

# Have offered to sell 18 Tejas aircraft to Malaysia, govt tells Parliament

6 other countries have evinced interest in the light combat aircraft

## OUR BUREAU

New Delhi, August 5

Six countries — the US, Argentina, Australia, Egypt, Indonesia and the Philippines — have shown interest in the indigenously manufactured light combat aircraft Tejas, even as India has decided to sell 18 of them to Malaysia, the government told Parliament on Friday.

Last October, Hindustan Aeronautics Ltd (HAL), a defence PSU, had offered 18 Tejas twin-seater variants while responding to a request for proposal (RFP) issued by Royal Malaysian Air Force for fighter lead in trainer-light combat aircraft (FLIT-LCA), Minister of State for Defence Ajay Bhatt informed the Lower House on Friday.

“Other countries which have evinced interest in the LCA are Argentina, Australia, Egypt, the US, Indonesia and



Other countries which have evinced interest in the LCA are Argentina, Australia, Egypt, the US, Indonesia and the Philippines

the Philippines,” Bhatt told Lok Sabha.

On a separate Parliament question on whether the government proposes to manufacture a stealth fighter jet, the junior defence minister said, “yes”.

He added that the “autonomous flying wing technology demonstrator” has been successfully tested by the Defence Research and

Development Organisation (DRDO).

## National security

“The desired information is sensitive in nature and its disclosure is not in the interest of national security,” he added.

The government, the MoS stated, has taken several policy initiatives in the past few years and brought in reforms to encourage indigen-

ous design, development and manufacture of defence equipment in the country, thereby expanding their production.

These initiatives include giving priority to procurement of capital items from domestic sources under the Defence Acquisition Procedure (DAP)-2020 and announcement of 18 major defence platforms for industry-led design and development. Besides that, a notification was issued for embargo on the import of items mentioned in the ‘positive indigenisation lists’ beyond the timelines indicated against them. Three such lists of total 310 items of services and two such list of total 2,958 items of the defence PSUs were made public, Bhatt stated.

Liberalisation of the Foreign Direct Investment policy allowing 74 per cent FDI under the automatic route, simplification of ‘make procedure’ and launch of Innovations for Defence Excellence (IDEX) scheme involving start-ups, and micro, small and medium enterprises were some of other new initiatives.

# Army conducts pan-India satcom drill to ensure readiness of hi-tech gear

Army to get multi-band satellite by 2025 to support tactical telecom requirements

## DALIP SINGH

New Delhi, August 5

The Army will have its own multi-band dedicated satellite with added security features by 2025 even as it conducted a pan-India exercise using all its space assets and multiple agencies to ensure operational readiness of hi-tech systems and personnel manning them.

The satellite communication exercise ‘Ex Skylight’, was conducted in the last week of July with the realisation that the northern border, as highlighted by defence establishment sources, is “the primary border of concern”. After the 2020 Galwan stand-off, troops on both the sides of the LAC in eastern Ladakh are in a state of combat alertness.

## First-of-its-kind satellite

The Defence Acquisition Council (DAC) gave approval to the



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Army’s requirement for a dedicated GSAT-7B satellite in March for secured strategic communication since other two services — the Indian Air Force and the Navy — already have their own.

“This satellite has been designed as first-of-its-kind indigenous multi-band satellite with advanced security features. It will support tactical communication requirements for not only troops deployed on ground, but also for remotely piloted aircraft, air defence weapons and other mission critical and fire support

platforms,” informed defence establishment sources.

The Army utilises their services and also of a number of ISRO satellites, on which over hundreds of communication terminals of various types are connected, informed the defence establishment officials. These include static terminals, transportable vehicle mounted terminals, man-portable and small form factor man-pack terminals.

## Multi-domain operations

Considering terrestrial media gets snapped in conflict, about

200 satellite resources of communication and 80 mobile ones were activated during the field exercise to have a country-wide sweep, sources in the defence establishment said. “Various technical and operational scenarios in space domain were played up” to test response and coordination among the systems and the troops which is key warfare strategy, an officer of defence establishment pointed out.

Though troops are carrying out regular exercises to iron out glitches in their preparedness, the Army has taken a step forward by attempting to leverage space for supporting multi-domain operations. One of the issues that have emerged out of the exercise which is being looked into is that remote resources did not have support systems, stated defence establishment sources.

With India having challenging weather and geographical realities, the satellite communication link-up to commanders becomes important for command and control of operations.

# Steel makers slash prices up to ₹3,500/tonne for Aug deliveries

Mills cite poor demand in domestic, export markets for downward price revision

## ABHISHEK LAW

New Delhi, August 5

Indian steel-makers have cut the bench-mark hot rolled coil (HRC) prices by ₹3,000 – 3,500 per tonne for August deliveries. Mills cite poor demand in domestic and export markets and slow buying from the trade for the downward price revision.

