

FIRST-OF-ITS-KIND INITIATIVE

SpiceJet signs pact with GHASL for free trade zone

FE BUREAU
Hyderabad, March 13

SPICEJET ON FRIDAY announced the signing of an agreement with GMR Hyderabad Aviation SEZ (GHASL) for constructing a facility for the airline to carry out the warehousing, distribution and trading activities within the free trade zone of multi-product SEZ, popularly known as GMR Aerospace & Industrial Park. Initially, the facility will be spread over 33,000 sqft, with the scope to expand to 1,00,000 sqft based on demand. GHASL is a 100% subsidiary of GMR Hyderabad International Airport (GHIAL).

"As we expand SpiceXpress, our cargo arm, SpiceJet is proud to partner with GHASL for this first-of-its-kind initiative by an airline in India, which will enhance and facilitate cargo industry in the country. The free trade zone and the end-to-end service provided by SpiceXpress will greatly boost businesses, saving valuable time for our partner companies," airline chairman and managing director Ajay Singh said.

GMR Aerospace & Industrial Park is housed in Hyderabad Airport City, a greenfield airport city, which will propel the next stage of evolution of the airport cities in India.

The park offers 'ready-to-use' industrial infrastructure with the flexibility of choosing land within SEZ for businesses focussing on foreign markets and land in domestic tariff area for businesses cater-



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ing to the Indian market. SpiceJet recently pioneered India's 'Marine Krishi Udaan' by introducing dedicated freighter flights from Chennai and Vishakhapatnam to Surat and Kolkata to boost India's shrimp farming.

The airline's cargo services operate on both domestic and international routes, powered by fully integrated transporta-

tion network, including air cargo, ground transportation and warehousing facilities across the country.

Currently, GMR Aerospace & Industrial Park has several global clients, which includes CFM Aircraft Engine Support South Asia, SAFRAN Electrical & Power India, United Technologies Corporation India, Turbo Aviation, GMRAero Technic.

Hyderabad airport city is being developed as a theme-based, anchor-led development consisting of activity centres such as Grade A commercial offices, retail, healthcare, schools and university, leisure and entertainment, logistics and industrial.

AAI plans to raise \$300 m via ECBs next fiscal

FE BUREAU
Hyderabad, March 13

AS PART OF its capex plan to invest ₹25,000 crore over the next five years, the Airports Authority of India (AAI) is looking to raise \$300 million in first tranche through external commercial borrowings (ECBs) by next fiscal. The fundraising plan received the board's approval last month. The proposed investment is for building new airports, upgrading of unused airstrip and doubling the current passenger handling capacity of 345 million to 700 million per annum.

Speaking to the media on the sidelines of aviation exhibition Wings India 2020, AAI chairman Arvind Singh said the airports operator would be spending ₹5,000 crore on capex for the next five years beginning this year.

"We are thinking of going for ECB at lower rates to fund our plans. Also, we get funds from the central government under the Udan scheme. The Centre has allotted ₹4,500 crore to build airports under the Udan scheme. We will be going for ECBs next financial year," Singh said.

According to him, of the present 110 airports in the country, the AAI operates over 90. "A large part of the outlay of ₹25,000 crore would come from AAI's external borrowing, primarily through fundraising via bonds. Our balance sheet is very healthy, with AAA ratings and we got the board approval for the same last month," he said.

"The total outlay for 2020-21 is likely to be more than ₹5,000 crore, and the AAI plans to fund about 40% of its outlay through debt. Of the rest, about ₹500 crore will come from the government for

INFRA UPGRADE

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■ Of the present 110 airports in the country, the AAI operates over 90

developing smaller airports for regional flights and internal accruals," he said.

"The rapid expansion in India's airport and air navigation structure will definitely fuel the huge business and tourism opportunities in our great country. Indian aviation will be the epicentre of the growth trajectory and will present a whole range of opportunities," he added.

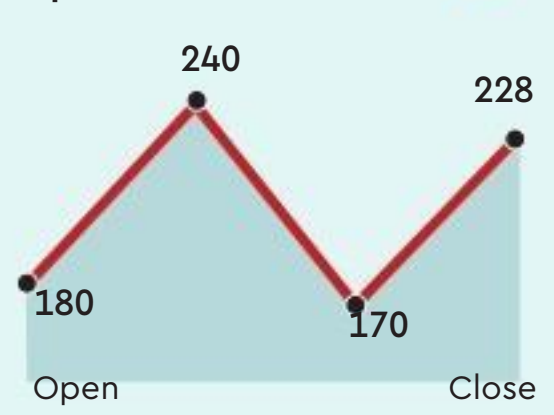
"We have made 48 airports operational in the last three years. So, to meet all these requirements, we have a very huge capex plan. On an average, we are spending ₹3,000-₹4,000 crore a year. From this year, we are stepping it up to ₹5,000 crore per annum. We should be able to reach up to 700 or 750 million passengers by 2030," he said.

