Sensex ignores weak macro data, hits record high on trade deal

ENS ECONOMIC BUREAU
MUMBAI, DECEMBER 17

DESPITE SLIDING macroeconomic fundamentals, India's top stock indices -- Sensex and Nifty — on Tuesday hit new peaks as strong global cues and sustained foreign fund inflows boosted the sentiment. After touching an all-time intra-day high of 41,401.65, the 30-share BSE Sensex closed 413.45 points, or 1.01 per cent, higher 41,352.17, its new closing peak.

Similarly, the broader NSE Nifty Index soared to its new intra-day high of 12,182.75 before ending 111.05 points, or 0.92 per cent, up at 12,165, also a record closing level.

Vinod Nair, head of research at Geojit Financial Services, said, "Positive global sentiments buoyed by easing trade war tensions between the US and China continued to pump up the market. Economic growth remains on the lower side while risk appetite of investors are gradually improving on expectations of further steps from the government in the upcoming budget to revive consumption and attract investments."

Government data had last week showed that GDP growth rate declined further from 5 per cent to a six-year low of 4.5 per cent in the September quarter and retail inflation rose to 5.54 per cent, much above the central bank's 4 per cent medium-term target.

Siddhartha Khemka, head-retail research, Motilal Oswal Financial Services, said: "Metals stocks rallied on hopes of global economic recovery post US reaching an in-principle trade deal with China". Tata Steel was the top gainer in the Sensex pack, surging 4.38 per cent, followed by Bharti Airtel 4.37 per cent, Vedanta 3.50 per cent, Tata Motors 3.03 per cent, HDFC 2.46 per cent and Bajaj Finance 2.39 per cent.

GAINERS

4.38%: Tata Steel was the top gainer in the Sensex pack, surging 4.38 per cent

Up to 4.37%: Bharti Airtel surged 4.37 per cent, Vedanta 3.50 per cent, Tata Motors 3.03 per cent, HDFC 2.46 per cent and Bajaj Finance 2.39 per cent on the BSE

CONSULTATION WITH FINANCE MINISTER

Pre-Budget meet: India Inc seeks export boosters, easing of compliance burden

ENS ECONOMIC BUREAU
NEW DELHI, DECEMBER 17

IN A pre-Budget consultation with Finance Minister Nirmala Sitharaman Tuesday, stakeholder groups from industry, trade and services sectors recommended measures for promoting exports, lowering of taxes on equity capital and expansionary fiscal policy for boosting growth.

The representatives submitted suggestions concerning reduction of compliance burden and tax litigation, allowing self-certification in low risk industry, decriminalisation of tax and company laws. Besides, they demanded reduction of cost of equity capital, simplification and rationalisation of duties and labour laws, adoption of international standards of alternative dispute resolution, export development funds for helping MSME exporters and ease of investment flow into manufacturing sector.

Industry chamber CII suggested to the government for adoption of an expansionary fiscal policy, with a range of around 0.5 per cent to 0.75 per cent deviation from the target of fiscal deficit of achieving 3.3 per cent of GDP. The additional leeway could be spent on asset creation, especially in rural infrastructure. Industry leaders also suggested the government to remove long-term capital gains tax on shares.

"The main areas of discussion during the aforesaid meeting included regulatory environment impacting private investment, measures for promotion of exports amidst rising protectionist tendencies, industrial production, logistics, media & entertainment services & IT & IT-enabled services among others," the Finance Ministry said in a statement.

Speaking to reporters after the meeting, CII President Vikram Kirloskar said: "They (ministers and government officials) have understood the situation, the headwinds in the economy and they have looked at all the possible suggestions whether it is to have fiscal easing which is what we have suggested, various ways to improve tax collection, improve demand". To promote international trade, CII suggested the government should sign India-EU Bilateral Trade and Investment Agreement, which will enable resumption of talks on Free Trade Agreement with the European Union.

