

# A TALE OF TWO DEALS

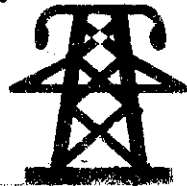
A couple of deals, plus some more, is expected as Anil Ambani's coming out of the current imbroglio with flying colours



Reliance Infrastructure and Adani Transmission Limited sign a pact in which **RInfra will sell 100% stake in Mumbai power business**, including integrated business of generation, transmission and distribution of power

Total deal value: ₹11,251 cr  
Business value: ₹12,101 cr & regulatory assets worth ₹1,100 cr

Other regulatory assets under approval worth ₹5,000 cr plus benefits of net working capital on closing can take total consideration value to ₹18,800 cr



Experts say this is a sweet deal for Adani. How it works out for RInfra will depend on how the **approval of regulatory assets pan out**

The company claims the process would **render RInfra debt-free**

The Mumbai power business is supposed to be responsible for almost **80% of the profits** of the company



RCom signs a definitive agreement with RJio for **sale of telecom assets: 4G spectrum, 43,000 towers, 1,78,000 RKM of pan-India fibre footprint and 248 media convergence nodes**

Transaction to close between January and March

Deal value is estimated to be around ₹25,000 cr



Another ₹10,000 cr of debt will be **refinanced** within the SPV holding Dhirubhai Ambani Knowledge City, which will be developed as a knowledge city, further taking debt off RCom's books

A strategic investor is expected to pump in ₹4,000 cr

This would **mean ₹6,000 cr of debt in its books**

This would leave RCom with the enterprise business and a likely EBITDA of ₹1,500 cr

# Upkeep of old water pumping stations to be outsourced

## Machinery may break down anytime; proposal before Cabinet soon

Poornima Nataraj

**BENGALURU:** After 43 years, the Bangalore Water Supply and Sewerage Board is outsourcing the operation and maintenance (O&M) of the Cauvery I, II and III stages of water pumping under a public-private-partnership (PPP) model.

Presently, the O&M of these pumping stations is handled by the board staff who operate the pumps and motors round the clock. The PPP model aims to increase the efficiency of the machinery and cut down on maintenance costs.

The existing motors and pumps, some of which were manufactured by the New Government Electric Factory (NGEF), have been underperforming, with an efficiency of just 72%. It is a major reason for excess consumption of power.

According to BWSSB chairman Tushar Girinath, the machinery is indeed old and can break down anytime. "We cannot afford to lose the reliability of water supply using such old machines, which not only consume more power, but are also under frequent repair. We are forced to spend on it regularly without carrying out

any preventive maintenance," he added.

### Energy-saving model

In order to cut down on the cost of maintenance and shift to an energy-saving model, the BWSSB has prepared a proposal to hand over the O&M of all the nine pumping stations to private players and submit it to the state government.

Explaining the project, Girinath said energy-saving companies would be invited to participate in the tendering that would work on the Viability Gap Funding (VGF).

The work will be awarded

to the company that shows the least VGF.

The board has worked out the outlines of the proposed PPP model, whereby an estimated cost of Rs 170 crore is invested by the company, while the BWSSB invests around Rs 43 crore as part of the VGF. The model would expect the company to save up to 6% of the energy for 10 years.

According to the conditions of the PPP model, the company will have to change the existing machinery at all the pumping stations, including motors, soft starters, control relays, electrical substations, transformers, breakers and

switches, among others.

The role of the engineers will be confined to monitoring the O&M of the company.

The proposal is with the finance department. Once finalised, it will be placed before the Cabinet for approval, following which the tenders are expected to be floated.

The BWSSB has been handling 54 pumping systems at nine pumping stations at TK Halli (Thorekadanahalli), Harohalli and Tataguni. These stations are handled by nine engineers, 16 operators from the board and 144 contract staff.

DH News Service

Deccan Herald 7/1/18 page No: 3D

## SOLAR IN A BIND

# 7/1/18 The New Sunday Express Duty disputes continue to stall solar panel imports

JONATHAN ANANDA @ New Delhi

IMPORTED solar panels are the centrepiece of a duty dispute that has stalled several consignments of imported panels landing in Indian ports. According to sources, the number of stalled containers has nearly doubled over the last few months as solar panel importers have disputed port officials' reinterpretation of import duty regulations.

From the last quarter of 2017, solar power projects importing solar panels have been asked to shell out an import duty of 7.5 per cent on the consignments.

The demand, according to power producers, is being done on the basis of customs and excise department officials recategorising solar panels into electrical generators. While solar panels do not have any import duty on them, a duty of 7.5 per cent is levied on electric generators.

"We have imported solar panels at zero duty for years now," said a senior executive at a solar power project developer. "The reclassification has been sudden and we have taken it up with the respective ministries to no avail so far. The development is already increasing costs for pro-

jects where bids were made based on zero duty." Chennai Port sources confirmed the dispute, but declined to reveal the number of consignments affected. According to reports, the Indian Solar Association claimed that the number of consignments stuck at ports have touched 2,000 to date and are worth \$150 million.

The reclassification has been done even as the government probes the feasibility of anti-dumping duties (ADD) on solar panels. Import data shows that the majority of panel imports are from China. India is China's second largest market for solar

equipment. Such imports were worth \$3.2 billion for FY17.

While Indian manufacturers are pushing for the ADD, which will help them close the price gap with Chinese competitors, solar project and power producers say ADD on solar panels would significantly increase costs of solar power producers since almost 90 per cent of these needs are currently met by imports.

Sources also say that the government is mulling imposing duties on panels imported for future power projects, while simultaneously exempting panels imported for existing projects.

### Coal scam: ED attaches 348 acres of land in M.P.

NEW DELHI

The Enforcement Directorate said that it has attached 348 acres of land, valued at about ₹4.53 crore, in the Narsinghpur district of Madhya Pradesh, in connection with its money laundering probe in the coal blocks allocation scam. The land belongs to BLA Industries Private Limited.

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