

## MARKET WATCH

	19-11-2019	% CHANGE
Sensex	40,470	0.46
US Dollar	71.71	0.18
Gold	39,028	0.84
Brent oil	61.57	-1.73

## NIFTY 50

	PRICE	CHANGE
Adani Ports	364.05	-1.60
Asian Paints	1721.35	-17.65
Axis Bank	747.80	24.85
Bajaj Auto	3161.05	4.15
Bajaj Finserv	9152.80	48.55
Bajaj Finance	4135.75	-19.15
Bharti Airtel	439.35	30.15
BPL	518.95	-2.80
Britannia Ind.	3120.35	-20.55
Cipla	472.10	11.50
Coal India	199.60	-0.70
Dr Reddys Lab	2743.00	6.00
Eicher Motors	21747.35	269.95
GAAL (India)	125.10	0.30
Grasim Ind.	786.15	16.65
HCL Tech	1134.65	-6.45
HDFC	2212.10	-24.20
HDFC Bank	1271.90	9.85
Hero MotoCorp	2468.95	-33.95
Hindalco	192.35	-1.25
Hind Unilever	2037.75	-18.45
ICICI Bank	493.50	-4.85
IndusInd Bank	1392.75	18.35
Bharti Infratel	250.55	23.75
Infosys	712.85	7.65
Indian Oil Corp.	133.00	0.45
ITC	249.30	-1.45
JSW Steel	247.90	-1.70
Kotak Bank	1623.80	-3.40
L&T	1365.75	1.25
M&M	560.65	-13.05
Maruti Suzuki	7045.45	-53.00
Nestle India Ltd.	14117.10	31.55
NTPC	117.35	-0.10
ONGC	133.25	-0.65
PowerGrid Corp.	195.45	4.80
Reliance Ind.	1509.75	50.55
State Bank	330.40	5.30
Sun Pharma	425.90	1.35
Tata Motors	167.75	-2.35
Tata Steel	401.75	-8.30
TCS	2108.80	-43.80
Tech Mahindra	763.15	11.35
Titan	1163.20	4.40
UltraTech Cement	4100.15	-26.20
UPL	551.25	2.25
Vedanta	141.70	-1.70
Wipro	250.40	0.95
YES Bank	64.15	-1.70
Zee Entertainment	285.85	-8.30

## EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on November 19

CURRENCY	TT BUY	TT SELL
US Dollar	71.51	71.83
Euro	79.18	79.53
British Pound	92.45	92.87
Japanese Yen (100)	65.77	66.07
Chinese Yuan	10.18	10.23
Swiss Franc	72.12	72.44
Singapore Dollar	52.56	52.80
Canadian Dollar	54.14	54.38
Malaysian Ringgit	17.20	17.28

Source: Indian Bank

## IN BRIEF

## Now, Reliance Jio to hike mobile tariffs soon

NEW DELHI  
Reliance Jio on Tuesday said it will increase mobile phone call and data charges in the next few weeks. This comes a day after Airtel and Vodafone Idea announced a hike in call and data charges from next month. Jio said TRAI is likely to initiate a consultation process for revision in tariffs. "Like other operators, we will also work with the Centre and comply with the regulatory regime to strengthen the industry to benefit consumers," it said. PTI

## 5 independent directors' posts fall vacant at CIL

SPECIAL CORRESPONDENT  
KOLKATA

The posts of five independent directors at Coal India Ltd. have fallen vacant together, following the expiry of their tenure, the PSU said in a regulatory filing on Tuesday. CIL said the matter had been taken up with the Union Coal Ministry.

The five directors are Loretta M. Vyas, S.B. Agnihotri, D.C. Panigrahi, Khanchand Pathak and Vinod Jain. They were among CIL's seven independent directors.

While Ms. Vyas and Mr. Agnihotri had served in the Indian Administrative Service, Mr. Pathak is a well-known mining expert and Mr. Jain is a chartered accountant.

Their term (re-appointment for a year) expired on November 16, 2019.

They were appointed in November 2015 for a period of three years.