India's GDP growth rate at 4.5 per cent for Q2, 2019-20, has hit a 26-quarter low in July-September, dragged down by a contraction in manufacturing, weak investment, and lower consumption demand. This is the lowest quarterly growth rate in the five-and-half years of the NDA government. FICCI President Sandip Somany said the meeting delved into infrastructure bottlenecks in terms of the rules, regulations and how to streamline them to promote business. Assocham Secretary General Deepak Sood said a common suggestion was how to increase the demand in the economy and inject liquidity into the system.

FIEO President Ajay Sahai said the exporters' body has highlighted the liquidity concerns of exporters and sought rollout of e-wallet recommended by the GST Council to ease liquidity of exporters. The meeting was also attended by Minister of State for Finance and Corporate Affairs Anurag Thakur, Finance Secretary Rajiv Kumar, Economic Affairs Secretary Atanu Chakraborty, Revenue Secretary Ajay Bhushan Pandey among others.

Agri experts demand scrapping GST on agri-inputs, revamp of PMFBY

New Delhi: The government should remove GST on agri-inputs, revamp crop insurance scheme, land lease rental while fixing MSP and ban futures trade on agri-commodities are some of the suggestions made by farm experts during pre-budget meeting with Finance Minister Nirmala Sitharaman on Tuesday.

Measures to promote organic farming, cut in import duty from 30 per cent to zero on live embryo, animal and semen, tweaking of electronic National Agriculture Market (e-NAM) and revisiting of Food Security Act were some other recommendations made during the meeting.

This is the fourth pre-Budget meeting on agriculture and agro-processing sectors. **PTI**

Trai: 6p/min charge on outgoing calls to other networks extended

ENS ECONOMIC BUREAU
NEW DELHI, DECEMBER 17

Trai also came out with a consultation paper on setting a floor price for telecom tariffs

THE TELECOM Regulatory Authority of India (Trai) on Tuesday retained the current termination rate of 6 paise per minute for another year — January 1, 2020 to December 31, 2020 — after which the rate will become zero.

While reducing the termination rate by 57 per cent to 6 paise per minute in September 2017, Trai had said that from January 2020 operators would move to a regime of zero rate.

On Tuesday, while retaining the rate for another year, Trai said that it has to keep the interests of 2G/3G subscribers in mind. At the end of September 2019, out of approximately 1,174 million mobile subscribers, 557 million are 4G data subscribers and the remaining 617 million are still using 2G/3G services. "While reviewing the IUC, it is necessary to balance interests of both of these subscriber segments," Trai said.

The regulator though said all three private operators have rolled out VoLTE extensively and plans to further expand the 4G networks. Soon the government will also assign 4G spectrum to public sector telcos. "Accordingly, it appears that soon all the wireless access service providers would offer 4G services to customers across India," the regulator said.

Though the incumbent operators welcomed the move of retaining the current rate for one more year they added that ideally it should have been extended by two years.

Meanwhile, Trai has come out with a consultation paper on setting a floor price for telecom tariffs. The paper comes after industry body COAI urged the regulator to fix a floor price for data services.

Trai has come out with a list of 19 questions wherein it wants to know what could be the methodology to fix floor price for data and voice services as well as bundled offers. The regulator also wants to know if there should be a floor ceiling also, so that interest of consumers could be safeguarded. **FE**

Retail loan book set to double to ₹96 lakh cr in next 5 years: Report

ENS ECONOMIC BUREAU
MUMBAI, DECEMBER 17

As per the report, the mortgage loans market is expected to double to Rs 46.1 lakh crore in FY24

RETAIL LOAN book of lenders will double to Rs 96,00,000 crore by March 2024 as compared with Rs 48,00,000 crore in March 2019, says a report unveiled by ICICI Bank and Crisil. Retail loans were just Rs 22 lakh crore in 2014.

