

STOCKS  
IN THE NEWS

YES Bank

49.90

49

47

45

45.35

46.75

49.90

Top gainer among S&P BSE Sensex stocks

₹ 49.90 CLOSE

▲ 6.74%% UP\*

Clariant Chemicals India

361.05

370

350

330

316.60

319.20

361.05

Sale of Masterbatch business to PolyOne Polymers via slump sale

₹361.05 CLOSE

▲ 13.11% UP\*

NMDC

123.45

125

121

117

113.80

119.90

123.45

Approved proposal to raise production at Karnataka mines to 10 mtpa

₹123.45 CLOSE

▲ 2.96% UP\*

Tata Consultancy Services

2,228.65

2,260

2,170

2,080

2,016.75

2,167.25

2,228.65

Expands partnership with VIAVI Solutions to develop 5G solutions

₹2,228.65 CLOSE

▲ 2.83% UP\*

Lemon Tree

60.15

61

59

58

59.85

60.15

60.15

Signs agreement to open hotel in Goa

₹60.15 CLOSE

▲ 2.82% UP\*

\* OVER PREVIOUS CLOSE

IN BRIEF

Don't delay decision on Jet, NCLT tells Synergy Group

The National Company Law Tribunal (NCLT) has asked Synergy Group to hasten its decision on reviving Jet Airways. The South American group had failed to provide a resolution plan before

December 16 deadline due to uncertainty on airport slots and would have to participate in a fresh bidding process proposed by lenders. Michael Welch, Synergy's executive president, informed the NCLT's Mumbai Bench that the group was keen to revive the airline by forming a new company upon takeover with all Jet's assets, aircraft, employees and its operating permit but all liabilities. "Undoubtedly it will be challenging but we see an opportunity," Welch said.

ANEESH PHADNIS

Hyundai unveils compact sedan to rival Dzire

Hyundai Motor India unveiled its upcoming compact sedan Aura which it plans to launch in the country next month. The company aims to compete with the likes of Maruti Suzuki's Dzire and Honda Amaze with the introduction of the model.

PTI

Renault to increase prices to offset rising input costs

Renault on Thursday said it will hike prices of its vehicles from January to offset rising input and material costs. The company said it would undertake "a substantial price increase" across its range of vehicles with effect from January 2020.

PTI

BMW and Daimler quit car-sharing service in US, Canada

Luxury carmakers BMW and Daimler have announced that they will ditch their joint car-sharing scheme in North America and scale back the service in Europe, citing lower than expected take-up in a "complicated" market.

PTI

Balkrishna named Ruchi Soya CMD, Ramdev director

Balkrishna has been appointed the chairman and managing director of Ruchi Soya and Ramdev non-executive director on board. Patanjali Ayurved on Wednesday completed its first big acquisition by paying ₹4,350 crore to take over Ruchi Soya through an insolvency process.

PTI

ZestMoney raises \$15 million from Goldman Sachs

ZestMoney, a digital point-of-sale consumer finance platform, on Thursday said it has raised an undisclosed amount of funding from Goldman Sachs and existing investors. While the firm did not disclose the overall size of funding, about \$15 million has been invested by Goldman Sachs.

BS REPORTER

Pratt & Whitney names Sethi as MD of India division

Pratt & Whitney appointed Ashmita Sethi the managing director of its India division. Sethi had resigned from her position of director for communications and corporate affairs at Boeing India a few weeks ago.

PTI

Domestic passenger traffic growth may dip to 6-yr low: ICRA

Domestic passenger traffic growth is expected to decline to a six-year low of 4.5 per cent in the FY20 and the financial health of the aviation industry will continue to deteriorate, rating agency ICRA said.

PTI

Investment in realty up 9% to ₹43.7K cr in 2019: Report

Investment in real estate sector is estimated to have increased by 9 per cent to ₹43,780 crore during this calendar year on higher inflow from foreign funds, according to global property consultant Colliers. Office properties attracted 46 per cent of the total inflow and received nearly ₹20,000 crore this year. "Investment in India's real estate rose 8.7 per cent in 2019 compared to 2018, and touched \$6.2 billion (₹43,780 crore)," Colliers said in a report. Foreign funds accounted for about 78 per cent of the total

investments in 2019 – the highest share. During 2020, Colliers projects inflows of \$6.5 billion (₹46,170 crore) into the real estate sector. "We recommend investors to look at opportunistic assets including under-construction office assets, supported by strong demand dynamics in information technology-led markets such as Bengaluru, Hyderabad and Pune, offering ample opportunities to investors" said Sankey Prasad, managing director and chairman at Colliers International India.