CIL has four functional directors in charge of marketing, technical, personnel and finance, besides the chairman and managing director. The vacancies come at a time when CIL, which produces over 80% of India's coal, is struggling to increase its output. October was its third straight month of production decline. Between April and October 2019, CIL produced 280.4 million tonnes, 8.5% lower than a year ago.

## Karvy Group under SEBI scanner after delayed payouts to clients

Firm cites technical issues, says it's working on auto payout for online customers

ASHISH RUKHAIYAR  
MUMBAI

The Securities and Exchange Board of India (SEBI) has begun an initial inquiry based on reports that Hyderabad-based Karvy Group is facing liquidity issues, even as the financial services entity clarified that the delay in payouts to certain clients was only due to technical issues.

Karvy Group has been in the news over the last few days after its equity clients took to social media to air their grievances over delayed payouts.

Incidentally, some of the clients alleged that they had not received the payout even though more than a week had passed since trading.

According to SEBI guidelines, the payouts should happen on a T+2 basis, which means that the client should get the money on the second day from the day of the



**Rule book:** According to SEBI guidelines, the client should get the money on the second day from the day of trade. • REUTERS

trade. While the market has been abuzz with talks of a liquidity crisis at Karvy, the company on Tuesday said that the delays were only on account of technical issues and that it was in the "process of enabling T+2 auto payout for all online customers to eliminate manual payout process."

"In the month of October 2019, we have had some technical issues in reconcilia-

tion between ledger postings and bank payout file creation process. This issue has led to some delays in giving payouts to some customers who have asked for payouts," Karvy said in a statement in response to a query from *The Hindu*.

SEBI, however, has taken note of the developments and is examining the matter to ascertain if there were any lapses in terms of risk and

settlement mechanisms by Kotak Stock Broking, a person familiar with the development said. An email query sent to SEBI remained unanswered till the time of going to press.

Meanwhile, Karvy has denied that it is facing any liquidity crisis and added that it had the "wherewithal" to settle the dues, which it had been doing consistently.

"Some of the codes would have been missed out during reconciliation process [and] are being processed and settled, we wish to bring to your notice that such unreconciled customers would be less than 50 to 60 unique customers a day," said Karvy.

"We are building processes to ensure that such unreconciled cases are reconciled the very next day, instead of the existing reconciliation process which is being done on a monthly basis," it added.

## Brokers complain as NSE faces technical glitch

Updation of margin positions hit

SPECIAL CORRESPONDENT  
MUMBAI

Brokers on the National Stock Exchange (NSE) were unable to update their margin positions in the system on Tuesday due to a technical glitch in the systems. However, trading was not disrupted in any manner.

According to brokers, the glitch in the system led to a scenario wherein they were not able to view or update their margins.

Every broker has to maintain a certain amount of margin with the exchange, based on which the trading quantum is ascertained.

Simply put, if the exchange systems do not allow the broker to put in more margin, the trading limit will be hit.

The Association of National Exchanges Members of India (ANMI), the umbrella body of brokers, wrote to the National Stock Exchange

(NSE) highlighting Tuesday's glitch and said that it caused huge financial losses to many brokers.

"Few members reported their margin files are not getting updated and hence exceeding 85% limit, apparently forcing [them] to square off the positions, running into huge financial loss to clients," ANMI said in the letter to NSE.

"It is further submitted that it is becoming very difficult for members to handle such situations as one cannot infuse or remove margins etc.," the association added in the letter.

"The trading systems were working normally. Some members faced problems with the support systems of the exchange due to an inadvertent error on the part of the vendor. Normal operations resumed from 11:15 a.m.," said an NSE spokesperson.

## 'Vodafone Idea, Airtel lose over 49 lakh users'

PRESS TRUST OF INDIA  
NEW DELHI

Vodafone Idea and Bharti Airtel lost over 49 lakh users in September this year, while rival Reliance Jio added 69.83 lakh new users to its network, according to data from sectoral regulatory Telecom Regulatory Authority of India (TRAI).

Total wireless subscribers (GSM, CDMA and LTE) increased to 117.37 crore at the end of September 2019 from 117.1 crore at the end of August, a monthly growth of 0.23%.

