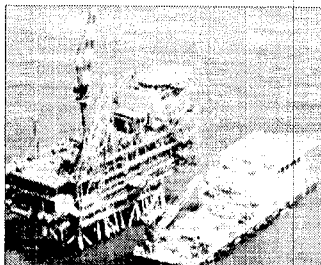


# KG gas row: RIL sends arbitration notice to Centre

Siddhartha P Saikia  
New Delhi, Nov 11

**R**ILJANCE Industries (RIL) and its foreign partners — the UK's BP and Canada's Niko Resources — have sent a notice of arbitration to the government contesting the Centre's demand of November 3 seeking to recover from them \$1,552 billion in the aggregate, for exploiting natural gas that migrated to their KG-D6 block from state-run ONGC's adjacent asset.



RIL and its foreign partners — the UK's BP and Canada's Niko Resources — are signatories in the notice

Sources confirmed to *FE* that the notice of more than 20 pages was sent to the petroleum ministry on Friday evening. All the three explorers — RIL, BP and Niko — are signatories in the notice.

The notice was received by the government's demand for \$1.55 billion. RIL had said that it proposes to invoke the dispute resolution mechanism in the production sharing agreement and issue a notice of arbitration to the government. RIL remains convinced of being able to fully justify and vindicate its position that the government's claim is not sustainable.

The petroleum ministry in a three-page letter sent to the firms on November 3, with details of how the amount has been computed, "directed" the explorers to pay the amount in the next 30 days, failing which "(the) ministry shall be constrained to take steps for recovering (the) unpaid government dues".

In addition, RIL and its partners have also been asked to pay additional profit petroleum of \$175 million corresponding to

the production of the migrated gas. The letter sent by the government to Ajay Khondehal of RIL, Sashi Mukundan of BP and Larry Fisher of Niko Resources said that the quantum of migrated gas from ONGC's block sold by them is 338,332 million mBtu till March 31, 2016. The worth of this migrated gas is the "unjust benefit" received by them. "...the amount of restitution receivable by government from you is on March 31, 2016 is \$1,473 billion (gross). After deducting the royalty paid by you amounting to \$71.74 million and adding interest of \$149,863 million at LIBOR plus 2% calculated upto March 31, 2016, the government is entitled to receive an amount of \$1,552 billion towards restitution of the unjust benefit," read the letter.

The government's move comes after a report by A P Shah, former chief justice of Delhi High court, presented to it on August 29, in which it agreed with the findings of US-based con-

sultant DeGolyer and MacNaughton (D&M) on the issue of gas migration. The consultant in a November 2015 report had highlighted that as much as 112 billion cubic metres of natural gas had migrated from ONGC's 98.7% area to RIL consentium's adjoining KG-D6 block in the fly of Bengal between April 1, 2009 and March 31, 2015. The Shah panel had said that the question of quantification of unfair enrichment is to be decided by the government, with the principle that whatever benefit RIL consentium received in terms of the migrated gas is liable to be returned to the Centre.

The Shah panel had said that the question of quantification of unfair enrichment is to be decided by the government, with the principle that whatever benefit RIL consentium received in terms of the migrated gas is liable to be returned to the Centre. It however added that ONGC can't make any tortious claim against RIL and partners.

# Railways in massive drive to provide tickets on demand

fe Bureau

**New Delhi, Nov 11:** The railways is undertaking a massive drive to boost capacity, which aimed at providing tickets to people on demand in all premier and express trains, railway minister Suresh Prabhakar said on Friday.

The Railways will significantly raise capital expenditure in the next fiscal from ₹1,21,000 crore (budget estimate) in 2016-17, Prabhakar said. His ministry also plans to run trains at a speed of 160 km per hour in some of the important routes such as Delhi-Mumbai and Delhi-Bangalore routes and to raise the speed of all trains, including goods transporters, Prabhakar said, addressing the economic editors' conference through video-conference.

The railways' capital expenditure witnessed a massive leap from just about ₹50,000 crore in 2014-15 to ₹83,000 crore in 2015-16, according to Railway Board chairman AK Mittal.

Although Mittal didn't give a precise forecast of the extent of rise in capex for the next fiscal, he added much of the capex will be utilised to improve capacity and consequently boost earnings. He said despite running 20,000 trains a day, the railways are unable to meet demand of both passenger and freight traffic.

