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THEY KNOW WHAT YOU  
WATCHED LAST NIGHT

WORLD P9  
MICROSOFT BEATS AMAZON FOR  
PENTAGON'S \$10-BN CONTRACT



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## KHATTAR TO RETURN WITH CHAUTALA AS DEPUTY IN HARYANA



Haryana CM-designate Manohar Lal Khattar (centre) with JJP head Dushyant Chautala (right) and Governor Satyadeo Narain Arya

PHOTO:PTI

The BJP elected Manohar Lal Khattar its legislative party chief on Saturday. Khattar and Dushyant Chautala will take oath of office on Sunday afternoon. The BJP had offered the deputy chief minister's post to JJP chief Dushyant Chautala on Friday. Along with seven Independents, BJP's 40 and JJP's 10, the coalition will have the support of 57 legislators in the 90-member Haryana Assembly.

## PE investments in real estate up 19%: Anarock

Private equity investments in the domestic real estate sector rose by 19 per cent to \$3.8 billion during January–September 2019, mostly in commercial properties, according to Anarock. Private equity investments were over \$3.2 billion in the year ago period, the consultant said.

## Seven of top 10 firms add ₹76,998 cr in m-cap

The combined market capitalisation of seven of the 10 most valued Indian firms advanced by ₹76,998.4 crore last week, with TCS leading the chart. Reliance Industries, HUL, ICICI Bank and SBI also witnessed a jump in their market valuation.

## BS ON SUNDAY SPECIAL

### IN DEPTH Fast fashion's new trend

Two engaging films look at the fast fashion industry from opposite ends and reveal its true cost, writes INDIRA KANNAN



MARKETS IN SAMVAT 2075 P12

## Another roller coaster year for markets

After delivering flat returns in the previous Samvat, the benchmark Sensex and Nifty ended the latest Hindu calendar year on a good note, with the former gaining 12 per cent and the latter 10 per cent. However, it has been a choppy ride for the equity market. SUNDAR SETHURAMAN writes

Golden period for yellow metal  
Equity schemes disappoint MF investors

# World Bank for land reforms, enforcement of contracts

David Malpass says corporate tax cut should add to more growth

SUBHAYAN CHAKRABORTY  
New Delhi, 26 October

Reforms in land management and enforcing contracts could be the next big measures through which India can better its Ease of Doing Business ranking, said World Bank President David Malpass on Saturday.

In its latest global report, released on Thursday, the World Bank placed India at 163 and 154 positions, respectively, on enforcing contracts and registering property.

Malpass said India needs to provide adequate resources to commercial courts at the district level for judgments to flow faster. "Small claims courts are needed to help people enter into contracts which they know can be enforced," he said.

"With regard to land management reforms, digitisation of the land data and making the data readily available throughout India would facilitate the buying and selling of land," Malpass said, addressing the press a day before Diwali.

Earlier in the day, Malpass met Prime Minister Narendra Modi and talked about the importance of data in India's economy and public policy. Challenges in water conservation, education and skill development were also discussed.

India rose 14 places in the 2019 index, inching closer to its target of being counted as part of the top 50 club. While it is now the 63rd best nation to do business in, up from



Prime Minister Narendra Modi with World Bank President David Malpass during the fifth edition of the NITI Aayog Lecture Series in New Delhi on Saturday

PHOTO:PTI

"A COUNTRY'S COMPETITIVENESS IS PARTLY DUE TO EASE OF DOING BUSINESS, BUT ALSO DUE TO MACROECONOMIC STABILITY, SKILLS OF THE WORKFORCE AND WHETHER INVESTORS CHOOSE TO INVEST THERE"

David Malpass, World Bank President

77th last year, it still lags countries in Southeast Asia such as Malaysia (12th) and Thailand (21st), as well as China, which moved up to the 31st position.

But, Malpass said, India was on the right track, being among the 10 best-performing economies for three straight years.

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# ICICI Bank's pre-tax profit jumps 247%

Q2 numbers beat estimates; asset quality improves

NIDHI RAI  
Mumbai, 26 October

Private sector lender ICICI Bank on Saturday reported a jump of 247 per cent in its profit before tax (PBT) for the July–September 2019 quarter (Q2), posting ₹4,367 crore, compared to ₹1,256 crore in the year-ago quarter. However, net profit dipped by 279 per cent to ₹655 crore in Q2FY20, as against ₹909 crore in the corresponding quarter of FY19.

Excluding the impact of a one-time additional charge of ₹2,920 crore on account of the re-measurement of the accumulated deferred tax (DTA), net profit would have been ₹3,575 crore on a standalone basis, the bank said in a statement.

The bank's net interest margin (NIM) improved to 3.64 per cent in Q2FY20 from 3.33 per cent a year ago. Net interest income (NII) increased by 26 per cent to ₹8,057 crore from ₹6,418 crore in the year-ago quarter.

