

MARKET WATCH		
	29-10-2019	% CHANGE
Sensex	39,832	1.48
US Dollar	70.84	0.08
Gold	38,857	-1.39
Brent oil	61.62	0.16

NIFTY 50		
	PRICE	CHANGE
Adani Ports	398.95	-0.85
Asian Paints	1814.25	21.65
Axis Bank	738.45	28.35
Bajaj Auto	3180.75	37.40
Bajaj Finserv	8150.90	149.40
Bajaj Finance	4047.25	68.35
Bharti Airtel	359.90	-13.20
BPCL	522.90	-3.90
Britannia Ind	3352.50	93.40
Cipla	473.05	12.00
Coal India	209.75	6.90
Dr Reddys Lab	2802.50	16.90
Eicher Motors	22049.40	725.75
GAIL (India)	125.85	2.20
Grasim Ind	714.75	11.75
HCL Tech	1139.75	9.25
HDFC	2113.05	7.70
HDFC Bank	1242.50	4.80
Hero MotoCorp	2701.55	32.65
Hindalco	184.30	2.20
Hind Unilever	2160.20	20.45
ICICI Bank	477.40	7.85
IndusInd Bank	1315.30	38.65
Bharti Infratel	193.15	-19.10
Infosys	650.65	1.80
Indian Oil Corp	144.35	1.65
ITC	253.25	2.85
JSW Steel	234.25	14.90
Kotak Bank	1575.55	-17.45
L&T	1461.10	26.70
M&M	611.80	20.30
Maruti Suzuki	7721.30	299.20
Nestle India Ltd.	14699.75	-113.65
NTPC	119.90	1.10
ONGC	142.15	2.30
PowerGrid Corp	201.05	-1.30
Reliance Ind	1467.05	32.80
State Bank	280.65	-1.15
Sun Pharma	421.95	4.20
Tata Motors	172.45	24.75
Tata Steel	390.20	25.20
TCS	2194.85	79.15
Tech Mahindra	754.75	28.00
Titan	1332.60	12.70
UltraTech Cement	4117.70	-72.20
UPL	594.90	-1.20
Vedanta	149.50	4.85
Wipro	255.20	1.55
YES Bank	58.15	3.40
Zee Entertainment	236.60	-1.65

EXCHANGE RATES		
Indicative direct rates in rupees a unit except yen at 4 p.m. on October 29		
CURRENCY	TT BUY	TT SELL
US Dollar	70.64	70.96
Euro	78.36	78.71
British Pound	90.85	91.27
Japanese Yen (100)	64.88	65.18
Chinese Yuan	10.00	10.04
Swiss Franc	70.98	71.31
Singapore Dollar	51.84	52.07
Canadian Dollar	54.14	54.39
Malaysian Ringgit	16.88	16.96

Source: Indian Bank

# IndiGo soars with \$33-bn A320neo order

300-plane order is Airbus’ largest ever with a single airline; to take IndiGo’s A320neo count to 730

SPECIAL CORRESPONDENT MUMBAI

InterGlobe Aviation Ltd., which runs India’s biggest airline IndiGo has placed an order for 300 A320neo family aircraft worth over \$33 billion (₹2,31,000 crore) in list price to support its growth plans.

This marks one of Airbus’ largest aircraft orders ever with a single airline operator.

This order from IndiGo comprises a mix of A320neo, A321neo and A321XLR aircraft. This will take IndiGo’s total number of A320neo family aircraft orders to 730. The airline did not provide the break-up of the mix and time of delivery of the aircraft.

Since its first A320neo aircraft was delivered to IndiGo in March 2016, its fleet of A320neo family aircraft has grown into the world’s largest with 97 A320neo aircraft, operating alongside 128 A320neos.



**Extra mile:** The aircraft is expected to deliver an additional long range of up to 4,700 nautical miles. ■ B.VELANKANNI RAJ

## Gangwal not in picture

This is for the first time that the airline has placed its biggest ever aircraft order without the involvement of co-founder Rakesh Gangwal, who, till recently, was the architect of IndiGo’s fleet acquisition, induction and network planning. Currently, both founders are locked in a feud.

“This order is an important milestone as it reiterates our mission of strengthening air connectivity in India, which will, in turn, boost

economic growth and mobility,” Ronojoy Dutta, CEO, IndiGo, said in a statement.

“India is expected to continue with its strong aviation growth and we are well on our way to build the world’s best air transportation system to serve more customers and to deliver on our promise of providing low fares and a courteous, hassle-free experience to them,” he said.