Wireless subscription in urban areas declined to 65.91 crore at the end of September, while that in rural areas increased to 51.45 crore, it added. Bharti Airtel lost 23.8 lakh users in September to take its total user base to 32.55 crore. Similarly, Vodafone Idea lost 25.7 lakh users in the month to take its total user base to 37.24 crore.

## PV sales up 11% in October: FADA

Over 2.48 lakh passenger vehicles sold in festive season

SPECIAL CORRESPONDENT  
NEW DELHI

Retail sales of passenger vehicles in the country increased by 11% to more than 2.48 lakh units in October, with consumer sentiment turning positive amid the festive season, according to data released by the Federation of Automobile Dealers Associations (FADA).

"October retails were in the positive, giving a much-needed respite to the auto industry and especially our dealer community after months of de-growth. The festivals saw very good footfalls at dealerships across most of the geographies, the consumer sentiment was positive, and purchase decisions were concluded as it used to be during the growth year," FADA president Ashish Harsharaj Kale said.

**Two-wheeler sales up 5%**  
The data released on Tuesday showed that retail sales of two-wheelers were up by

## Yes Bank under-reported bad loans of ₹3,277 crore, finds RBI

Rana Kapoor and his companies exit almost fully from bank

SPECIAL CORRESPONDENT  
MUMBAI

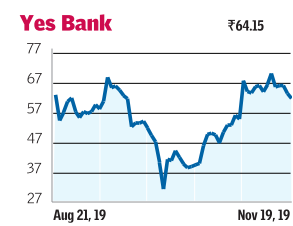
Yes Bank reported a whopping ₹3,277 crore divergence of bad loans in the financial year 2018-19, following which its gross non-performing assets will increase by 41.5%.

In a communication to the exchanges, the lender said it had reported gross NPAs of ₹7,883 crore in FY19, but the RBI, during its inspection, identified NPAs worth ₹11,160 crore.

Hence, the divergence or under-reporting of gross NPAs was ₹3,277 crore. The divergence in net NPAs was ₹299 crore for 2018-19.

As a result of the increase in NPAs, provisions for bad loans for FY19 increased to ₹978 crore. Hence, net profit for FY19 fell to ₹1,084 crore from ₹1,720 crore reported while finalising the results.

The bank further informed the exchanges that out of the ₹3,277 crore, ₹1,259 crore had already



been identified as NPAs till September 30.

The remaining ₹2,018 crore is across four accounts, of which exposure of ₹1,041 crore is across three accounts and was internally rated and disclosed as 'BB & Below' as on September 30.

Also, out of the additional provisioning requirement of ₹978 crore, the bank has made a provision of ₹346 crore till end September and ₹632 crore of more provisioning will be required.

## Kapoor sells stake

A year ago, Rana Kapoor, the bank's co-founder and former MD & CEO, said 'Diamonds are forever', indicating that he would never sell

his stake in the company.

A year later, Mr. Kapoor and promoter entities, Yes Capital and Morgan Credits, are left with only 900 shares after they sold 0.8% stake on November 13 and 14, according to an exchange filing.

Morgan Credits and Yes Capital started selling stakes in September. On September 19, Morgan Credits Pvt. Ltd sold 2.3% shareholding in the bank for about ₹340 crore to prepay non-convertible debentures subscribed by various schemes of Anil Ambani's Reliance Nippon Life Asset Management (RNLAM) Company.

On September 26, Yes Capital sold 1.8% shareholding in the bank to prepay non-convertible debentures (NCDs) subscribed by various schemes of Franklin Templeton Asset Management.

Also in September, Reliance Nippon Life Asset Management invoked 3.92% of its stake in Yes Bank.

## Xiaomi to raise offline presence

SPECIAL CORRESPONDENT  
CHENNAI

Chinese smartphone maker Xiaomi, which started as an exclusive online seller, is planning to ramp up its offline retail presence to 50% across India by this year end, said a top official.

"We have a clear focus of expanding our offline retail presence by the year end," said B. Muralikrishnan, COO, Xiaomi India. "We are planning to double the number of retail outlets from the present 10,000 to 20,000 in the near future." Xiaomi ventured into the offline retail route in 2017.

