Ban on Chinese procurement: Govt projects may face hiccups

While the impact could be varied across sectors, cordingly build these into pricost escalation and delays are main concerns

S RONENDRA SINGH

New Delhi, July 31

Companies working on big projects in India which have been procuring supplies from China could see some hiccups following the government decision to impose restrictions on use of Chinese products.

Some of the local players feel that the move to ban Chinese companies in infrastructure projects could result in escalation of project costs and delays. The impact will be particularly felt in urban transportation infrastructure where Chinese companies had started to increase their play.

Recently, Chinese firm Shanghai Tunnel Engineering Company was the lowest bidder for constructing a 5.6-km tunnel on the 82-km Delhi-Meerut Rapid Rail Transit System project. Industry watchers feel that project costs could go up and stretch timelines, which are already under pressure due to Covid-19

But, L&T which bags large Engineering Construction Procurement(EPC) projects is not overtly worried. "While many of the raw materials that go into construction comes from China, we will now look within India for all such requirements," Shankar Raman, Chief Financial Officer, at

In general, Raman also said that L&T will continue to deliver projects on or ahead of time, even in the backdrop of Covid-19.

Impact on costs

However, many companies are tight lipped on the cost increases as a result of the anti-China directive. Project consultants opine that the cost increase could be in the range of 10-15 per cent, which they say is not that much considering that these projects are in the range of 5-30 years.

"Incremental cost increases will not have an overall impact on the project cost as companies cing. Moreover, the project timeframes are upward of three years and if you amortise costs then the overall impact is flat," Srinjoay Sharma, Partner, Gtech Infra, an infrastructure consulting firm said.

Some in the industry also believe that the government can find other ways to ensure that cost overruns can be minimised through incentivisation. "Ensuring on time project completion will eliminate the low cost advantage that is the advantage of certain countries," Abhishek Sax-Co-founding Partner, Phoenix Legal, said.

In cases wherein the costs go up, this increase could be offset by passing it through to consumers or the government absorbing the cost.

"In projects, which involve an end user, the costs could be absorbed by the government or it can extend the concession period, to allow for recovery of the increased costs," pointed out Saxena. Chinese dominance over supply of cargo handling cranes

tenders for government procurement, said an official with one of the State-run oil refiners. The rule, though, would be difficult to implement under the cost, insurance and freight (CIF) contracts where the shipping part is finalised by the overseas

suppliers, the official said. "We are using Chinese-owned ships for just two-three per cent of our total requirements. Even this may have to be stopped," said the official

Shanghai Zhenhua Heavy In-

hit them very badly," Managing Director of a port operating com-India's 12 ports owned by the

"The government order will

Central government, private cargo terminals run by firms such as DP World and PSA International at these State-owned ports and private ports run by entities such as Adani Ports and Special Economic Zone Ltd (APSEZ) have sourced most of their cranes from Chinese sup-

Some of them have already started seeing the restrictions on Chinese partners and their projects are either on the verge of being stalled or cancelled fully.

Impact on projects

OUR BUREAU

New Delhi, July 31

For instance, the construction of the ₹13,277 crore Talcher fertiliser and coal gasification project is facing headwinds. This project was awarded to China's Wuhuan Engineering Company Ltd in September 2019. It has been halted earlier this month citing technical reasons, Talcher Fertilizer Limited is a joint venture of public sector undertakings and a

ation and kindled fresh de-

bate on the young versus the

Countering the charges

against UPA managers,

former Information Broad-

casting Minister and senior

Lok Sabha MP of the party

Manish Tewari said no

charges against the UPA has

stood the test of law in the

last six years. He said on Twit-

ter citing the reports of

Thursday's meeting that the

question whether the UPA

was sabotaged from within is

Congress insiders say that

In North Bengaluru, proper-

ties within ₹40 lakh are most

preferred, followed by mid-

segment properties. About 23

per cent of home buyers were

demand in Bengaluru was

skewed towards the eastern

and northern parts of the city,

regions such as South, South-

East, and West Bengaluru also

recorded decent demand for

these three regions recorded

interest from about 39 per

cent home seekers, with max-

imum interest for South

(RoofandFloor is a Hindu

Cumulatively,

properties.

Group company)

While the majority share of

interested in this region.

also equally valid.

old guard in the party.

move to shut out Chinese companies does put a question on the future of this project.

