Can Rajasthan show the way on power reforms?

The state desperately needs to cut transmission losses and raise tariffs to qualify for the Centre's UDAY scheme

SAHIL MAKKAR & SHREYA JAI
New Delhi, 11 May

The Rajasthan government recently invited bids for power distribution in Kota and Bharatpur for the next 20 years. Under the terms of the agreement, the distributors will be allowed to use the existing infrastructure and will collect the state-determined tariff from consumers.

Rajasthan government bureaucrats say they want to replicate the famous Bhiwandi (Maharashtra) model where private distributors turned things around by reducing the very high levels of transmission losses.

Rajasthan Chief Minister Vasundhara Raje. Raje has been cautious on the issue of tariff. After she raised tariff in 2013-14, her party lost three of the four seats in the by-elections that year

"We are not looking at complete privatisation but we need to bring down our technical and commercial losses," says a senior state government officer requesting anonymity. Currently, the state has offered Kota and Bharatpur to private distributors; at a later stage, the scheme could be extended to the rest of the state as well.

For the Vasundhara Raje-led Bharatiya Janata Party government, this is yet another attempt to involve the private sector for the delivery of a service after healthcare and subsidised ration.

Distribution reform, especially the reduction in transmission losses, is critical if Rajasthan wants to be a part of the Ujwal Discom Assurance Yojana (UDAY) of the Centre which is aimed at revitalising the loss-making and debt-laden power distribution companies in various states. At the moment, Rajasthan is groaning under a debt of ₹80,000 crore — the highest for any state in the country.

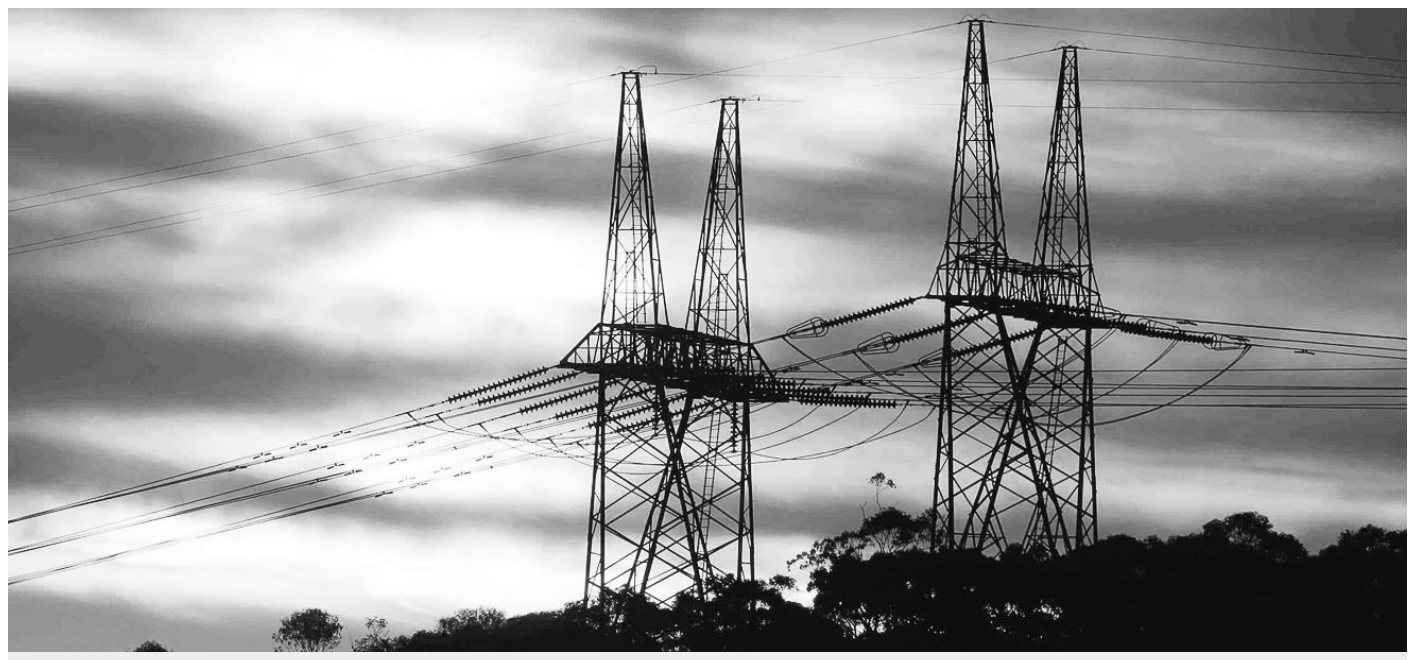
The UDAY scheme entails central assistance for states that are able to meet milestones for cutting transmission losses and raising tariff. Rajasthan has its task cut out. But given the track record of its discoms and political compulsions, both the targets seem overambitious.

