

MARKET WATCH		
	27-12-2019	% CHANGE
Sensex	41,575	1.00
US Dollar	71.35	-0.05
Gold	39,731	0.11
Brent oil	67.8	0.35

NIFTY 50		
	PRICE	CHANGE
Adani Ports	363.70	0.05
Asian Paints	1812.25	2.65
Axis Bank	760.15	23.65
Bajaj Auto	3241.95	11.90
Bajaj Finserv	9443.15	93.05
Bajaj Finance	4252.65	65.55
Bharti Airtel	455.10	7.55
BHCL	490.95	13.75
Britannia Ind	3042.10	-20.20
Cipla	481.10	6.95
Coal India	203.50	6.20
Dr Reddys Lab	2897.60	32.00
Eicher Motors	22222.35	176.65
GAIL (India)	118.55	0.45
Grasim Ind	739.75	3.00
HCL Tech	567.55	7.05
HDFC	2444.15	30.05
HDFC Bank	1275.00	4.55
Hero MotoCorp	2442.45	3.80
Hindalco	215.45	0.45
Hind Unilever	1949.90	4.95
ICICI Bank	549.40	10.65
IndusInd Bank	1524.90	9.50
Bharti Infratel	255.70	-0.50
Infosys	736.95	8.00
Indian OilCorp	127.30	2.30
ITC	236.90	0.10
JSW Steel	268.90	-0.25
Kotak Bank	1685.60	-8.65
L&T	1299.60	20.30
M&M	530.15	1.80
Maruti Suzuki	7344.90	104.00
Nestle India Ltd.	14664.15	64.90
NTPC	116.85	0.45
ONGC	128.40	0.40
PowerGrid Corp	189.05	4.20
Reliance Ind	1542.35	26.95
State Bank	337.25	7.40
Sun Pharma	426.00	3.85
Tata Motors	176.15	1.55
Tata Steel	469.50	1.60
TCS	2198.50	-3.45
Tech Mahindra	780.20	9.80
Titan	1191.45	-1.05
UltraTech Cement	405.60	-7.15
UPL	580.25	10.80
Vedanta	151.75	1.05
Wipro	247.55	-2.75
YES Bank	48.00	-0.65
Zee Entertainment	299.00	1.70

EXCHANGE RATES		
Indicative direct rates in rupees a unit except yen at 4 p.m. on December 27		
CURRENCY	TT BUY	TT SELL
US Dollar	71.16	71.48
Euro	79.30	79.66
British Pound	93.02	93.45
Japanese Yen (100)	64.98	65.27
Chinese Yuan	10.17	10.22
Swiss Franc	72.88	73.21
Singapore Dollar	52.60	52.85
Canadian Dollar	54.34	54.60
Malaysian Ringgit	17.24	17.32

BULLION RATES CHENNAI		
December 27 rates in rupees with previous rates in parentheses		
Retail Silver (1g)	50.2	(50.4)
22 ct gold (1 g)	3714	(3697)

+ ‘Credit growth may plunge to 58-year low’

PRESS TRUST OF INDIA
MUMBAI
As the GDP growth has plunged to an over six-year low of 4.5% in the second quarter of the ongoing fiscal, credit expansion may plummet to a six-decade low of 6.5-7% in FY20, says a report. Credit growth was a high 13.3% in the previous fiscal, says rating agency ICRA in a report. This could well be the lowest credit growth in 58 years. The figure stood at a low 5.4% in FY62, according to RBI’s annual credit growth data. Till end-November, credit growth had been at under 8%. “Factors such as muted economic growth, lower working capital requirements and risk-aversion among lenders will compress the incremental credit growth in FY20,” the report said.

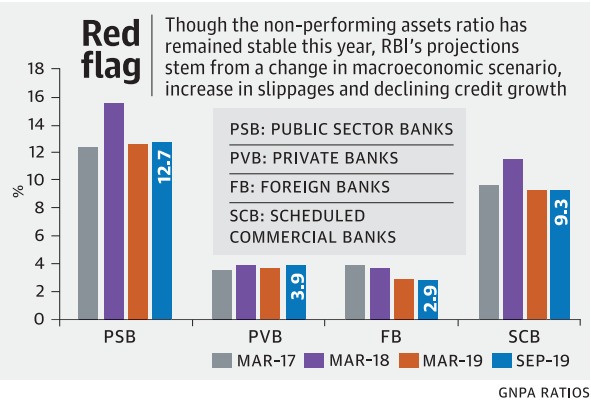
Investment advisers must do client risk profiling: SEBI

PRESS TRUST OF INDIA
NEW DELHI
To strengthen the conduct of investment advisers, Securities and Exchange Board of India (SEBI) on Friday asked them to do proper risk profiling of clients and obtain their consent on the same before providing any advice to such investors. The capital markets regulator also restrained investment advisers from providing free trial for any product and service. The measures, aimed at further strengthening the conduct of investment advisers while providing investment advice and to protect the interests of investors seeking their advice, will come into effect from January 1, 2020, SEBI said in a circular.

