

MARKET WATCH

	22-11-2019	% CHANGE
Sensex	40,359	-0.53
US Dollar	71.71	0.07
Gold	38,856	-0.26
Brent oil	63.91	0.57

NIFTY 50

	PRICE	CHANGE
Adani Ports	371.45	-0.65
Asian Paints	1682.75	-37.60
Axis Bank	732.10	-5.30
Bajaj Auto	3152.35	-36.00
Bajaj Finserv	9039.30	-15.80
Bajaj Finance	4078.30	-45.35
Bharti Airtel	420.65	-5.65
BPCL	509.40	-4.70
Britannia Ind	3022.65	-50.00
Cipla	478.85	-6.65
Coal India	199.00	2.40
Dr Reddys Lab	2871.25	-8.00
Eicher Motors	22753.20	798.60
GAIL (India)	122.35	0.40
Grasim Ind	793.20	14.25
HCL Tech	1114.75	-21.85
HDFC	2237.30	26.95
HDFC Bank	1264.75	-18.60
Hero MotoCorp	2441.60	-1.85
Hindalco	190.25	1.65
Hind Unilever	2028.35	-20.30
ICICI Bank	496.80	-1.45
IndusInd Bank	1446.15	0.00
Bharti Infratel	232.00	-9.90
Infosys	693.20	-20.05
Indian OilCorp	129.80	0.90
ITC	247.65	1.95
JSW Steel	251.25	6.00
Kotak Bank	1569.10	-26.15
L&T	1378.65	-14.05
M&M	546.00	-5.80
Maruti Suzuki	7060.45	41.40
Nestle India Ltd.	14171.50	-7.95
NTPC	117.80	2.50
ONGC	133.85	2.70
PowerGrid Corp	198.75	2.45
Reliance Ind	1546.50	8.90
State Bank	329.30	-2.05
Sun Pharma	452.10	4.95
Tata Motors	162.35	-1.80
Tata Steel	400.00	14.90
TCS	2071.70	-46.40
Tech Mahindra	754.20	-10.95
Titan	1135.60	-12.65
UltraTech Cement	4081.15	3.90
UPL	533.50	-11.30
Vedanta	142.25	3.20
Wipro	243.10	-4.45
YES Bank	64.80	0.55
Zee Entertainment	358.10	12.95

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on November 22

CURRENCY	TT BUY	TT SELL
US Dollar	71.51	71.83
Euro	79.08	79.43
British Pound	92.13	92.55
Japanese Yen (100)	65.91	66.21
Chinese Yuan	10.16	10.20
Swiss Franc	71.94	72.27
Singapore Dollar	52.46	52.70
Canadian Dollar	53.83	54.07
Malaysian Ringgit	17.14	17.23

Source: Indian Bank

BULLION RATES CHENNAI

November 22 rates in rupees with previous rates in parentheses

Retail Silver (1g)	48.6	(48.4)
22 ct gold (1 g)	3646	(3654)

SEBI may permit promoter reclassification

Sale of pledged shares, mergers and acquisitions may be among triggers for the review of norms

ASHISH RUKHAIYAR
MUMBAI

Listed firms may soon get powers to reclassify promoters as public shareholders if such entities lose control of the companies due to reasons like sale of pledged shares or corporate actions such as mergers and acquisitions, among other triggers.

The Securities and Exchange Board of India (SEBI) is looking into the regulatory framework for promoters, to lay down parameters based on which control can be ascertained and the obligations of shareholders decided.

The regulator has formed a committee to look into this matter and the final report of the committee is expected to be submitted soon.

"We are looking at the whole issue of regulation of promoter and promoter group and entities in con-



A group constituted by SEBI is looking into the issue of regulation of promoters in control. ■ PAUL NORONHA

trol," said Ajay Tyagi, chairman, SEBI post the regulator's board meet on Wednesday.

"... what is more relevant and who should have the obligations which right now are (with) the promoter. There is a group which is working on that and will soon submit a report and we will take a view on that. It is an issue that we

are looking into," he added. This assumes significance as the recent past has seen many promoters of entities such as Yes Bank, Zee Enterprises and Mindtree losing a significant chunk of their shares in the company, putting a question mark on their control though they are still labelled as promoters.

