

**MARKET WATCH**

	13-11-2019	% CHANGE
Sensex	40,116	-0.57
US Dollar	72.09	-0.86
Gold	38,715	0.58
Brent oil	62.37	-0.55

**NIFTY 50**

	PRICE	CHANGE
Adani Ports	370.80	-17.10
Asian Paints	1770.45	-3.50
Axis Bank	711.20	-22.50
Bajaj Auto	3206.00	-31.35
Bajaj Finserv	8978.35	75.05
Bajaj Finance	4144.55	-24.50
Bharti Airtel	368.60	-2.90
BPL	510.10	-7.50
Britannia Ind	3269.75	150.20
Cipla	447.90	-6.95
Coal India	207.25	-2.60
Dr Reddys Lab	2763.15	-52.60
Eicher Motors	21352.20	-24.70
GAIL (India)	123.85	-6.50
Grasim Ind	739.55	-27.55
HCL Tech	1138.60	-7.35
HDFC	2207.45	-27.10
HDFC Bank	1257.55	-7.20
Hero MotoCorp	2589.10	-4.90
Hindalco	193.15	-7.00
Hind Unilever	2091.00	9.65
ICICI Bank	485.75	-11.05
IndusInd Bank	1414.20	-30.85
Bharti Infratel	218.20	-2.35
Infyways	691.35	-13.05
Indian OilCorp	133.85	-1.75
ITC	253.85	-5.60
JSW Steel	248.75	-3.15
Kotak Bank	1605.80	-11.10
L&T	1393.00	-24.00
M&M	574.70	-0.30
Maruti Suzuki	7154.60	17.30
Nestle India Ltd.	14233.25	124.80
NTPC	118.30	0.05
ONGC	138.20	-0.90
PowerGrid Corp	189.25	-2.50
Reliance Ind	1472.30	44.50
State Bank	306.80	-11.45
Sun Pharma	412.00	-9.45
Tata Motors	170.60	-1.40
Tata Steel	397.90	-3.55
TCS	2178.60	77.65
Tech Mahindra	757.05	-13.35
Titan	1159.05	3.35
UltraTech Cement	4115.60	21.45
UPL	541.30	-7.55
Vedanta	148.40	-4.30
Wipro	253.10	-3.35
YES Bank	68.20	-4.80
Zee Entertainment	290.55	-14.85

**EXCHANGE RATES**

Indicative direct rates in rupees a unit except yen at 4 p.m. on November 13

CURRENCY	TT BUY	TT SELL
US Dollar	71.89	72.21
Euro	79.12	79.47
British Pound	92.26	92.67
Japanese Yen (100)	66.07	66.36
Chinese Yuan	10.24	10.29
Swiss Franc	72.65	72.97
Singapore Dollar	52.75	52.98
Canadian Dollar	54.20	54.44
Malaysian Ringgit	17.30	17.39

Source: Indian Bank

**BULLION RATES CHENNAI**

November 13 rates in rupees with previous rates in parentheses

Retail Silver (1g)	48	(47.7)
22 ct gold (1 g)	3644	(3633)

## NCLT approval of Dhanuka's plan for Orchid junked

**SANJAY VIJAYAKUMAR CHENNAI**

The National Company Law Appellate Tribunal (NCLAT) in New Delhi has set aside an order approving Dhanuka Laboratories Ltd.'s resolution plan for Orchid Pharma.

In June this year, the Chennai Bench of the National Company Law Tribunal (NCLT) had given approval for the resolution plan and rejected the one submitted by Accord Life Spec, part of the ₹1,700-crore Accord Group established by DMK MP S. Jagathrakshakan.

Accord had moved NCLAT against this order.

The actual 'resolution value' proposed by M/s. Dhanuka Laboratories Ltd. is ₹570 crore as against the 'liquidation value' of ₹1,309 crore, Accord said in its petition.

It further submitted that equity infusion of ₹40 crore as working capital by Dhanuka cannot be included in the resolution value for the purpose of finding out the value of the 'plan'.

The NCLAT noted that the basic feature of the IBC was that an operational creditor cannot be paid anything less than the 'liquidation value' and the basic principle is the maximisation of the assets of the 'corporate debtor', balancing all stakeholders by maximisation of their assets.

No 'resolution plan' can offer any amount upfront or by other way, which is less than the 'liquidation value'. It will be against the object of the Code as also the provisions of Section 30(2) of the IBC, it said.

