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AUTO FOCUS

Maruti's S-Presso is positioned bang in the centre of the entry-level small-car segment. Will it be a cuppa joy? **p19**

HURT PIRAMAL MOVES SEBI

Piramal Enterprises has moved SEBI, asking it to act on 'misleading rumours' against its financial services business **p12**

FM TO THE RESCUE

Nirmala Sitharaman has promised legislative steps to prevent PMC Bank-like crises and ensure more teeth for the regulator **p10**

Ahmedabad Bengaluru Chennai Coimbatore Hubballi Hyderabad Kochi Kolkata Madurai Malappuram Mangaluru Mumbai Noida Thiruvananthapuram Tiruchirappalli Tirupati Vijayawada Visakhapatnam

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QUICKLY

FESTIVAL BOOM

Consumer durables players upbeat

New Delhi, October 10
Consumer durables retailers and companies remain cautiously optimistic about the remainder of the ongoing festival season. Going by initial trends, they said there has been an uptick in demand and expect it to continue in the upcoming days in the run-up to Diwali. **p3**

COMMODITY FORAY

BSE has done well, says its MD

Mumbai, October 10
The BSE will be completing one year in the commodity derivatives market this month. Though one year is very little to gauge the success of an exchange, the BSE has gained enough confidence to levy trading charges, reversing its earlier stance of offering it for free, says the exchange's MD Ashish Chavan in an interview with *BusinessLine*. **p16**

RCEP MEET

Piyush Goyal headed to Bangkok

New Delhi, October 10
Commerce and Industry Minister Piyush Goyal is leaving on Friday for Bangkok to give a final shape to the proposed Regional Comprehensive Economic Partnership (RCEP) pact India is negotiating with ASEAN, China and four other nations before the scheduled announcement of its conclusion next month. "The Minister will hold a series of bilateral meetings with his counterparts from Japan, Singapore, China, Australia and New Zealand during the Bangkok Ministerial," said a release. **p4**

MINING BLUES

Poor response to coal mine auction

New Delhi, October 10
Market sentiment and expectations from commercial mining have resulted in a tepid response for the blocks on offer during the current round of coal auctions. These mines are being auctioned under the 8th, 9th and 10th round of bids simultaneously being conducted by the Coal Ministry. "In all, 45 bids were received for the blocks on offer," said a top Coal Ministry official. **p2**

PORTFOLIO

Festival loans: What's on offer

This Diwali, e-commerce majors and many other consumer durable and retail outlets are offering huge discounts. Also, the Centre and the RBI are trying to boost credit growth through loan melas, revised micro finance lending/eligibility limits and lower benchmark interest rates. We list some options for you so that you can plan your major purchases. **p9**

TRENDING

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IRCTC IPO allotment

There's a lucky draw for allotment in the retail category. What are your chances?

Flight fares

If you haven't booked your holiday tickets yet you may end up spending a fortune

Where's LVB headed?

Will Lakshmi Vilas Bank rise from the ashes like Dhanlaxmi Bank or go the GTB way?

Ground report

Does Virat Kohli put in more time on the field than Lionel Messi or Cristiano Ronaldo?

Air India buy: Tata Sons back at the drawing board, may place bid soon

Amit Shah-headed panel likely to hold crucial talks next week on privatising flag carrier

RAJESH KURUP

Mumbai, October 10

Tata Sons wants a bite of legacy, a dash of its own aviation history and a whole lot of sky under its wings.

After going back and forth for a bit, the salt-to-software conglomerate is finally readying to bid for Air India, India's flag carrier, and is believed to have started initial discussions internally for placing an offer.

The move comes ahead of a crucial meeting to decide on the airline's privatisation plans, probably next week. A Group of Ministers (GoM), headed by Home Minister Amit Shah, has to take a final call.

"The Tatas were aviation pioneers and, for the group, the country's aviation history is linked to its own. Further, with the company holding a stake in two carriers already, Air India will, if acquired, propel Tata Sons to the

status of an aviation major," a source close to the development told *BusinessLine*.

Due diligence

While the plan to bid for Air India is yet to be tabled before the Tata Sons board, the company has already held a couple of discussions on a potential deal. A decision will be taken only after seeing the contours of the final divestment papers, even though the group is looking at bringing in external agencies for due diligence, another source said.

When contacted, a Tata Sons spokesperson declined to comment, terming the bidding plans as speculation.

In India, Air India holds the highest number of slots, routes and real estate, which makes it a prize catch for any bidder. However, the possible deterrent is the airline's debt, which is among the highest, at ₹58,000 crore,

Tatas and the Maharaja

- In 1932, JRD Tata set up an aviation department within the Tata Group, which later became Air India
- Air India was nationalised in 1953
- If the Tatas land Air India now, it will be the group's third aviation venture after full-service carrier Vistara and low-cost carrier AirAsia India



with an annual outgo of more than ₹4,000 crore to service it. The debt-laden airline has been given a ₹30,000-crore bailout package by the government.