## Fuel efficient

“The fuel-efficient A320neo family aircraft will allow IndiGo to maintain its strong focus on lowering operating costs and delivering fuel efficiency with high standards of reliability. The choice of engine manufacturer for this order will be made at a later date,” said Riyaz Peermohamed, chief Aircraft Acquisition and Financing Officer of IndiGo.

IndiGo is keen on the A321XLR, which is the next evolutionary step from the A321LR, and which provides more range and payload. This aircraft will help IndiGo to fly long haul routes.

The aircraft will deliver an extra long range of up to 4,700 nautical miles, with 30% lower fuel burn per seat compared with previous generation competitor jets.

In June this year, IndiGo had placed an order to buy engines worth \$20 billion for its future fleet of aircraft ordered before the current one.

“This new order is on expected lines. It will be for both replacement of fleet and to meet growth plans. Now, IndiGo will focus on international markets including medium to long haul [routes],” said Kapil Kaul, CEO South Asia, Centre for Asia Pacific Aviation (CAPA).

# Slowdown temporary, reforms will reverse trend: Mukesh

‘Steps taken since August will bear fruit in next few quarters’

PRESS TRUST OF INDIA RIVADH

Industrialist Mukesh Ambani on Tuesday said the slowdown in the Indian economy was temporary and the recent measures taken by the government would help reverse the trend in the coming quarters.

Speaking at Saudi Arabia’s annual investment forum, also known as ‘Davos in the desert’, he said the reforms undertaken by the Indian government since August would bear fruit in the next few quarters.

“Yes, there has been a

slight slowdown [in the Indian economy]. But my own view is that it is temporary,” he said at the Future Investment Initiative (FII) conference here.

“All the reform measures that have been taken in the last few months will see the outcome and I am quite sure that in coming quarters this will reverse,” he said.

The Indian economy, which, till recently was hailed as the fastest-growing major economy, has seen its growth rate decline in each of the past five quarters, falling to 5% in April-June 2019

from 8% recorded a year earlier. This is the lowest growth reported since 2013 and has largely been attributed to the slowdown in investment that has now broadened into consumption, driven by financial stress among rural households and weak job creation.

The government has taken a string of policy measures over the past couple of months to shore up the economy and revive credit. These measures should gradually improve the flow of credit and nudge up growth, analysts have said.

# Automobile sales witness Diwali boom

Up to 50% jump in PV retail sales in festival season was driven by discounts

SPECIAL CORRESPONDENT NEW DELHI

The festive season has brought some relief to automakers, with passenger vehicle makers witnessing up to a 50% jump in retail sales during the Diwali period – driven mainly by high discounts – as compared to the festive season last year.

Even though this growth comes on a low base of last year, it should be noted that auto sales have been declining for nearly a year.

“We are happy to share that customers have responded well to our festive offers as reflected in 50% more retail in the Diwali period. Additionally, to double



this joy, the day of Dhanteras alone witnessed a retail growth of 49%,” a Tata Motors spokesperson told *The Hindu*.

While the company did not share absolute numbers,

the spokesperson said given the increasing interest of customers, the auto giant was “cautiously optimistic of more growth while the offers last.”

## Dhanteras delivery

Likewise, Mahindra and Mahindra said that on the day of Dhanteras (October 25), the company delivered close to 13,500 vehicles across the country.

“This figure was substantially higher than the deliveries last year on Dhanteras,” the company added.

The country’s largest car-maker Maruti Suzuki did not comment on the number of vehicles sold, but said that

sales had picked up this festive season and, compared with the previous festive season, it expected sales to be “marginally positive, thanks to the biggest promotions ever had.”

Hyundai Motor India had sold about 12,500 cars on Dhanteras alone, which was nearly 31% of the company’s monthly sales in September.

Rakesh Srivastava, managing director, Nissan India, said following the launch of new model variants along with special financing offers, the company was seeing high traction in the form of increased enquiries across the country, including Tier 2 and Tier 3 cities.

# Auto, metal stocks drive Sensex up 581 points

Earnings, auto sales to drive indices

SPECIAL CORRESPONDENT MUMBAI

Benchmark indices on Tuesday rallied following gains in auto and metal stocks. The BSE Sensex closed at 39,831.84, up 581 points, or a gain of 1.48%. Similarly, the NSE Nifty closed at 11786.85, up 159 points, or a gain of 1.37%.

