

MARKET WATCH

	21-11-2019	% CHANGE
Sensex	40,575	-0.19
US Dollar	71.76	0.07
Gold	39,007	-0.14
Brent oil	63.55	2.72

NIFTY 50

	PRICE	CHANGE
Adani Ports	372.10	5.40
Asian Paints	1720.35	-3.15
Axis Bank	737.40	-11.35
Bajaj Auto	3188.35	25.95
Bajaj Finserv	9055.10	-24.15
Bajaj Finance	4123.65	-14.90
Bharti Airtel	426.30	-11.00
BPCL	514.10	-30.50
Britannia Ind	3072.65	-43.65
Cipla	485.50	2.90
Coal India	196.60	-6.45
Dr Reddys Lab	2879.25	40.60
Eicher Motors	21954.60	464.80
GAIL (India)	121.95	-2.55
Grasim Ind	778.95	-10.70
HCL Tech	1136.60	3.80
HDFC	2210.35	9.40
HDFC Bank	1283.35	10.00
Hero MotoCorp	2443.45	-27.05
Hindalco	188.60	-2.15
Hind Unilever	2048.65	22.15
ICICI Bank	498.25	3.25
IndusInd Bank	1446.15	-23.15
Bharti Infratel	241.90	1.00
Infosys	713.25	0.25
Indian Oil Corp	128.90	-2.00
ITC	245.70	-5.00
JSW Steel	245.25	-3.45
Kotak Bank	1595.25	-4.20
L&T	1392.70	11.90
M&M	551.80	-8.65
Maruti Suzuki	7019.05	-133.70
Nestle India Ltd.	14179.45	-49.20
NTPC	115.30	-1.75
ONGC	131.15	-2.55
PowerGrid Corp	196.30	0.20
Reliance Ind	1537.60	-10.05
State Bank	331.35	2.55
Sun Pharma	447.15	-2.85
Tata Motors	164.15	-3.25
Tata Steel	385.10	-13.60
TCS	2118.10	9.55
Tech Mahindra	765.15	-6.25
Titan	1148.25	-14.60
UltraTech Cement	4077.25	-36.80
UPL	544.80	-8.05
Vedanta	139.05	-2.40
Wipro	247.55	-1.35
YES Bank	64.25	-1.60
Zee Entertainment	345.15	38.15

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on November 21

CURRENCY	TT BUY	TT SELL
US Dollar	71.56	71.88
Euro	79.31	79.67
British Pound	92.69	93.11
Japanese Yen (100)	65.89	66.18
Chinese Yuan	10.18	10.23
Swiss Franc	72.18	72.51
Singapore Dollar	52.55	52.80
Canadian Dollar	53.75	54.00
Malaysian Ringgit	17.16	17.24

Source: Indian Bank

BULLION RATES CHENNAI

November 21 rates in rupees with previous rates in parentheses

Retail Silver (1g)	48.4	(47.7)
22 ct gold (1g)	3654	(3629)

\$5 trillion GDP out of question: Rangarajan

PRESS TRUST OF INDIA AHMEDABAD
Stating that the economy is in a bad shape, former Reserve Bank Governor C. Rangarajan has said at the current growth rate, reaching the \$5 trillion GDP target by 2025 is "simply out of question."

The Modi government, soon after assuming office for the second term, has set a target of taking the economy to \$5 trillion over the next five years. But since then, there have been dark clouds gathering all over the economy leading many to question the maintainability of the target.

The economy has been on a decline with growth rate slowing from 8.2% in FY16 to 6.8% in FY19.

"Today, our economy is about \$2.7 trillion and we are talking about doubling this over the next five years. The required rate of growth to achieve that level is in excess of 9% per annum. Reaching \$5 trillion by 2025 is simply out of question," he said.

Loans worth ₹2.52 lakh crore disbursed in October: Centre

In PSBs' outreach, corporates get almost half of the total; MSMEs get ₹37,210 cr.

SPECIAL CORRESPONDENT NEW DELHI

Public sector banks (PSBs) and non-banking financial companies (NBFCs) disbursed a total of ₹2.52 lakh crore worth of loans in two tranches during their outreach programmes in October 2019, the Finance Ministry announced on Thursday.

