PRICE CHANGE Adani Ports 398.10 . -0.85 Asian Paints 1821.30 Axis Bank 747.40 8.95 Baiai Auto 3222.90. . 42.15 8082.40 Bajaj Finserv Bajaj Finance 3992.00 -55.25 .. 8.05 .. 2.20 Bharti Airtel 367.95 525.10 Britannia Inc -62.40 Cipla. 465.00 . -8.05 Coal India 206.25 -3.50 Dr Reddys Lal Eicher Motors 22511.50 462.10 GAIL (India) 133.60 . 7.75 734.95 Grasim Ind HDFC. 2107.45 -5.60 HDFC Bank 1248.35 5.85 Hero MotoCo Hindalco 187.20 2.90 Hind Unilever 2169.40 9.20 IndusInd Bank 1297.20 -18.10 Bharti Infratel 183.20 660.60 Infosys 147.15 259.40 6.15 234.40 0.15 JSW Steel 1474.25. 13.15 M&M 616.55 4.75 -164.35 Maruti Suzuk Nestle India Ltd. 14967.80 .. 268.05 NTPC 120.95 ONGC 140.55 PowerGrid Corp 199.95 Reliance Ind 1479.10 .. 12.05 9.25 289.90 State Bank -0.55 Tata Motors 171.90 Tata Steel 388.00 Tech Mahindr 754.40 1316.15 -16.45 UltraTech Cement 4122.70 -10.75 Vedanta 150.10 0.60 -0.45

Indicative direct rates in rupees a unit except yen at 4 p.m. on October 30 CURRENCY TT BUY TT SELL US Dollar 91.50 British Pound Japanese Yen (100) 64.89. Chinese Yuan .10.06 .71.48 Swiss Franc 71.12. Singapore Dollar 51.86 .52.09 Malaysian Ringitt 16.91 16.99

SPECIAL CORRESPONDENT

Tata Chemicals reported a

dated net profit for the se-

cond quarter to ₹355 crore.

ported on a 4% increase in

consolidated revenue to

for basic chemistry pro-

ducts went up by 1% to

₹2,052 crore, specialty pro-

ducts by 14% to ₹760 crore

and consumer products seg-

CEO, Tata Chemicals, said,

"We are pleased to [report]

overall good performance

across all business verticals.

products business conti-

nues to register a healthy

performance due to opera-

tional efficiencies and better

realisation. In the specialty

products segment, the com-

pany's manufacturing facili-

"The basic chemistry

R. Mukundan, MD and

ment by 12% to ₹513 crore.

₹3,084 crore.

The rise in profit was re-

Income from operations

+ Tata Chemicals profit

rises 10.3% to ₹355 crore

Consolidated revenue up 4% at ₹3,084 cr.

.. 235.15.

Lenders bank on brick and mortar

Axis Bank and ICICI Bank are ramping up branch network, while most PSBs are going slow

At a time when most public sector banks (PSBs) are going slow on expanding their branch infrastructure, large private sector banks like ICI-CI Bank and Axis Bank are opening branches in a big

Both ICICI Bank and Axis Bank will be opening over 400 branches each during the current financial year.

Among PSBs, State Bank of India (SBI) - the country's largest lender – has plans to open 600 branches this year.

Liabilities franchise

One reason why private banks are expanding physical infrastructure is to boost the liabilities franchise, especially the low-cost savings and current account deposits.

Amitabh Chaudhry, MD and CEO Axis Bank - the third-largest private sector bank - while emphasising the importance of branches to mobilise low-cost depo-



Horses for courses: While Axis Bank is opening 400 new branches in the current financial year,

sits, said, "We need to expand more into tier-3,4,5 towns. Also, please understand, the Indian customer needs to see a physical presence of the branch.

"We were very clear that if we need to see ourselves as a bank present pan-India, we need to take the number of branches similar to that of HDFC Bank and ICICI Bank (ICICI Bank had 5,228 branches while HDFC Bank has 5,314 branches as on September 30) – that is what we are trying to do. We do believe that physical presence in important," Mr. Chaudhry told *The Hindu*.

Axis Bank is opening 400 new branches this year and has added 190 during the July-September quarter itself – the highest in the last 24 quarters.

ICICI Bank is opening 450 branches during the current financial year and in the second quarter, it has added 346 branches.