Deposits grew by 25 per cent to ₹6.96 trillion at the end of September 2019 from ₹5.59 trillion a year ago. The low-cost current account savings account (CASA) deposits grew at 14.6 per cent and term deposits by 34.9 per cent on a YoY basis. The share of CASA deposits in the total deposit pool was 46.7 per cent in September 2019, as against 45.2 per cent in June 2019 and 50.8 per cent



## RESULTS BOOK

	Q2FY19	Q2FY20	% chg
PBT	1,256	4,367	247
PAT	909	655	-27
NII	6,418	8,057	25.5
Provisions	3,994	2,507	-37.2
Gross NPA (%)	8.54	6.37	-21.7bps

PBT: Profit before tax; PAT: Profit after tax  
NII: Net interest income  
NPA: Non-performing asset Source: Company

in September 2018.

Commenting on the slow CASA growth, the management said, "CASA is seeing lower growth across the industry as people are preferring more fixed deposits. Term deposits are growing strongly, but we are committed to push CASA."

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## BANKS CAUTIOUS OF IBC AFTER ED'S BPSL RAID

The attachment of Bhushan Power & Steel's (BPSL's) assets by the Enforcement Directorate (ED) has made lenders wary of taking the Insolvency and Bankruptcy Code (IBC) route for debt resolution. The attachment by the ED was made under the Prevention of Money Laundering Act (PMLA) and is being legally tested before the National Company Law Appellate Tribunal (NCLAT) at a time when it is in the final lap of resolution under IBC. ISHITA AYAN DUTT & NAMRATA ACHARYA write

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## GREEN DIWALI



A laser show organised by the Delhi government to celebrate a green Diwali at Central Park in New Delhi

PHOTO: SANJAY K SHARMA

# Last-minute shoppers fail to light up Diwali sales

Shopkeepers are glum with sales dipping 40%

ARNAB DUTTA & SUBHAYAN CHAKRABORTY  
New Delhi, 26 October

Rohit Chadha, 35, was busy convincing a small group of Punjabi housewives to buy from a stack of designer sarees at his two floor store in Lajpat Nagar market in south Delhi on the evening of Dhanteras. It took another half hour of strenuous cajolery to persuade them to buy and even then, they picked only two from the pile.

Chadha, who has been managing the family store since 2011, was not pleased. The women were only the fifth group of customers he had managed to convert into sales since 10 am – much lower than his usual strike rate two days ahead of Diwali. His father, Devinder Singh,

looked grumpy as hell from the subdued sales he has seen this season. "The worst in at least last 10 years," he declared tersely.

Over at the multi-brand shop for home appliances, Kamaldeep Sawhney, who has been running the show since 2003, was equally crestfallen. Last year was bad enough, with sales lower than previous years, but this Diwali was proving to be a disaster.

"Forget sales. Hardly any customers have turned up at all," said Sawhney. "Earlier we have seen customers going back after reviewing products or opting for cheaper variants to cut down on expenses. But this time, they aren't even turning up."

Given that people seem to be spending less, it makes sense



Given that people seem to be spending less, vendors who pack the markets are doing better with their cheaper goods

PHOTO: SANJAY K SHARMA

that the street vendors who pack the market are doing better with their cheaper goods – but only relatively better.

A short distance away from

Lajpat Nagar, on the other side of the Ring Road, in Amar Colony, the story is pretty much the same. Ranjeet Tanwar, owner of a popular dry fruits

and snacks outlet, has seen sales falling by a third. While plenty of customers were turning up, especially his regular ones, they were spending less than usual.

By 9 pm on Dhanteras, the markets at Kalkaji and Govindpur were already deserted and those in Laxmi Nagar and Nirman Vihar in east Delhi lacked the usual hustle and bustle of pre-Diwali madness. Utensils and Diwali lights were going unsold. Even the most elementary prerequisite of Diwali – earthenware lamps – were lying unsold, in heaps. "Sales have been dismal. Most of my customers this year have bought the smaller clay lamps which are cheaper," said Ramlal Yadav.

The figures for the slump varied. Some, like Sunil Ahuja who owns Laxmi Handlooms, a landmark in Laxmi Nagar, talked of a 40 per cent dip in

sales. Bulk sales, he said, were missing. Vimal Monga of Monga electronics which sells kitchen appliances and water heaters, said he was mighty relieved that he hadn't bulking up on advance stocks.

Monga offers easy financing options but the days of selling to customers by tweaking the EMI limits have gone. Lack of support from manufacturers in terms of special discounts and offers have further worsened the situation, he said. Monga now offers additional discounts from his books.

For retailers of mobile handsets, the enemy lies elsewhere – the gigantic shopping festivals of the e-commerce giants such as Flipkart and Amazon. They have

been the biggest casualty of the Indian consumer's growing love affair with online shopping.

"Customers want to check out high value phones before making a purchase but will order online nonetheless as discounts have kept on growing. But mid-range and low-end models are mostly lying on the shelves," said Irshad Hussein, proprietor of a large mobile phone showroom in Nirman

Vihar's electronic market. Sunil Suri, another shopkeeper, is furious. He sells watches and clocks and his sales have been hit by the online giants. "A recently launched line of Titan wristwatches worth an average of ₹2500 is retailing at only ₹399 on Amazon," he spat out in disgust.

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