PTI

We're killing telecom industry, need Trai intervention: Mittal

ARPU is eventually going to ₹300, which will still be the lowest anywhere in the world

PRESS TRUST OF INDIA  
New Delhi, 19 December

Billionaire Sunil Bharti Mittal on Thursday said a combination of rock-bottom tariffs and high consumption was killing the telecom industry and The Telecom Regulatory Authority of India (Trai) needs to urgently intervene to strike a balance between the needs for protecting investments and consumer interest. "...But, I think we need to have a balance between requirement of investments and consumer on the other side," Mittal, chairman of Bharti Airtel, told reporters after a pre-Budget meeting between Finance Minister Nirmala Sitharaman and corporate leaders. "My view is ₹200 average revenue per user (ARPU) is eventually going to ₹300 ARPU... At the lower end, ₹100 for a customer over a month of consuming rich data, voice and other services and on the upper end ₹450-500... therefore, blended eventual landing point of ₹300 a month, which will still be \$4 a month... by far, the lowest anywhere in the world and yet consuming two or three times more data than anywhere else in the world," Mittal said.

The industry needs to get to that balance, he said adding that Trai needs to work on this as the industry "has not been able to have an orderly mechanism to get to that point".

"We are unnecessarily killing this industry in a manner and way that is not conducive for our industry, and that's why we need Trai intervention," Mittal added.

The comments of the Airtel chief come just days after the Trai initiated talks to prescribe floor price for call and data, and also deferred by one year the scrapping of the charge paid by mobile phone users for calls made to rival networks.

Bharti Enterprises Chairman Sunil Mittal with Chief Economic Advisor K Subramanian during a pre-Budget meeting in New Delhi on Thursday

The two moves came as a big boost to Airtel and Vodafone Idea that are staring at a liability of thousands of crores in unpaid past statutory dues following a Supreme Court (SC) ruling. Through their association, the operators had been pitching to the government for fixing a floor rate for calls and data.

The telecom call and data rates are at present under forbearance or not regulated.

But, earlier this week, Trai released a consultation paper to fix

minimum or floor rates for mobile phone calls and data, a move that will effectively end the regime of free calling and dirt cheap data.

The outcome is likely to lead to further hike in mobile call and data cost as the industry wants average revenue per user to reach ₹300 per month from about ₹125 at present over a period of two years — better revenue realisation per user will offer a much-needed breather to the stressed telecom industry where debt levels have soared to ₹7.8 trillion.

TRACKING TELCOS

VODAFONE IDEA

6.42 6.58

BHARTI AIRTEL

438.2 448.5

Source:Bloomberg

"I THINK WE NEED TO HAVE A BALANCE BETWEEN REQUIREMENT OF INVESTMENTS AND CONSUMER ON THE OTHER SIDE"

SUNIL MITTAL, CHAIRMAN, AIRTEL

Yahoo Japan quits apartment venture with Oyo, offloads 34%

REUTERS  
Tokyo, 19 December

SoftBank-controlled Yahoo Japan has pulled out of a Japanese apartment rental venture with Oyo Hotels and Homes, in the latest setback for the loss-making Indian start-up.

Yahoo Japan said it exited the venture Oyo Life, in which it had a 33.9 per cent stake, to focus on other initiatives. The internet firm has led a wave of consolidation in Japan this year, buying online fashion retailer Zozo and scooping up messaging app operator Line.

Oyo, also backed by SoftBank Group, on Thursday said it has bought the Oyo Life shares held by Yahoo Japan, now known as Z Holdings, for an undisclosed amount.

Oyo expanded rapidly in India and abroad by promising to drive up hotel occupancy through its online booking system, but has faced pushback from hoteliers who say they have been blindsided by hidden fees.

The start-up has been forced to relax expansion targets in Japan, where it also launched a platform for hotel reservations this year and faced complaints over its booking system and unmet promises of payment for room renovations.

SoftBank, however, remains invested in Oyo's Japan hotel business, which has expanded by offering hotels minimum

revenue guarantees, with Vision Fund and wireless unit SoftBank Corp retaining stakes.

But with pricing dictated by Oyo's algorithm, which frequently slashes room fees, hotels have complained of weak revenue growth despite higher occupancy rates.

Apartment rental service Oyo Life launched pledging to simplify Japan's complicated room rental process by allowing users to rent through its one-stop website.

With Oyo often using intermediaries and then subleasing properties, costs must

TOUGH TIMES

- Oyo said it has bought Oyo Life shares held by Yahoo Japan for an undisclosed amount
- The hotel aggregator has faced pushback from hoteliers who say they have been blindsided by hidden fee
- The start-up has been forced to relax expansion targets in Japan, where it also launched a platform for hotel reservations this year
- SoftBank remains invested in Oyo's Japan hotel business with Vision Fund and wireless unit retaining stakes

be clawed back through monthly rental and maintenance fees.

Yahoo Japan's exit from the apartment rental venture comes amid widening losses in India for Oyo and projections it may not make a profit there and in China until 2022.