JRD Tata's legacy

JRD Tata, the patriarch of the Tata Group, was the first person to be issued a pilot's licence in India. In 1932, he set up an aviation department within the Tata Group, which later became Air India. On October 15, 1932, JRD Tata flew a Puss Moth aeroplane from Kara-

chi to Mumbai, marking the first flight of Tata Air Services. Later, in 1953, the government nationalised Air India.

Tata Sons holds a 51 per cent stake in low-cost carrier AirAsia India; the balance stake is held by AirAsia Bhd. AirAsia India commenced operations in June 2014 with Bengaluru as its primary hub.

The Tatas also hold a 51 per cent stake in full-service carrier Vistara, with the remaining stake held by Singapore Airlines.

Former Fortis promoter Shivinder Singh arrested

AGENCIES

New Delhi, October 10

The Delhi police on Thursday arrested former Fortis Healthcare promoter Shivinder Singh and three others in an alleged fraud case, officials said.

Kavi Arora, Sunil Godhwani and Anil Saxena were also arrested by the Economic Offences Wing (EOW) of Delhi Police for allegedly

diverting public money and investing in other companies, they said.

A complaint was filed by Religare Finvest Ltd (RFL), which alleged that Singh had taken the loans while managing that firm, but that the money was invested in other companies. "RFL saw a change in manage-

ment. When the new management took over, they found that a loan had been taken, but the money had been invested in other companies linked to Singh and his brother," said a senior police officer. "They filed a complaint with the EOW."

Shivinder's brother Malvinder



Shivinder Singh

TCS may miss double-digit growth target this fiscal

Q2 profit growth slows down to 1.8%

OUR BUREAU

Mumbai, October 10

Macroeconomic issues and a slowdown in the banking sector in the US and Europe, along with delays in retail sector deal executions, slowed down TCS' second-quarter profit growth to a mere 1.8 per cent.

India's largest IT services firm on Thursday reported consolidated net profit at ₹8,042 crore for the quarter ended September 30, against ₹7,901 crore in the year-ago period. Sequentially, the profit dipped 1 per cent. TCS' operating margins for the quarter stood at 24 per cent, while net margins came in at 20.6 per cent.

Revenues grew 5.8 per cent to ₹38,977 crore in the July-September quarter, against ₹36,854 crore in Q2 FY19, as concerns remained in its largest vertical, BFSI.

"Our numbers (in Q2) were lower than what we had expected at the start of the year," acknowledged TCS CEO Rajesh Gopinathan. "We've seen an increase in both deal sizes as well as duration, which is good for long-term growth. But it'll take time for it to convert into revenues. We would need to deliver H2 much higher than H1 to get to double digits."

"We've seen an increase in both deal sizes and duration... it'll take time for it to convert into revenues."

RAJESH GOPINATHAN
CEO of TCS

Achieving a better H2, however, will not be easy for TCS. For one, H2 is seasonally weak for IT services, and BFSI is not showing any signs of improvement. Although a further weakness in the rupee could help TCS make up for the lost growth in Q2, it may not be enough to carry it to double-digit growth.

"Insurance, regional European banks and small banks are doing well, but large banks in Europe and the US are under pressure, and there is pressure across the board. In retail, deals have been pushed further than expected. However, since there are no cancellations yet, we hope to convert them in the next few quarters," Gopinathan said.

120 MoUs signed for exports to China

Ahead of Modi-Xi meet, China pledges to fix trade imbalance

OUR BUREAU

New Delhi, October 10

Private companies from India and China signed more than 120 MoUs for export of various products from India, including sugar, chemicals, fish, plastics, pharmaceuticals and fertilisers ahead of the meeting of Prime Minister Narendra Modi and Chinese President Xi Jinping in Mamallapuram on Friday.

"China is working to bring down its trade surplus with India. In the first eight months of this year, India's trade deficit went down by 1.6 per cent to \$37.9 billion," Zhu Xiaohong, Counsellor, Embassy of China, pointed out at the India-China Business Meeting & Signing Ceremony organised by FICCI.

Modi and Xi will hold the second India-China Informal Summit on October 11-12; the two are expected to announce additional confidence-building measures to strengthen diplomatic, trade and security relations.

Over 60 Chinese entrepreneurs from 34 sectors will carry out trade promotion activities in India; these enterprises have formalised trade agreements with orders of about \$100 million, pointed out, Liu Changyu, Deputy



School students form the Mandarin characters for the name Xi Jinping, in Chennai, on Thursday. The Chinese President will meet Prime Minister Narendra Modi at Mamallapuram, near Chennai, on Friday **BIJOY GHOSH**

Director General, Foreign Trade Department of Ministry of Commerce.