The matter stands remitted to the Adjudicating Authority for decision in accordance with law. Orchid figured in RBI's second list that had names of 28 large defaulters.

# Rupee slips 62 paise to two-month low

In the absence of RBI's intervention, the currency could drop to 72.50 levels, dealers say

**SPECIAL CORRESPONDENT MUMBAI**

The rupee weakened 62 paise, or 0.9%, against the dollar on Wednesday amid weak macro economic data, with traders unwinding their speculative positions.

The rupee opened at 71.75 against the U.S. dollar and went on to weaken further to touch the day's low of 72.10 before closing at 72.09 a dollar, down 62 paise over its previous close.

This is the lowest closing level for the rupee since September 4. "Today, it was purely speculative unwinding which happened. Rupee is the most preferred currency for carry trade in Asia. The speculators were holding sizeable long position in the rupee, offshore as well as onshore market," said Anindya Banerjee, currency strategist, Kotak Securities.

"The macro backdrop has been worsening for some time now. May be the Moody's outlook revision and subsequent IIP numbers, lowering of GDP forecast acted as catalysts," he said. Last week, rating agency Moody's revised the outlook for the country to negative from sta-



**Money matters:** Moody's outlook revision, IIP numbers and lowering of GDP forecast are seen as catalysts. •V.V. KRISHNAN

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ble. Data released earlier this week showed the Index for Industrial Production contracted 4.3% in September, leading to many economists cutting the country's GDP forecast for the current financial year to 5% or below.

Currency dealers said the central bank was absent from the currency market today and once the 71.40 level was breached, there was no supply of dollar in the market, which took the rupee down. In the absence of intervention from the central bank, the rupee could drop to 72.50 levels, dealers said.

The on-going trade tensions between U.S. and China also impacted sentiments in the currency market.

The effect of the weak domestic macro data was visible in the stock market as

well, with the benchmark Sensex shedding 229 points, or 0.57%, to close at 40,116.06. The broader Nifty lost 73 points 0.61% to close at 11,840.45.

**Stocks lose ground**

On the BSE, more than 1,600 stocks lost ground versus less than 1,000 gainers. All the broader indices and almost all the sectoral indices ended the day in the red.

An overall weak trend in global markets on account of unrest in Hong Kong and concerns over the U.S.-China trade talks also acted as a catalyst in affecting investor sentiment. Benchmarks of Hong Kong, South Korea, Japan, Taiwan, China, Philippines, Singapore and Indonesia all lost ground on Wednesday.

## Clear statutory dues in 3 months: DoT to telcos

Govt. gives option of self-assessment

**SPECIAL CORRESPONDENT NEW DELHI**

The Department of Telecommunications on Wednesday issued a directive to telecom service providers to pay their statutory dues within three months as directed by the apex court.

The Supreme Court, in its judgment dated October 24, 2019, ruled in favour of the DoT, as a result of which telcos now owe the government over ₹1.33 lakh crore. The Supreme Court had said, "We give three months' time to deposit the amount, which is due and compliance be reported."

In its notice, the DoT has given option to telecom operators to clear all the dues on a self-assessment basis.

"It is the responsibility of the licencees to pay the licence fee and other dues after carrying out their own assessment... you are therefore directed to make the payment in accordance with the order of the Hon'ble Supreme Court dated October 24, 2019 and submit the requisite documents to ensure the compliance within the stipulated timeframe," the notice stated.

Airtel and Vodafone Idea, who together owe over 50% of the total dues, have sought waiver of these dues, or at least waiver of interest and penalties. While DoT is working on a relief package for the industry, as of now no relief on the AGR-related dues has been announced.

## Now, Vodafone CEO says committed to Indian market

Expresses regret for remark; says ready to engage with govt.

**YUTHIKA BHARGAVA NEW DELHI**

A day after stating that Vodafone's operations in India were in a 'critical situation', CEO Nick Read has written a letter to Telecom Minister Ravi Shankar Prasad expressing regret over his statement, while stating that Vodafone remains committed to the India market, *The Hindu* has learnt.

Sources said the government had expressed its displeasure over his statements. Replying to queries on the India market, where Vodafone operates via a joint venture with Idea Cellular, Mr. Read had said that it had been "a very challenging situation for a long time."