Asserting that offline retail accounted for one-third of mobile sales – both for Xiaomi and for the industry in general – and the rest online, he said: "Over the years, our offline sales has been growing by leaps and bounds. By the end of the year, it will probably be 50:50 [online vs offline]."



**Top gear:** The festive season saw very good footfalls at dealerships across most of the geographies, says FADA. • PTI

5% to over 13.34 lakh units in the last month, as against more than 12.70 lakh units in October 2018.

Commercial vehicle sales, however, continued to decline with a fall of 23% to 67,060 units as compared with 87,618 units in the year-ago month. Three-wheeler sales saw an increase of 4% to 59,573 units. Total sales across categories rose 4% to over 17.09 lakh units, as against more than 16.38 lakh units in the same month last year.

The given figures, based on the number of vehicle registrations from the Ministry of Road Transport and Highways Vaahan platform, does not include numbers from Telangana, Madhya Pradesh and Andhra Pradesh.

Mr. Kale added that while inventory levels for all vehicle categories had come down, more needed to be done towards inventory reduction to avoid dealer losses "heading into the unknown territory of BS6 transition".

## Telcos asked to share infra

DoT advisory aims to boost connectivity in public places

YUTHIKA BHARGAVA  
NEW DELHI

In a move that is likely to lead to better telecom connectivity for consumers, the government has advised all service providers to share their in-building infrastructure with their peers in all public buildings, including government offices, airports, railway stations and hospitals.

"All the telecom service providers (TSPs) are advised to share the in-building infrastructure (IBS, OFC and other cables, ducts, etc.) with other TSPs, in all the existing government/public

buildings, places like airports, railway stations, bus terminals, metro stations/lines, hospitals etc., as per the terms and conditions of their respective licenses," the Department of Telecommunications (DoT) said in an advisory.

In order to provide a better network for voice calls as well as high speed broadband inside buildings, TSPs need to install in-building solutions (IBS) as well as lay cables including copper, optical fibre and LAN cables. For this, they may require permission from the owner of the building. However, in

many cases, building owners enter into an exclusive agreement with one of the TSPs, and deny access to others.

"Such practices not only limit competition, it also leaves no choice to consumers except to avail services from the TSP with whom the contract is done; taking away choice and flexibility from the consumers which they would have had in terms of quality of service (QoS), tariff, redundancy etc.," the Telecom Regulatory Authority of India (TRAI) observed in its recommendations in March 2017.

## CSB Bank to raise ₹410 cr. via IPO

Offer opens on Nov. 22 and priced at ₹193-195 a share

SPECIAL CORRESPONDENT  
MUMBAI

Thirissur-based old generation private lender CSB Bank – earlier known as Catholic Syrian Bank – has set a price band of ₹193-195 per share for its initial public offer (IPO), valuing the bank at ₹3,400 crore. The IPO opens on November 22 and closes on November 26.

The IPO consists of fresh issue up to ₹24 crore and an offer for sale of up to 1,97,78,298 equity shares.

Three insurance companies – HDFC Life, ICICI Prudential and Edelweiss Tokyo Life Insurance Company, which have stake in the bank – will exit following the IPO. The book running lead managers to the offer are Axis



C.V.R. Rajendran

Capital Limited and IIFL Securities Limited.

Indo-Canadian billionaire businessman Prem Watsa's Fairfax India, which has 50.09% stake in the bank, will see its stake falling to 49.74% post the IPO, C.V.R. Rajendran, MD & CEO, CSB Bank, told reporters.

The RBI has given promoters a 15-year-time period to

reduce stake to 15%. Promoters will have 5 years to reduce stake to 40%, 10 years to reduce stake to 30% and 15 years for bringing it down to 15%. The bank is going for the IPO mainly to meet regulatory requirements.

RBI had asked the lender to list by September but there was a delay due to procedural issues. The bank reported ₹44 crore profit for the half-year ended September 2019 as compared with a ₹197 crore loss for the full financial year 2018-19. While the loan book of the bank is at ₹11,500 crore its deposit base is ₹15,000 crore, 25% of which is from NRIs. Mr. Rajendran said the bank was going slow on deposits as the bank had surplus liquidity.