Month-on-month prices have declined by 3-4 per cent with HRC prices now being in the range of ₹58,000-59,000 per tonne; amongst the lowest so far in 2022, and over 25 per cent fall from the peak they commanded earlier this year.

According to market sources, the cold-rolled coil (CRCs) prices are down by ₹2,650/ tonne (around 4 per cent month-on-month). Post revision, CRC prices are now in the ₹65,350-66,500/ tonne range.

Rebar prices too have seen a decline too. Blast furnace route rebar price stood at ₹56,900/tonne, down by 3-4 per cent, month-on-month.

“From a peak in April, HRC



prices have been declining. We had hoped that prices have bottomed out and mills could roll over their July prices in August. But domestic demand continued to be poor, and so most of them announced a ₹3,000-3,500-odd per tonne downward revision in prices,” a steel mill official told *BusinessLine*.

## Exports weakness

Exports of steel have been badly hit since the imposition of a 15 per cent duty in May. For the April to June quarter, exports declined 39 per cent, year-on-year, as per details available with the Steel Ministry.

In June, exports declined 60 per cent, y-o-y.

Since May, offers have remained under pressure while

volumes took a hit. The key markets of West Asia, Europe and Vietnam have seen less bookings for Indian-origin HRC.

This led to inventory pile up, exerting pressure on mills to sell in the domestic market.

## Slow buying

Seasonal weakness saw poor demand from the domestic market too. Anticipating further fall, dealers reduced purchase orders. Restocking too has not happened at dealer levels.

Indian steel mills were reportedly advancing their annual maintenance as they did not want to pile up on inventory.

“Some of the larger buyers are negotiating for more discounts or holding back purchase decisions because of volatility in prices,” a mill official said, adding that demand from the construction sector remains lower than expected.

For Indian steel companies, raw material prices are witnessing some decline. Imported premium hard coking coal (Australia) have fallen on a weekly basis by about \$327/tonne from \$554 in May to \$227 in June.

# UCO Bank to explore ARC, NARC route to recover cash from Srei Group

Claims of around ₹31,868 cr have been admitted by RBI-appointed administrator

## OUR BUREAU

Kolkata, August 5

UCO Bank may explore the possibility of moving to an asset reconstruction company (ARC), including the government-backed bad loan aggregator National Asset Reconstruction Company Ltd, for exposure in Srei group entities.

According to Soma Sankara Prasad, MD & CEO, UCO Bank, if an ARC is interested in Srei, then banks could get their money upfront, instead of having to wait for the resolution process to be complete. “We have the joint lenders meeting this coming Monday and we will check with other lenders in the consortium what they think about this [going to an ARC]. This is one option that we can explore. If any of the ARC is interested in Srei, then we can get cash upfront immediately,” said Prasad while addressing a vir-

tual press conference post announcing the quarterly results on Friday.

The Kolkata Bench of NCLT had, on October 8, given its approval to start insolvency proceedings against the Srei group companies, including Srei Equipment Finance and Srei Infrastructure Finance. The Reserve Bank of India-appointed administrator has admitted claims of around ₹31,868 crore of the total claims of around ₹34,223 crore from financial creditors to Srei Equipment Finance (SEFL). The administrator has also admitted claims to the tune of ₹257 crore from financial creditors to Srei Infrastructure Finance.

## 3rd deadline extension

It is to be noted that the lenders to the two insolvent Srei firms had recently extended the deadline for submitting resolution plans by 10 days to August 10, following request from three of the prospective bidders. The deadline earlier was July 30. This is the third time that the deadline has been extended.

Big corporates, including Vedanta and Jindal Power, and



Soma Sankara Prasad, MD & CEO, UCO Bank

asset reconstruction companies such as Assets Care and Reconstruction Enterprise, JM Financial Asset Reconstruction Company and Asset Reconstruction Company (India) (ARCL), are some of the names that feature in the provisional list of eligible prospective resolution applicants for the Srei Group companies.

According to Prasad, if there is no further extension in timeline and bids are submitted, then it may take anywhere around 3-4 months for the process of resolution to get complete.

Riding on the back of higher interest income, UCO Bank registered 22 per cent

rise in net profit at ₹124 crore for the quarter ended June 30, 2022, against ₹102 crore in the same period last year.

## Net interest income up

Net interest income grew by 13 per cent at ₹1,649 crore during the quarter under review against ₹1,460 crore same period last year.

The other income took a hit as it took a mark to market provision of ₹653 crore on account of treasury loss during the quarter under consideration.