Gross NPAs may rise to 9.9% by next Sept., says RBI report

Reviving twin engines of consumption and investment remains the key challenge, according to Governor Shaktikanta Das

PRESS TRUST OF INDIA
MUMBAI
The gross non-performing asset (GNPA) ratio of banks may increase to 9.9% by September 2020 from 9.3% in September 2019, according to an RBI report. “Stress tests indicate that under the baseline scenario, the GNPA ratios of banks may increase to 9.9% by September 2020 due to change in macroeconomic scenario, marginal increase in slippages and the denominator effect of declining credit growth,” the RBI said in its Financial Stability Report. The baseline scenario assumed the continuation of the current economic situation in the future. The report said state-run banks’ GNPA ratios may increase to 13.2% by September 2020 from 12.7% in September 2019, whereas for private banks it may climb to 4.2% from 3.9%, under the stress scenario. Foreign banks’ gross bad loans may increase to 3.1% from 2.9% in September 2019. The report said banks’ net non-performing assets



(NNPA) ratio declined in September 2019 to 3.7%. The aggregate provision coverage ratio (PCR) of all banks rose to 61.5% in September 2019 from 60.5% in March 2019. “Following the recapitalisation of state-run banks by the government, [all] banks’ capital to risk

IOB to get ₹4,360 cr. in capital, Allahabad Bank raises ₹1,500 cr.

With second tranche, Centre’s stake in IOB to cross 95%

SPECIAL CORRESPONDENT
CHENNAI
The Centre will infuse fresh capital of ₹4,360 crore in the loss-making Indian Overseas Bank. This would be the second tranche of fund infusion from the Centre. With this, the government stake in IOB is set to cross the 95% mark, said a senior official. The Centre now holds 94.56% stake. It rose from 92.52% after capital infusion of ₹3,857 crore in October 2019. For the second quarter, IOB had reported net loss of ₹2,253.64 crore, compared with a net loss ₹487.26 crore a year earlier, following a rise in operating ex-



penses and provisions. The gross non-performing assets of the bank came down to ₹28,673.95 crore compared with ₹37,109.96 crore, and net NPAs to ₹12,507.97 crore from ₹18,876.05 crore. Karnam Sekar, MD and CEO, had said the bank was on track to come out of the RBI’s prompt corrective action framework by March 2020. Another public sector lender, Allahabad Bank, has raised ₹1,500 crore through private placement of Basel III-compliant tier-2 bonds with a 10-year tenor. In an earlier statement, Allahabad Bank had said the Centre had agreed to infuse ₹2,153 crore via preferential allotment of equity shares by the bank during financial year 2019-20. The fresh capital would help the bank in regulatory compliance.

frauds reported by banks during the first half of the current fiscal touched an all-time high of ₹1.13 lakh crore, owing to delay in detection by lenders, according to RBI’s FSR report. This involved 4,412 fraud cases of ₹1 lakh and above, as per the report. In FY19, banks had reported 6,801 cases of fraud involving ₹71,543 crore. “An analysis of the vintage of frauds reported during the FY19 and H1 FY20 shows a significant time-lag between the date of occurrence of a fraud and its detection,” RBI’s Financial Stability Report said.

In H1, bank frauds rise to ₹1.13 lakh cr.

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Falling revenue risks fiscal parameters: RBI

GST mop-up grows by just 2.5%

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MUMBAI
The RBI has flagged falling government revenue as a threat to the overall fiscal numbers, with tax and non-tax revenues way behind targets. This, along with weaker private consumption and investment, could prove to be a challenge, RBI’s FSR said. The warning assumes importance with revenue mop-up falling and budgeted expenditure crossing 107% as of November, putting a big question mark on the government’s ability to meet the 3.3% fiscal deficit target. GST collections, the

Financial system stable despite slow growth

PRESS TRUST OF INDIA
MUMBAI
The Reserve Bank on Friday said the country’s financial system remains stable despite slowing economic growth. The GDP slowed to a six-year low of 4.5% in the second quarter of FY20, forcing the RBI to slash its growth forecast by 240 basis points to 5% for the fiscal in its December monetary policy review. “India’s financial system remains stable, notwithstanding weakening domestic growth,” the RBI said in the Financial Stability Report. The report said all major risk groups such as “global risks, risk perceptions on macroeconomic conditions, financial market risks and institutional positions” were perceived as medium risks affecting the financial system. However, the perception of risks on various fronts like domestic growth, fiscal, corporate sector and banks’ asset quality increased between April and October 2019, it said.