The eastern and western freight corridors will be completed by December 2019, which will be "game changer". This is because most of the freight is unreasonably transported in the regions that come under the corridors.

The railways also plans to improve its punctuality rate up to 95% from the current 80%. However, although Railways targets to keep the operating ratio at 92% in 2016-17, just a tad worse than the revised estimate of 90% for 2015-16, it would be a herculean task, given the burden of the 17-year plan recommendations.

"The Eastern Corridor from Ludhiana to Dankuni (1640 Kms) and the Western Corridor from Daulta Ganj to Jawahar Lal Nehru Port (JNPT) (1502 Kms) are being constructed for exclusively movement of goods trains. Once IFC is operational, we will be able to run more passenger services and also increase the speed of all trains, he said. He said the speed of Mail/Express trains which are running at 50 km per hour speed currently will go up to 80 KMPH as per the plan and freight trains which are at present running at 25 KMPH will go up to 70 KMPH at IFC," Mittal said.

# FDI jumps 77.5% to \$5.15 billion in Sept

**New Delhi, Nov 11:** With the government relaxing FDI policy and taking steps to improve ease of doing business, the Foreign Direct Investment in the country increased by 77.5 per cent to \$5.15 billion in September this year.

In September 2015, the FDI had stood at \$2.9 billion, according to the data of the Department of Industrial Policy and Promotion (DIPP).

During April-September period of this fiscal, FDI in the country grew by 30 per cent to \$2.62 billion as compared to \$1.63 billion in the same period last year.

Among the top 10 sectors, services received the maximum FDI of \$2.29 billion during the first half of this fiscal, followed by telecommunications (\$2.78 billion), trading (\$1.46 billion), computer software and hardware (\$1.03 billion) and automobile (\$729 million).

During the period, India received the maximum FDI from Mauritius (\$5.85 billion) followed by Singapore (\$4.60 billion), Japan (\$2.79 billion), the Netherlands (\$1.61 billion) and the US (\$1.43 billion).

During financial year 2015-16,

foreign fund inflows grew at 29 per cent to \$40 billion as against \$30.93 billion in 2014-15. The government relaxed FDI norms in various sectors, including defence and civil aviation to boost FDI in the country. Foreign investments are considered crucial for India, which needs around \$1 trillion to overhaul its infrastructure sector such as ports, airports and highways to boost growth.

Growth in foreign investments helps improve the country's balance of payments (BoP) situation and strengthens the rupee. PTT

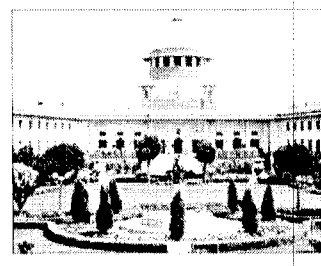
# Three bank staffers held in insider-trading probe

**London, Nov 11:** Three employees from major banks have been arrested in an insider-trading investigation that could become the UK's biggest case related to the crime, according to two people with knowledge of the situation. The UK Financial Conduct Authority is working with the National Crime Agency, which is assisting with covert surveillance, the people said, who didn't want to be identified because the investigation is private. The arrests of the workers, whose identities

haven't been disclosed, were carried out in recent months and were a planned move. An insider-trading probe was made public last week in a report by the government on the so-called Panama Papers scandal. The briefing said that a task force, set up to investigate leaked documents from a Panama law firm, had "identified a number of leads relevant to a major insider-trading operation" led by the FCA and supported by the NCA. Officials at the regulator declined to comment. News of the arrests comes six months after the FCA concluded a major trial in an insider-trading case dubbed Operation Tabernula. Two men were convicted by a jury earlier this year, with a record 41/2-year sentence handed to ex-Deutsche Bank AG corporate broker Martyn Dodgson. Three other individuals pleaded guilty in the case and another suspect is yet to be named. Bloomberg

# DND to remain toll free, no stay on HC order: SC

**New Delhi, Nov 11:** The Delhi-Noida Direct (DND) flyway will remain toll free for commuters, the Supreme Court on Friday said while disagreeing with Noida Toll Bridge Company Ltd that its refusal to stay Allahabad High Court's verdict would cause the firm irreparable loss.