There are 21 approved greenfield airport projects in the country and five of them have been completed, he added.

Street Signs

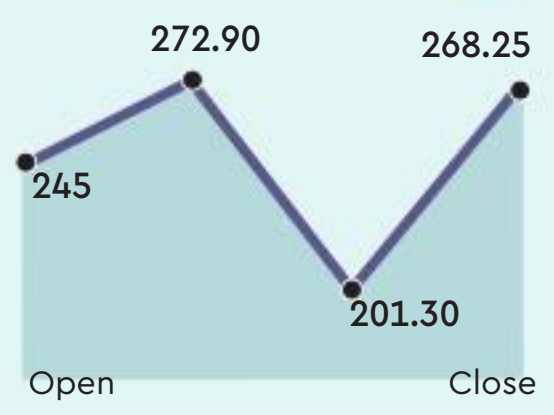
KRBL

Stock rallies after IT department grants relief worth ₹2,040 crore in past case **13.97%**



RITES

Shares surge ahead of announcing of contract worth ₹60 cr from kerala govt for quality audit **9.40%**



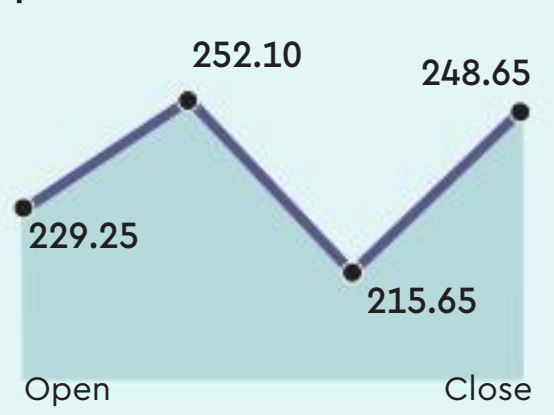
Sun Pharma

Stock rallies on value buying, buyback proposal **8.34%**



JK Lakshmi Cement

Scrip rises as company announces interim dividend of ₹2.50 per share **8.46%**



Quick View

Cars24 introduces customer-to-customer car selling model

CARS24, A TECH-enabled used car platform, has on Friday announced that it would now connect sellers directly with buyers, making the process more transparent and easier for its new-age customers. The newly launched model will enable customers sell their cars in three simple steps — they can visit any Cars24 branch for a free car inspection, meet the genuine buyers that Cars24 will shortlist for them and close the deal on the negotiated price while the company will help them in closing all the paperwork. The company will designate a dedicated relationship manager to a seller, who will take care of all the background checks, verifications, arranging meetings and paperwork while saving customers from all hassles whatsoever. Cars24 will ensure that the personal details and the car details are not shared with the buyers until the meeting is finalised.

PayPal employees get ElderCare@PayPal

DIGITAL PAYMENTS PLAYER PayPal on Friday said it has unveiled an 'ElderCare@PayPal' initiative, offering holistic wellness for parents of its employees. The company said the initiative was part of its efforts to provide employees with a supportive environment and covers parental health, including physical and financial conditions. In a statement, the company said the programme would also cover Tier-II and Tier-III cities besides major cities and towns.

Alkem Labs gets EIR from USFDA for Baddi facility

DRUG FIRM ALKEM Laboratories on Friday said the US health regulator has issued an establishment inspection report (EIR) for its manufacturing facility at Baddi in Himachal Pradesh. The Baddi facility was inspected by the United States Food and Drug Administration (USFDA) from February 17 to 21, 2020, Alkem Laboratories said in a filing to BSE. The USFDA has now issued an EIR for the manufacturing facility, it added.

Boeing to double component sourcing from India

FE BUREAU
Hyderabad, March 13

AIRCRAFT MAKER BOEING plans to double sourcing from India from the current value of \$1 billion a year to \$2 billion from over 200 suppliers, according to Darren Hulst, vice-president and global head of marketing, Boeing Commercial Airplanes. These suppliers are manufacturing high-end systems and components for some of Boeing's most advanced products as part of its global supply chain.

