

Measures to Curb Banks’ Bad Debt

►► From Page 1

Also “making such disclosures mandatory ensures asymmetry of information is avoided. It helps market participants to correctly price bonds and bond derivatives on the company.”

The government and RBI have taken a series of measures to resolve banks’ bad debts, which are seen as a threat to India’s economic health. Sebi, too, has taken several steps in this regard.

Sebi last week asked listed banks to make disclosures if provisioning and NPAs assessed by

RBI exceeded 15% of published financials. Recently, Sebi asked credit rating agencies to seek information from companies on the servicing of debt obligations and disclose this immediately.

“Disclosures are always welcome in a disclosure-based regime,” said Sudhir Bassi, execu-

ve director, capital markets, Khaitan & Co, a leading law firm. “However, due consideration should be given that any temporary delay should not be a reporting event. Hence, if a debt payment is (delayed) for say two or three months, then it should be a disclosure requirement.”

Banks are saddled with over ₹12 lakh crore of stressed loans. This includes restructured debt, of

which NPAs account for more than ₹7 lakh crore. Some experts urged caution when making judgement calls on such information. “All demands for disclosure must be tempered with the value that they may deliver and also by the factor that wrong interpretation can be made by not fully understood disclosures,” said Shailash Harihbakti, founder, Baker Tilly DHC, an advisory firm.

‘Revenue Fall Not Drastic, but Profitability Impacted’

►► From Page 1

“While the revenue fall is not drastic due to launch of unlimited low-price data and voice plans in mid-March, profitability is clearly impacted,” said Prashant Singhal, global telecom leader at EY.

Bharti Airtel shares gained 1.8% to ₹427.60 at close on the BSE on Tuesday, after touching a 52-week high of ₹431 earlier in the day. The results were announced after the markets closed.

In Africa, the telco reported a profit of \$52 million compared with a loss of \$78 million a year ago, helped by growth in data customers and consumption.

India continued to be a worry. Reliance Jio, backed by India’s richest person Mukesh Ambani, started commercial operations on September 5 with free voice and data offers that continued till March end. Although Jio has started charging for its data services, prices are below market rates and voice remains free on its network. The company said last week it plans to launch a 4G feature phone that will be offered effectively free of cost.

“Their focus appears to be more on customer market share rather than revenue market share, which is a positive for Bharti as it will be able to monetise its high-value customers in metros and tier-I markets as Jio’s focus will be primarily on tier-II and III city customers,” said Pankaj Agrawal, partner at telecom and media consultancy Capitel.

Jio’s rivals were forced to slash effective data rates and offer free voice calling on some plans across price segments, hurting key operational indicators such as average revenue per user (ARPU) and average revenue per minute (ARPM).

The price cuts helped widen Airtel’s India data user base,



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but hurt revenue per user and were a drag on the pace of revenue growth from mobile broadband, expected to be the mainstay as the voice business slows. Lower-priced and even free voice offerings helped to increase minutes on the network.

India ARPU for voice and data combined fell 2% on quarter. Separately, voice and data ARPUs fell 2.5% and 4% on quarter, respectively, while realised rates for both services plunged 9.5% and 51.1%, with the drop in data rates sharper than in the January-March period.

The company’s data customer base grew 9.1% on quarter, increasing data usage per user by 96.2% on quarter. Data now accounts for 21.9% of the carrier’s India mobile revenue, compared with 21.5% in the previous quarter. Mobile data revenue accounted for 17.1% of total revenue compared with 18.2% a year ago. Overall mobile data revenue during the quarter fell 18.8% on year.

Airtel said the percentage of users leaving the network rose to 3.8% from 3.6% in the January-March period due to competitive pressures.

Quarterly net interest cost rose to Rs 1,789 crore from Rs 1,631 crore a year ago, mainly on account of increased spectrum-related interest costs, dragging net profit further. Po-

rex and derivative loss narrowed to Rs 39 crore from a loss of Rs 309 crore a year earlier.

Consolidated net debt totalled \$13.6 billion compared with \$14.09 billion in the previous quarter and \$12.37 billion a year ago.

The margin of earnings before interest, tax, depreciation and amortisation (EBITDA) contracted to 35.6% from 36.4% in the previous quarter, hurt by the fall in revenue even as expenses rose.

Bharti Airtel’s net profit of \$52 million in Africa was on marginal growth in revenue to \$736 million, also helped by currency appreciation. “Organic revenue growth for the quarter was 1.5% Y-o-Y, though our efforts to optimise unprofitable revenue streams resulted in higher net revenue growth of 3.3%.” New KYC norms impacted customer additions and consequently revenue growth in the quarter,” said Raghunath Mandava, MD, Africa.

