

MARKET WATCH Table with columns: 26-07-2019, % CHANGE. Rows include Sensex, US Dollar, Gold, Brent oil.

NIFTY 50 Table with columns: PRICE, CHANGE. Lists major Indian companies like Adani Ports, Axis Bank, Bajaj Auto, etc.

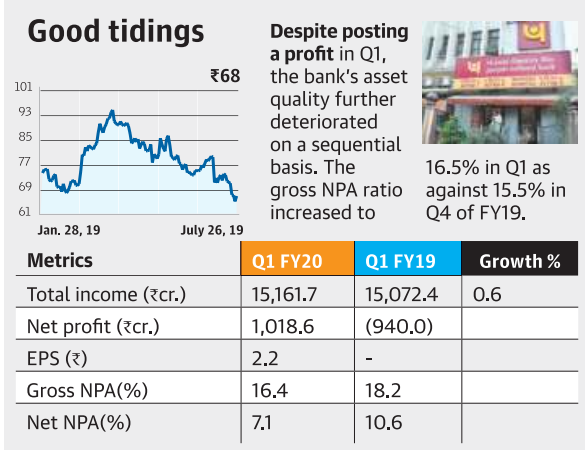
EXCHANGE RATES Table with columns: CURRENCY, TT BUY, TT SELL. Lists US Dollar, Euro, British Pound, etc.

BULLION RATES CHENNAI Table with columns: Retail Silver, 22 ct gold. Lists prices in rupees.

PNB back in the black in Q1

The public sector lender clocks ₹1,018.63 crore profit on lower provisions

SPECIAL CORRESPONDENT NEW DELHI The Punjab National Bank (PNB) on Friday reported a profit of ₹1,018.63 crore for the quarter ended June 30 owing in large part to a reduction in provisions.



Despite posting a profit in Q1, the bank's asset quality further deteriorated on a sequential basis. The gross NPA ratio increased to 16.49% in Q1 compared with 15.5% in the fourth quarter of the previous financial year.

'Borrowal Fraud' category to the Reserve Bank of India during the second quarter of the current financial year involving an amount of ₹3,760.62 crore outstanding as on June 30, 2019, the bank said in a statement.

The remaining provision in the fraud account will be done by the bank in terms of the extant RBI guidelines, it added. The bank also generated fresh business of ₹80,000 crore in the quarter.

Yes Bank picks up 18.55% in Cox & Kings

SPECIAL CORRESPONDENT MUMBAI Yes Bank has acquired 18.55% stake in travel and tour operator Cox & Kings by invoking pledged shares, the lender informed the exchanges.

The bank acquired 32,750,139 shares of nominal value ₹5 each comprising 18.55% of the post-issue, fully paid-up share capital. The bank has also acquired 30% of Ezeego One Travel & Tours by invoking pledged shares.

Challenging quarter. Includes a line graph showing revenue from operations from Jan 28, 19 to July 26, 19, and a table of metrics for Q1 FY20 and Q1 FY19.

Yields rise on doubts over overseas bond issue

Yields on 10-year benchmark up 2bps

SPECIAL CORRESPONDENT MUMBAI Bond yields have started inching up following speculation that the government may shelve its plan to raise funds through an overseas sovereign bond issue.

During her maiden Budget speech, Finance Minister Nirmala Sitharaman said India would look to issue overseas foreign currency

sovereign bonds. Going ahead, the bond yields will take a cue from the Reserve Bank of India's (RBI) next monetary policy review scheduled for the first week of August.

The market is expecting another 25 bps cut by the RBI in August as inflation continues to be soft and there is a need to boost growth.

Vodafone Idea first quarter loss at ₹4,873.9 crore

Telco posted a loss of ₹4,881.9 crore in Q4 of 2018-19

SPECIAL CORRESPONDENT MUMBAI Vodafone Idea reported a net loss of ₹4,873.9 crore for the first quarter. This follows a loss of ₹4,881.9 crore posted during the fourth quarter of 2018-19.

June quarter results are the third full-quarter results for Vodafone Idea, post completion of the merger of Vodafone India with Idea Cellular on August 31 last year.

The loss was reported on revenues of ₹11,270 crore and EBITDA of ₹3,650 crore with EBITDA margin of 32.4%.



