

MARKET WATCH		
	10-12-2019	% CHANGE
Sensex	40,240	-0.61
US Dollar	70.92	0.17
Gold	38,460	-0.25
Brent oil	64.03	0.11

NIFTY 50		
	PRICE	CHANGE
Adani Ports	366.90	-6.70
Asian Paints	1713.15	-13.20
Axis Bank	715.70	-16.30
Bajaj Auto	3232.50	6.95
Bajaj Finserv	8927.20	-1.80
Bajaj Finance	3986.85	42.00
Bharti Airtel	447.00	1.15
BPCL	486.30	-13.35
Britannia Ind	3059.35	0.95
Cipla	453.05	-5.15
Coal India	187.20	-4.45
Dr Reddys Lab	2897.50	-11.25
Eicher Motors	21259.20	262.05
GAIL (India)	111.05	-5.15
Grasim Ind	770.20	3.90
HCL Tech	544.45	-7.60
HDFC	2295.15	-16.25
HDFC Bank	1249.50	6.55
Hero MotoCorp	2330.00	-51.75
Hindalco	199.10	0.25
Hind Unilever	2025.35	17.20
ICICI Bank	528.70	2.20
IndusInd Bank	1411.60	-38.40
Bharti Infratel	254.10	-6.30
Infosys	714.55	-2.70
Indian OilCorp	122.55	-2.95
ITC	235.60	-5.85
JSW Steel	251.00	-7.85
Kotak Bank	1662.40	3.15
L&T	1279.00	3.00
M&M	505.75	-7.90
Maruti Suzuki	6963.65	-31.10
Nestle India Ltd.	14091.70	-140.80
NTPC	110.00	-2.70
ONGC	125.20	-1.10
PowerGrid Corp	182.75	-5.20
Reliance Ind	1561.95	-10.65
State Bank	313.40	-3.30
Sun Pharma	427.65	0.65
Tata Motors	159.70	-0.80
Tata Steel	402.05	-4.65
TCS	2012.85	-47.60
Tech Mahindra	744.95	-5.40
Titan	1179.30	1.25
UltraTech Cement	4038.65	-112.80
UPL	557.75	-5.80
Vedanta	140.85	-1.75
Wipro	238.15	-2.25
YES Bank	50.55	-5.70
Zee Entertainment	270.95	-13.20

EXCHANGE RATES		
Indicative direct rates in rupees a unit except yen at 4 p.m. on December 10		
CURRENCY	TT BUY	TT SELL
US Dollar	70.72	71.04
Euro	78.37	78.73
British Pound	93.21	93.63
Japanese Yen (100)	65.15	65.44
Chinese Yuan	10.05	10.09
Swiss Franc	71.76	72.08
Singapore Dollar	52.01	52.24
Canadian Dollar	53.41	53.66
Malaysian Ringitt	16.98	17.06
Source: Indian Bank		

BULLION RATES CHENNAI		
December 10 rates in rupees with previous rates in parentheses		
Retail Silver (1g)	46.6	(46.6)
22 ct gold (1 g)	3597	(3605)

+ Skyworth bets big on TV market in India

Eyes sales of 2 million units by 2020

SPECIAL CORRESPONDENT
HYDERABAD

Hong Kong-based Skyworth Group, which plans to invest \$100 million in a manufacturing facility in Hyderabad, is upbeat on the growth prospects in the Indian television market.

“For 2020, our plan is to sell 2 million TV units,” Skyworth India Electronics Managing Director Criver Liu said at a media interaction here on Tuesday.

Television sales by the company, under the Skyworth, Metz and Coocaa brands, were 4.82 lakh units this year as against about 2.5 lakh in 2018.

Capacity expansion

On plans to increase the manufacturing capacity in India, he said Skyworth had been making and marketing products in association with a local partner and would invest \$100 million over the

next three to five years in expanding the Hyderabad facility located near the international airport here.

The company, on completion of the expansion programme, would have a capacity to make four million TV units in Hyderabad and also manufacture more products, including washing machines, refrigerators and air-conditioners.

Besides manufacturing under its brand, Skyworth is also a third party manufacturer, he said, without sharing details regarding the existing manufacturing capacity and on the stake in the joint venture. To queries, he said the aim was to generate employment for more than 5,000 people in Hyderabad, over time.

He added that washing machines would be the next product line that the company would launch in India next year.

SPECIAL CORRESPONDENT
BENGALURU

Vishal Sikka, former CEO of Infosys, has been inducted in Oracle's board of directors, the Redwood City-based tech major said in a press release posted on its global website.

Mr. Sikka, 52, who recently floated his AI start-up Vianai Systems, was a top executive with SAP before he joined Infosys.

Welcoming his induction, Oracle Chairman and CTO Larry Ellison said, “Vishal is one the world's leading experts in artificial intelligence and machine learning. These AI technologies are key foundational elements of the Oracle Cloud's Autonomous Infrastructure and Intelligent Applications.