He had also talked about heavy financial burden "through unresponsive regulation, excessive taxes and on top of that we got the negative supreme court decision."

"Mr. Read has written a letter to the Minister expressing regret over his comments. He has stated that his comments made in the U.K., were not represented correctly by the Indian media," a Telecom Ministry source said. The source added that Mr. Read stressed in the letter that Vodafone had confidence in the India growth story and remains committed to the market. "He has said that they will remain engaged with the govern-

ment." Vodafone Idea is one of the worst-hit telecom service providers due to the Supreme Court order that upheld the Department of Telecom's interpretation of adjusted gross revenue. Following this, the company now needs to pay dues estimated to be ₹40,000 crore for licence fees and spectrum usage charges along with penalties and interest.

Citing financial stress in the sector, Cellular Operators' Association of India, of which Vodafone Idea is a member, has sought complete waiver of resulting statutory dues, or at least waiver of the interests and penalties on these dues from the Centre.

## Gold is third-most popular investment

Comes behind savings, life insurance; seen as protection against inflation: WGC

**SPECIAL CORRESPONDENT MUMBAI**

People have confidence in the investment potential of gold but there are certain elements of mistrust as well that are acting as a barrier even as the yellow metal is the third-most popular investment choice among retail investors, according to the latest consumer survey by the World Gold Council.

"Gold is the third-most consistently bought investment - 46% of global retail investors have chosen gold products, behind savings accounts (78%) and life insurance (54%)," stated the Retail Gold Insights 2019 report by the World Gold Council.

Interestingly, 67% of the respondents in India - the survey covered China, India, North America, Germany and Russia - said they were considering investing in gold and had invested in gold in



**All that shines:** Lack of trust is a barrier due to 'fake bars, coins and product purity,' says the report. •REUTERS

the past as well. The share of such respondents in India was much higher than all other markets barring China, where the share was pegged at 72%.

Further, 37% of the respondents in India - among fashion and lifestyle consumers - said they were considering buying gold though they had never bought the precious metal in the past.

The share of such respondents was pegged at 30% in China and 40% in the U.S.

"More than a third of all retail investors and fashion and lifestyle consumers have never bought gold in the past but are warm to the idea; there is huge potential for the market to grow if this untapped source of demand can be converted," it added.

However, 14% of such respondents in India said they would not consider buying gold - the same as China and two percentage points more than the U.S. The study also found more than two-thirds of retail investors believed gold was a good safeguard against inflation and currency fluctuation and that it would not lose its value in the long term.

On a different note, the report also found that there are certain areas of mistrust "among those that have never bought gold in the past, but are open to the idea of buying it in the future."

As many as 48% and 28% of all potential investment and jewellery consumers respectively cited lack of trust as a significant barrier primarily on account of "fake or counterfeit bars and coins, product purity, or the trustworthiness of some retailers," stated the report.

## Adani firm plans ₹26,000 crore capex for the next five years

Thrust on development of airports, says the group's CFO

**PIYUSH PANDEY MUMBAI**

At a time when corporates across the board are cutting down on their capital expenditure plans amid the slowdown, Adani Enterprises Limited (AEL), the flagship company of the Ahmedabad-based \$13 billion Adani Group, has lined up a capital expenditure of ₹26,000 crore across its businesses in the next five years.

Jugeshinder Singh, Group CFO, Adani Group, told *The Hindu*, "We have a capex of ₹26,000 crore for the next five years and most of it will be towards airport development."

"We are not cutting down on any capex plans. In fact, most of the capex for this fiscal has been exhausted and the remaining small capex of

**Most of the capex for this fiscal has been exhausted.**

JUGESHINDER SINGH, Group CFO, Adani Group

₹1,800 crore will be done ahead of the end of this fiscal."

The company entered the airport sector in February this year by winning bids to operate six airports - including in Ahmedabad, Lucknow, Jaipur, Thiruvananthapuram and Mangaluru - for the next 50 years.

The company intends to invest more than ₹7,000 crore in developing these five airports in addition to making upfront payment to the Airport Authority of India (AAI).

When asked about aggressive bidding, Mr. Singh said:

"You may say the bidding is aggressive when you consider that we have bid for 11 million passengers in Ahmedabad. But Ahmedabad attracts 13 million non-passengers and we will build our business model to get some benefit from non-passengers. We have bid as per our business case."