"The regulator needs to clearly state the triggers based on which a company can reclassify a promoter as a normal public shareholder," said Shriram Subramanian, founder and MD, In-Govern Research Services, a proxy advisory firm.

"Also, the action thereafter in terms of whether the board needs to be reconstituted, number of independent directors should be increased or the directorship of such entities should be put to vote needs to be laid down. This is an important issue and some of the recent developments have brought to the fore the question whether promoters should voluntarily step down or seek a reauthorisation from all shareholders," added Mr Subramanian.

Current rules allow reclassification of a promoter entity wherein an outgoing pro-

moter has to give up special rights as well as control over the operations of the firm and is not allowed to hold over 10% stake. However, while a promoter can seek such reclassification, the company does not have any powers to initiate the reclassification.

Yes Bank saga

Proxy advisory firm Institutional Investor Advisory Services had highlighted that the promoter shareholding – including that of Rana Kapoor – had fallen below 10% in Yes Bank and hence, their right under Articles of Association to nominate a director is no longer valid.

"Because the nominee directors are not liable to retire by rotation, they can hold on to their directorships. This needs to change... But it's the board and shareholders who must have the final say," IIAS had tweeted.

CSB Bank IPO subscribed fully on Day 1

SPECIAL CORRESPONDENT
MUMBAI

The initial public offering (IPO) of CSB Bank, which opened for subscription on Friday, has been fully subscribed with bids received for 1.21 crore equity shares against 1.16 crore shares on offer in the price band of ₹193 to ₹195. As per National Stock Exchange (NSE) data, the issue was subscribed 1.05 times till 5 p.m. on Friday.

The old generation private lender – formerly known as Catholic Syrian Bank – reported ₹44-crore profit for the half year ended September 2019 compared with a ₹197-crore loss for the full fiscal 2018-19.

RBI appoints three-member advisory panel for DHFL

Committee to guide administrator through insolvency process

SPECIAL CORRESPONDENT
MUMBAI

The Reserve Bank of India (RBI) has formed a three-member advisory committee to assist in the administration of troubled mortgage lender Dewan Housing Finance Corporation Ltd.

The three members are Rajiv Lall, non-executive chairman, IDFC First Bank Ltd., N. S. Kannan, MD and CEO, ICICI Prudential Life Insurance Co. Ltd. and N.S. Venkatesh, CEO, Association of Mutual Funds in India.

Earlier this week, the RBI had superseded the board of the home financier and appointed former MD and CEO

of Indian Overseas Bank R. Subramaniakumar as the administrator.

"The Reserve Bank, in exercise of powers conferred under section 45 IE 5 (a) of the RBI Act 1934, has today constituted a three-member advisory committee to assist the administrator of DHFL in the discharge of his duties," the central bank said in a statement. The RBI had also said bankruptcy proceedings will be initiated against DHFL, which had defaulted on bank loans.

The Insolvency and Bankruptcy Rules, 2019 have a provision for the financial sector regulator concerned

to appoint a committee to advise the administrator in the operations of the financial service provider during the corporate insolvency resolution process.

While superseding the DHFL board, the RBI had said the action was taken due to governance concerns and defaults in meeting payment obligations. DHFL's total debt is over ₹80,000 crore, with banks having an exposure of almost ₹40,000 crore. ICICI Bank, Union Bank of India, Central Bank of India and UCO Bank are some of the lenders that had classified the loans as 'non-performing'.

Yes Bank, Vedanta to exit Sensex

SPECIAL CORRESPONDENT
MUMBAI

BSE has reconstituted its indices, including the benchmark Sensex, which will see stocks such as Titan Company, UltraTech Cement and Nestle India being included in the 30-share barometer.

The inclusion will lead to Tata Motors, Tata Motors DVR (differential voting rights), Vedanta and Yes Bank making an exit from the Sensex. Changes have also been made in the broader indices like BSE 500, BSE 200, BSE 100, BSE Sensex 50 and BSE Sensex Next 50, among others. The changes will be effective December 23.



Delay in getting approvals at the State level for piped gas supply is proving to be a challenge. ■ P.V. SIVAKUMAR

Policy to hasten piped gas infra on the cards

High-level panel to study all issues

N. RAVI KUMAR
HYDERABAD

A national policy on City Gas Distribution (CGD) to speed up development of infrastructure for supply of piped natural gas to households as well as CNG for automobiles and industrial units is on the cards.