Almost half of this amount (over ₹1.22 lakh crore) were loans to corporates. Home loans accounted for ₹12,166 crore, while vehicle loans stood at ₹7,085 crore. Agricultural loans accounted for ₹40,504.

Within the loan disbursements, loans given to micro, small and medium enterprises (MSMEs) accounted for ₹37,210 crore.

FM's directive

"As per the Union Finance Minister's directive to public sector banks (PSBs) in September 2019, customer outreach programmes were

Credit boost

Of the total loans disbursed in the outreach programme, over ₹1.05 lakh crore was for new term loans and ₹46,800 crore went towards new working capital loans. Some important product categories that benefitted are given

Product	Amount
Home Loans	12,166
Vehicle Loans	7,085
Education Loans	425
Other Personal Loans	15,250
MSME Loans	37,210
Agri Loans	40,504
Loans to Corporates	1,22,785

Category	Disbursed
On-Lending / Co-origination	15,297
Pool Buyout	1,453
Partial Credit Guarantee Scheme	2,877

Source: Banks All figures in ₹ crore

conducted by PSBs in participation with other banks and NBFCs in 226 districts (from October 1, 2019 to October 9, 2019) in Phase I and 148 districts (from October 21, 2019 to October 25, 2019) in Phase II," the government

said in a statement.

Apart from the sanctioning loans, the banks also made efforts towards the opening of accounts, Aadhaar and mobile seeding of accounts, and popularising the BHIM app.

Zee shares surge over 12% after promoters sell stake

Transaction valued at ₹4,343 crore

SPECIAL CORRESPONDENT MUMBAI

Subhash Chandra's Zee Entertainment Enterprises Ltd.'s (ZEEL) stock closed 12.4% higher to ₹345.25 apiece on the BSE on Thursday after promoter Essel Group sold close to 16% stake in the open market.

According to NSE data, 14.29 crore shares of ZEEL were traded in a block deal at ₹304 per share, valuing the transaction at ₹4,343.19 crore. On Wednesday, the firm said the Essel Group was planning to sell up to 16.5% stake in ZEEL to financial investors to repay loans.

Of the above, "the group seeks to sell 2.3% stake in ZEEL to OFI Global China Fund, LLC and/or its affiliates," it said in a statement.

As a result of the transactions, the overall holding of the group in ZEEL will be 5%, out of which encumbered holdings of the Group

will reduce to 1.1%.

This will mean Mr. Chandra will lose controlling interest in ZEEL though Punit Goenka is likely to continue as the MD and CEO of the firm. Since the proceeds from the sale would go towards paying down the pledged shares, the portion of such shares in ZEEL will come down sharply from the current 96% to about 20%.

"Despite multiple setbacks for the group over the past 12 months (group-level issues, new regulatory framework, ad slowdown), ZEEL sustained a strong business performance," Edelweiss Securities said.

"It managed to retain market shares in the Hindi and Telugu markets, fended off leadership threats in Bangla and Marathi, and captured the top spot in the Kannada market."

The brokerage maintained a 'buy' on the stock.

PSUs can't bid for BPCL, hints Pradhan

PRESS TRUST OF INDIA NEW DELHI

Oil Minister Dharmendra Pradhan on Thursday hinted that public sector firms such as Indian Oil Corporation (IOC) may not be allowed to bid for buying government stake in Bharat Petroleum Corporation Ltd. (BPCL), for which a buyer may have to shell out as much as ₹90,000 crore.

The Cabinet Committee on Economic Affairs had on Wednesday decided to sell the government's entire stake in BPCL.

"Since 2014, we have a clear vision that the government has no business to be in business," Mr. Pradhan told reporters here. "We have examples of 2-3 sectors such as telecom and aviation where ushering in private participation has led to customers benefiting from price cuts, efficiency, and better service," he added.

New investments in FY20 fall to 15-year low

Govt. share in such projects drops to 36% in FY19 from 56% in FY15: Care Ratings

SPECIAL CORRESPONDENT MUMBAI

The value of new investment projects in the first half of the current financial year has fallen to a 15-year low of ₹1.9 lakh crore, as per a latest analysis by Care Ratings.