Digital transformation

"While digital transformation remains a cornerstone for driving business, we are also focussed on expanding our physical infrastructure. We are growing our branch activity and growth potential at different locations. We were looking at opening 450 branches during the year, and we have added 346 branches in Q2 2020," said Sandeep Batra, executive director-designate, ICICI Bank.

ICICI Bank had adopted the strategy of opening branches in locations where business activity emerged.

The bank says the nature of business at the branch level has evolved in the last few years and customers seek advice on complex transactions, loans and investment in branches while for simple transactions, the digital channel is a preferred

A bank can also cross-sell products like insurance and mutual funds giving them fee income.

Banks no longer require RBI's prior approval to open branches but they are mandated to open 25% of their new branches in unbanked



Older operators have not invested adequately in the sector nor have they modernised networks, says RJIL. ■ REUTERS

Jio questions COAI on bailout letter to Centre

Telco disagrees with intent, tone, content

PIYUSH PANDEY

MUMBAI Reliance Jio Infocomm Limited (RJIL), in a letter to the Cellular Operators' Association of India (COAI), has accused the body of exploiting the legitimate payout obligations in a bid to create an alarmist propaganda for the doom of the telecom sector.

The letter came after the COAI on Tuesday wrote to Telecom Minister Ravi Shankar Prasad seeking relief for the operators due to the unprecedented crisis in the telecom industry.

COAI's letter, seeking bailout for older incumbents Rharti Airtel and Vodafone Idea, said "investments and government revenue will suffer, quality of services will deteriorate, monopolies will be created and ambitious government grammes will suffer."

RJIL, in the letter addressed to Rajan S. Mathews, director general, COAI, said, "RJIL completely disagrees with the intent, tone, contents and connotations of the COAI letter. This letter does not represent the industry view by any stretch of imagination." The Hindu has a copy of the letter.

"The failure of the two

operators, even in the unlikely event of it actually happening, will not have an impact on the sector dynamics with the existence of vibrant competition including the presence of PSUs and there is no restriction on entry by new operators,' said RIIL, adding that the financial difficulties of these operators were an effect of their own commercial decisions and the government should not be obliged to bail them out.

According to RJIL, "There will be no impact on the digitisation and government programmes, as these operators anyway were not investing sufficiently in the sector and have not shown any inclination to modernise networks." RIIL said its promoters alone have made an equity investment of ₹1.75 lakh crore in the sector while equity investments by Bharti Airtel and Vodafone-Idea have been inadequate.

"Therefore, the failure of these operators cannot be blamed on the government," RJIL added. "These operators have capacity and enough monetisation possibilities to comfortably pay government dues," it said on payment of dues as per the apex court order.

'Bharti Airtel hopeful of balanced approach on AGR'

Telecom major seeks formulation of a 'constructive mechanism in the best interest of all parties'

SPECIAL CORRESPONDENT

Bharti Airtel on Wednesday expressed hope that the government would take a 'balanced approach' on the isadjusted gross revenue (AGR) to ensure long-term viability of the industry.

The statement comes a day after the government set up a panel of secretaries to examine the financial stress in the telecom sector and recommend measures to deal with it.

The company on Tuesday announced it was deferring its financial results for the second quarter to November 14 citing the need for clarity on the AGR matter following a recent Supreme Court.

The company also said that it is approaching the Department of Telecom to seek clarity on the total amount involved and to request their support to deal with the 'adverse outcome'.

Pointing out that the Supreme Court decision had come at a time when the sector was facing severe financial stress, Badal Bagri, chief financial officer, Bharti Airtel, said during the conference call with investors, "It is indeed in the best interest

A drastic fall in the price of

black pepper and low pro-

duction owing to climate

vagaries are the major con-

cerns of farmers in Kerala

and Karnataka, the two ma-

jor pepper producing States

Black pepper prices have

The spot price of pepper

crashed from ₹760 a kg in

2017 to ₹490 a kg and then to

in Kerala's Wayanad and Kar-

nataka's Coorg markets on

Wednesday was ₹285 a kg as

against ₹390 a kg during the

corresponding period last

pepper from Vietnam via Sri

Lanka was the major reason

for the fall in prices in the In-

dian market," M.C. Abdu of

Ideal Spices, a pepper dealer

in Wayanad, told The Hindu.

from Vietnam continues to

flood the market through Sri

Lanka, aided by a low-duty

The cheaper commodity

"The influx of imported

in the country

₹290 a kg.

of all parties to formulate a constructive mechanism to ensure large levies, including this one at hand, be resolved in a fair manner." Mr. Bagri said at the beginning of the call that the company was evaluating the judgment in detail and its overall implication and would not be able to comment on it much.

