



SMART INVESTING  
**CLSA Retains 'Sell' on TaMo, Stock May Decline up to 14%**

### Market Trends

STOCK INDICES		% CHANGE
Nifty 50	10849.8	0.17
Sensex	36195.1	0.24
MSCI India	821.32	0.69
MSCI EM	2275.72	0.43
MSCI BRIC	587.81	0.44
MSCI World	8181.52	0.07
SX 40	21293.91	0.26
Nikkei	20574.63	0.09
Hang Seng	27120.98	0.42
Straits Times	3190.73	0.62

Values in US \$, Gross At 7 pm IST

### GOLD RATE

	US	India
OPEN	1288.3	1406.17
LAST*	1284.6	1401.01

\*At 10.30pm. After adjusting for import duty, Indian spot gold lower by \$ 12.05 to US Comex gold price on Thursday. The premium on local gold is due to tight supply following import curbs.

### SOLITAIRE PRICE INDEX

25 January, 2019	1.07% ↓	17.54% ↑
4,202*	Over last Month	Over last Year

Nationwide Standard & Transparent Pricing since 2006. Published on every Friday.  
\*This is an average of Divine Solitaires Price List. This data has not been created by The Economic Times.  
Call: 022-66264800 | www.divinesolitaires.com

KEY PLAYERS in the segment show strong volume growth with some even raising prices

## Q3 Consumption Demand Stays Robust, Offers Hope

Ashutosh Shyam  
@timesgroup.com

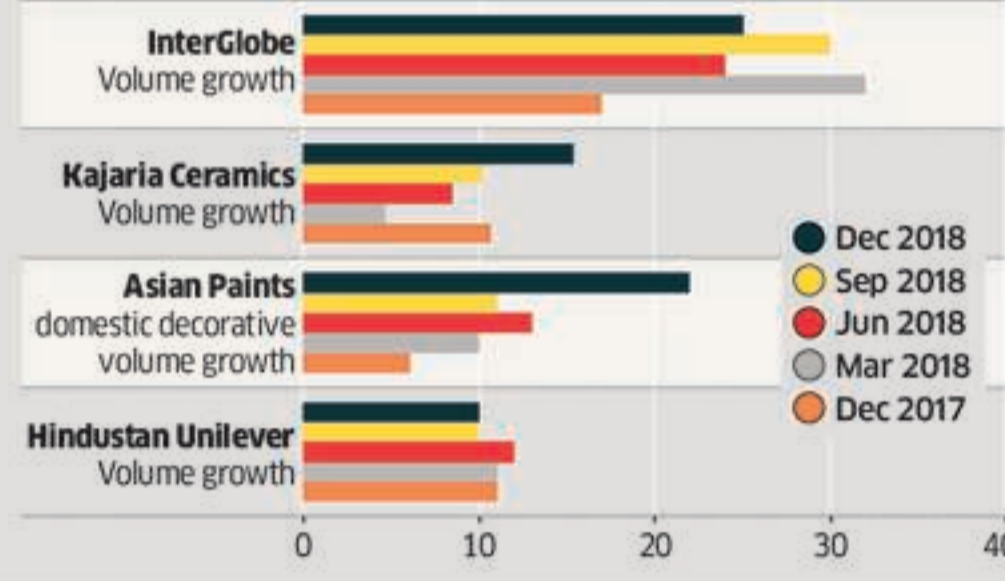
**ET Intelligence Group:** Several companies catering to retail consumers have reported higher sales volume growth for the December 2018 quarter reflecting a sustained demand across various segments of consumption.

Asian Paints, Kajaria Ceramics, Reliance Retail, Hindustan Unilever, Bajaj Consumer Care, and Interglobe Aviation are some of the prominent companies that have shown strong volume growth. In addition, some of the companies increased product prices by 2-5% sequentially.

Asian Paints, which commands over half of the market share in the paints business, recorded volume growth of 20%. This was not only better than the 14% growth estimated by analysts but also the strongest in any of the quarters in eight years. The festive demand during Q3 and reduction in GST rates on paints were key growth factors. It hiked prices by

### Boost to Economy

Volume growth of leading consumer-facing companies (in %)



7.3% in the past nine months.

In the building-products segment, Kajaria Ceramics posted volume growth of 16%, the highest in the last 16 quarters. The company's management expects double-digit growth to continue in the coming quarters. It hiked prices of ceramic tiles by 2-3%. The passenger growth of Inter-

globe, India's largest aviation company was above 20% for the fourth consecutive quarter. Its average ticket prices improved by 6% year-on-year to ₹4,176, the highest rate in five quarters. The company has guided for 30% capacity addition in the March 2019 quarter. Its capacity in terms of available seat kilometres rose by

29% and 33% in the September and the December quarter.