Though the credit offtake in the current financial year has remained sluggish, the report said the rapid growth in the retail book will take place in the next five years on the back of increased demand for private consumption — home, car, consumer durables, credit cards etc — willingness of consumers to take loans, increased availability of various consumer data, improved usage of data analytics and regulatory initiatives propelling growth in low cost housing loans and micro, small & medium enterprises (MSME) loans. As per the report, mortgage loans market — normal and low cost housing and loan against property — is expected to double to Rs 46.1 lakh crore in FY24. Unsecured loans — personal loans and credit cards — is expected to more than double to Rs 13.8 lakh crore in five years. Similarly, loans to MSMEs are likely to more than double to Rs 13.2 lakh crore. It said vehicle loans are tipped to nearly double to Rs 17.5 lakh crore by 2024. Personal loans growth was at 7.6 per cent, as per the RBI data.

Anup Bagchi, executive director, ICICI Bank said, "India's GDP per capita in terms of purchasing power parity is $7,762... This junction will prove to be an inflection point, as it was with another large economy a few years ago. We foresee that in the next five years, the domestic retail loans market is poised to double to Rs 96 lakh crore." As per the report, the five pillars that are going to support expansion of the market are: Greater information availability progressively reducing the risk in lending; lower costs for customers due to intensifying competition; regulatory and government initiatives; five-fold increase in digital lending to Rs 15 lakh crore; and reducing operating costs due to greater use technology and data analytics which will boost profitability.

The top five players are foreseen continuing their market dominance, across asset classes.

Further, new private banks are expected to gain market share from their public sector peers. Additionally, the entry of new types of players is likely in the market targeting specific segments, in line with global trends, according to the report. Despite rising competition, top five players across most retail asset class segments are expected to account for high market share.

Digital lending, estimated at Rs 2.7 lakh crore as of March 2019, is forecast to increase to Rs 15 lakh crore, representing 16 per cent of retail lending in FY24. Banks will dominate the market, accounting for 77 per cent of total digital loans.

However, a recent report by TransUnion Cibil revealed that 70 per cent of credit applicants dropped mid-way through the application process. As many as 22 million consumers are seeking credit opportunities every month, but 70 per cent of them drop out mid-way due to the cumbersome procedures.

'Price gap between ready and under-construction homes falls 3-7%'

The price gap between ready- to-move-in (RTM) and under-construction (UC) homes in top seven cities has dipped to a mere 3-7 per cent in 2019, as per Anarock

PAST RECORD In 2018, the difference was 5-9 per cent; in 2017, it was around 8-12 per cent across the top cities.

NCR (NATIONAL CAPITAL REGION) recorded the least price difference between RTM and UC homes at three per cent,

THE AVERAGE PRICES of RTM homes were Rs 4,530 per sq. ft. while for UC homes it was Rs 4,410 per sq. ft.

PUNE had the highest price difference between RTM and UC homes at around seven per cent

CITY PRICE GAP (%)

Hyderabad	6
Bengaluru	5*
Mumbai Metropolitan Region, Chennai and Kolkata	4

THE RTM PREMIUM was primarily on the 'instant gratification' quotient, immediate freedom from rent and zero construction risk. In the last two years, the price gap between these categories has eroded y-o-y

THE MAIN REASONS for the reducing gap is that developers are reluctant to hike prices of ready properties

IN A MARKET SCENARIO of limited housing sales, price hikes dampen homebuyer sentiments further. Ready unsold stock will not find many takers if prices increase

*About 5%; source: PTI

Goyal: Centre to go slow on FTAs to avoid RCEP-like impasse

PRESS TRUST OF INDIA
NEW DELHI, DECEMBER 17

"I can assure all of you that going forward, none of the FTAs will be settled in a hurry or will be settled to the disadvantage of Indian industry and exporters"
PIYUSH GOYAL
COMMERCE & INDUSTRY MINISTER

INDIA WILL not sign any free trade agreement in a hurry or to the disadvantage of industry and exporters, Commerce and Industry Minister Piyush Goyal said on Tuesday, more than a month after the country walked out of the China-backed mega trade deal RCEP.