Top Sensex gainers include Tata Motors at 16.63%, Tata Steel (9.09%), Yes Bank (6.3%), Axis Bank (4.06%) and Maruti, which gained 4.01%. The bulls were back in action as the Indian markets started the week on a strong note led by positive global cues. The BSE Midcap and Smallcap indices gained 1.1% and 0.6% respectively, yet underperformed the benchmark.

“Barring telecom, all sectors witnessed buying interest, with metal and auto

gaining over 4%, followed by capital goods, oil and gas and banking, which were up 1-1.2%,” said Ajit Mishra, V-P, Research, Religare Broking.

He said in the near term, markets are likely to be driven by earnings outcome and auto volume numbers, a crucial indicator of revival in consumer spending.

“Global cues will also induce volatility as expectations are high from the ongoing U.S.-China trade talks. The outcome of the U.S. Fed meet, scheduled for October 29-30, will also influence trends,” he said.

Sameet Chavan, chief analyst, Technical and Derivatives, Angel Broking said, “Most of the global uncertainty seems to have subsided. Tuesday’s rally had a broad-based participation and hence should be considered as a robust one.”

# Govt. to work on relief package for telcos

Industry stares at over ₹1.4 lakh-crore payout to exchequer

YUTHIKA BHARGAVA NEW DELHI

The government has constituted a Committee of Secretaries (CoS), headed by Cabinet Secretary Rajiv Gauba, to work out a relief package for the telecom sector, a move that may help mitigate the impact of the more than ₹1.4 lakh crore that the telcos may need to pay the exchequer following a recent Supreme Court order.

The CoS will “examine all aspects and suggest measures to mitigate the financial stress being faced by the telecom sector, keeping in view the larger public interest and improving telecom services for the subscribers,” a source in the Department of Telecom (DoT) said.

The source added that the CoS will review various demands made by the industry, including deferment of spectrum auction payment due for the next two years,



Data price at an average of ₹8 per GB is perhaps the lowest in the world.

reduction in spectrum usage charges and the Universal Service Obligation Fund levy.

“Representations have been received from major telecom service providers regarding the financial stress faced by them... the recent Supreme Court order is expected to further add to this,” the source said, adding that a case is also being made for viable pricing for

voice and data, which falls in the realm of sectoral regulation TRAI, the source said.

TRAI is expected to examine prescribing a minimum charge for voice and data services to ensure long-term viability and robust financial health of the sector, the source added.

The panel is expected to submit recommendations in a time-bound manner.

On Monday, Sunil Bharti Mittal of Bharti Airtel again met Telecom Minister Ravi Shankar Prasad and Telecom Secretary Anshu Prakash, while Kumar Mangalam Birla of Vodafone Idea had sought time to meet the officials.

## ₹4 lakh-crore debt

The industry’s debt currently stands at about ₹4 lakh crore. Last week, the Supreme Court upheld the government’s position on including revenue from

non-telecommunication businesses in calculating the annual adjusted gross revenue (AGR) of telecom companies, a share of which is paid as licence and spectrum fee to the exchequer. Following the order, the telcos may have to pay the government ₹1.42 lakh crore within three months.

According to the DoT’s calculations, Bharti Airtel’s liability stands at about ₹42,000 crore while Vodafone Idea may have to shell out about ₹40,000 crore. Reliance Jio may have to pay about ₹13 crore.

Noting the gross revenue of the industry had fallen between 2017-18 and 2018-19, the source said the price of data for the customer at an average of ₹8 per GB is perhaps the lowest in the world. Additionally, the average revenue per user per month has declined from ₹174 in 2014-15 to ₹113 in 2018-19.

# Adani, U.S. group to set up data centres in India

To utilise infra developed by Adani

SPECIAL CORRESPONDENT AHMEDABAD

In a move to boost its foray into the data centre domain, Adani Group has announced that it is partnering with San Francisco-based Digital Realty, a leading global provider of data centre, co-location and interconnection solutions.

The Gujarat-based \$13-billion integrated business conglomerate is setting up a mega piece of data centre infrastructure in Hyderabad in Telangana.

As per the Memorandum of Understanding signed between Adani Enterprises Ltd. and Digital Realty, both firms will jointly evaluate developing and operating data centres, data centre parks and cultivating undersea cable provider communities of interest across India.

“Data centre infrastruc-

ture is critical to enable a Digital India and this partnership leverages several of the capabilities developed by the Adani Group in power generation, transmission, retail electricity distribution, access to waterfronts through the ports business, and real estate management,” Gautam Adani, chairman of the Adani Group, said after the signing of the agreement.