But, then there is NTPC, the country's largest power generation sector company holds that the ban would have little impact on its business. Most of the large NTPC tenders are awarded to fellow Public Sector Undertaking like Bharat Heavy Electricals Limited. The other large contractors too are also mostly domestic for them. In Tamil Nadu, the ban on Chinese players in public funded projects will not have any major impact said some of the government sources. There are two maprojects where the Beijing-based Asian Infrastructure Investment Bank (AIIB) has committed over \$800 million. It will fund \$378 million for the Chennai Peripheral Ring Road

\$438.75 million for Chennai Metro Rail Phase-II project. A senior government official said that there is no direct involvement of any Chinese player in the two projects. AIIB being a multilateral development bank, there won't be any impact on the

Young vs Old guard debate returns in Congress

project and has also committed

funding, he added. Meanwhile, many large companies are still to decide working with Chinese partners. In the telecom sector, Bharti Airtel, which has Chinese partners like Huawei but it has not decided anything on any future course of action.

"I think we do work with all partners...we work with Chinese, European and American partners, and across all our domains, radio optics, for we have a portfolio of partners. We respect all our partners... many of them bring solutions that are unique. We also look at the right commercial models, which matter in a market like India, where they have the right cost structures for partners and some partners are able to meet those costs cost better than others," Gopal Vittal, MD & CEO India & South Asia, said. However, if there is any government notification that emerges, then the company "will abide by the law of the land," he added.

With inputs from Twesh Mishra in New Delhi, Venkatesh Ganesh and P Manoj in Mumbai, and

Scindia and Pilot were given

Pandemic has created opportunity to build a new, better world: Muhammad Yunus

New Delhi, July 31

Nobel laureate and founder of Bangladesh's Grameen Bank, Muhammad Yunus, said that the Covid-19 pandemic has abruptly stopped the entire economic machine. In a conversation with former Congress president Rahul Gandhi, he said

that the pandemic revealed

the weaknesses of the soci-

ety in a very ugly way. Yunus said that the Covid-19 has given the world a chance to reflect, to see how big and bold decisions can be taken. "In normal situations, we will not pay attention to all these items. We are so busy making

money. So I said coronavirus

gave us a respite, a gave us

window of thinking and we



Muhammad Yunus

now have a choice whether we go to the terrible world which is going to destroy itself anyway, or we go someplace else which can build a new world where they will be no global warming, no wealth concentration, no unemployment, it is pos-



Rahul Gandhi

He added that only billionaires are growing in India. "You know where numbers of billionaires are growing and very strange in a country like Bangladesh or India have high growth rate of billionaires in numbers. So that means that wealth has only one direction and grows fast if you can use all

the political understanding among the people that we can get together. It disappears because of the anger it generates," he said. Rahul Gandhi said people

need to think about our tra-

ditional structures. "Now, of course, we've had a journey but I think the idea of rethinking some of these designs based on an Indian structure, a Bangladeshi structure and Asian structure would be quite a powerful thing. So I agree with you that the game needs to be equalised for rural people and Covid-19 gives us an opportunity to have a brand-new imagination which is which comes from within us as opposed to from outside us," the Wayanad MP said.

Over 50 MLAs in Gehlot camp moved to Jaisalmer

dustries Co Ltd (ZPMC), the

world's largest port crane maker,

Genma, a unit of Nantong Rain-

bow Heavy Machineries Co Ltd

that makes mobile harbour

cranes, Dalian Huarui Heavy In-

dustry Group Co Ltd the only

supplier of Grab Type Ship Un-

loaders (GTSU) to Indian ports

and Sany Heavy Industry Co Ltd,

the world's third largest maker

of heavy equipment such as

reach stackers have a virtual

monopoly over supply of cargo

handling gears to Indian ports.

PRESS TRUST OF INDIA Jaisalmer/Jaipur, July 31

Over 50 Congress MLAs in the Ashok Gehlot fold, who were camping at a hotel on the Jaipur-Delhi Highway amid the ongoing political crisis in Rajasthan, were on Friday shifted to Jaisalmer in three chartered flights.

Transport Minister Pratap Singh said in Jaipur the MLAs are being shifted to Jaisalmer so that they remain united.

The remaining MLAs in the Gehlot camp are also being shifted to Jaisalmer. The decision to move the MLAs came a day after Gehlot indicated he will seek a confidence vote when the Assembly convenes on August 14 and claimed the money offered to the MLAs to switch sides had increased sharply ahead of the session. The MLAs have been chaperoned since July 13 after Sachin Pilot and 18 other Congress legislators brokeaway

A meeting of the Rajya Sabha MPs of the Congress held on Thursday, saw young MPs of the former president Rahul Gandhi's camp taking on former ministers in the Manmohan Singh Cabinet over for the party's current situ-

Congress president Sonia Gandhi

Jyotiraditya Scindia and the rebellion of Sachin Pilot. both leaders close to Rahul Gandhi, led to discussions about the question of leadership yet again. Though both the camps want a permanent president for the party, most favouring Rahul Gandhi himself, the old guard believe that the youngsters are not efficient in taking on the BJP's might. They say that though

the best of opportunities by the party, both decided to look for other options. "Both wanted to become Chief Ministers. But they do not have the numbers-within the party and outside," a veteran Congress leader said and added that the system of collective decision making should be brought back to the party. There were reports that

even former Prime Minister Manmohan Singh was upset at the unexpected targeting of the UPA by the youngsters, especially by former Youth Congress president and AICC in-charge of Gujarat Rajiv Satav. The meeting, convened by Congress president Sonia Gandhi, was attended by Singh, former ministers Ghulam Nabi Azad, P Chidambaram, Kapil Sibal, AK Antony and AICC Treasurer Ahmed Patel among others.