The company's average revenue per user (ARPU) was up 2.8% at ₹108 for the June quarter. Vodafone Idea lags behind Reliance Jio which posted net profit of ₹891 crore on revenue of ₹11,679 crore.

U.S. economy slows less than expected in Q2

Consumer spend blunts export drag

REUTERS WASHINGTON U.S. economic growth slowed less than expected in the second quarter as a surge in consumer spending blunted some of the drag from declining exports and a smaller inventory build, which could further allay concerns about the economy's health.

The fairly upbeat report from the Commerce Department on Friday will probably not deter the Federal Reserve from cutting interest rates next Wednesday for the first time in a decade, given rising risks to the economy's outlook, especially from a trade war between the United States and China.

Investment contracts Despite the better-than-expected GDP reading, business investment contracted for the first time in more than three years and housing contracted for a sixth straight quarter.

Investment contracts for the first time in more than three years and housing contracted for a sixth straight quarter. Fed Chairman Jerome Powell, early this month, flagged business investment and housing as areas of weakness in the economy. But robust consumer spending, together with a strong labour market, further diminish expectations of a 50 basis point rate cut and could raise doubts about further monetary policy easing this year.

Gross domestic product increased at a 2.1% annualised rate in the second quarter, the government said.

The economy grew at an unrevised 3.1% pace in the January-March quarter.

The economy has expanded for 10 years, the longest run in history.

Das for calibrated policies by monetary, fiscal authorities

Global order today faces several challenges: RBI Governor

SPECIAL CORRESPONDENT MUMBAI Reserve Bank of India Governor Shaktikanta Das has called for well-calibrated policies by monetary and fiscal authorities in the backdrop of slowing global growth.

Speaking at the release of 'India's Relations with the International Monetary Fund', authored by V. Srinivas, Mr. Das said, "It is important in the backdrop of slowing global growth that policies of monetary and fiscal authorities are well-calibrated, so that they support growth without further build-up of leverage and asset-price bubbles."

A civil servant of the 1989 batch, Mr. Srinivas served as Advisor to the Executive Di-



rector for India at the IMF during 2003-06. Emphasising on the need for prudent policies that are critical to growth, Mr. Das said, "Globally, we need to focus on policy space, judiciously use it, and simultaneously undertake structural reforms to improve productivity, innovation and

job creation." He said solutions were turning more difficult to come by as the global economy seemed to be moving into a new and unsettling phase in an environment of stressed trade negotiations, rising geopolitical confrontation, and limited policy space and high debt levels in several economies. He said the general government debt of advanced economies as a group had surpassed 100% GDP and fiscal space too was constrained in many of the advanced economies.

"The global order today faces several challenges that will test the skills of the international organisations as well as those of national monetary and fiscal authorities," Mr. Das said.

JSW Steel plans to raise ₹17,000 crore

To meet capex among other needs

SPECIAL CORRESPONDENT MUMBAI JSW Steel is planning to raise as much as ₹17,000 crore by way of redeemable non-convertible debentures in the domestic market and non-convertible, senior unsecured fixed rate bonds in the international market.

The company plans to raise ₹10,000 crore in the domestic market largely to replace short-term loans, meet long-term working capital requirements, capital expenditure and for general corporate purposes.

From the international market, JSW Steel plans to raise \$1 billion to meet its capital expenditure and repayment of outstanding loans to the company and general corporate purposes in the case of issuance from overseas subsidiaries.



"The Board has also authorised the Finance Committee of Directors to decide on all matters relating to the aforesaid proposed issuance, including finalisation and approval of the detailed terms and conditions of issue and the type and number of bonds to be issued," the company said in a statement. JSW Steel net profit for the first quarter fell by over 56.9% to ₹100 crore due to fall in sales due to subdued steel demand.

Mindtree to focus on profitability

Revenue acceleration backed by a strong deal pipeline, pricing improvement, control on cost and better governance would be the drivers that would improve profitability of Mindtree in 2020 over FY19, said S.N. Subrahmanyan, MD & CEO, L&T.

During a conference call on Friday, Mr. Subrahmanyan, who is also a director of Mindtree, said: "The new change augurs well for Mindtree. Our focus is on operational excellence." The new CEO will be appointed on August 1 and he would collaborate with Mindtree leadership to strengthen the growth momentum, he said. L&T was in a position to protect Mindtree from growth challenges, he added.