On November 4, Prime Minister Narendra Modi announced in Bangkok that India will not join RCEP as negotiations failed to address New Delhi's "outstanding issues and concerns".

Speaking at an event organised by CII, Goyal said the government took the bold decision in the national interest because clearly, the pact had become nothing but an India-China FTA which "nobody wants".

This, according to Goyal, was a bold decision "as for the first time it reflected the resolve of the government that diplomacy will not prevail over trade. Trade will stand on its feet, on its leg."

The Union Minister further said Indian business and industry have been put to disadvantage over the years and instead of addressing some of the real issues that industries face, more and more distress was caused to them.

Simultaneously, India's export faced huge amount of trade barriers in other countries, he said. Goyal said after the 2010-11 FTAs were finalised, India's exports barely inched up while imports shot up drastically and therefore the country's trade imbalance became manifold.

The minister said he has been told that "voice of industry did not resonate" when India signed FTAs during the previous government.

BRIEFLY

'Broadband in all villages by 2022'

New Delhi: The government on Tuesday promised broadband access in all villages by 2022, as it launched the National Broadband Mission entailing stakeholder investment of Rs 7 lakh crore in the coming years.

D Subbarao cautions against 'fiscal profligacy'

New Delhi: Former Reserve Bank Governor D Subbarao on Tuesday asked the government to ensure fiscal deficit is within the targeted number and warned that "fiscal profligacy" can lead to crisis situations.

EAC-PM member on the economy

New Delhi: India missed the bus by not turning gains of lower inflation into low interest rates, which is pricking the economy on the growth front, said Neelkanth Mishra, a member of the Economic Advisory Council to the Prime Minister, Tuesday.

BYJU'S loss narrows to ₹8.8 cr in FY19

New Delhi: BYJU'S has reduced its consolidated loss to Rs 8.82 crore, while registering manifold in revenue from operations, according to regulatory documents. Revenue from operations also increased to Rs 1,305.92 crore in FY19 from Rs 471.18 crore in FY18.

SAT asks Sebi to hear Axis Bank's plea

New Delhi: The Securities Appellate Tribunal Tuesday asked Sebi to pass an order within 15 days in Karvy matter on Axis Bank's plea, which said the regulator's ruling is preventing the lender from accessing securities pledged by the broking firm via another account.

Nasscom opposes Bill in US

New Delhi: Nasscom Tuesday said a new Bill in the US that proposes to bar a section of Indian IT firms from bringing in global talent on H1B visas will have a "damaging effect" on the competitiveness of US firms and create an uneven field. **PTI**

16 MAJOR STATES' DATA SCRUTINISED

Non-GST tax revenue subdued in current fiscal

HARIKISHAN SHARMA
NEW DELHI, DECEMBER 17

EVEN AS the government struggles to shore up the GST revenue, the collection of non-GST tax revenue too seems to be subdued at a time when the economy is slowing down. A scrutiny of revenue figures of 16 major states reveals a sluggish growth in non-GST tax collection during the first seven months of the current financial year as compared to the same period last fiscal.

The data, compiled from unaudited provisional figures of states' monthly accounts available on the Comptroller and Auditor General of India (CAG) website, shows that combined non-GST tax collection of 16 Non-Special Category states during April-October 2019 was Rs 3,03,106.03 crore, 50.52 per cent of the budget target of Rs 5,99,987.7 crore. It is lower in comparison to the 52.72 per cent collected during the same period of the last fiscal against the budget targets of 2018-19.

The non-GST taxes include mainly four taxes: Stamps and Registration Fees; Land Revenue; Sales Tax; and State Excise Duties. The states for which data have been analysed include Andhra Pradesh, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal and Telangana.