The apex court said while the company can be compensated later if it succeeds in its appeal, it will be impossible to provide restitution to the lakhs of commuters from whom the toll fee would be collected to repay them on dismissal of the Special Leave Petition (SLP). A bench headed by chief justice T S Thakur also asked the Comptroller and Auditor General of India (CAG) to assist in the matter and verify the company's claim that the total cost of the project has not been recovered and submit a report within four weeks. The bench, also comprising justices D Y Chandrachud and L Nageswara Rao, directed the firm to place before the CAG, the entire cost pertaining to recovery of the total project cost of the DND flyway project as per the Agreement.

While declining the firm's plea to stay the high court's order, the bench said that it was not agree with the submission that the petitioner (firm) would suffer irreparable loss if the judgment of the High Court is not stayed.

"It will be impossible to provide restitution to the lakhs of commuters from whom the fee would be collected to repay them in the event of dismissal of the SLP," the bench said.

The high court, on October 26, had brought cheers to millions of commuters by ruling that no toll will be collected hereafter from those using the 9.2 km-long, eight-lane DND flyway. The order was passed as the high court allowed a PIL by the Federation of Noida Residents Welfare Association. The PIL, filed in 2012, had challenged the "levy and collection of toll in the name of user fee" by the NTHCL.

The firm had challenged the high court verdict saying it did not take into account all aspects and submitting that factors like interest on construction cost, depreciation

and maintenance expenses, which come to around ₹12.5 lakh per day, have not been duly considered. To this, the bench said prima facie the issue that arose in the appeal required a detailed scrutiny as conflicting claims have been made regarding recovery of the total cost of the project by the concessionaire.

"To resolve the dispute, it is appropriate that an independent agency is requested to examine the relevant records of the DND flyway. The said agency should examine the report of the independent auditors appointed by the petitioner and submit a report thereon and submit a plea for interstays on HC order, the apex court bench had said. "You have only taken of highway and you claim that you have made a road to the moon... You have done well but not something great."

In an over 100-page judgment, the high court held that "the user fee which is being levied/recollected is not supported by legal provisions relied upon by the Concessionaire (Noida Toll Bridge Company), Infrastructure Leasing and Financial Services (promoter and developer of the project) and Noida Authority."

# Trump's rise deals another blow to India's manufacturing dream

**Nov 11:** Donald Trump's rise is the latest setback for India's ambition to become a factory for the world. Having missed the export-driven start that transformed China and followed East Asian economies over the past several decades, India under Prime Minister Narendra Modi had pinned hopes on ambitious "Make in India" campaign to make up lost ground.

With the world's biggest consumer market soon to be overseen by a president who's pledged to bring manufacturing jobs back to America and raise barriers to imports, that hardly helps Modi's cause. Britain's vote in June to leave the European Union had already given impetus to a shift toward protectionism in developed nations, casting a pall on emerging-market prospects. While China has far greater commerce at stake with the US, and bore the brunt of Trump's anti-trade rhetoric, the prospect of new restrictions could prompt an elaborate trade pact when global trade growth was already slowing.

"In the medium to long-term, a Trump presidency would add to India's woes," said Priyanka Kishore, lead Asia Economist at Oxford Economics in Singapore. "It would impact India's engine of growth — the services sector — negatively and also accelerate the normalization of India's services and services exports growth, which is an emerging source of concern." The US is India's largest export market and one of its largest foreign investors. Trump's policy mix could slow planned US investment abroad, and place curbs on immigration, especially the information-technology workers that India specializes in. Trump has characterized so-called H-1B visas as hurting American workers. Indians account for a big share of those — 70 percent of those who in 2014 were top people to work in the country — and they offer India companies an critical way to skill up their staff.