He said that the aviation market is resilient and will grow throughout 2020. Boeing forecasts air carriers in India will need about 2,500 new commercial aircraft by 2040.

Talking to media at aviation exhibition Wings India 2020, he said that air traffic in China and other Asia Pacific countries has gone down by more than half due to the coronavirus scare.

China used to witness as many as 15,000 departures on an average in a normal day and it has come down to about 3,000 flights a day. However in India, the company claimed that it did not have much impact.

"The mainland China market in normal operations we see about 15,000 departures a day and at the peak of the virus, they were operating around 3,000 flights a day, about 80% decline.

If you exclude China, in the rest of the Asia Pacific market, probably about 5,000 flights a day and at one point in time we saw about 2,500 or something like that. These are rough numbers," Hulst said.

To a query if there are any deferrals in deliveries of aircraft by airlines due to the slump in the industry, he said, "Aircraft deliveries are case-by-case and one-on-one basis. We have not done any deferring yet."

Chinese company opens largest face mask plant

CHINA-HEADQUARTERED BYD Company on Friday said it has unveiled the largest face masks plant aimed at serving the demand in the wake of the coronavirus outbreak.

"BYD is proud to announce that it has created the world's largest mass produced face mask plant. The plant is now running at full capacity and is able to produce 50 lakh masks and three lakh bottles of disinfectants per day," a company said in a statement.

The company said the plant would allow the firm to alleviate severe shortage that has affected hospitals and agencies across China in the wake of Covid-19 outbreak. A special task force was appointed by BYD chairman and president Wang Chuanfu consisting of leaders from various divisions and more than 3,000 engineers were involved in research and development, design among others.

With the company making about five to 10 new mask-producing machines on a daily basis, the number of masks produced by BYD was increasing from approximately three lakh units to five lakh units per day. BYD currently has a total production capacity of 50 lakh masks per day, it said.

Multiplexes see 20% dip in footfall due to Covid-19

PRESS TRUST OF INDIA
New Delhi, March 13

MULTIPLEX OPERATORS ARE witnessing around 15%-20% decline in footfall across India due to coronavirus scare and deferral in release of several big-ticket movies, which may impact revenue in the quarter, industry officials said.

Several states and UTs, including Delhi, Kerala and Jammu & Kashmir have directed the closure of all movie halls as a precaution against Covid-19. The Karnataka government has also directed to close movie halls in Bengaluru while the Maharashtra government has ordered shut down in some cities such as Mumbai, Navi Mumbai, Nagpur, Pune and Pimpri Chinchwad.

According to industry officials, multiplex owners, for the safety of viewers, are taking several precautions such as use of disinfectants and increase in the frequency of housekeeping and daily deep cleaning routines, and are "optimistic about the business" once the situation normalises.

"Coronavirus is a concern indeed for cinemas across India. Already we have seen with *Baaghi 3* that footfalls are down about 15%-20% in certain places. There is a lot of paranoia about the virus and it has impacted



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business but perhaps not to such an extent as the Western countries," Mukta Arts MD Rahul Puri told PTI.

He further said, "Bracing for a shutdown in key international markets, big films have shifted their release dates, as those markets are key for them and their business prospects." "This may not be the case with all movies but certainly the industry will take a bit of a jolt as the bigger movies which were

expected to bring in much needed revenue have shifted to later in the year impacting the quarter," said Puri.

Producers of Akshay Kumar-starrer *Sooryavanshi* have already rescheduled the release date of the movie.

Elara Capital vice-president Karan Taurani said: "With a big-budget film like *Sooryavanshi* getting postponed, there is expected to be a ripple effect, and we may see

the release date of other key movies getting shifted over the next three months. Also, with the number of novel coronavirus cases rising across key cities, we may see other state governments also shutting down multiplexes."

According to him, the Delhi-UP circuit contributes nearly 18% of the overall box-office revenues, hence filmmakers will have no choice but postpone their movies.

Meanwhile, multiplex chains are also stepping up safety measures at their properties for viewers.

"There is no doubt that the current situation demands a lot of our attention and focus, and therefore we are channelising and committing our energies into ensuring a safe and healthy cinema viewing experience for our guests. But at the same time, we firmly believe that with all the precautions and medical knowhow, collectively, we will see through this impermanent phase," said INOX Group director Siddharth Jain.

According to him, everyone in the industry from the film producer, who are postponing the films to the landlords of the properties are very supportive in this entire matter and expect intervention to elevate the sector from the government after the crisis is over.