There are 18 Non-Special Category states but the latest data is not available for Bihar and Goa. The data have been compared against Budget targets of current and last financial years as comparable full year non-GST revenue figures of states are available only 2018-19 onwards. The analysis shows the combined mop-up of State Excise Duties in these states was Rs 81,764.25 crore or 51.29 per cent of their total Budget target during the first seven months of the current financial year. However it was Rs 74,809.6 crore or 55.05 per cent in the year-ago period. The state excise duties levied on liquor is the second biggest contributor to the state's Own Tax revenue after sales tax. Though there is no reason given for the sluggishness in the collection of state excise duties, it can be attributed to the slowdown as well as prohibition in few states. Besides this, collections of Stamps and Registration Fees and Land Revenue are also subdued.

During the April-October period of 2019-20, the collection of Stamps and Registration Fees in these 16 states was Rs 68,367.97 crore — 53.40 per cent of the Budgeted target of Rs 1,28,035 crore. However, collection of Stamps and Registration Fees was much faster — 58.33 per cent of the Budget target of Rs 1,10,668.96 crore in the first seven months of 2018-19. The collection of sales tax has also been sluggish this fiscal.

KERALA WATER AUTHORITY
e-Tender Notice
Tender No : 32, 33 & 34/19-20/SE/PHC/PKD. KIIFB - 17-18 - CWSS to Malampuzha constituency, Kozhinjanpara and adj pts, Vandazhi and adj. pts- Construction of 11.5LL, 20LL & 8LL OHSR and CWPM and pumpset, Construction of 11LL OHSR and CWPM and pumpset. EMD : Rs. 50000 - 500000. Tender fee : Rs. 5600 - 16800. Last Date for submitting Tender : 18-01-2020 03:00:pm. Phone : 04912544927. Website : www.kwa.kerala.gov.in, www.etenders.kerala.gov.in
Superintending Engineer
PH Circle, Palakkad
KWA-JB-GL-6-508-2019-20

ଓଡ଼ିଶା ବିଦ୍ୟୁତ୍ ଶକ୍ତି ସଂଚାରଣ ନିଗମ ଲିଃ.
ODISHA POWER TRANSMISSION CORPORATION LIMITED
(A Government of Odisha Undertaking)
Regd. Office: Janpath, Bhubaneswar -751 022 (Odisha)
CIN: U40102OR2004SGC007553
OPTCL Lifeline of Odisha
e-Tender No. CPC-14/2019-20
For and on behalf of ODISHA POWER TRANSMISSION CORPORATION LTD. Senior General Manager (C.P.C) invites Tenders from reputed manufacturers in two part bidding system for supply of **500KVA, 33/0.433KV Station Transformers (Bis energy level-2).** Bidders would be required to enroll themselves on the tender portal **www.tenderwizard.com/OPTCL** for participating in the above tender. Complete set of bidding documents are available in **www.tenderwizard.com/OPTCL**, from **dt.18.12.2019 (10:00 Hrs.) to dt.16.01.2020 (12:00 Hrs.).** Interested manufacturers may visit OPTCL's official website **http://www.optcl.co.in** and **www.tenderwizard.com/OPTCL** for detail, specification.
N.B: All subsequent addendum / corrigendum to the tender shall be hosted in the OPTCL's official website **http://www.optcl.co.in** and **www.tenderwizard.com/OPTCL** only.
Sd/-
CR Advt. No.23/2019-20 Senior General Manager (CPC)
Please connect us: optcl.odisha optcl_odisha energyodisha