“Vishal's expertise and experience makes him ideally suited to provide strategic vision and expert advice to our company and



Vishal Sikka

to our customers,” Mr. Ellison said.

Oracle CEO Safra Catz said, “The digital transformation of an enterprise is enabled by the rapid adoption of modern cloud applications and technologies. Vishal clearly understands how Oracle's Gen2 Cloud Infrastructure, Autonomous Database and Applications come together in the Oracle Cloud to help our customers drive business value and adapt to change.”

SBI under-reported ₹12,000 cr. NPA, finds regulator's inspection

Divergence leaves bank with ₹6,968 cr. loss in FY19 versus profit reported earlier

SPECIAL CORRESPONDENT
MUMBAI

State Bank of India (SBI), the country's largest lender, under-reported ₹11,932 crore of bad loans in the financial year 2018-19, according to a Reserve Bank of India inspection report. This has pushed the bank into losses for the said financial year.

According to a filing with the exchanges, SBI had reported ₹1,72,750 crore of gross non-performing assets in FY19, while according to RBI's risk assessment report (RAR), it was ₹1,84,682 crore.

The divergence, which is the gap between the regulator's assessment of net NPA and that of the bank, was also ₹11,932 crore.

Yes Bank to consider Citax's \$500 million offer

Says it is also open to other investors

SPECIAL CORRESPONDENT
MUMBAI

Yes Bank said it may consider \$500 million investment offer from the Citax Group.

“The board is willing to favourably consider the offer of \$500 million of Citax Holdings and Citax Investment Group and the final decision regarding allotment to follow in the next board meeting,” the bank said. It said the binding offer of \$1.2 billion of Erwin Singh Braich/SPGP Holdings continues to be under discussion.

“The bank shall continue to evaluate other potential investors to raise capital up to \$2 billion,” it added. Last week, Moody's Investors Service downgraded the

Stark contrast

- SBI reported **₹1,72,750 cr.** of gross non-performing assets in FY19
- However, according to RBI's risk assessment report, GNPA's came to **₹1,84,682 crore**
- Divergence in provisions for bad loans was **₹12,036 crore**
- Remaining impact on provisioning during third quarter will be **₹4,654 crore**

The divergence in provisions for bad loans was ₹12,036 crore.

The increase in provision requirement for bad loans resulted in SBI plunging into

losses for the financial year 2018-19. After taking provisions into account, SBI posted a net loss of ₹6,968 crore in FY19, as compared to the ₹862 crore profit reported

RIL, ADNOC mull unit in Abu Dhabi

SPECIAL CORRESPONDENT
MUMBAI

Reliance Industries Limited (RIL) has signed a framework agreement with the Abu Dhabi National Oil Company (ADNOC) to explore development of an Ethylene Dichloride (EDC) facility in Ruwais.

Under the terms of the agreement, ADNOC and Reliance Industries Limited will evaluate the potential creation of a facility that manufactures EDC adjacent to ADNOC's integrated refining and petrochemical site in Ruwais, Abu Dhabi, and strengthen the companies' existing relationship supporting future collaboration in petrochemicals.

HDFC Bank, BoB, UBI cut lending rates

SPECIAL CORRESPONDENT
MUMBAI

Public sector lenders Bank of Baroda, Union Bank of India and Bank of India, reduced their marginal cost of funds based lending rate, a day after State Bank of India (SBI) announced such a reduction.

Private sector lender HDFC Bank has reduced its one-year MCLR by 10 basis points (bps) to 8.15%. Bank of Baroda reduced its one-year MCLR by 5 bps to 8.25% effective Thursday.

Union Bank of India has reduced its MCLR by 5-10 basis points across all tenors. The one-year MCLR now will be 8.2% compared to 8.25%, with effect from Wednesday.

Bank of India has cut its one-year MCLR to 8.2% from 8.3%.

Car sales dip 10.8% in Nov.

CVs shrink 15%, two-wheelers fall 14.3%

SPECIAL CORRESPONDENT
NEW DELHI

Passenger car sales dipped 10.8% in November 2019 compared with November 2018, according to data released by the Society of Indian Automobile Manufacturers (SIAM).

Commercial vehicle sales dipped by almost 15% while two-wheeler sales dropped by 14.3%.

The data shows that overall vehicle production – including that of passenger vehicles, commercial vehicles, three-wheelers, two-wheelers, and quadricycles – contracted by 13.75% in the April-November 2019 period to 1.89 crore vehicles compared with the 2.19 crore unit's produced a year earlier. The eight-month period

of April-November saw overall passenger vehicle (passenger cars and vans) sales contract by 17.98% compared with a year ago.

The utility vehicles segment bucked the trend, with November seeing a 32.7% sales growth. In April-November, utility vehicle sales increased 3.83%.