**GAYATRI SUGARS LIMITED**  
Regd. & Corp. Office: 6-3-1090, B-2, T.S.R. Towers, Rajbhavan Road, Somajiguda, Hyderabad-500 082, Telangana, India. Tel: +91 40 2341 4823, 2351 4826 Fax: +91 40 2341 4827 E-mail: [compliance.gayatri@gayatri.com](mailto:compliance.gayatri@gayatri.com) CIN: L15411G0094PLC020720  
**Extract of the Unaudited Financial Results for the Quarter ended 30th September, 2016**  
(Rs. in Lakhs)  

Particulars	Quarter ended 30.09.2016 (Unaudited)	Previous year ended 31.03.2016 (Audited)	Corresponding 3 months ended in the previous year 30.09.2015 (Unaudited)
1. Total Income from Operations	1,912	25,457	2,115
2. Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary Items)	(1,037)	(1,579)	(1,131)
3. Net Profit/(Loss) for the period (before Tax (after Exceptional and/or Extraordinary Items))	(1,037)	(1,352)	(904)
4. Net Profit/(Loss) for the period (after tax (after Exceptional and/or Extraordinary Items))	(1,037)	(1,352)	(904)
5. Total comprehensive income for the period (Comprising Profit/(Loss) for the period (after tax) and other comprehensive income (after tax)	(1,037)	(1,352)	(904)
6. Equity Share Capital	4,370	4,370	4,370
7. Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	(13,889)	-
8. Earnings Per Share (of ₹10 each) (for continuing and discontinued operations)	(2.54)	(3.17)	(2.24)
Divided in ₹ ₹:	(2.54)	(3.17)	(2.24)
#Annualised			

Note: a) The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchange under Regulation 32 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Company's website i.e. [www.gayatri-sugars.com](http://www.gayatri-sugars.com) and Stock Exchange i.e. [www.bseindia.com](http://www.bseindia.com). b) "Exceptional and/or Extraordinary items adjusted in the Statement of Profit and Loss in accordance with AS Rules."  
For Gayatri Sugars Limited  
Sd/-: T.V. Sundeep Kumar Reddy  
Vice Chairman  
(DIN: 00005573)  
Place: Hyderabad  
Date: November 11, 2016

**Mahaveer Mahaveer Infoway Limited**  
CIN: L65910TG1991PLC012704  
Regd. Address: 7-1-24/2-C, 30/1A, Dhansi Surabhi Complex, Greenlands, Ameerpet, Hyderabad, Telangana-500016  
**Extract of Standalone and Consolidated Unaudited Results for the Quarter and Half Year Ended 30/09/2016**  
(₹ in Lakhs)  

Particulars	Standalone			Consolidated		
	Quarter ending 30/09/2016	Year Ended 31/03/2016	Corresponding 3 months ended in the previous year 30/09/2015	Quarter ending 30/09/2016	Year Ended 31/03/2016	Corresponding 3 months ended in the previous year 30/09/2015
Total Income from Operations (pre-tax)	121.23	3,48.61	180.48	522.01	2,570.60	744.04
Net Profit/(Loss) for the period (before tax) (after Extraordinary Items)	1.20	30.60	1.80	1.51	26.50	19.90
Net Profit/(Loss) for the period (after tax) (after Extraordinary Items)	1.28	3.61	1.96	1.51	26.30	19.56
Equity Share Capital	5,50,000	5,50,000	5,50,000	5,50,000	5,50,000	5,50,000
Equity Shares of Rs. 10/- each	55,000	55,000	55,000	55,000	55,000	55,000
Reserves (including Revaluation Reserve) as shown in the Balance Sheet of previous year	155.65	1,63.41	172.32	1,56.56	1,91.69	191.18
Earnings Per Share (before extraordinary items) (₹10/- each)	0.22	0.56	0.33	0.27	0.48	0.36
Divided	0.22	0.56	0.33	0.27	0.48	0.36
Earnings Per Share (after extraordinary items) (₹10/- each)	0.22	0.06	0.34	0.27	0.49	0.29
Divided	0.22	0.06	0.34	0.27	0.49	0.29

Note: The above is an extract of the detailed format of Quarterly/Annual Financial Results filed with the Stock Exchanges under Regulation 32 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly/Annual Financial Results are available on the Stock Exchange website i.e. <http://www.bseindia.com> and Corporate Affairs Commission i.e. [www.mca.gov.in](http://www.mca.gov.in) and Company Website i.e. [www.mahaveerinfoway.com](http://www.mahaveerinfoway.com).  
For Mahaveer Infoway Limited  
Sd/-: Sd/-:  
Mr. Ashok Kumar Jain Mr. Ravi Kumar Joshi  
Managing Director Chief Financial Officer  
Place: Hyderabad  
Date: 11/11/2016

Financial Express Published on 12.11.2016