**Eyeing stake in MIAL**

The company is also eyeing significant stake in Mumbai International Airport (MIAL) for ₹10,000 crore and has bid for the ₹29,500-crore greenfield Jewar Airport in Noida.

Adani Group is said to be the top contender for the global tender floated to hire a developer for the proposed airport by the Noida International Airport Ltd.

## ITC buys into vending machine start-up

To add heft to distribution via channel

**SPECIAL CORRESPONDENT KOLKATA**

ITC Ltd. has acquired a 33.4% stake in Delectable Technologies, a five-year-old start-up engaged in fabricating vending machines and app-based sale of FMCG products via machines.

In a regulatory filing, ITC said this would help strengthen the presence of ITC's FMCG products in the emerging distribution channel of vending machines.

The cash deal involves an investment of ₹7.5 crore in four tranches within 12 months, subject to completion of agreed conditions precedent and milestones.

The start-up was founded by IIT graduate Satvik Sarwarde in 2014. Its network was ₹1.5 crore in 2018-19. The move is seen by insiders as aimed at making ITC's

FMCG (especially food) products more accessible.

Hinting at such a foray, ITC chairman Sanjiv Puri had said at the AGM in July, "your company's formidable distribution network enables it to place products in more than six million retail outlets.... substantive investments are being made in developing alternate and emerging channels such as modern trade, on-the-go, food services, end-to-end cold chain, e-commerce and so on. The benefits of digital technology are being leveraged with focussed investments in areas such as customised mobility solutions."

Similar vending machines have already been installed by another city-based firm, which recently entered the food FMCG segment.

## Coffee Day seeks more time for audited financials of June, September quarters

Probe into Siddhartha's letter to conclude in a few weeks, says the company

**SPECIAL CORRESPONDENT BENGALURU**

Coffee Day Enterprises Ltd., the holding company of all ventures promoted by the late V.G. Siddhartha, said that investigation into the circumstances in which the former chairman had written the letter prior to his demise was still under way and would be completed in a few weeks.

The company's board of directors, which met here on Wednesday, said it had appointed Ashok Kumar Malhotra, a retired DIG of the Central Bureau of Investigation, to probe the circumstances leading to the statements made in the letter of Mr. Siddhartha dated July 27, 2019, and to scrutinise the books of accounts of the



company and its subsidiaries. The firm has sought further time to announce its audited financial results for the quarter ended June 30 and half year ended September 30 of fiscal 2019-20.

It may be recalled that the company had earlier ap-

pointed IDFC Securities as the advisor to identify strategic option for divestment and advise on the refinancing of existing debt.

To speed up its divestment process, the board of Coffee Day Global, a subsidiary, has authorised the wife of Mr. Siddhartha, Malavika Hegde, director and Chief Financial Officer of CDGL, to finalise the appointment of required agencies for conducting due diligence towards divestment of stake in CDGL. The resignation of Sanjay Nayar from the boards of the two companies, was also accepted.

Coffee Day Enterprises released unaudited and consolidated profit and loss account and segment wise performance for the first

quarter ended June 30. The company posted a revenue of ₹942 crore, down by 2% year-on-year and net profit at ₹1,509 crore from ₹17 crore in the corresponding year ago period (attributable to owners).

The net profit included exceptional gain amounting to ₹1,659 crore primarily on account of sale of stake held in Mindtree, the company said.

Coffee Day Global posted net revenue of ₹361 crore, a 1% decline year-on-year and a net loss of ₹61 crore. EBIDTA was at ₹73 crore, down 10% year-on-year. The closure of 280 cafes during the quarter, drop in exports, fluctuation in international price were among the reasons for the loss, the company said.

## HC relief for SBI, other DHFL lenders

**PRESS TRUST OF INDIA MUMBAI**

The Bombay High Court on Wednesday allowed a plea by a group of banks, including the State Bank of India, seeking to modify its earlier order restraining payments by mortgage financier Dewan Housing Finance Corporation (DHFL) to them.

The court said payments to banks and non-banking financial companies, pursuant to any securitisation or similar agreement, will be allowed.

Last month, Justice A.K. Menon had restrained DHFL from making further payments to any unsecured creditors until further orders. DHFL owed ₹83,873 crore as of July 6, 2019 to banks, the National Housing Board, mutual funds and bondholders.