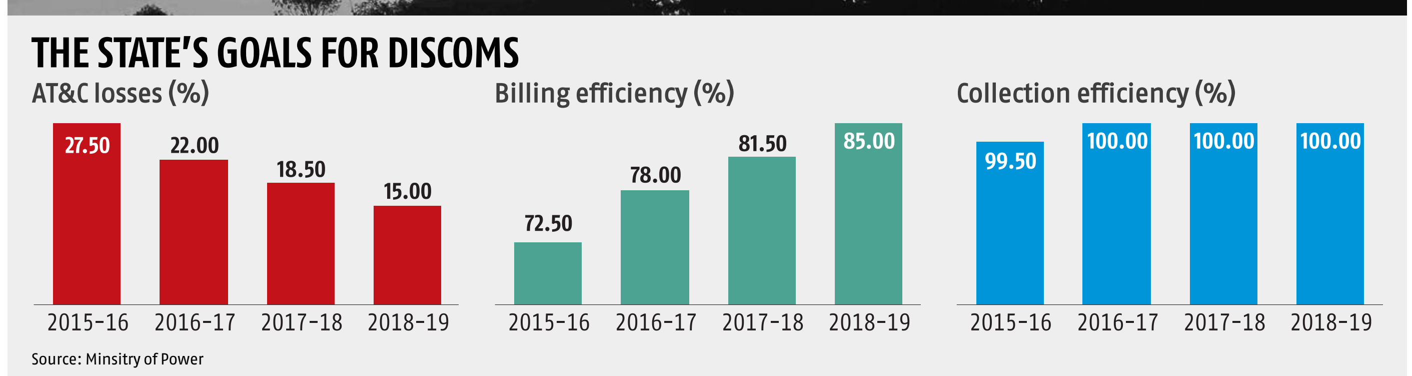
In order to continue borrowing from the banks and other institutions, the discoms have to lower their transmission losses from the current 25 per cent to 15 per cent by 2018-19. Data analysed by *Business Standard* suggests such a reduction will be a huge challenge for the discoms: they took eight years to bring down their transmission losses by 10 percentage points, and are now required to cut losses by another 10 percentage points over the next three years.

A tough act

The stiff target means the state government will have to launch a massive crackdown on those who steal power, install an electricity metre in each house, improve collection of dues, and upgrade its infrastructure which includes laying underground cables. If the state does manage to complete this mammoth exercise, without incurring the wrath of the voters, it will end up saving around ₹4,700 crore.

The other way around is to outsource power distribution to private companies on the lines of what has been done in New Delhi and Mumbai. This is the route that the Rajasthan government seems to be taking with its attempt to privatise distribution in Kota and Bharatpur.





The important question is: will privatisation help it cut transmission losses?

"Recent experiences across states have been mixed and (privatisation) has not got full political buy-in. It has been successful in Maharashtra and Bihar, but Madhya Pradesh has terminated all the three distribution franchise. Now, Rajasthan is making attempts to get in distribution franchisees, and Odisha is trying to privatise its Central Electricity Supply Unit," says PwC Partner (power and utilities) Sambitosh Mohapatra.

State government officers say they had in the past tried to involve the private sector using a franchise model but all their efforts failed as the prospective bidders felt it was not a viable option for them.

Last year, the state had invited bids for power distribution in Kota, the third largest city in Rajasthan after Jaipur and Jodhpur, but the offer didn't elicit much of a response from the power distribution companies.

Though the state has taken a series of measures, including passing of the Rajasthan State Electricity Distribution Management Responsibility Act 2016, to hold power distributors accountable for their performance, its inability to increase power tariff over the years has resulted in the huge debt overhang.

This perhaps prompted the Union ministry of power, coal and renewable energy to exhort the state to "enable provisions for quarterly revision of tariff to mitigate the cost increase burden". However, increasing tariff is easier said than done.

