



11 JULY 2018

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EDITOR'S PICK



Be a catalyst for others to achieve their best. You win automatically!: KV Ganesh

KV Ganesh, President - Finance & CFO of TVS Srichakra Ltd shares his thought on the intricacies of life and how he maintains the work-life balance.

PERSONAL

Philosophy: Be simple and cheerful!

Political views: Do the best in your tenure irrespective of getting elected or not

Vision for self: Dream of the most difficult and work towards achievement of the same

First job: Ballarpur Industries Limited (BILT), New Delhi

THE NUMBERS GUY

Why I love finance: Finance is about numbers, as numbers make profits and profit is the core of the business. We love business and so we love finance!

One career high: TPlaying the role of CFO for the entire global operations in HP shared services in the US

My strongest skill in finance: Always looking beyond the numbers to get a business perspective as to where we are headed

The most rewarding project/moment of my profession:

Turning around my previous company Subex Ltd from a sick company into a highly profitable venture

If I were to redo a project: Subex should not have used the FCCB root for funding investments. This is something most avoidable as it is fraught with business uncertainties

One big mistake/failure I turned into an opportunity: In HSBC we initially ignored the VAT impact on invoices generated from India while drafting the business plan. Later set up a branch at London to remediate the same. [READ MORE..](#)

US-China trade war might not affect India directly, says McKinsey global head Kevin Sneader

He said Indian economy registering a growth rate of 7.5 per cent is always encouraging.

THE TRADE WAR between US and China will not affect India directly, however the country may see spike in commodity prices, said Kevin Sneader, global CEO of McKinsey in an interview with ET.

“It will be the second-order effects that will impact India and other countries, not the tariffs. And probably the biggest irony of all of this, I suspect, is that China will be the least impacted because it will diversify sources of import and find



new markets.”

The US exports to China are about \$125 billion while imports from China amounted to \$500 billion.

“If we go by the first round of tariffs announced in mid-June, then business worth \$100 billion out of a \$635 billion trade relation was affected and that wasn't much. That wasn't a trade war but the real issue is the escalation after the June 18 announcement of tariffs on \$200 billion. [READ MORE..](#)

Govt likely to strike off over 1000 shell companies

The move is a continuation of the ministry of corporate affairs' (MCA) efforts to weed out shell companies.

THE GOVERNMENT of India might strike off as many as 1,313 companies from the registrar of companies' (RoC) database, which have failed to file annual reports for two years.

The move is a continuation of the ministry of corporate affairs' (MCA) efforts to weed out shell companies.

A senior ministry official told the Financial Express that the status of these companies will be altered from "listed" to "unlisted" before they are struck off.

"They might have sought permission from the MCA to file draft prospectuses for initial public offerings (IPOs) but did not complete the process. That is why they are categorised as 'listed,'" the official was quoted as saying.

As asked by the government in May, the Securities and Exchange Board of India (Sebi) had provided a "status" report on these companies. The capital market regulator found that 402 were not listed on any of the bourses.

Of the 911 firms, Sebi found that 335 have been delisted while 73 are vanishing companies. Around 80 were on the



dissemination board of the BSE and NSE, while 405 continued to be listed. Another 18 firms are limited by guarantee or private limited companies, the Financial Express report said.

The corporate affairs ministry has powers to strike off the delisted firms (330 on BSE and 5 on NSE) as well as 18 private limited or companies limited by guarantee.

However, as regards 558 firms, the ministry should wait till Sebi takes action against them. Of the 80 companies on the dissemination board, 33 are on the NSE and 47 on the BSE.

A last month report said the government has identified over 2.25 lakh companies for de-registration this year due to non-filing of financial statement.

The government had de-registered an equal number of firms last year. [READ MORE..](#)



China set for record defaults

Chinese companies have defaulted on about 16.5 billion yuan (\$2.5 billion) of public bond payments so far in 2018, as against the high of 20.7 billion yuan seen in all of 2016, said data compiled by Bloomberg.

CHINA IS heading for corporate bond defaults, with weakening its currency and a slowing economy.

In data compiled by Bloomberg, the tally for the first half of 2018 is already nearing a 2016 total.

Chinese companies have defaulted on about 16.5 billion yuan (\$2.5 billion) of public bond payments so far in 2018, as against the high of 20.7 billion yuan seen in all of 2016, said data compiled by Bloomberg.

A Bloomberg report said strains are set to get worse if the trends of credit-rating companies are anything to go by — agencies including Dagong Global Rating Co. have been downgrading firms by an unprecedented margin.

"Corporate profits have worsened this year and are unlikely to improve against the backdrop of an economic slowdown," Li Shi, general manager of the rating and bond-research department at China Chengxin International Credit Rating Co.

"Refinancing will continue to be tough as long as the crackdown on shadow banking continues."

Borrowers have defaulted payments on at least 20 domestic bonds so far this year, said the Bloomberg data.

There was about 66.3 billion yuan of defaulted notes outstanding at the end of May, or 0.39 per cent of corporate bonds outstanding, PBOC data show.

While still small, that share may be poised to rise.

According to JPMorgan Chase & Co., an increasing trade tensions with US could add to defaults in Chinese financial system, which is already in the midst. [READ MORE..](#)