Co-op banks to report large exposures

PRESS TRUST OF INDIA
MUMBAI
The Reserve Bank of India (RBI) directed large cooperative banks to report all exposures of ₹5 crore and more to the Central Repository of Information on Large Credits (CRILC), a move aimed at early recognition of financial distress. Separately, non-banking financial companies saw stress in asset quality in the first half of the current fiscal, with gross NPA ratio rising to 6.3% in September 2019 from 6.1% in March, RBI’s FSR report said. However, net NPA ratio remained steady at 3.4% between end-March 2019 and end-September 2019

Vistara fliers can soon access mobile data

Airline has secured DoT approval

YUTHIKA BHARGAVA
NEW DELHI
Passengers flying over Indian territory on Vistara will soon be able to access mobile data services on board. The airlines has become the first in the country to secure necessary approvals from the Department of Telecom (DoT). Vistara, which has partnered Tata Group company Nelco for inflight data services, is likely to be the first domestic carrier to provide the service within India. “Vistara has tied up with Nelco and they have taken transponder space from IS-RO... they had come to us for spectrum allocation, which we have done. And they will be launching these services soon,” Telecom Secretary Anshu Prakash said. When contacted, a Vistara spokesperson said: “We



have not finalised [any plan] yet.” Mr. Prakash said for the time being, Vistara will offer only data services. “However, since people will be able to make Internet-based voice calls, it should not be an issue... There can also be voice but voice is not happening right now.” On tariffs for such services, he said, these were not regulated by the government. “It is for them to decide what tariff they will charge,” he added. (With inputs from Jagriti Chandra)

Adani Logistics to buy stake in Snowman

SPECIAL CORRESPONDENT
MUMBAI
Adani Logistics Limited (ALL) has signed definitive agreements to acquire 40.25% stake in Snowman Logistics Ltd. (SLL) from Gateway Distriparks Ltd. for ₹296 crore. “The purchase price of ₹44 per share represents an 8% premium to the market price of December 27, 2019. Adani Logistics will make a mandatory open offer for 26% of the public shareholding in the company,” said a statement. Karan Adani, CEO and whole time director of AP-SEZ, said: “Cold chain is a key product in the customer gate strategy given India’s consumer driven demand. We will double the capacity in the next 5 years. This vertical will help further improve returns in the business.”

Commercial trial runs begin on freight corridor

Goods movement to be faster once work is completed

YUTHIKA BHARGAVA
AJMER
The Dedicated Freight Corridor Corporation of India Ltd. (DFCCIL) on Friday opened the more than 300-km section between Rewari, Haryana to Madar, Rajasthan, for commercial trial runs. This is the first section to be opened on the under-construction 1,500-km western freight corridor. The newly opened section – covering a total of 664 track km – has been constructed at a cost of almost ₹4,000 crore (excluding land charges). “The opening of this stretch will benefit various industries in Rewari, Manesar, Narnaul, Phulera and Kishangarh areas of Rajasthan and Haryana. In addition, Concor’s container depot at Kathuwas will also



come on the DFC map and get advantage in terms of faster throughput,” said Anurag Sachan, MD, DFCCIL. Mr. Sachan added that by March 2020, over 650 km of the section between Rewari and Palanpur in Gujarat will be opened for commercial operations. “This will result in immediate relief for both freight and passenger move-

ments via Indian Railways. We are on track to open the corridor from Rewari to Palanpur section by March, 2020... this will provide connectivity to three ports in Gujarat – Kandla, Mundra and Pipavav.” Once the section is opened for commercial operations, about 80% of the freight train movements will be shifted to the dedicated corridor, resulting in a much faster movement of goods trains, vacating track space for passenger trains. “With dedicated corridor and advanced wagons, one train will be able to carry a load of about 13,000 tonnes, which is equal to what 1,300 trucks would carry,” he said. (The writer was in Rajasthan at the invitation of the DFCCIL)