The politics of power

The Raje government, which came to power two years ago with brute majority, did raise the tariff by 16 per cent in 2013-14, but her party lost three of the four seats in the subsequent by-elections. Raje's government didn't raise power rates in 2015-16, which was when the state was holding municipality and *panchayat* elections. Her party recorded victory in both the elections.

The results of the by-elections and the power tariff could be coincidental, but they clearly suggest that power tariff is a potent electoral issue and that's why successive governments have dragged their feet on increasing it.

"The primary reason for increasing the loss from 2003-04 to 2008-09 was that there was just one tariff rise during the period (in January 2005)," the state government said in its "24X7 power for all" plan submitted to the Union government.

It has now become imperative for Rajasthan to meet its target under UDAY to avoid a bigger and more serious crisis in its power sector after three years. It is expected that the interest burden arising due to taking over 75 per cent debt of discoms debt (or ₹60,000 crore) will further restrict the fiscal space it has for funding development programmes.

"If a state does not get its finances in place and does not meet the reforms as suggested by it, no future lending would be extended to the discom," says a senior Union power ministry official.

It will serve a double blow to the state, which will have to provide operational costs for running its discoms besides servicing the interest burden.

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NOTICE

Pursuant to Regulation 29 (1) (a) read with Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Notice is hereby given that a meeting of the Board of Directors of the Company will be held on Friday, the 27th May 2016, at Mumbai, inter-alia, to consider and approve Audited Financial Results for the fourth quarter and year ended 31st March 2016.

The said Notice may be accessed on the Company's website at **www.gujaratsidheecementlimited.com** and may also be accessed on the Stock Exchange website at **www.bseindia.com** and **www.nseindia.com**

For Gujarat Sidhee Cement Limited
V. R. Mohnot
CFO & Company Secretary

Mumbai,
Dated : 11.5.2016

Goldcrest Corporation Limited
(Formerly known as Goldcrest Finance (India) Limited)
CIN NO. : L74999MH1983PLC029408
Regd. Office : 3rd Floor, Devidas Mansion, Mereweather Road, Colaba, Mumbai - 400 039.
Tel. : (91-22) 22837489/90 * Fax : (91-22) 22028873
Email: office@goldcrestgroup.com * Website: www.goldcrestgroup.com

NOTICE

Notice is hereby given that pursuant to Regulation 47(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the meeting of Board of Directors of the Company is scheduled to be held on Friday, May 20, 2016 at the Registered Office of the Company, inter alia, to consider and approve Standalone and Consolidated Audited Financial Results for the Quarter and year ended March 31, 2016 along with Limited Review Report. Pursuant to Regulation 47(2), the said notice may be accessed on the Company's website at www.goldcrestsgroup.com and may also be accessed at the websites of the Stock Exchanges at www.bseindia.com.

For **GOLDCREST CORPORATION LIMITED**
Sd/-
Marisa Gonsalves
Company Secretary & Compliance Officer

Place: Mumbai
Date: May 10, 2016

OPTIMUS FINANCE LIMITED
(Formerly known as Transpek Finance Limited)
Regd. off.: 301, Atlantis Heritage, Dr. Vikram Sarabhai Marg, Vadi-Wadi, Vadodara - 390 003. Ph: 0265 - 2325321 / 2345321
Email: optimusfinance@yahoo.com Website: www.optimusfinance.in
CIN: L65910GJ1991PLC015044

NOTICE

NOTICE is hereby given that pursuant to Regulation 29 read with Regulation 47 of the SEBI (LODR) Regulations, 2015 a meeting of the Board Of Directors of the Company will be held on 21ST May, 2016 at the Registered Office of the Company, inter-alia, to consider and approve the Audited Financial Results for the Quarter and year ended 31st March, 2016. The intimation is also available on the website of the Company at www.optimusfinance.in and website of the Stock Exchange where the shares of the company are listed at www.bseindia.com

By order of the Board
For : Optimus Finance Limited
sd/-
(Deepak Raval)
WTD & Company Secretary

Date: 10.05.2016
Place : Vadodara

Freshtrop Fruits Ltd.
Regd. Office: A-603, Shapath IV, Opp. Karnavati Club, S.G. Road, Ahmedabad-380015. | CIN: L15400GJ1992PLC018365
Website: www.freshtrop.com | Email: investor@freshtrop.com

NOTICE

Notice is hereby given that pursuant to Regulations 29 and 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that the Meeting of the Board of Directors of the Company will be held on **Thursday, the 26th day of May, 2016,** to consider and approve the Audited Financial Results for the quarter and financial year ended 31st March, 2016.

