

IN BRIEF



ICICI Bank cuts lending rates by 10 basis points

MUMBAI ICICI Bank has cut its lending rates by 10 basis points across all maturities, sources said. The rates have been cut across all tenors under the marginal cost of funds-based lending rate (MCLR) system, they said. With this cut, which comes amid repeated nudges by the RBI to slash rates, the total quantum of rate reduction by the bank since April comes to 20 basis points. The private sector lender's revised rates will take effect from September 1. ■

Wipro bags \$300-million contract from ICICI Bank

BENGALURU Digital transformation and IT services major Wipro Limited has bagged a strategic contract valued at \$300 million from the ICICI Bank. Under the contract, Wipro will offer a comprehensive suite of services to ICICI Bank for the next seven years, starting September 2019. Currently, Mumbai-based IT services firm Vara Infotech provides these services to the ICICI Bank.

RPower, JERA to build plant in Bangladesh

MUMBAI The Anil Ambani-led Reliance Power (RPower) signed a partnership agreement with JERA of Japan for setting up a 750 MW, gas-based, combined cycle power project (phase-1) at Meghnaghat, Bangladesh. RPower will hold 51% stake while JERA will hold 49% in the joint venture. "The project agreements for phase-1 were signed with the authorities in Bangladesh on Sunday," said the company.

Coal India production drops 2.8%

Coal offtake between April and August 2019 also fell 2.5 million tonnes

SPECIAL CORRESPONDENT
KOLKATA

Coal India Ltd. (CIL) ended the first five months of this fiscal with a 2.8% production decline, mining 210.2 million tonnes against 216.2 million tonnes in the year-earlier period. In August its output dropped by 10.3%.

Two of its high-yielding subsidiaries, South Eastern Coalfields Ltd. (SECL) and Mahanadi Coalfields Ltd. (MCL), ended the period with a lower production compared with the year-earlier period.

Coal offtake between April and August 2019 dropped by 2.5 million tonnes. In August, four out of CIL's seven coal-producing subsidiaries lost production, showing negative growth rates over those



Little cheer: In August, four out of CIL's seven coal-producing subsidiaries lost production. ■ G.N. RAO

clocked a year ago. This was due to various factors.

Law and order issues CIL sources said that law and order problems at some of the subsidiaries and heavy rains in western India had led to this production loss.

There were also two mine accidents that led to production loss

Edelweiss Securities said in an update that CIL's August 2019 production and offtake volume decline was the worst in the past three years. It said that the delay in

There were two mine accidents that led to production loss

finalisation of subcontracts and mining fatalities at MCL and SECL impacted production. Higher-than-expected rainfall, too, hit mining. On the offtake front, it said that lower rake availability led to loading of 178 rakes daily in August 2019 against 250 rakes of daily loading in July.

However, the brokerage firm was optimistic that CIL will get over its current production woes by resolving the issues at hand and register a growth rate of around 4.5%. It felt that achieving the year's target of 660 million tonnes, requiring a 15% growth rate may be a daunting task for the behemoth.

Volvo India launches luxury three-seater SUV at ₹1.42 crore

'Limited edition aimed at selling 15 units in first batch'

SPECIAL CORRESPONDENT
MUMBAI

Swedish luxury car company Volvo Car India has introduced XC90 Excellence Lounge, a unique three-seater SUV priced at ₹1.42 crore ex-showroom pan-India.

This limited edition offering is a first in the SUV segment in the country and has been 'exclusively designed for Indian customers'.

Only 15 units will be sold in the first batch, top company executives said.

Charles Frump, MD, Volvo Cars India said, "Our distinctive approach aims to deliver a luxurious and calming experience to our customers. Volvo XC90 Excellence Lounge is the most exquisite car we've ever



The XC90 Excellence Lounge is a plug-in hybrid that can run for up to 40 km in a single charge of the battery.

made. It rides on the success of over 100 XC90 T8 Excellence (4-seater) delivered and India is the highest selling country for this product."

The Lounge configuration provides a sense of comfort

and luxury to the owners who can 'stretch their legs and enjoy a first-class lounge experience'. XC90 Excellence Lounge is a plug-in hybrid with capacity to run for up to 40 km in a single charge of the battery.

Chennai Port to handle Kia Motors' exports

Contract comes amid stiff competition

N. ANAND
CHENNAI

Chennai Port Trust (ChPT) has scored over three ports in the south to bag a contract from Kia Motors to handle the exports of the South Korean carmaker.

"It is a tremendous win for us as we had to compete with well-known ports in the south," said P. Raveendran, chairman, ChPT. "This win has given us the confidence to develop car exports from ChPT in a big way," he said.

Ever since Kia Motors announced its readiness to roll out cars from its Anantapur plant in Andhra Pradesh, Kamarajar Port, L&T Kattupalli Port and Krishnapatnam Port began pitching for

the logistics contract.

"We thought that Krishnapatnam and Kamarajar ports had the edge over us due to their proximity to the plant and the latter being the leader in car exports. L&T Kattupalli, being a private port, also enjoyed several advantages. However, we were able to win over them," said a ChPT official.

"Apart from Kia Motors, we will also enter into an agreement with Glovis India, the logistics partner of Kia Motors. They will be responsible for bringing the cars from the factory to the Chennai Port," Mr. Raveendran said.

"Kia Motors is expected to start exporting cars in the next few weeks," he added.

Moody's revises PNB's outlook to positive from stable

Revision follows capital infusion by govt., merger gains

SPECIAL CORRESPONDENT
MUMBAI

Rating agency Moody's revised the outlook for Punjab National Bank's (PNB) outlook to positive from stable following capital infusion by the government and possible gains from the proposed merger with the Oriental Bank of Commerce (OBC) and United Bank of India (UBI).

While affirming PNB's ratings, the rating agency said bank's baseline credit assessments will likely to improve after the capital infusion from the government, and that its financial metrics will also gradually improve.

The government would infuse ₹16,000 crore in the



lender. Moody's said post-merger, PNB would become the second largest public sector bank in India with a deposit market share of 8% compared with its standalone market share of 5.2% as of March 2019.

Taking into account the reported financials of PNB, OBC and United Bank, Moody's expects the merged entity's consolidated CET1 ratio will exceed 10%, compared with a standalone ratio of 6.3% as of June 2019.

Asset quality Moody's expects the bank's asset quality and profitability will remain broadly unchanged following the merger.

The outlook on Canara Bank, OBC, Syndicate Bank and Union Bank are maintained at stable by the rating agency.

Moody's has also affirmed the baseline credit assessment of these five banks.

SEBI asks IndiGo to reply to fresh Gangwal letter

Issue concerns corporate governance

PRESS TRUST OF INDIA
NEW DELHI

Markets regulator SEBI has sought a response from InterGlobe Aviation on a fresh letter by the company's co-promoter Rakesh Gangwal regarding corporate governance issues.

The latest letter from Mr. Gangwal came just days after the company's annual general meeting that was held on August 27.

Mr. Gangwal and co-promoter Rahul Bhatia have differences of opinion over certain corporate governance matters at InterGlobe Aviation, IndiGo's parent.

In a filing to the stock exchanges on Wednesday, InterGlobe Aviation said SEBI had sought comments on a



letter written by Mr. Gangwal on August 30.

"The company will provide its response to SEBI," the filing said. On September 3, SEBI had sought comments from the company on a letter received by the regulator from legal counsel of Mr. Gangwal.



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