As a first step, the Petroleum and Natural Gas Regulatory Board (PNGRB) has formed a "high-level committee" comprising its senior officials and those of CGD entities. The committee will undertake a detailed review of all the issues to expedite the development of piped gas networks and draft such a policy.

The decision assumes significance considering challenges, especially delay in getting approvals at the State level, that industry sources say CGD entities in certain geographical areas (GAs) are facing.

The regulator also made a reference to such a situation, while inviting inputs for the draft policy.

Significant progress

The CGD industry has witnessed significant progress in the last two years in terms of authorisation of GAS, PNGRB Secretary Vandana Sharma said in a note. The number of such GAS

has increased from 78 at the end of 2017 to 229 at present, covering 71% of the country's population as against 20% two years ago.

Noting that most firms that were awarded authorisation had taken steps towards development of infrastructure, the regulator said various authorities at the Central and State governments as well as local authorities have "generally been helpful and working along with CGD entities in resolving the issues."

Though the issues cited by the entities mostly come under the purview of the State governments, it was felt that a national CGD policy would serve as a guide for the States to formulate their own policy, the PNGRB said.

The draft policy is expected to dwell on various aspects, including the appointment of a nodal agency/officer by State governments to co-ordinate for granting single window clearances in a time-bound manner.

An important aspect the policy is likely to go into is standardisation of road restoration/permission charges across the country to ensure synergy in the process and the procedure for timely availability of permissions from NHAI and Railways.

Karvy barred from taking new clients

SPECIAL CORRESPONDENT
MUMBAI

The Securities and Exchange Board of India (SEBI) has barred Karvy Stock Broking (KSBL) from taking new clients over alleged misuse of client funds. Further, the NSE has appointed a forensic auditor to examine in detail the alleged cases of misuse of client funds by the broking entity.

"The Depositories and Stock Exchanges shall initiate appropriate disciplinary proceedings against [KSBL] for misuse of clients' funds and securities," SEBI added.

The SEBI order said the broking firm credited funds generated by pledging client securities in its own account. Further, an amount of ₹1,096 crore was transferred from the firm to its group entity Karvy Realty between April 2016 and October 2019.

GST Council, finance panel should work in tandem

'Coordination mechanism a necessity'

SPECIAL CORRESPONDENT
MUMBAI

Chairman of the Fifteenth Finance Commission N.K. Singh has called for symmetry in the working of the GST Council and the Finance Commission.

"The finance commissions recommend distribution of revenues between Union and States, and thereafter among the States, further to the third tier," Mr. Singh said, delivering a lecture at the Reserve Bank of India on Friday. He said while the Finance Commission looked at projections of expenditure and revenue, the issue of GST rates exemptions, changes, and implementation of the indirect taxes were within the domain of the GST Council.

"This leads to unsettled questions on the ways to monitor, scrutinise and optimise revenue outcomes. The coordination mechanism



N.K. Singh

between the two is now an inescapable necessity."

He said for the first five years of GST, a 14% guaranteed compensation was provided to the States, and would end in 2022. "But many States are seeking an extension of this mechanism thereafter. The future roadmap on this has a bearing on the recommendations which the Commission is expected to make on the likely revenues of States, sustainable growth rates, and the Revenue Deficit of Grants under Article 275," he added.

Muthoot Finance to buy IDBI MF

SPECIAL CORRESPONDENT
MUMBAI

Muthoot Finance has entered into a definitive agreement to acquire IDBI Asset Management Limited and IDBI MF Trustee Company Limited.

The transaction, which is expected to be completed by February 2020, would pave the way for Muthoot Finance's entry into the mutual fund segment. "Upon completion of the transaction, Muthoot Finance Limited will purchase 100% equity shares of IDBI Asset Management Limited and IDBI MF Trustee Company Limited held by the sellers for a total consideration of ₹215 crore," said a stock exchange statement by Muthoot Finance.

The transaction is subject to approval from regulators, including the Securities and Exchange Board of India (SEBI).

'India's reluctance to join RCEP understandable'

Pact looks like an extension of China's Belt and Road initiative: ex-Australian PM

TCA SHARAD RAGHAVAN
NEW DELHI

The Regional Comprehensive Economic Partnership (RCEP) agreement looks like an extension of China's Belt and Road initiative, former Australian Prime Minister Tony Abbott said, adding that he understood India's reluctance to join the pact. He also said he was keen to see an India-Australia bilateral deal being signed.