The said Notice is also available on Company's website at www.freshtrop.com and on the website of stock exchange at www.bseindia.com.

Date : 11-05-2016
Place : Ahmedabad

By order of the Board
For, **FRESHTROP FRUITS LIMITED**
(Ashok Motiani)
Chairman & Managing Director
DIN: 00124470

KOTAK MAHINDRA BANK LIMITED
CIN - L65110MH1985PLC038137
Registered Office: 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051. Tel.: 61660000 Website: www.kotak.com

STANDALONE FINANCIAL RESULTS FOR YEAR ENDED 31st MARCH, 2016

₹ in crore

Particulars	Quarter ended 31st March, 2016 (Audited)	Year ended 31st March, 2016 (Audited)	Quarter ended 31st March, 2015 (Audited)
Total income from operations (net)	4,947.32	18,996.42	3,249.08
Net Profit / (Loss) after tax (before extraordinary items)	695.78	2,089.78	527.14
Net Profit / (Loss) after tax (after extraordinary items)	695.78	2,089.78	527.14
Equity Share Capital	917.19	917.19	386.18
Reserves (excluding Revaluation Reserves as shown in the Balance Sheet of the previous year)	13,754.91*	13,754.91*	11,889.93**
Basic Earnings per share (before extraordinary items) (of ₹ 5/- each) (not annualized) ₹	3.80	11.42	3.42
Diluted Earnings per share (before extraordinary items) (of ₹ 5/- each) (not annualized) ₹	3.79	11.40	3.41
Basic Earnings per share (after extraordinary items) (of ₹ 5/- each) (not annualized) ₹	3.80	11.42	3.42
Diluted Earnings per share (after extraordinary items) (of ₹ 5/- each) (not annualized) ₹	3.79	11.40	3.41

CONSOLIDATED FINANCIAL RESULTS FOR YEAR ENDED 31st MARCH, 2016

₹ in crore

Particulars	Quarter ended 31st March, 2016 (Unaudited)	Year ended 31st March, 2016 (Audited)	Quarter ended 31st March, 2015 (Unaudited)
Total income from operations (net)	7,910.41	27,974.52	6,172.26
Net Profit / (Loss) after tax (before extraordinary items)	1,055.23	3,458.85	912.60
Net Profit / (Loss) after tax (after extraordinary items)	1,055.23	3,458.85	912.60
Equity Share Capital	917.19	917.19	386.18
Reserves (excluding Revaluation Reserves and Minority Interest as shown in the Balance Sheet of the previous year)	21,752.09*	21,752.09*	18,690.85**
Basic Earnings per share (before extraordinary items) (of ₹ 5/- each) (not annualized) ₹	5.76	18.91	5.91
Diluted Earnings per share (before extraordinary items) (of ₹ 5/- each) (not annualized) ₹	5.74	18.87	5.90
Basic Earnings per share (after extraordinary items) (of ₹ 5/- each) (not annualized) ₹	5.76	18.91	5.91
Diluted Earnings per share (after extraordinary items) (of ₹ 5/- each) (not annualized) ₹	5.74	18.87	5.90

* Pre-merger numbers as on 31st March, 2015 (refer Note 2)
** Pre-merger numbers as on 31st March, 2014 (refer Note 2)

Note:
1) The above is the extract of the detailed format of Quarterly/Year Ended Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of Quarterly / Year Ended Financial Results are available on the Stock Exchanges websites (**www.bseindia.com** and **www.nseindia.com** and also on **http://ir.kotak.com**).
2) The merger of ING Vysya Bank ("eIVBL") with the Kotak Mahindra Bank ("Bank") was effective from 1st April, 2015. The results for the quarter and year ended 31st March, 2016 include operations of eIVBL. Hence, the results for the quarter ended 31st March, 2016 are not comparable with that of the corresponding period of the previous year.
3) The previous period earnings per share has been adjusted for issuance of bonus shares in July, 2015 in ratio of one equity share for every equity share held.

By Order of the Board of Directors
For Kotak Mahindra Bank Limited

Dipak Gupta
Joint Managing Director

Mumbai, 11th May, 2016