IFIN: NFRA orders against Deloitte partners to be on hold

The recent separate disciplinary orders of Audit regulator National Financial Reporting Authority (NFRA) against Deloitte Haskins & Sells (DHS) partners in the IL&FS Financial Services (IFIN) audit for 2017-18 will continue to be on hold even as there is no legal stay by Delhi High Court.

This emerged at a Delhi Hight Court hearing on the matter on Friday. The next date of hearing has been fixed for August 18, sources close to the development said.

In the meanwhile, the concerned individual partners-Udayan Sen (former Deloitte India CEO and now retired from DHS), Rukshad Daruvala and Shrenik Baid-have decided to move modifications to their existing writ petitions before the Delhi High Court in line with the orders passed by the NFRA, it is learnt. It may be

FINAL YEAR EXAMS

The Supreme Court on Fri-

day adjourned to August 10

the case against the Univer-

sity Grants Commission guidelines on colleges con-

ducting final year exams

during Covid-19 pandemic.

The apex court also asked

the Ministry of Home Affairs

to clarify its stand on the

The petition was heard by

"Many universities have

converted

Covid-19 centres. This is

there in Maharashtra and

a three-judge Bench led by

Justice Ashok Bhushan.

OUR BUREAU

matter.

been

New Delhi, July 31

SC adjourns case against

UGC guidelines till August 10

recalled that the NFRA Rules put into effect in the year 2018 specify that a disciplinary order issued for disposing a show cause notice will not be effective until 30 days had elapsed after the date of issue of order or unless otherwise specified in the order with reasons for the same. The three orders issued so far in this IFIN case are dated July 22 (Udayan Sen), July 23 (Rukshad Daruvala) and July 28 (Shrenik Baid). All the three orders had said that the order would not be given effect to till July 31.

NFRA had in the IFIN case in the last ten days imposed ₹25 lakh fine and seven-year ban on Udayan Sen; ₹5 lakh fine and five-year ban on Rukshad Daruvala, who was the Engagement Quality Control reviewer in the IFIN statutory audit for 2017-18 and fine of ₹15 lakh and five-year ban on DHS Partner Shrenik Baid.

mid-segment properties post lockdown Five micro-markets in Bengaluru may

attract homebuyers **OUR BUREAU**

Chennai, July 31 Amid overall uncertainty in the realty market, there are top five micro-markets in Bengaluru where prospective buyers would be interested in buying a property, according to the findings by Roofand-Floor, a home buying platform. They are (based on user interests) - Whitefield, Sarjapur Road, Devanahalli, Ken-

geri and Electronic City. Though the nation-wide lockdown impacted the residential market in Bengaluru, some improvements were seen in recent weeks with a significant increase in the number of user searches. With the gradual lifting of lock-



Demand for affordable and mid-segment properties will continue to rise in the near term

down restrictions, these numbers are likely to go up in the coming months.

Ready-to-occupy units

Demand for affordable and mid-segment properties will continue to rise in the near term. In terms of preferred stage of construction, homebuyers are most likely to opt for ready-to-occupy properties to avoid all sorts of risks, including construction delays,

JIK INDUSTRIES LIMITED

Homebuyers in Bengaluru eye affordable,

Properties in the mid-segment (₹40-70 lakh) recorded the highest number of searches in Bengaluru. Nearly 63 per cent prospective home seekers in the city were looking to buy an apartment, followed by plots (24 per cent) and villas (13 per cent).

As far as Bengaluru market concerned, Bengaluru maintained its sheen with close to 37 per cent home seekers looking to buy a property there. Whitefield and other areas like Budigere, KR Puram, and Sarjapur have burgeoned substantially to become hotspots for aspiring homebuyers.

In addition to the thriving presence of IT companies, East Bengaluru is also home to numerous start-ups and businesses, which have driven demand for residential projects.