Vedanta expects output at Lanjigarh alumina refinery to increase to 1.8 MT

PRESS TRUST OF INDIA
New Delhi, March 13

VEDANTA HAS SAID production at its Lanjigarh alumina refinery is expected to increase to 1.8 million tonne (MT) in financial year 2019-20 on the back of a significant improvement in operating efficiencies.

The production at the Odisha-based refinery had stood at 1.5 MT in the previous financial year. "The Lanjigarh alumina refinery is set for a record performance in FY 2019-20 with total production expected to increase to 1.8 MT from 1.5 MT in the previ-

ous fiscal," the company said in the statement. The improvement in operational parameters has been driven by a 26% reduction in caustic soda consumption and a 19% decline in conversion cost.

The unit has achieved a 9% reduction in bauxite cost per tonne through strategic bauxite sourcing. Lanjigarh now ranks among the top five alumina refineries globally in terms of total energy consumption. "There has been a reduced carbon intensity to 30% below global average of 1,500 dollar per tonne. Lanjigarh is on track to deliver aluminium cost of production exit rate in Q4

2020," it said. Further, Hindustan Zinc has recorded metal-in-concentrate production of 90,000 tonne in February, while metal output jumped to 80,000 tonne for the month. The production cost, excluding royalty, fell below \$1,000 per tonne levels in the fourth quarter of 2019-20.

The steel business of Electrosteel Steels has recorded an improvement in operational performance with Ebitda margins of over \$100 per tonne in the fourth quarter of 2019-20.

Electrosteel is set to achieve the best-ever production of 1.4 MT in FY 2019-20.

MG Motor shortlists Driftly Electric to support EV solutions scheme

PRESS TRUST OF INDIA
New Delhi, March 13

MG MOTOR INDIA on Friday said it has shortlisted Driftly Electric, a smart EV charging solutions provider, under its developer programme and grant for support.

Launched in January 2020, Driftly will receive grant to further expand its services through a peer-based ecosystem approach.

The start-up helps electric vehicle (EV) owners find nearby charging points through a multi-platform app by connecting EV users to charging points set up by private individuals, MG Motor India said in a statement.

The charging point owners can earn revenue as users come to charge their EVs. This helps in easier monetisation for owners of EV charging points, thus bridging a major need-gap in the Indian EV market.

Commenting on the development, MG Motor India president and managing director Rajeev Chaba said, "Through this grant, we are looking forward to supporting its growth, as it is in sync with our long-term vision of catalysing India's nascent EV market by creating an end-to-end and well-integrated charging ecosystem."



Driftly Electric helps EV owners find nearby charging points through a multi-platform app by connecting EV users to charging points set up by private individuals

The aim behind the MG Developer Program & Grant is to support and accelerate the evolution of the ecosystem of smart mobility in Indian automotive landscape by bringing innovative ideas and solutions to the fore, he added.

Driftly Electric co-founder Sneha Roy said the lack of a reliable and versatile charging

network is the most prominent hurdle to faster EV adoption in India.

"Driftly aims to address this need-gap by adopting a peer-based approach that helps hosts monetise their existing charging points while allowing EV owners to seamlessly discover charging locations close to them," she added.



PRESS TRUST OF INDIA
New Delhi, March 13

HINDUSTAN UNILEVER (HUL) ON Friday said its board would meet on April 1 to declare that the merger with Glaxo-SmithKline Consumer Healthcare (GSKCH) will be effective from that day.

Hindustan Unilever (HUL) and GSKCH have received approval from the Mumbai and Chandigarh bench of the National Company Law Tribunal, respectively, for the merger, HUL said in a regulatory filing.

"In this regard we further wish to inform you that in accordance with the terms of the scheme, a meeting of the board of directors of the company is scheduled to be held on Wednesday, April 01, 2020, to take on record the sanction of the scheme by the Mumbai NCLT and Chandigarh NCLT and to declare the scheme effective from April 01, 2020," it said.

On December 3, 2018, Anglo-Dutch FMCG giant Unilever announced the acquisition of health food portfolio, including popular brands Horlicks and Boost, from GSKCH India and over 20 other markets for ₹3.1 billion (about ₹27,750 crore).

Under the deal, Unilever's Indian arm, HUL is acquiring GSKCH India via an all-equity merger, valuing the total business of the latter at ₹31,700 crore.

GSKCH India is the market leader in the health food drinks (HFD) category, with popular brands such as Horlicks and Boost.

HUL stock settled at ₹2033.20, down 1.27% from its previous close, on the BSE.