He said data consumption and revenue increased by 75% and 11.3%, respectively, on year. “Our focus to deliver a more profitable business model for Africa has resulted in another quarter of EBITDA margin improvement, with underlying margins expanding by 8.1% on year from 19.9% to 28.0%,” he added.



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Extract of the Financial Results for the Quarter Ended 30th June, 2017

(₹ in Lacs)

Particulars	Standalone	
	Three Months Ended 30th June 2017	Three Months Ended 30th June 2016
Total income from operations	23,807.63	17,445.96
Net Profit for the period before tax	7,520.27	5,480.38
Net Profit for the period after tax	4,911.43	4,365.36
Total Comprehensive Income for the period	4,826.61	4,321.36
Equity share capital (Face value ₹ 2/- per share)	985.67	978.58
Earnings per share (of ₹ 2/- each) (not annualised)		
- Basic EPS for the period (₹)	10.02	8.92
- Diluted EPS for the period (₹)	9.98	8.85

Notes:

- The results of the quarter ended 30th June, 2017 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 25th July, 2017.
- The above is an extract of the detailed format of financial results for the Quarter ended 30th June, 2017 filed with the Stock Exchanges under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the financial results for the Quarter ended 30th June, 2017 is available on the websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com and on the Company’s website www.nfil.in.
- During the quarter, the Company paid final dividend of ₹ 13/- per share on 9,842,747 equity shares of nominal value of ₹ 10/- each, aggregating to ₹ 1,279.56 lacs for the year ended 31st March 2017.
- At the 19th Annual General Meeting of the Company held on 29th June, 2017, Members have passed Resolution approving sub-division of shares in the ratio of 5 Equity Shares of ₹ 2/- each for every 1 Equity Share of ₹ 10/- each. The record date for the aforesaid sub-division was 20th July 2017. Consequently, the basic and diluted earnings per share have been adjusted for the sub-division of shares for the quarter ended 30th June 2017 and 30th June, 2016 in accordance with the provisions of Ind AS 33, ‘Earnings per Share’.

For Navin Fluorine International Limited

Place : Mumbai

Date : 25th July, 2017



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Shekhar S. Khanolkar
Managing Director



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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

(₹ in lacs)

PARTICULARS	FOR THE QUARTER ENDED 30.06.2017	FOR THE YEAR ENDED 31.03.2017	FOR THE QUARTER ENDED 30.06.2016
	(Unaudited)	(Audited)	(Unaudited)
Total income from operations	14,052.30	56,233.47	13,852.18
Net Profit/(Loss) for the period (before tax, exceptional and/or extraordinary items)	1,949.23	5,467.56	2,352.20
Net Profit/(Loss) for the period before tax (after exceptional and/or extraordinary items)	1,949.23	5,467.56	2,352.20
Net Profit/(Loss) for the period after tax (after exceptional and/or extraordinary items)	1,305.60	3,679.28	1,555.53
Paid-up equity share capital (Face value ₹ 2/- per share)	479.40	479.01	477.46
Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	55,283.53 (As on 31 st March, 2017)	55,283.53 (As on 31 st March, 2017)	52,688.34 (As on 31 st March, 2016)
Earnings per Share (Face value ₹ 2/- per share) (for continuing and discontinued operations) (₹) (not annualised)			
- Basic	5.45	15.40	6.52
- Diluted	5.43	15.34	6.49

Note:

- Information relating to Total Comprehensive Income and Other Comprehensive Income is not furnished as Ind AS is not yet made applicable to banks.
- The above is an extract of the detailed format of Quarterly/Annual Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly/Annual Financial Results are available on the website of the Bank (www.axisbank.com) and on the Stock Exchange websites (www.nseindia.com and www.bseindia.com)

For and on behalf of the Board

Place: Ahmedabad
Date : 25th July, 2017

www.axisbank.com

SHIKHA SHARMA
MD & CEO



HOUSING AND URBAN DEVELOPMENT CORPORATION LTD. (HUDCO)

(A GOVT. OF INDIA UNDERTAKING)

CIN: L74899DL1970GOI005276, GSTIN: 07AAACH0632A1ZF, Website: www.hudco.org

Registered Office : HUDCO Bhawan, Core 7A, India Habitat Centre, Lodhi Road, New Delhi - 110003



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Sanctions
7048
99.66%

Networth
9378
9.63%



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EXTRACT OF THE STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS (REVIEWED) FOR THE QUARTER ENDED 30TH JUNE, 2017

(₹ in Crore)