Further, the analysis by economists of the rating agency revealed that there has been a sustained decline in new projects undertaken in the past five years, with the amount for such projects pegged at ₹11.9 lakh crore in FY19, the lowest in the past five years and also marks the fourth consecutive year of contraction. "The Indian economy [has been] going through challenging times in the current year so far, mainly on account of weak investment climate and consumption," the report stated.

"The investment rate measured as the gross fixed capital formation (GFCF) as a percentage of GDP has declined consistently over the years and remained range-

BSNL rings in ₹7,500-cr. loss in first half

SPECIAL CORRESPONDENT NEW DELHI

State-owned telecom firm BSNL's loss during the first half of the current financial year stood at more than ₹7,500 crore, Union Communications Minister Ravi Shankar Prasad informed Parliament on Thursday.

During the period (April-September 2019), the PSU's revenue stood at ₹9,034 crore. The figures, however, are unaudited.

As per the figures shared by Mr. Prasad, BSNL's loss in fiscal 2018-19 stood at ₹14,904 crore on revenues of ₹19,321 crore. The company clocked a net loss of ₹7,993 crore on revenues of ₹25,071 crore in 2017-18.

The Union Cabinet had, in October, approved a package worth almost ₹70,000 crore for the revival of the two firms, while also giving an in-principle nod for the merger of the two entities. Replying to a separate query, Mr. Prasad said that at present, there was no proposal for disinvestment of the two firms.

Air India may shed more debt ahead of fresh bids

New tender for privatisation planned

SPECIAL CORRESPONDENT NEW DELHI

The government on Thursday hinted that it may remove more debt from Air India's balance sheet ahead of the national carrier's privatisation.

Earlier, it had transferred half of the loan amount of ₹58,000 crore to a special purpose vehicle (SPV).

The admission comes at a time when the government is preparing to float a new tender to invite bids for Air India's privatisation, after a similar attempt last year failed to elicit any interest from private players.

A Group of Ministers (GoM) headed by Home Minister Amit Shah met in September after the formation of the new government, and decided to restart the disinvestment process for the national carrier, including 100% stake sale of Air India along with its subsidiaries Air India Express and Air India SATS.

"Further, it was decided in the said meeting that debt



allocation between Air India and the SPV [is] to be revisited at a later date, closer to disinvestment," Minister of State for Civil Aviation Hardeep Singh Puri told the Lok Sabha, referring to a meeting last year headed by the then Finance Minister Arun Jaitley.

At the meeting, the GoM appointed to chalk out Air India's privatisation strategy had decided to hive off ₹29,000 crore from Air India to Air India Assets Holding Limited (AIAHL) to make it attractive for potential buyers. AIAHL has already restructured a large chunk of the loan transferred to it at a lower interest rate.



New investment projects were mainly seen in the manufacturing sector, as per the report. ■ REUTERS

bound between 28% and 29% of GDP in the past 4 years. This has been a detrimental factor for the overall economic growth of the country," it added.

Within the new investment segment, the government's share in such investments declined from 56% in FY15 to 36% in FY19, while that of the private sector rose from 44% to 64% in the same period.

In the first half of FY20, new investments by the priv-

ate sector contracted by 77%, compared with a 23% growth in the first six months of the previous financial year.

New investment projects were mainly seen in the manufacturing sector, even as services and electricity segments witnessed a decline in investments. Stalled or abandoned projects declined over the last five years, though such government-owned projects increased.

Two primary reasons for

the stalling of the projects have been cited; lack of non-environmental clearances along with lack of funds, the report stated, adding that the "stressed liquidity in the banking system, especially in the NBFC segment, and rising NPAs leading to curtailed lending activity by the banks, limited the availability of funds for the projects."

In the first half of FY20, stalled projects aggregated to ₹29,214 crore, 66% lower than the ₹86,623 crore in the corresponding period last year.

The analysis concluded that the overall investment climate, as denoted by new projects undertaken, did indicate a slowdown, though the scenario around stalled projects had shown some improvement.

"Funding, however, will remain a challenge for some more time until the problems confronting the banking and NBFC sectors are addressed," it said.

