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Effect of demonetisation and GST minimal on business : HSIL Chief

KOLKATA : The effects of demonetisation and the new Goods and Services Tax(GST) regime from July 1 was 'minimal' on Indian industry by all counts,claims Sandip Somany, Vice President and Managing Director of Rs 2600 crore HSIL Limited, India's leading multi product company.

Speaking here on Friday on the sidelines of the national launch of a most technologically advanced water purifier of the company under its consumer durable section, Somany said 'We like all other major business houses have already overcome the minor jolt from the effects of demonetisation and GST and are currently back on the road to recovery'.

He also expressed his full confidence to register about 20 to 25 per cent hike in revenue by March next under the current pace of growth in Indian business. Claiming

that the new water purifier called 'Oceanus 3000' under the brand of 'Moonbow' would bring about a sea change in this Rs 4500 crore consumer durable industry soon because of hoards of new technologically advanced features, Somany said the product had been introduced in the domestic market through an exclusive tie-up with leading e-market platform Flipcart,while reiterating that the effect of demonetisation and GST was almost over by now. Speaking more about their business conglomerate comprising building products division, packaging division and the consumer products division, Somany said because of the huge demand from the housing sector,till recently the return from the building industry was maximum. But with the introduction of a number of water and air purifier prod-

ucts at very competitive rates coupled with top class quality, they were hoping to reap the maximum benefits and profits from the consumer durable businesses in the coming years as the sector had been growing exponentially during the past couple of years despite the overall economic slowdown. About his future plans regarding further diversification of business, HSIL chief disclosed that the Company Board of Directors had recently approved the plan for setting up a new unit for producing plastic and CI pipes for household purposes before this year end.

'For this purpose we have already tied up with a leading Japanese conglomerate and invested more than Rs 250 crore in our production unit in the state of Telengana having an annual capacity of 1.5 million units', Somany informed. Simultaneously, he

said, their Consumer durable business was likely to touch the figure of Rs 1,000 crore within the next few months from about Rs 600 crore now, to become the second largest player in the domestic market in the segment. About his plan for exports,Somany said currently only about 5 to 6 per cent of their annual turnover came from exports amounting to about Rs 88 crore. 'Currently our entire focus is on all round growth of business within the country, and not abroad' he clarified to another query. Regarding HSIL's business growth in the East and the North East,he said though it was not growing at a rocket speed, it was also not giving them any negative view about the business prospect in the coming months specially in view of the introduction of a number of new products in all segments.