राजस्थान राज्य कृषि विपणन बोर्ड, वृत-श्रीगंगानगर
क्रमांक 914-16 बिड आमंत्रण सूचना संख्या 02/2019-20 दिनांक 13.12.2019
कृ.उ.म.स. हनुमानगढ़/बीकानेर (अनाज)/श्रीडूंगरगढ़/नोखा/लूणकरणसर के निर्माण कार्यों (UBN AGM1920WSOB00326 to 00339) लागत राशि क्रमशः रू. 219.91, 32.07, 60.26, 7.98/ 434.57, 44.79/ 80.60, 60.71, 20.95, 53.74, 20.65/ 60.78, 28.29/ 13.43 लाख की ऑन-लाईन बिड ई-प्रोक्योरमेन्ट (www.eproc.rajasthan.gov.in) के माध्यम से उपयुक्त श्रेणी में पंजीकृत संवेदकों से दि. 06.01.20 व 16.01.20 तक आमंत्रित की जाती है। बिड से संबंधित विस्तृत विवरण बोर्ड की वेबसाईट http://agriculture.rajasthan.gov.in/rsamb पर भी देखा जा सकता है।
राज.संवाद/सी/19/4196 अधीक्षण अभियंता

SAVITRIBAI PHULE PUNE UNIVERSITY
Ganeshkhind Road, Pune 411007
E-Tendering
Invites online tender for procurement of

Sr. No.	Details	EMD (in Rs.)
1.	Request for Proposal for RCL (Reconfigurable Computing Laboratory) with Tender ID 2019_UOFP_520305_1	EMD(INR 3,20,000 = Three lac twenty thousand only)

For the above Tender, Tender documents with complete terms and conditions, technical specifications etc. can be downloaded from **www.mahatenders.gov.in.** The tender should be uploaded only on **www.mahatenders.gov.in electronically, on or before 25th December 2019 upto 17.00 hr.**
Email : aditya.abhyankar@unipune.ac.in
aditya1210@gmail.com
Mobile : 9860119930 / 9834434839
Advt.No. 64
Date : 18/12/2019
Dr. Prafulla Pawar
Registrar

AviationMin to NCLT: Will consider concrete biz plan for Jet

Mumbai: The Aviation Ministry and the Directorate General of Civil Aviation (DGCA) on Tuesday informed the National Company Law Tribunal (NCLT) that they will positively consider any concrete business plan for Jet Airways.

The counsel representing the Ministry told the tribunal that it will examine the issue if Jet Airways prospective investors come up with a concrete business plan. He further said that slots are perishable assets and it cannot be utilised by other airlines.

The deadline for applying for the next round of airport slots is January 15. The Ministry said two new foreign investors have shown very early interest for the grounded airline besides South Americas Synergy Group. **PTI**

'Kotak Mahindra Bank best suitor for Yes Bank'

PRESS TRUST OF INDIA
NEW DELHI, DECEMBER 17

TWO OF India's top bankers on Tuesday publicly said Kotak Mahindra Bank (KMB) is best suited to acquire rival Yes Bank.

Both Yes Bank, where accelerated non-performing assets recognition under new chief executive Ravneet Gill has reduced buffers, and the capital-flush Kotak Mahindra Bank denied any transaction being in the works. Yes Bank's capital raising plan is also passing through uncertainties and there are speculations on whether Yes Bank is an acquisition target, which has been consistently denied by the lender.

"I think Uday (Kotak) is the best candidate to acquire Yes Bank. You need deep pockets, Uday has that," SBI Chairman Rajnish Kumar said at Times Network's India Economic Conclave. When the same question was posed to third-largest lender Axis Bank's MD and CEO Amitabh Chaudhry, he said: "We are a smaller bank. We are trying to ensure that we grow big so that at some stage we can acquire others. So, yes Mr Kotak, they are best suited rather than us," he said.

Gill of Yes Bank called talk of any deal as "idle speculation" and termed it as "casual banter" and reiterated that there is nothing in the works.

When contacted, Kotak Mahindra Group chief communication officer Rohit Rao said, "these are comments made by other bankers and reflect their views, and not ours". Meanwhile, speaking at the same event, Kotak said there is a need to resist a "colonialisation" of Indian finance, hinting at share sales to foreign investors.