"I can understand India's caution about RCEP," Mr. Abbott said at a media roundtable discussion. "My anxiety with RCEP is that just as the Trans Pacific Partnership was the economic leg of the U.S. pivot to the Asia Pacific, RCEP is like the trade leg of the Belt and Road Initiative." "While I'm all in favour of



Tony Abbott

RCEP," Mr. Abbott said. "As PM, I certainly did my best to promote freer trade, but I was very keen on doing bilateral deals with our significant trading partners. Under PM Modi, Australia and India began discussions on a trade deal. It kind of got lost when there was no PM visit to India in 2015 and then I think it got subsumed in the RCEP negotiations."

The former Australian PM said he was keen to see the bilateral deal working out and that once that was done, it would rekindle 'enormous enthusiasm' on the part of Australian businesses.

He further said that Australia was keen to see India join existing bodies, such as the Asia-Pacific Economic Cooperation agreement.

"We think existing entities would be better with India in them rather than without," Mr. Abbott said. "So, if India was within APEC, I believe it would be a stronger, more effective body."

Focus now on India

"I think we were quite right to focus on China for the 30 years or so, from the Deng reforms until quite recently, but I think the neglect of India is a pity," Mr. Abbott said. "One of the things I was able to do as PM was to end the neglect of India. Let's ensure that in the years to come there is at least as much Australian focus on the relationship with India as there was in that 30-year period on the relationship with China."

SRI SATHYA SAI AWARD FOR HUMAN EXCELLENCE 2019 TO RECOGNISE UNSUNG HEROES OF INDIA

To celebrate human excellence does not need a separate place, time and situation. It is to promote transformation of lives in the pursuit of human excellence.

Yet in today's world of restlessness that is characterised by pursuit of temporal goals that wheels men in the whirl of rip-roaring activities, men forget to relish their own perfection.

Sri Sathya Sai Award for Human Excellence brings to the forum the essence of true human perfection that has beautified its own self and like the magical lambent light has spread its radiance to several lives around. The confluence is a strong synergy of human potential that is kind, capable, loving, noble and giving.

The fourth edition of Sri Sathya Sai Award for Human Excellence is to be held on November 23, 2019 at 5 p.m. at Sathya Sai Grama, Muddenahalli (near Bangalore International Airport).

Sri Sathya Sai Award for Human Excellence is being instituted by Sri Sathya Sai University for Human Excellence (SSSUHE) every year, at Sathya Sai Grama, Muddenahalli (Karnataka) on November 23. This special day is earmarked for this high-principled initiative in reminiscence of the day when the renowned humanitarian and philanthropist, Sri Sathya Sai Baba incarnated on this planet.

The Award humbly endeavours, for the past three years, to appreciate and recognize the services of those individuals who have led a life of service and sacrifice to serve mankind in various fields of social relevance for uplifting and rejuvenating lives. The quintessential goal of the Award

The University has selected seven categories for the award, such as: Health, Education, Woman and Child Welfare, Environment, Music and Fine Arts, Unity of Religions and Sports. It identifies individuals in these categories from around the world with special focus on the developing countries – India, South Asia, South East Asia, Middle East, Africa and Latin America.

The ideation for the upcoming Award function on November 23, 2019 has been predetermined to be 'Unsung Heroes of India'. This is to bring to light the lesser known unpretentious yet efficacious benefactors and to give them the prestigious platform to stand tall so as to show the world the power of their goodness and selflessness

The selection of Award recipients for this year, like for every year, was made by an eminent Jury that constituted leading personalities from each field and was based on a well-articulated set of evaluation criteria. The Jury members are: Mr Sunil Manohar Gavaskar, Pandit Shiv Kumar Sharma, Dr Padma Subrahmanyam, Dr Ajay Mathur, Mr Ravi Singh, Prof J S Rajput, Dr Shashidhara Prasad, Dr Gururaj Karajagi, Dr B C Harinath, Ms Gayathri Kalia, Dr Sajeeda Begum, Mr Samuel K Samuel, Swami Nikhileswarananda and Ms Gulshaa Begum.

Aditya Birla Sun Life AMC Limited is the patron for the Awards this year.



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