India's trade deficit with China fell to \$53 billion in 2018-19 from over \$60 billion a year ago, but it still accounts for almost a third of India's overall trade deficit.

Zhu said that attract Chinese customers, India needs to focus on compatibility, competitiveness, creativity and cooperation.

Moody's cuts India GDP growth forecast to 5.8%

Ind-Ra, too, lowers estimate, to 6.1%

OUR BUREAU

New Delhi, October 10

Slowdown concerns have pushed two agencies, Moody's and India Ratings, to lower India's growth projection sharply for the current year.

However, India Ratings & Research (Ind-Ra) reckons there will be a recovery during the second half of the fiscal, from October 1.

Moody's cut the growth projection to 5.8 per cent, which is 100 bps (or 1 percentage point) lower than its previous projection. This is the lowest among all the forecasts after the Reserve Bank of India (RBI) trimmed its forecast to 6.1 per cent recently.

Fitch group company India Ratings went along with the RBI's forecast and cut its projection by 60 basis points from 6.7 per cent. Both agencies cited the slowdown in consumption and investment demand as reasons for their action.

Noting that India's growth will remain weaker than in the recent past, Moody's said: "We forecast real GDP growth to decline to 5.8 per cent in the year ending March 2020 from 6.8 per cent in fiscal 2018, and to pick up to 6.6 per cent in fiscal 2020 and around 7 per cent over the medium term."

At 5 per cent year-on-year in the April-June quarter, real GDP growth has slowed markedly. What started as an investment-led slowdown has broadened into consumption, driven by financial stress among rural households and weak job creation.

A credit crunch among non-bank financial institutions (NBFI) has compounded the problem, Moody's noted.

As a consequence of the recent corporate tax cut, the agency expects the fiscal deficit to be 3.7 per cent of GDP against the Budget estimate of 3.34 per cent. "A prolonged period of slower nominal GDP growth not only constrains scope for fiscal consolidation, but also keeps the government debt burden higher for longer," it said.

Ind-Ra's lowering of its growth projection is the second such action in two-and-half months: in August, it had cut the forecast to 6.7 per cent from 7.3 per cent. The agency had cited a slowdown in both urban and rural consumption demand growth as a key reason for the revision in August. The CSO's growth estimate for April-June 2019 shows the slowdown was sharper than expected, falling to 3.1 per cent against 7.2 per cent a quarter earlier and 7.3 per cent a year earlier. For the April-September period, the agency estimates GDP growth to be 5.2 per cent; it is likely to recover to 6.9 per cent in October-March, mainly on account of the base effect.

Ind-Ra said it welcomes the measures announced to arrest the slowdown, but it believes they will likely support growth only in the medium-to-long term. Noting that most of the policy responses to revive growth, such as lower GST rates, addressed the supply side, the agency said the bigger challenge is from the demand side, since consumption demand has collapsed and private investment is not forthcoming.

One in 7 diabetics is visually impaired: Survey

OUR BUREAU

New Delhi, October 10

One in eight persons above the age of 50 in India is a diabetic; one in every 46 diabetics is blind; and one in seven has some form of impairment in vision due to high blood sugar levels, according to a diabetes and diabetic retinopathy survey by the All India Institute of Medical Sciences (AIIMS) in collaboration with the Ministry of Health and Family Welfare, carried out between 2015 to 2019.

Of 56,771 persons over 50 years of age assessed in 21 districts, 6,717 (up to 11.8 per cent) were found to be diabetic. The highest prevalence of diabetes (over 20 per cent) was observed in Thrissur, Kerala (29.4 per cent), North Goa (24.7 per cent), Kapurthala in Punjab (22 per cent) and Virudhun-

agar in Tamil Nadu (21.2 per cent).

Of the total diabetic population of 6,717 persons, 144 were blind and 923 visually impaired. "Prevalence of blindness among diabetics was 2.1 per cent and visual impairment 13.7 per cent," states the report.

In all the diabetics, 16.9 per cent had diabetic retinopathy or damage to retina, 7 per cent had diabetic maculopathy or damage to macula — a part of the eye which provides central vision — and 3.6 per cent had sight-threatening diabetic retinopathy, the report estimated.

Globally, diabetic retinopathy is responsible for 1.06 per cent of blindness and 1.16 per cent of visual impairment, according to 2015 estimates.

The reason for diabetes leading to

blindness and visual impairment was linked to poor blood sugar control among patients. While most patients surveyed (85.7 per cent) were on oral tablets for diabetic management, only 39.5 per cent of known diabetics had controlled their random blood glucose to less than 200 mg per dL.

Poor awareness

Up to 60.5 per cent had poor control of sugar. And a majority of the diabetics had never sought an eye check-up. "90 per cent of known diabetics had never gone for fundus evaluation for diabetic retinopathy," states the report. In India, there are an estimated 7.296 crore cases of diabetes in adults.

Details p17

A Monk Who Trades

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