The bank had taken a MTM provisioning of close to ₹216 crore during the fourth quarter of last financial year (Q4 FY22). Other income was down at (₹54 crore) against ₹857 crore same period last year. Operating profit was down by 63 per cent at ₹440 crore compared with ₹1,773 crore last year.

According to Soma Sankara Prasad, MD & CEO, UCO Bank, the steep decline in other income and operating profit was primarily on the back of the MTM provisioning on account of treasury loss.

The bank’s net profit margin improved to 3.26 per cent.

# Russia undercuts Saudi oil in India as competition heats up

## BLOOMBERG

August 5

A fierce battle is brewing in India where Russia has undercut the price of oil from its OPEC+ ally Saudi Arabia, paving the way for Moscow to expand its market share in one of the biggest crude importers.

Russian barrels were cheaper than Saudi crude during April through June, with the discount widening to almost \$19 a barrel in May, according to Bloomberg calculations based on Indian government data. Russia surpassed the kingdom as the second-biggest supplier to India in June, ranked just behind Iraq.

## Crude import at \$47.5 b

India and China have become willing consumers of Russian crude even as most other buyers shunned its barrels following the invasion of Ukraine. India imports 85 per cent of its oil needs, and cheap supplies provide some economic relief as the country faces elevated inflation and a record trade gap. The nation’s crude import bill swelled to \$47.5 billion in the second quarter after a surge in global prices coincided with rebounding fuel demand.

# Volatile LNG prices may stall India’s growing gas consumption

National LNG consumption was around 24 mtpa in FY22

## RISHI NANJAN KALA

New Delhi, August 5

India, the world’s third largest energy consumer, could see its natural gas consumption decline from the levels of around 24 million tonnes per annum (mtpa) if liquefied natural gas (LNG) prices in the international market continue to rule in the range of \$45 per mBtu.

Petronet LNG Chief Executive Officer AK Singh, in a post result media interaction on Friday, pointed out that spot LNG prices in international markets are presently in range of \$45 per mBtu. In mid-May, prices were at \$20 per mBtu before rising around mid-June due to geopolitical tensions. It went up to \$51 per million British thermal units (mBtu) on July 27 this year.

When asked about the impact of high prices on demand, Singh said, “India is fortunate enough to have a good portfolio of long term contracts. The country’s demand is around 24-25 mtpa. Due to high volatility and prices, the increase in demand is not happening, but demand destruction is not to the extent that people in other parts of the world are experiencing.”



AK Singh, CEO, Petronet LNG

Assuring about availability of LNG supplies, he said India has long-term contracts of around 20 MT and the dependence on spot is not very high.

## 'No immediate growth'

Singh emphasised that “With gas prices moving up in this fashion, to sustain consumption in this situation is in itself a challenge. Growth comes when prices stabilise. Considering the geopolitical situations, we do not foresee that immediately will start.”

He, however, said that with infrastructure being built across the country, particularly for the city gas distribution (CGD) network, and the recent government policy on mixing LNG in domestic gas to meet CGD requirement, LNG will be bought for mixing with domestic gas for PNG and CNG consumers, even at high prices.

Fertiliser sector is the second priority and their prices have also hardened in the interna-

tional markets. So a major portion of LNG is going for fertiliser production. There are certain consumers who switch over from gas to liquid fuels depending on the prices. So to some extent some demand destruction can happen, but it will quickly go back as soon as prices stabilise, he explained.

Petronet LNG does not see prices of LNG in the global markets coming down soon with Europe staring at stretched gas supplies during the winters.

“It is expected that in the coming winters, the situation may not soften due to the low gas inventory in Europe. It all depends on geopolitical situation,” Singh explained.

## Long-term contracts

Petronet LNG CEO said that company is in advanced discussions to renew its long-term contract with RasGas of Qatar after the existing long-term contract expires in 2028.

“We have a 7.5 MT long-term contract with RasGas up to 2028 and Qatar is expanding its capacity from existing 77 mtpa to 140 mtpa. So huge capacity is available beyond 2025-26 by Qatar. There is no dearth of LNG availability beyond 2025-26. Earlier long-term contract was for almost 25 years. For the next contract, we are discussing the time period whether it will be 15 or 25 years and the terms. We have sufficient time to conclude the deal,” he said.

# Pine Labs eyes \$5 b in monthly transactions for payments biz

Firm trying to lure customers with lower processing fee than some rivals

## REUTERS

Mumbai, August 5

Pine Labs is targeting \$4-5 billion in monthly transactions within two years for its new online payments business, its chief executive told Reuters.

At that point, online payments should contribute 20 per cent of revenue, said Pine Labs CEO Amrish Rau, disclosing the company’s targets for the first time since it entered online payments.