Housing Ministry releases rental housing scheme information pack available vacant land for a period

conference.

released Affordable Kental Housing Complexes (ARHCs) Knowledge Pack (AKP) via a video

The Union Cabinet on July 8, 2020, approved ARHCs as a subscheme under Pradhan Mantri Awas Yojana (Urban) to provide ease of living to urban migrants/ poor, said Hardeep Singh Puri, Minister of State (Independent Charge), MoHUA. ARHCs will be implemented either by utilising existing government-funded vacant houses through publicprivate partnership or by public agencies for a period of 25 years or construction, operation and maintenance of ARHCs by public/

of 25 years. "ARHC scheme has The Ministry of Housing and been framed after a series of con-Urban Affairs (MoHUA) on Friday sultations with concerned Cent-Ministries/Departments, States/UTs and other private/pub-

lic stakeholders. AKP has been devised to provide support to all stakeholders in implementing ARHCs. Implementation of this scheme will not only benefit urban migrants/poor in need but also accelerate entrepreneurship and investment in the rental housing market and give a boost to the economy," said an official release. Senior government officers and representatives of Naredco, CREDAI, FICCI, CII and Assocham connected on the webinar. Credai's Awaas App and an e-Comm portal of Naredco -Housing For All were also launched

Karnavati Finance Limited CIN No. L65910MH1984PLC034724

private entities on their own

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Jamnagar-361001, Telephone: +91 022 28809111, e-mail: karnavatifinance@gmail.com

held on July 30, 2020 and the Statutory Auditor have carried out audit for the quarter and year ended on March

www.bseindia.com and Company's website at www.karnavatifinancelimited.com

Whole-Time Director

Date: 30/07/2020 Place: Jamnagar

Corporate Office: "Vraj Building", 05th Floor, Opp. Hotel President, Near Bhumi Press, Limda Lane,

Extract of Standalone Audited Financial Results for the guarter and year ended on March 31, 2020

Year en	nded on
31.03.2020	31.03.2020
(Audited)	(Audited)
276.38	324.02
13.95	98.68
13.95	98.68
10.75	72.22
10.75	72.22
1,005	1,005
253.81	243.06
0.11	0.72
0.11	0.72
)	

2. The above results were reviewed by the Audit Committee and approved at the meeting of Board of Directors

3. The full format of the quarterly Financial Results are available on the Bombay Stock Exchange Website a

By Order of the Board For, Karnavati Finance Limited

Raman Morzaria (DIN: 00203310)

Earlier, the UGC had main-

West Bengal. The Bar Council too has cancelled the exams. The July 6 guidelines ignores the MHA guidelines too,' said AM Singhvi, who is rep-

resenting one of the peti-

tained that it would not budge from its September 30 deadline to conduct exams as they have given universities flexibiltiy to conduct exams in online, offline or blended mode. Around 31 students from

various universities have approached the apex court to quash the UGC circular.

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Regd. Office: Pada No. 3, Balkum, Thane (West) 400608 | Email : admin@jjk.co.in |Contact No. : +91-022-2533-9740 EXTRACT OF AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st March, 2020 Particulars Standalone Iterater Ended Year Ended Quarter Ended Year Ended 31.12.2019 31.03.2019 31.03.2020 31.03.202 Audited Unaudited Audited Audited Audited Unaudited Audited Audited Audited Audited Audited Total Income from operations (net) 22.43 5.34 4.99 2.61 15.37 Net Profit / (Loss) for the period (before Tax, Exceptional and/or (19.04) (27.41) (104.58) (1.52)(53.13)Extraordinary items) Net Profit / (Loss) for the period (1.33)(27.41)(104.58)(19.04)(1.52)(53.13)before tax (after Exceptional and/or Net Profit / (Loss) for the period afte 5.96 (1.33)(27.65)(27.41)(104.58) (19.04)(1.52)(35.07) (53.13)(128.33)Extraordinary items) Total Comprehensive Income for the 26.31 1.31 (33.19) (32.78) (126.45) (1.33)(25.77) (7.06)(102.20)(1.52)period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax) 7,264.10 7,264.10 7,264.10 7,264.10 7,264.10 7,264.10 7,264.10 7,264.10 7,264.10 6 Equity Share Capital Reserves (excluding Revaluation Reserves as shown in the Balance Sheet of previous accounting year) Earning Per Share (of Rs. 10/- each) (for continuing and discontinued operations): Basic and Diluted (A) Ordinary Equity Shares (0.002)(B) 'A' Ordinary Equity Shares (DVR)

The above is an extract of the audited financial Results for the Quarter and Year ended 31.03.2020 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015, as amended. The audited Financial Results for the Quarter and Year ended 31.03.2020 are available on the website of the company (www.jik.co.in) and on the Stock Exchanges websites (www.bseindia.com and www.nseindia.com) For JIK Industries Limited Place : Thane

Chairman & Managing Director Dated : 30th July, 2020