He added that with one of the top five renewable energy companies in the world, the group’s ability to power data centres with solar and wind energy is unique and addresses some of the challenges of building and operating data centres.

“We are excited by the opportunity to enter the Indian market with the Adani Group,” Digital Realty CEO A. William Stein said.

# RBI slaps ₹1 cr. penalty on Bandhan Bank

SPECIAL CORRESPONDENT MUMBAI

The Reserve Bank of India (RBI) has imposed a penalty of ₹1 crore on Bandhan Bank for violating licencing norms, the lender has informed the exchanges.

According to RBI’s norms on universal banking licence, an entity which has received a banking licence needs to bring down the shareholding of its non-operative financial holding company, in this case Bandhan Financial Holdings Limited, in the bank to 40% within three years from the date of commencement of business.

Bandhan Bank started functioning as a commercial bank in August 2015 and they were to comply with the RBI norms by August 2018.

# Indian Bank to provide unsecured loans ‘on the go’

Bank to focus on online sanctioning, disbursement: MD

N. ANAND CHENNAI

Public sector lender Indian Bank is planning to provide unsecured loans ‘on the go,’ said a top official.

“This is the one area we are thinking of taking forward,” said Padmaja Chunduru, managing director and CEO, Indian Bank. “Now, on digital platforms many banks are giving personal loans. Indian Bank has not yet adopted [it] in full,” she said.

“Indian Bank had started the practice of giving unsecured loans. But we are still offering it as a SMS service viz. the bank sends SMS to probable customers offering the loan. The customer has to approach the bank to get



Padmaja Chunduru

the loan. However, with digitalisation, we will take forward the process of online sanctioning and disbursement of loans,” she said.

Like any other financial institution, Indian Bank plans to offer unsecured loan upwards of ₹20,000 based on the salary slip of a customer. It could be a per-

sonal loan or vehicle loan and the tenure could range from 12 months to 24 months, she said.

The city-based bank has been investing in management information systems, big data, data mining. “But, these are all helpful to get basic information about a customer. We will now invest in predictive tools to do predictive analysis of a customer. For this, we will tie-up with fintech firms to invest in mobile platforms and digitalisation,” she said.

On the recent strike by the trade unions against the amalgamation of public sector banks, Ms. Chunduru said she had received positive feedback from the customers and staffers.

# Petronet profit nearly doubles on lower tax

PRESS TRUST OF INDIA NEW DELHI

Petronet LNG Ltd. on Tuesday reported a near doubling of net profit in September quarter as it derived benefit of lower corporate tax rate.

Net profit in July-September at ₹1,089 crore was 90% higher than the ₹572.89 crore net profit in the same period, said company CEO and MD Prabhat Singh told reporters here.

“Pursuant to the introduction of the lower tax rates for corporates by the government for FY 2019-20, the company has taken the benefit of lower corporate tax rate of 22% (as against 30%) in the current quarter,” he said.

“Due to the same, there is a reversal of deferred tax liability of ₹380 crore.”

# LMW to make machinery for Japan’s DMG Mori

Company to produce about 10 units a month initially

SPECIAL CORRESPONDENT COIMBATORE

Textile machinery and machine tools manufacturer Lakshmi Machine Works (LMW) has started making vertical machining centre (CMX 600 Vi VMC) for DMG Mori for the Indian market.

The machine tool division of LMW will produce about 10 units a month for DMG Mori initially. “The production volume will increase in stages,” according to a statement from DMG Mori.

The production is outsourced to LMW in India, “which makes possible a shorter lead time until delivery than domestic production in Japan,” the statement added.

India is a market with po-



Masahiko Mori (right) and Sanjay Jayavarthanavelu. ■ SPECIAL ARRANGEMENT

tential for DMG Mori, Masahiko Mori, its president, informed the media here on Tuesday.

“India is a growing market. We want to expand the customer base (in India) with the collaboration with

LMW,” he said.

Sanjay Jayavarthanavelu, CMD, LMW, said the entire machinery will be assembled here and supplied. While the critical parts will be imported, LMW will do value addition. The existing facilities have been upgraded in some areas.

“We have the capacity to increase volumes,” he said. “The demand came from a product gap which is filled by competitors. We realised we could fill it together with the product (CMX 600 Vi VMC). So, we came together,” he said.

In a communication to the stock exchanges, LMW has informed that the activity does not involve any additional capital expenditure.