Valued at \$5 billion and with investors, including Mastercard and Singapore’s Temasek, Pine Labs has, for years, provided point-of-sale machines to offline merchants for card payments.

Last year, it launched Plural, a service to process online transactions in the country’s booming payments market.

Rau said Plural was currently processing \$380 million in transactions monthly, but that would grow 10 to 15 times in the next two years.

The monthly transaction value would be \$4-5 billion, he also said. In the first 10 months, Plural had bagged the online transaction processing business of new cli-

ents including Samsung India and Apple’s Indian resellers, Rau added.

“Offline payments (business) is much more difficult than online and we have already cracked that. Merchants expect high transaction success rate from online payments. We can give any competitor a run for their money,” he said.



Digital transactions make up 40 per cent of all transactions in India’s fast-growing payment space, according to Boston Consulting Group. A government push for people to pay digitally is helping drive digital transactions.

## Card payments

Indians made card payments worth \$22.6 billion in May 2022, nearly twice as much as a year earlier, according to central bank data.

Pine competes directly with other payment gateways such as Sequoia-backed Razorpay, which is valued at \$7 billion, and Prosus-owned PayU.

For Pine Labs, competition

will remain stiff, as rivals offer similar services and are already well established.

“Everyone provides the same service, so differentiation is very hard in the long run,” said an executive at a rival payments firm, who declined to be named due to business sensitivities.

Pine Labs is trying to lure customers by offering a processing fee 10 to 12 basis points lower than some rivals, according to an industry source with direct knowledge.



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Andhra Pragathi Grameena Bank at Head Office, Marripuram, Kadapa, invites sealed bids from the eligible bidders for supply, installation, Commissioning and Maintenance of 'NVR Based CCTV Systems' for our Branches and offices operating in 10 Districts. Details are as under:				
Sl.No.	Name of the work	Tender Notice	Quantity	Last date & Time of submission
1)	CCTVs Installation	145/HO/PMSD/CCTV/2022 dated 05.08.2022.	505 Locations	26.08.2022 02.00 pm
The complete set of bid documents and other details are available in our Bank website <b>www.apgb.in</b> from 05.08.2022 to 26-08-2022. <b>Sd/- GENERAL MANAGER</b>				

MUTHOOT CAPITAL SERVICES LIMITED					
CIN: L67120NL1994PLC007726 Regd. Office: 3 <sup>rd</sup> Floor, Muthoot Towers, M. G. Road, Kochi - 682 035. Statement of Standalone Unaudited Financial Results for the quarter ended June 30, 2022					
Sl. No.		Particulars		Qn. Ending 30.06.2022	Qn. Ending 30.06.2021
1.	Total Income from Operations			106.38	97.80
2.	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary Items)			19.78	-19.94
3.	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary Items)			19.78	-19.94
4.	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary Items)			14.73	-15.04
5.	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax))			14.33	-14.74
6.	Paid Up Equity Share Capital			16.45	16.45
7.	Reserves (excluding Revaluation Reserve)			371.30	
8.	Securities Premium Account			201.35	201.35
9.	Net Worth			402.08	544.82
10.	Paid Up Debt Capital / Outstanding Debt			1558.69	1843.24
11.	Outstanding Redeemable Preference Shares			NIL	NIL
12.	Debt Equity Ratio			3.80	3.49
13.	Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations) -				
1.	Basic:			8.96	-8.15
2.	Diluted:			8.96	-8.15
14.	Capital Redemption Reserve			NA	NA
15.	Debt Redemption Reserve			NA	NA
16.	Debt Service Coverage Ratio			NA	NA
17.	Interest Service Coverage Ratio			NA	NA

Note: (a) The above is an extract of the detailed format of unaudited Financial Results filed with the Stock Exchanges under Regulation 33 & 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Unaudited Financial Results are available on the National Stock Exchange of India website (URL: [www.nseindia.com/corporates](http://www.nseindia.com/corporates)), the BSE Ltd website (URL: [www.bseindia.com/corporates](http://www.bseindia.com/corporates)) and the Company's website (URL: [www.muthootcap.com/investors](http://www.muthootcap.com/investors)).

(b) For the other line items referred in regulation 52 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pertinent disclosures have been made to the Stock Exchanges and can be accessed on the National Stock Exchange of India website (URL: [www.nseindia.com/corporates](http://www.nseindia.com/corporates)), the BSE Ltd website (URL: [www.bseindia.com/corporates](http://www.bseindia.com/corporates)).

Kochi Date :05.08.2022

For Muthoot Capital Services Limited

Sd/ Thomas George Muthoot Managing Director DIN - 00011552

Sd/ Thomas Muthoot Director DIN - 00082099