HUL recorded double-digit volume growth for the fifth consecutive quarter supported by rural growth, which was 1.3 times the growth in urban markets. Its average realisation grew by 3.8% year-on-year. Bajaj Consumer Care reported volume growth of 9.4% in almond hair oil segment, the highest in the last 15 quarters.

The volume momentum in consumer goods has also resulted in advertisement growth of media companies. For example, Zee Entertainment's advertisement growth was 22% in Q3. Nearly 60% of ads came from the consumer-oriented companies.

Reliance Retail, the country's largest retailer by revenue, reported 89% growth in revenue for the December quarter and 108% growth in the past nine months. The festive season sales and new store openings resulted in high revenue growth and its operating area rose by 42% to 20.6 million square feet in the first nine months of FY19.

### IS TAX BURNING A HOLE IN YOUR POCKET?



SAVE TAX AND GROW WEALTH LONG-TERM, INVEST IN AN ELSS FUND TODAY!

CONTACT YOUR FINANCIAL ADVISOR TODAY OR LOG ON TO WWW.IDFCM.COM

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS. READ ALL SCHEME RELATED DOCUMENTS CAREFULLY. AN INVESTOR EDUCATION AND AWARENESS INITIATIVE.

Investors not too Happy with REC-PFC Merger

SBI Postpones Sale of Essar Steel's Loans to Feb 11

FINANCE & COMMODITIES

### TOTAL EXPOSURE WAS ₹40,000 CR; ICICI BANK'S AT ₹3,250 CR

## Videocon Debt Trap: Lenders' List

The CBI FIR accuses ICICI Bank's former CEO Chanda Kochhar of indulging in corruption in sanctioning loans to Videocon group of companies. Several private and public sector banks had sanctioned loans worth ₹40,000 crore to the Videocon group. ICICI's loans alone were worth ₹3,250 crore, less than 10% of the total banking system loans to Videocon. ICICI Bank was also not the lead lender in this consortium. It was State Bank of India and the consortium included development financial institutions like IFCI.

Here is a list of some of the banks that had given money to Videocon

- State Bank of India
- Punjab National Bank
- LIC
- IFCI
- Bank of Baroda
- IDBI Bank
- Central bank of India
- Canara Bank
- Oriental Bank of Commerce
- Dena Bank
- Union Bank of India
- State Bank of Hyderabad

▶ More Stories on Finance & Commodities

## Citi India CEO Prमित Jhaveri Steps Up to a Bigger Asia Pacific Role

Arijit Barman@timesgroup.com

**Mumbai:** After a nine-year stint as the CEO of Citi in India, Prमित Jhaveri is set to become the vice-chairman of the Wall Street bank's banking, capital markets and advisory business across Asia Pacific.

Jhaveri, who will continue to be based in India, will be reporting to Jan Metzger, who became Citi's Asia Pacific head of corporate and investment banking (CIB) a year ago, and Francisco Aristeguieta CEO of Citigroup Asia.

Even though there was no formal announcement till press time on Thursday, a Citi spokesperson confirmed the development. The news broken internally early on Thursday, came as a surprise to most of his colleagues even though speculation of a CEO change was gathering momentum for some months now.

He will remain in his current role till this month end and as the interim till March 31, 2019.

Jhaveri, who comes from a family of jewellers, has been among the top rainmakers for India Inc, advising them in headline grabbing M&As or fund-raising initiatives. He took over the top job in March 2010 from Mark Robinson after Citi went through its tumultuous phase post the global financial crisis in 2008, but managed to turn around the franchise as one of the most successful global banks in the country. Citi India's balance sheet is considered amongst the best performing in the Indian banking industry, with a net NPA level of



FILE PHOTO

0.55% as of March 31, 2018.

Under Jhaveri, the PAT of the bank in India jumped to ₹3,403 crore in March 2018 from ₹860 crore in March 2010. Return on assets also improved to 2.23% from 0.96% in the same period.

Early on in his CEO stint, the bank faced a fraud in the Gurgaon branch where a rogue relationship manager managed to hoodwink several private wealth clients. Citi compensated the affected clients.

An ardent collector of Indian art, Jhaveri has been with Citi for almost 30 years. He joined Citi India in 1987 straight from the Simon School of Business campus in the US from where he completed his MBA in Finance and Economics and even received the 2016 Distinguished Alumnus Award.