PARTICULARS	Quarter Ended			Year Ended
	30 th June, 2017 (Unaudited)	31 st March, 2017 (Audited)	30 th June, 2016 (Unaudited)	31 st March, 2017 (Audited)
Total Income from Operations	929.08	906.85	891.11	3584.84
Net Profit for the Period (before tax & exceptional items)	211.97	385.65	204.43	1174.74
Net Profit for the Period before tax (after exceptional items)	211.97	385.65	204.43	1175.00
Net Profit for the Period after tax (after exceptional items)	210.85	315.36	138.74	841.81
Total Comprehensive Income for the period (comprising Profit for the period (after tax) and other comprehensive income (after tax))	N.A.	N.A.	N.A.	N.A.
Paid up Equity Share Capital (FV- ₹ 10/- each)	2001.90	2001.90	2001.90	2001.90
Reserves excluding Revaluation Reserve				7165.35
Earning Per Share (FV- ₹ 10/- each)				
i) Basic (not annualised)	1.05	1.58	0.69	4.21
ii) Diluted (not annualised)	1.05	1.58	0.69	4.21

Notes:

- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015. The full format of the financial results are available on the websites of BSE Limited (URL: www.bseindia.com/corporates), National Stock Exchange of India Limited (URL: www.nseindia.com/corporates) and the same is also available on the company's website (URL: www.hudco.org).
- The above Standalone financial results for the quarter ended 30.06.2017 as reviewed by the Audit Committee and were taken on record by the Board of Directors at the meeting held on 24.07.2017 and these financial results have been limited reviewed by Dhawan & Co., Chartered Accountants, Statutory Auditors.
- Under the Disinvestment programme of Government of India, the President of India acting through the Ministry of Housing and Urban Poverty Alleviation (Selling Shareholder) sold 10.193% of its equity shareholding (i.e. 204,058,747 equity shares of face value of ₹ 10/- each) in Housing and Urban Development Corporation Ltd. (HUDCO) through an Initial Public Offer (IPO) at a price of ₹ 60/- per equity share. As the offer comprised solely of the offer for sale by the selling shareholder and with HUDCO not raising any fresh equity capital through the offer, no proceeds of the offer have been received by HUDCO. The equity shares of HUDCO were listed on Bombay Stock Exchange and National Stock Exchange on 19.05.2017.
- The company does not have more than one segment eligible for reporting in terms of Accounting Standard (AS-17) on "Segment Reporting".
- As notified by the Ministry of Corporate Affairs, the Company shall be implementing Indian Accounting standards (Ind-AS) from Financial Year 2018-19 onwards. Accordingly, information in respect of comprehensive income and other comprehensive income is not applicable to the company.
- The pay revision of the employees of the Corporation is due w.e.f. 1st January 2017. Pending implementation of pay revision & fixation of revised pay scales as shall be notified by DPE, Govt. of India, an adhoc provision (on an estimated basis on average salary) amounting to ₹ 3 crore for a period of three months from 01.04.2017 to 30.06.2017 has been made towards pay revision.
- An amount of ₹ 2 crore has been provisionally provided in the accounts towards Employee Benefits as per AS-15 pending Actuarial Valuation.
- Depreciation of ₹ 1.20 crore on fixed assets has been provided on estimated basis.
- During the quarter ended 30th June, 2017, the company has reversed excess Deferred Tax Liability of ₹ 66.81 crore created in the earlier years.
- The Company has made provision for NPA of ₹ 2265.20 crore (including standard assets) as on 30.06.2017 as against the provision of ₹ 2135.20 crore required as per NHB norms. Hence, the Company has additional provision of ₹ 130 crore as on 30.06.2017 (₹ 330 crore as on 31.03.2017) as per accounting policy of the company.
- In case of one of the borrowers, the loan asset was categorized as sub-standard by the company on 15.04.2015. However, in view of Hon'ble High Court of Madras Order, the company after seeking legal opinion with respect to asset classification, the loan asset has been re-classified from sub-standard to standard asset category. Had the account been classified as NPA, Company would be required to make a provision amounting to ₹ 193.03 crore as on 30th June, 2017. Further, keeping in view the prudent accounting, the interest income of ₹ 28.34 crore has not been recognized in the Statement of Profit & loss during the quarter ending 30th June, 2017.
- There were 17 number of Investor complaints pending with HUDCO as on 30.06.2017. As on date 7 Investor complaints are pending.
- Figures of corresponding period in the previous year have been regrouped, wherever necessary.

for and on behalf of Board of Directors

Dr. M. Ravi Kanth

Chairman and Managing Director

PLACE : New Delhi
DATE : 24.07.2017