Asked about the possibility of a tariff increase given that Reliance Jio had started charging consumers for voice calls, Airtel Chief Executive Officer Gopal Vittal said since this was passing off as a regulatory charge [IUC] with a promise of roll-back "we

don't see this as [a] tariff increase... so we are not doing anything about it and await the consultation on the TRAI paper and will then take appropriate action."

Farmers hit by sharp decline in pepper prices

Cheaper imports from Vietnam via Sri Lanka, duty-free, blamed for distress

Black pepper prices have crashed from ₹760 a kg in

structure under the ASEAN

(Association of South-East

Nations) trade agreement,

SAFTA (South Asian Free

Trade Area) and ISFTA (In-

do-Sri Lanka Free Trade

Agreement). Under SAFTA,

India could import 2,500

tonnes of pepper a year from

Sri Lanka without duty, and

above the quota, a duty of

8% would be imposed as per

However, direct pepper

import from Vietnam at-

the ISFTA, Mr. Abdu said.

2017 to ₹490 a kg and then to ₹290 a kg. • к.к. мизтаған

Mr. Vittal also said that the operator had no plans to shut down its 2G network as it continued to generate substantial revenue from 2G phone users even in circles such as Delhi.

While the company did not release its results, in a regulatory filing on Tuesday, Bharti released operating highlights for the quarter un-

tracts a duty of 52% under

the ASEAN trade agreement.

try of Commerce and Indus-

try had fixed the minimum

import price (MIP) for pep-

per at ₹500 a kg in December

2017 to protect the pepper

farmers in the country, it is

now being widely flouted by

some pepper importers with

the support of unscrupulous

Sri Lankan pepper expor-

ters, violating RBI and FEMA

regulations, said Kishore

Though the Union Minis-

services in the country, however, fell 15% year-on-year to about 2.79 lakh. Mr. Bagri pointed out that the increase in revenues was despite the shutdown of mobile services in Jammu and

der review, which showed

that its revenue from India

mobile services rose 7%

year-on-year to ₹10,981.4

crore in the July-September

2019 period. The company's

subscriber base for mobile

Kashmir during the quarter. "Our overall subscriber base was also impacted this quarter due to shutdown of and Kashmir," he said.

Shamji Kuruwa, the Cochin

Chapter head of the Indian

Pepper and Spice Traders,

Farmers, Producers and

While pepper prices in the

Indian market are hovering

around ₹290 a kg, Mr. Kuru-

va wondered why importers

were procuring the produce

at ₹500 a kg MIP plus 8% im-

port duty from other coun-

tries. As many as 1,600

tonnes of pepper were im-

ported by India in August

and September this fiscal for

The Centre's intervention

was the need of the hour to

protect the interests of the

pepper farmers in the coun-

price of pepper and increas-

ing inputs, low production

owing to various diseases af-

fecting pepper vines and cli-

mate vagaries, also posed a

serious threat to pepper

farmers, Rajesh, a pepper

planter in Wayanad, added.

Apart from the declining

PSTPC).

domestic use.

try, he said.

Consortium

'Nirvik scheme may give + fillip to export credit'

Claims declined in last six months

SPECIAL CORRESPONDENT COLMBATORE

The Export Credit Guarantee Corporation of India (ECGC) is optimistic that the Nirvik scheme announced by the Union Government recently would give a fillip to export lending and insurance cover for export credit.

Muralidhar, Geetha Chairman and Managing Director of ECGC, told The Hindu recently that the scheme announced by the Minister for Commerce and Industry was expected to get government approval soon. Currently, the average cover given to banks by the ECGC is 60%.

In the last four to five years, the Corporation has paid nearly ₹1,000 crore a year towards claims to various banks and subsequently, it gradually decreased the cover.

Under the Nirvik scheme.

UBI net at ₹124 cr. as bad loans drop

Net non-performing assets fall to 7.88% in Q2 from 14.36%

Under the Nirvik scheme, the ECGC will provide 90% cover, as against 60% being given to banks at present

ECGC will provide 90% cover. The additional outgo, if any, due to the enhanced cover would be supported by the government and the scheme would be valid for Though there has been a

fall in claims in the last six months, the ECGC is optimistic that business and lending would pick up soon and the scheme would give a fillip to it.