Sales of commercial vehicles contracted 14.98% in November 2019, while it contracted 22.12% in the April-November period.

While two-wheeler sales dipped 14.27% in November 2019, they registered contraction of 15.7% in April-November 2019. Scooters, motorcycles and mopeds saw sales contract 15.47%, 15.29% and 25.24%, respectively in April-November.



Value ladder: An officers' body said that recent transactions by peers highlighted the valuation differential. ■ REUTERS

Notional loss in BPCL sale plan at ₹4.5 lakh cr.

Assets worth over ₹9 lakh crore: PSOA

PIYUSH PANDEY
MUMBAI

The divestment of Bharat Petroleum Corporation Limited (BPCL) a state-owned oil firm, is likely to fetch the government ₹74,000 crore, including control premium of 30% for its 53.29% stake in the company, but would also cause a 'notional loss' of ₹4.46 lakh crore to the country, given that its market price of total assets exceeds ₹9 lakh crore, according to Public Sector Officers Association (PSOA).

According to the association, which has the support of the Federation of Oil PSU Officers (FOPO) and Confederation of Maharashtra Company Officers Association (COMCO), BPCL's assets are valued at more than ₹9 lakh crore according to the replacement value method.

The government's 53.29% stake is worth about ₹5.2 lakh crore, according to the calculation presented by the association.

The worth of assets totals ₹7,50,730 crore – including, for example, ₹1,76,500 crore for refining capacity, ₹80,000 crore for terminals, ₹1,50,870 crore for retail outlets, ₹11,120 crore for pipelines, ₹22,700 crore for brand value, ₹46,000 crore

for the upstream business and ₹98,500 crore for the gas business.

The total amount will go up to ₹9,75,980 crore if control premium of 30% – or ₹2,25,218 crore – is added.

Mukul Kumar, convenor, FOPO and COMCO, told *The Hindu*, “We will write to the Prime Minister tomorrow to remind him not to sell BPCL to any private or foreign player. We will seek an appointment to present other alternatives to the government.”

BPCL has 24% market share among oil PSUs and reported net profit of ₹7,132 crore on a turnover of over ₹3.37 lakh crore in FY19.

‘No benefit to anyone’

“Against the current preliminary indicative market price of the total assets of BPCL of ₹9 lakh crore (in-house estimates), there would be a minimum notional loss of ₹4.46 lakh crore to the country. Besides, the disinvestment is not going to benefit the company or the country in any manner.

“The move will not add to productivity, competitiveness, revenue earning potential, technology or manpower skills,” he said.

Tata Motors wholesales dip 15% in Nov.

SPECIAL CORRESPONDENT
MUMBAI

Tata Motors Group global wholesales in November 2019, including that of Jaguar Land Rover (JLR), declined by 15% to 89,671 units, compared with November 2018. Global wholesales of Tata Motors' commercial vehicles and Tata Daewoo range in November 2019 stood at 31,030 units, lower by 19%.

Global wholesales of all passenger vehicles in November 2019 stood at 58,641 units, lower by 12%.

JLR's global wholesales were 48,105 vehicles (includes that of CJLR (a JV of JLR and Chery Automobiles of China, with volumes of 6,224 units), Tata Motors said in a statement.

Alstom India to double output by April 2020

Company says not hit by slowdown

SPECIAL CORRESPONDENT
TADA

The Indian subsidiary of France's Alstom said it planned to double its production capacity by April 2020 and increase headcount by 70% in three years, said a top official.

“We have not been affected by the economic slowdown as there is increasing need for mobility,” said Alain Spohr, MD, India and South Asia, Alstom.

“We have ongoing orders in hand for Montreal Metro, Mumbai Metro and Sydney Metro. The last batch of trainsets for Chennai Metro will be despatched soon.”

According to company officials, the order for Montreal Metro will be completed

by 2021, Mumbai Metro 3 by 2022, Sydney Metro by 2023 and the e-locomotive orders by 2026.

Currently, Alstom India exports 50% of its production. “We are happy with the production mix of 50:50. And it would stay at this level. The indigenisation level is about 75%.

On Tuesday, the company announced the commencement of a new production line for the manufacture of rolling stock for Mumbai Metro Rail Corporation (MMRC) Line 3 (Aqua line) valued at ₹452 million.

He added Alstom had 4,700 employees at its four facilities in India and this would rise to 8,000 in the next three years.

New ED takes charge at SEBI

SPECIAL CORRESPONDENT
MUMBAI

V. S. Sundaresan has taken charge as the executive director at the Securities and Exchange Board of India (SEBI).

Prior to his promotion, Mr. Sundaresan was working as the chief general manager in enquiries and adjudication department of the regulatory body.

Mr. Sundaresan joined the markets regulator in the year 1989 and has worked in various departments while supervising investigation in various cases related to market manipulation, insider trading, takeover of companies, public issues, collective investment schemes and compliance with continuous listing requirements, among others.