Helmed by 26-year old founder Ritesh Agarwal, Oyo is just one SoftBank-backed start-up where the tech conglomerate's cash injection has fuelled rapid growth but that is under pressure to demonstrate a path to profitability.

Brookfield eyes \$1-bn REIT listing in India

Brookfield Asset Management is considering bundling its commercial real estate assets in India into a real estate investment trust for a listing next year, according to people familiar with the matter.

The Canadian asset manager has held discussions on a potential initial public offering of a property trust that could raise more than \$1 billion, said the people, who asked not to be identified as the discussions are private.

Brookfield is considering including about 15 million square feet to 20 million square feet (1.9 million square meters) of real estate, one of the people said.

Brookfield owns 22 million square feet of office properties in India, according to its website. Deliberations are at an early stage, and Brookfield could still decide against pursuing the transaction, the people said. A representative for Brookfield declined to comment.

BLOOMBERG

Lenders to Sintex reject \$1-billion revamp plan

Lenders to Sintex Industries rejected a debt restructuring plan by the firm and intend to push it to bankruptcy, people familiar with the matter said. According to the resolution proposal, the firm will be able to service only 30 per cent of its ₹63 billion (\$888 million) of bank loans, the people said. The plan also

included infusion of about ₹2 billion into Sintex by two other yarn producers, the people said. Banks, saddled with the world's worst bad-loan ratio, have been struggling to recover money from delinquent borrowers amid a prolonged credit crunch and weakening economic growth.

BLOOMBERG

Zee takes cue from its viewership gains, raises bet on regional channels

ZEE'S VIEWERSHIP SHARE IN REGIONAL LANGUAGES

(figures in %) (for Q2FY20)

Channel	Share
Marathi*	56.1
Bangla	45.6
Odia	41.5
Kannada	35.4
Bhojpuri	23.0
Tamil	20.0
Telugu	20.2
Malayalam	7.8

\*Includes Zee Marathi and Yuva channels  
Source: BARC

REGIONAL TOUCH

- Nearly 70% of share gains for Zee came from its regional network
- Zee has seen share gains of nearly 0.8% and 0.5% for southern entertainment and movies, respectively
- Zee Marathi alone has control of 50.7% of the Marathi television market

VIVEAT SUSAN PINTO & SOHINI DAS  
Mumbai, 19 December

Media major Zee Entertainment has set its sights on growing its regional portfolio of channels following viewership gains over the past three years in the segment. Nearly 70 per cent of share gains for Zee came from its regional network; the broadcaster's domestic business Chief Executive Officer (CEO) Punit Misra said prompting the company to deep dive further into the category.

Almost 15 channels of the 59 within its overall network are regional-language channels, with plans to fill key gaps in the future, Misra said. The first tranche of launches will happen shortly, covering the Punjabi general entertainment space as well as the movie genre in Tamil, Kannada, and Bhojpuri, respectively.

"Our effort is to make sure that every consumer segment, which is sizeable, is covered. We also want to give a differentiated offering in these segments and garner leadership share positions within a reasonable period of time," Misra said.

Apart from the Hindi regional space, such as Bhojpuri where Zee has seen share gains of nearly 1.3 per cent in three years, the south regional pack, including entertainment and movies have been among the fastest growing for the broadcaster.

Data from the Broadcast Audience Research Council (BARC) shows Zee has seen share gains of nearly 0.8 per cent and 0.5 per cent for southern entertainment and movies, respectively in three years.

As such, Marathi remains the strongest regional-language channel for Zee, with the broadcaster commanding a 56 per cent share in Maharashtra, according to BARC data. Leader Zee Marathi alone has control of 50.7 per cent of the Marathi television market, with second channel Yuva adding incremental share of 5.4 per cent, BARC data shows.

West Bengal and Odisha, too, are markets where Zee enjoys leadership positions, with viewership shares of 45.6 per cent and 41.5 per cent for Zee Bangla and Odia, respectively.

In the southern markets, barring Karnataka

where the broadcaster is the leader with a share of 35.4 per cent (for Zee Kannada), in key markets such as Tamil Nadu and Andhra/Telangana, Zee trails the leaders, including Sun (Tamil Nadu) and Star Maa (in Andhra/Telangana), respectively.

Misra said the company was working on improving viewership shares in these markets, including increasing its movie content in the south, which is a large market for it.

"Nearly a quarter of our business comes from the south. We are now present in all markets of the south, including Kerala. We have also stopped thinking of regional channels as language channels, and rather as representatives of a culture. Television is a sticky habit, and people want what is close to their culture," he said.

Apart from the south, Zee also proposes to add some more channels in the north, including a Punjabi movie channel in the future and may push its Bhojpuri channel further into Uttar Pradesh and Bihar as rural electrification grows.