 per cent to about ₹12,000 crore after selling off its oil and steel business.

From ₹1.83 trillion of debt in FY17, the group has brought it down by a staggering ₹1.40 trillion over the past three years.

Now, it plans to cut residual debt from ₹42,000 crore to ₹12,000 crore, Essar Group said in a mail sent to policymakers and bureaucrats. After the proposed reduction of debt in its power business by over 60 per cent (₹12,000 crore), and similar deleveraging across its portfolio businesses, Essar Group would have almost cleared all



THE JOURNEY SO FAR

- Exited telecom business and sold its 33% stake to Vodafone for **\$5.4 bn** in 2011
- Sold oil business to Rosneft for **\$13 bn** in 2017
- Sold Aegis BPO business for **₹2,000 cr** in 2017
- Lost insolvent Essar Steel to ArcelorMittal for **₹42,000 cr** in 2019

its long-term debts, said the mail. The balance, ₹30,000-crore debt, is the working capital requirement of the group.

The group is poised to embark on a new phase of growth

while driving growth in its existing portfolio, the mail said.

Essar Group promoters — Ravi Ruia and Prashant Ruia — have jointly signed the mail.

After the sell-off, the group

holds interests in oil and gas, ports, power, shipping and mining projects in India and overseas that give revenue of ₹1 trillion. Essar also said revenues were projected to rise from ₹94,000 crore in FY19 to ₹98,000 crore in the current financial year and then to ₹1.01 trillion in FY20-21 and ₹1.04 trillion in the year thereafter.

Essar said it was armed with a substantially lighter balance sheet after it took a conscious call of reducing debt in response to the evolving domestic and economic scenario.

“Our strong portfolio of companies consistently generates healthy and sustainable earnings and have combined revenue of ₹1 trillion (\$14 billion),” the mail quoted.

Essar informed that it had made capital investments of over ₹2 trillion (about \$28 billion) in sectors like ports, steel, oil refining and fuel retailing, oil and gas exploration & production, power generation & transmission, mining, shipping, and telecom, with substantial equity from Essar Group.

BTech, MBA freshers opt for gig jobs: TeamLease

NEHA ALAWADHI
New Delhi, 11 March

Fresh engineering and MBA graduates are increasingly applying for gig jobs, including those of drivers and delivery boys, according to staffing firm TeamLease.

The trend is across institutes and cities, as fresh graduates look at more lucrative salaries and flexible working hours, said Kaushik Banerjee, vice-president and business head for TeamLease and Freshersworld.com.

“Earlier engineering graduates used to get anywhere between ₹20,000 and ₹30,000 per

month on average. Depending upon the college, it can go up. But this was the average — ₹2.5-4 lakh. In the last two-three years, the core (tech) jobs have not come down, but the salaries have come down to about ₹10,000-25,000,” said Banerjee.

A delivery person employed with a firm like Swiggy or Zomato, or a driver with Ola or Uber has a base salary of between ₹25,000 and ₹30,000. With incentives, it can go up to ₹55,000-60,000, added Banerjee.

Spurred by good money and flexible working hours, engineering graduates have no qualms taking up gig jobs.

According to the data from TeamLease, the number of gig jobs that get posted on a daily basis is 920 on Freshersworld.com and 540 on TeamLease.

About 25 per cent of the 1.5-million job applications a month are for gig jobs. TeamLease saw a twofold increase in gig job applications from June-November 2019.

Further, about 10-11 per cent engineering and MBA freshers apply for these jobs.

Of the 60,000 daily job applications that people apply to on TeamLease's different job sites, it is seeing about 8,000 core engineers and MBAs per day apply for jobs like drivers,

delivery boys, etc.

Gig workers are usually spoken of in the context of a sharing economy, such as Uber and Ola drivers, delivery persons for Zomato and Swiggy, and so on. These are jobs enabled by a tech platform where workers are not bound to the organisation.

However, the term could also refer to higher-skilled workers like coders or technology professionals working part-time or as freelancers.

The Indian government is considering bringing gig workers into the fold of labour laws and social security benefits, as are governments across the world.

Mindtree founders get 'public' category tag from 'promoters'

Founders of Mindtree have been reclassified as 'public' from 'promoter and promoter group' as the board of the L&T group firm gave its approval towards this effect on Wednesday. In July 2019, founders of Mindtree — Krishnakumar Natarajan, Rostow Ravanan, N S Parthasarathy and Subroto Bagchi — had requested the board to shed their promoter tag. This came after L&T acquired majority stake in the firm through a hostile bid. **DEBASIS MOHAPATRA**

Mittal reiterates Airtel has paid full AGR dues

Says SC order did not specify quantum of dues to be paid

MEGHA MANCHANDA
New Delhi, 11 March

Bharti Airtel Chairman Sunil Bharti Mittal on Wednesday said the firm has paid its full adjusted gross revenue (AGR) dues of ₹13,000 crore. He said the Supreme Court order on the matter did not indicate the amount of dues.

Mittal, who met with Telecom Secretary Anshu Prakash on Wednesday, said Airtel had paid the dues in accordance with

Govt gets ₹25,900 cr in AGR dues

The government has received part payment of ₹25,900 crore from telecom operators towards statutory dues and has again directed telcos to make full payments, Parliament was informed on Wednesday. “The

Department of Telecommunications (DoT) had asked the firms to assess AGR dues themselves.

“We have paid ₹13,000 crore according to the assessment and another ₹5,000 crore as part of reconciliation to the DoT,” Mittal said. When asked if the company had received any notice from the govern-

ment seeking the calculation of AGR dues and payment of the balance amount, Mittal said, “We have given our self-assessment calculation to the government.”

The Union government on March 4 had asked Bharti Airtel, Vodafone Idea and other telecom companies to pay the remaining AGR dues in accordance with the SC order without further delay.

DoT had written to all telcos asking them to submit a detailed bifurcation of payments (explanation of self-assessed amounts), which it said was necessary for proper reconciliation of legitimate dues.

Airtel has paid ₹13,004 crore to the government in two instalments. It had also deposited an additional ₹5,000 crore “as an ad-hoc payment (subject to subsequent refund/ adjustment) to cover differences, if any, arising from the reconciliation exercise with the DoT”.

The total payout by Bharti Airtel, however, is half of the ₹35,586.01 crore liability estimated by DoT.