Auto firms eye motorsport amid slowdown

The initiative aims to promote brands and keep customers engaged

LALATENDU MISHRA MUMBAI

The Indian automotive industry may be passing through a downturn but that has not stopped some leading players from investing in promoting their brands through motorsport and keeping their customers engaged.

While MRF, Volkswagen India and the Mahindras are seen investing heavily in motorsport throughout the year, several companies such as Triumph and BMW are lining up products for motorsport events.

On November 30 and December 1, 2019 one of India's biggest motorsporting extra-



vaganzas, the Festival of Speed (FOS), will be held at the Buddh International Circuit in Noida. The event is expected to be witnessed by over 40,000 spectators.

First racing league

The FOS will also see India's first racing league, the X-1 Racing League, being un-

veiled. The event will see F1 racers and India's top drivers, including Narain Karthikeyan, Gaurav Gill and the Maini brothers competing for the first time. It will have participation by six teams who will race Formula BMW cars, LGB-Formula 4 cars, 1000 cc and 600 cc super bikes.

"The X-1 Racing League promises to change the face of motorsport. JK Tyre is investing in such events because motorsport is probably the most potent platform to test tyres in real conditions," said Sanjay Sharma, head, JK Tyre Motorsport, the person behind the event. "Motorsport is a testing

ground for our own products and the feedback from drivers and teams helps the company in continuously updating them, giving supplementary data to our R&D team to improve the products on a regular basis."

FOS is an agglomeration of various verticals which have gained success in their own formats, starting from 150 cc bikes to 1000 cc super bikes to an Indian Formula 4 to Internationally acclaimed X-1 Formula cars, seeing participation from Indian domestic champions and ex-F1 drivers. On the sidelines, the JK Tyre CCI Parliamentarians Rally will be organised to promote road safety.

Moratorium on spectrum dues may not help telcos

Industry for rationalisation of taxes, levies; analysts say move to provide major relief to Vodafone Idea

SPECIAL CORRESPONDENT NEW DELHI

While the Union Cabinet's nod for a two-year moratorium to telecom companies on pending spectrum dues is a welcome relief, analysts and the industry have said that the measures are below expectations and more needs to be done to help the debt-ridden sector.

The two-year moratorium on pending spectrum payments will help the companies avoid an immediate outflow of over ₹42,000 crore.

Industry body Cellular Operators' Association of India (COAI) said the move will certainly provide some im-

mediate cash flow relief to the industry. However, the high level of levies and taxes continues to be a challenge for the sector.

Pointing out that the telcos pay up to 30% of their revenues to the government by way of various levies and taxes which is an "enormous burden," Rajan S Mathews, Director General, COAI, said, "We have been requesting the government that these levies and taxes be rationalised and the same is also one of the important goals of NDCP (National Digital Communications Policy).

However, these aspects of the NDCP are yet to be oper-

ationalised and we are engaging with the government on the same."

Analysts noted that while the decision is cash-flow positive for all the telcos, it provides much-needed relief to Vodafone Idea.

According to a Telecom Ministry official, the move will help Vodafone Idea prevent an outflow of ₹23,920 crore over the next two years. The amount for Bharti Airtel and Reliance Jio stand at ₹11,746 crore and ₹6,670 crore respectively.

More relief may come

Jefferies India, in a report, said, "The measures were

slightly lower than our expectations. We expect further relief measures from the government as even with the price hike in December, Vodafone Idea will need support, especially around AGR (Adjusted Gross Revenue) dues payment."

Credit Suisse, in its report on Thursday, said that while deferment of spectrum auction payment is in line with its expectations, "no decision on licence fee reduction is clearly negative." It added that on AGR, it believes that the telcos may approach the Supreme Court for relief.

As per Goldman Sachs Equity Research, with the

moratorium, Bharti Airtel and Vodafone Idea can potentially save \$2 billion and \$3.3 billion, respectively, over this period, amounting to 41% and 52% of their respective AGR-related liability.

Citi Research pointed out that while the moratorium on spectrum payments, combined with the recent announcement by all three companies to raise prices should help Vodafone Idea tide over its delicate cash flow situation, uncertainty prevails on two other key relief measures sought by the companies - reduction in recurring levies and reduction in AGR-related liabilities.

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