His father, a second-generation businessman, was a jewellery manufacturer

and diamond trader. But before Prमित could complete his education, the joint family had split and the business closed down. He chose banking because he said that was a profession most 20-year-olds found very appealing and glamorous. He has a BCom degree from Sydenham College, Mumbai University.

Prior to his elevation to the corner office, Jhaveri headed investment-banking, corporate finance and capital markets for the bank.

Globally, Citi restructured its portfolio post the Lehman crisis and even divided its businesses into two groups—Citicorp and Citi Holdings. He is married to a former investment banker from DSP Merrill Lynch.

It is not yet clear who will succeed Jhaveri though names of potential internal candidates, such as Ashu Khullar, head of Asia Pacific Capital Markets Origination at Citigroup Inc, Ravi Kapoor, the head of global banking at Citi India, and K Balasubramanian who recently moved back from HDFC Bank to head corporate banking are doing the rounds.

Many believe an internal candidate from overseas may also get selected for the top job in India.

Recently, Jhaveri's name has been linked to various senior roles in corporates such as Tata Group or as a leading contender to lead home grown private banks like Axis, Indusind or HDFC that are also going through leadership churns. Past Citi India bosses like Sanjay Nayar had transitioned to PE firm KKR to lead the buyout group's operations in the country.

## UltraTech Market-share Focus to Pay Off When Cement Prices Rise

### ET ANALYSIS

Rajesh Naidu@timesgroup.com

**ET Intelligence Group:** Intense competition and demand that has often not reflected the pace of broader economic expansion have prevented cement manufacturers from raising prices. In this battle of attrition, the undisputed leader UltraTech has focused on gaining market share rather than experiment with pricing. It has been unwaveringly following this strategy for the past two years. The story in the December quarter is not structurally distinct.

In the December quarter, UltraTech's sales volume grew by 14% to 18 MT in comparison with the same quarter last year. Its cement realisations did not show any noticeable improvement on quarter; a clear indication that the company has been

### Fall in Net Profit

UltraTech Cement Financial Snapshot

	Dec 2018 quarter	Dec 2017 quarter	Y-o-Y chg (%)
Revenues	9,258	7,779	19
EBIDTA	1,548	1,494	4
EBIDTA margins %	17	19	-
Net profit	394	456	-14

₹ crore. Source: Company Presentation

unable to gain any pricing power.

A large part of the stable demand for cement, although not great in value terms, still comes from non-trade or institutional segment. This segment comprises infrastructure and low-cost housing (both from government and private). It is estimated that the low-cost housing programme of the government—Pradhan Mantri Awas Yojana - Gramin (PMAY) has gener-

ated 28-30MT demand of cement.

Besides this, more road projects across states is fuelling demand. This means that demand is coming at a price point that is not high enough to boost earnings and margins. In terms of sales, UltraTech derives 64% from the trade segment and 36% from non-trade.

▶ Continued on Smart Investing



## Invest in Government Bonds.

Diversify your portfolio with just ₹ 10,000/-



- 1 Get the surety and safety of a long-term investment
- 2 Superior to fixed deposits
- 3 Flexible tenures from 91 days to 40 years
- 4 Minimum investment as low as ₹ 10,000/-
- 5 Just install the NSE goBID mobile app and invest

Features: Easy to use Mobile App | Easy order placement & confirmation | Convenient payment option via netbanking and UPI (Google Pay / BHIM / Phone Pe / Paytm) | One-time registration

Government Bonds - through the NSE goBID app



To invest, download NSE goBID app from playstore or contact your SEBI registered NSE Broker for more details  
www.nseindia.com

cornerstone-NSE-172

### A Monk Who Trades

You have got a new pet? What is his name? A street dog named Desire.

A pet is great, but please get it vaccinated. For your safety, and for everyone else around you.

Do not worry. They are such gentle creatures. Man's best friend, you see!

Is there a vaccination for stupidity?

A few moments later... OUCH! He bit me! Now I have to get vaccinated against rabies.

Wiles are there for your own protection. The earlier you understand that, the better it is for you.

Be aware of your rights and duties by going through investor's rights and obligations document and regulatory requirements prescribed by the Exchange/SEBI in this regard.

Issued in public interest by Multi Commodity Exchange Investor Protection Fund

MCX METAL & ENERGY Trade with Trust

MCX INVESTOR PROTECTION FUND

IF YOU NOTICE ANY ILLEGAL ACTIVITY, PLEASE REPORT WITH DETAILS ON ENFORCEMENT@MCXINDIA.COM OR CALL US ON 91-22-6649 4150