ECGC also provides various direct covers and has live data and credit profile

It provides details of

Thus, the bank's provi-

nearly 1.5 lakh overseas buyers and 20,000 exporters, she said.

October has seen most ghoulish cyber attacks ever, says McAfee

R. Mukundan

ty at Nellore for nutritional

solutions is undergoing trial

productions for making

FOS, a prebiotic dietary

fibre. Similarly, trial produc-

tion is on at our Cuddalore

facility and commercial pro-

duction of HDS is scheduled

[for] the fourth quarter of

this fiscal. Both the projects

are on track and progressing

net debt stood at ₹2,256

crore as on September 30.

The firm's consolidated

Ghostcat Malware hijacks mobile browsing information

MINI TEJASWI BENGALURU

October has seen the reporting of the most ghoulish cyberattacks and cyberscares so far. The month has brought a variety of spooky cyberthreats, from malicious malware to restricting ransom ware that haunted networks and devices of governments, enterprises and individuals around the globe, according to U.S. global computer security software company

Raj Samani, Chief Scientist and McAfee Fellow, said October had brought a range of cyberthreats known by 'spooky' names, given that Halloween is around the corner. The month has seen



Ghostcat Malware haunting consumers. The 'infection' begins when a user visits a particular website and is served a malicious advertisement. Ghostcat fingerprints the browser to collect device information and eventually leads the user to malicious content. The malware, whose goal is to hijack a user's mobile browsing information, had recently caused some panic on the Internet.

Cyber criminals have also manipulated WAV (waveform) audio files to spread malware and cryptominers.

Remain cautious'

'Consumers should approach unknown links with caution and remain wary of suspicious pop-ups, seasonal or otherwise. With many threats, such as Ghostcat, targeting mobile devices, you must ensure your mobile device is protected by your cybersecurity solution," cautioned Gary Davis, chief consumer security evangelist, McAfee. Netizens are also asked to be selective about websites they visit.

Ramco Cements profit surges on higher sales

Grinding capacity increases to 2 MTPA

SPECIAL CORRESPONDENT

Ramco Cements Ltd., (RCL) posted a 46.89% increase in its standalone net profit for the second quarter ended September 2019 to ₹168.15 crore on higher sales, cost reduction initiatives and improved productivity.

During the period under review, RCL sold 27.24 lakh tonnes of cement against 24.69 lakh tonnes in the corresponding year-ago period. In revenue terms, it amountto ₹1,282.35 crore (₹1.141.26 crore). During the first six months, exports rose 39%.

The company also announced the commencement of commercial operations of its second grinding

unit in West Bengal from September 26, 2019. With this, the installed grinding capacity rose to 2 million tonnes per annum (MTPA) from 1 MTPA.

Delay due to monsoon

"The remaining on-going capacity expansion programme is progressing as per schedule but for the delavs due to the extended monsoon," said A.V. Dharmakrishnan, chief executive officer, Ramco Cements.

"The company has so far spent ₹1,430 crore on its capacity expansion programme. It proposes to meet capital expenditure needs through internal accruals and through borrowings," he added.



net loss of ₹883.17 crore in the July-September period of 2018-19. Sequentially, there was a net profit of ₹105 crore in the first quarter ended June this year.

Total income rose to ₹3,013.74 crore in the September 2019 quarter compared with ₹2,600.47 crore earned in the corresponding period of the previous financial year, the bank said in a regulatory filing.

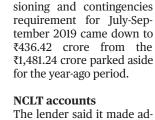
The bank brought down



its net non-performing assets (NPAs) to 7.88% as at September 30, from 14.36%.

Gross NPAs reduced to 15.51% of the gross advances by the end of September, compared with 22.69% in the year-ago period.

In absolute terms, the net NPAs were ₹5,380.93 crore against ₹8,658.10 crore while the gross NPAs were ₹11,544.19 crore against ₹15,163.28 crore.



ditional provision of ₹46.75 crore in respect of eligible NCLT accounts by the end of second quarter.

"Actual provision as on September 30, 2019, for NCLT (list 1 and 2) accounts stands at ₹3,322.77 crore instead of ₹3,276.01 crore as per IRAC (income recognition and asset classification) norms," it added.

Provision coverage ratio as on September 30 stood at 74.89%, the bank said in the filing.