'Indian telecom sector will create 3,00,000 jobs in next 18 months'

Rural market will see a majority of these positions: Aruna

MINI TEJASWI BENGALURU India's telecom sector will create up to 3,00,000 jobs in the next 18 months and a majority of these positions will come up in rural areas of the country, Telecom Secretary and Telecom Commission chairman Aruna Sundararajan said.

The sector has already created over 1,00,000 jobs since the introduction of the National Digital Communications Policy-2018 (NDCP), she said.

In an exclusive interaction with The Hindu, Ms. Sundararajan said: "As the investment in the sector starts to increase, jobs are expected to be created at a rapid pace. With roll out of services, including Wi-Fi services, in rural areas gaining



momentum, it is estimated that over 50% of these jobs will be created in rural India." The Telecom Ministry had earlier said that the new framework (NDCP) would draw investments worth \$100 billion into the country's telecom industry in five years. "Since then, a total investment of around \$16 billion has already been announced by the private sector companies and government via USOF [Universal Service Obligation Fund], with a rough split of 65% and 35% respectively. This investment is currently in different phases of infusion into the sector," she said.

On the achievability of the government's job target in telecom when most other sectors are talking about jobless growth, she said it [jobless growth] was happening in sectors where the physical infra creation requirement was low. "This has never been the case with telecom sector. Almost 95% of the investment in the telecom sector goes into infrastructure creation and jobs creation will be a natural outcome of this investment," she asserted.

Mining firm Vedanta's first quarter profit slides 12%

Revenue also lower on account of fall in commodity prices, says company

SPECIAL CORRESPONDENT NEW DELHI Mining giant Vedanta saw its Q1 attributable net profit fall 12% to ₹1,351 crore, the company announced on Friday.

The company had registered an attributable net profit of ₹1,533 crore in the same quarter of the previous year.

"Revenue in Q1 FY2020 was at ₹21,167 crore, lower 4% y-o-y, primarily due to lower commodity prices partially offset by higher aluminium sales, volume addition from the ESL [Electrosteel Steels Ltd.], commencement of Gamsberg mine and currency depreciation," the company said in a statement.

The company said that its EBITDA for Q1 of the current financial year stood at ₹5,188 crore, lower by 20% compared to the same quarter of 2018-19, mainly due to lower



commodity prices partially offset by easing of input commodity inflation, rupee depreciation and volume addition from the ESL acquisition. The EBITDA margin during the quarter was at 27% compared to 34% in Q1 of the previous year. "Gross debt was at ₹59,517 crore on June 30, 2019, lower by ₹6,708 crore as compared to March 31, 2019," the company said. "This was mainly due to repayment of

debt at Cairn India Holding Limited (CIHL), Vedanta Limited Standalone and temporary borrowings at Zinc India." The company's net debt stood at ₹28,743 crore on June 30, 2019, higher by ₹1,787 crore compared to its level on March 31, 2019, primarily due to working capital unwinding and regrouping of lease liability to borrowing due to INDAS i16 implementation, the company added.

"Our businesses stayed resilient in a quarter with low commodity prices and uncertain market environment and we continued to ramp up across the key verticals, zinc and oil and gas," Srinivasan Venkatakrishnan, CEO of Vedanta said. "Silver is outperforming as we climb up the ranks among the top global silver producers." The company's alumini-

um business is steadily moving towards its target cost, Mr. Venkatakrishnan added.

The company also announced that Cairn India Holdings Limited, an overseas subsidiary of Vedanta, and Volcan Investments Limited had agreed to unwind entirely the structured investment entered between them in December 2018 ahead of the original schedule.

"With this, Volcan will exercise the early exchange option available to it on July 26, 2019 and consequent to this the full exchange of its two issues of mandatory exchangeable bonds secured by shares in Anglo American plc, will settle on August 12, 2019," Vedanta said. "The share price of Anglo American has close to doubled, since Volcan invested, delivering attractive gains to all investors."

Sells stake in Anglo American

PIYUSH PANDEY MUMBAI Anil Agarwal-led Vedanta Limited has sold its stake in Anglo American with superior gains, giving rest to speculation that the mining baron will launch a bid to acquire the global miner.

However, the sale, with a net gain of over \$100 million, couldn't enable the firm to improve its profitability as net profit for the first quarter fell 12% to ₹1,351 crore.