


3rd Strategic Meet

on

11.05.2018 to 13.05.2018

Presented by N.S.VERMA



1. Freight under recovery – reimbursement of freight subsidy as per normative rates or actual monthly expenditure whichever is less.

Change in Billing system

Other :

➤ Long duration warehousing contract (PG)




2. Write offs: Company is carrying provision of Rs.10.90 crore for Marketing legal cases and Rs.9.26 crore for other claims.


- 50% write off to save tax of Rs.3.49 crore.

3. Corporate Tax savings through write offs/funding of Gratuity Trust.

(Rs./crore)

PBT	335 (Actual for 2017-18)	379 (projected for 2018-19)
Taxable Income (Actuary 204 – EL/HPL 55) for 17-18	416	-
Tax @ 34.609	144	131
MAT credit	65	-
Tax paid	79	-

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- Unfunded Gratuity Liability Rs.182 crore as on 31.03.2018.
 - Opening unfunded liability of Rs.58 crore as on 1.04.2017.
 - Contribution of Rs.58 crore during 18-19 saves tax of Rs.20 crore




4. Cash rebate Rs.6.64 crore and other rebate Rs.17.80 crore. Impact on GST output liability

In cases where GST output tax liability is more than GST input credit, interest impact @ 6.50% is estimated at Rs. 0.32 crore

5. Request to DPE for increase of 30% limit of investment in PSU Debt Mutual Fund

- FY 2017-18 position:

Particulars	Investment (Rs. Crore)	Yield
FDRs	1570.90	5.21%
Mutual Fund (Debt Scheme)	584.10	6.26%
Total	2155.00	5.48%

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- Interest earning of Rs.2.70 crore on account of deployment of surplus fund in FDR/Mutual Fund as per existing guidelines during 2017-18.
 - Additional interest gain to Company in case limit is increased from 30% to 70%.



6. Monetization of assets of the Company
Bajaj Bhawan Property (825 sq.ft.) at
Mumbai.

Unlocking the value of unutilized fixed assets
which will help to reduce working capital
borrowings.

Simultaneously, if required, properties may be
taken on lease rent basis.

7. Investment in Capex through retention of retained earnings by seeking exemption from payment of dividend.
(Rs./crore)

	2017-18 (projected)	2017- 18(Actual)	2018-19 (Projected)
PAT	125	213	143
Less :30% of Capex as per MOU	157	157	282
Less Equity contribution to RFCL	123	123	25
Net (shortfall)	(155)	(-)67	(-)164



THANK YOU