

MARKET WATCH		
	02-12-2019	% CHANGE
Sensex	40,802	0.02
US Dollar	71.66	0.11
Gold	37,876	-0.41
Brent oil	61.34	-1.97

EXCHANGE RATES		
Indicative direct rates in rupees a unit except yen at 4 p.m. on December 02		
CURRENCY	TT BUY	TT SELL
US Dollar	71.45	71.77
Euro	78.68	79.03
British Pound	92.28	92.70
Japanese Yen (100)	65.21	65.51
Chinese Yuan	10.14	10.19
Swiss Franc	71.56	71.89
Singapore Dollar	52.20	52.44
Canadian Dollar	53.75	53.99
Malaysian Ringgit	17.09	17.18

Source: Indian Bank

BULLION RATES CHENNAI		
December 02 rates in rupees with previous rates in parentheses		
Retail Silver (1g)	47.6	(47.9)
22 ct gold (1 g)	3617	(3626)



Tata Motors bags orders to supply 2,300 buses

BENGALURU
Tata Motors said it has received orders to supply 2,300 buses to various State transport undertakings (STUs) in the country, including RSRTC in Rajasthan, KSRTC, BMTC and NWRKTC in Karnataka, UPSRTC in Uttar Pradesh, IRT in Tamil Nadu and APSRTC in Andhra Pradesh. The delivery of these buses would be completed by February 2020, the company said.

EPFO's ETF investment at ₹86,966 cr. till Sept.
NEW DELHI
EPFO has invested ₹86,966 crore in exchange traded funds (ETFs) till September 2019, Parliament was informed on Monday. "The total amount invested by EPFO in ETFs as on September 30, 2019 is ₹86,966 crore," Labour Minister Santosh Gangwar said in a written reply to the Lok Sabha. The EPFO does not invest in shares and equities of individual companies, he added. PTI

Uber opens centre of excellence in Andhra
NEW DELHI
U.S.-headquartered cab aggregator Uber announced the setting up of its second centre of excellence (CoE) in India, which is expected to create 500 jobs by next year. The CoE in Visakhapatnam is being set up at a cost of \$8 lakh. The company already operates a CoE in Hyderabad with about 1,000 employees. The CoE provides customer support services to Uber riders as well as drivers.

Ujjivan SFB IPO fully subscribed on Day 1
MUMBAI
The initial public offer of Ujjivan Small Finance Bank, which opened for subscription on Monday, was subscribed 1.62 times on the first day of the issue. As per NSE data, bids were received for 20.14 crore equity shares as against 12.4 crore equity shares on offer in the price band of ₹36 to ₹37. While the portion reserved for retail investors was subscribed nearly nine times on Monday, the remaining segments were not fully subscribed on the first day of bidding.

SPECIAL CORRESPONDENT MUMBAI
The Bombay High Court on Monday allowed former MD and CEO of ICICI Bank Chandra Kochhar to amend her plea, challenging the bank's decision to terminate her from services last year and make the Reserve Bank of India (RBI) a party to it. The matter will be heard on December 9.
A division bench was hearing a petition filed by Ms. Kochhar on November 20, 2019 challenging her termination by the ICICI Bank and denying her the agreed remuneration as the MD and

Manufacturing PMI improves

Modest rise of 51.2 in November aided by growth in new orders and production

SPECIAL CORRESPONDENT NEW DELHI
Manufacturing activity increased in November from a two-year low in the previous month, driven by a modest increase in the growth of new orders and production, a private sector survey report showed.

The Nikkei India Manufacturing Purchasing Managers' Index rose to 51.2 in November, up from 50.6 in October. A reading above 50 implies an expansion in activity, while a reading below 50 denotes contraction.
"Although business conditions in the Indian manufacturing sector improved in November, the upturn remained subdued compared to earlier in the year and the survey history," the report said.
"Growth rates for new orders and production were modest, despite accelerating from October's recent lows, while firms shed jobs for the



Although business conditions improved, the upturn remained subdued compared to earlier in the year. ■REUTERS

first time in 20 months and continued to reduce input buying.
"The latest reading was below the survey average (53.8) and indicated only a slight improvement in the health of the sector," the report added.
The growth in the overall manufacturing sector was mainly propped up by

growth in the consumer goods segment, while the intermediate goods segment returned to expansion. However, the survey respondents reported a deterioration in the operating conditions in the capital goods segment.
"Anecdotal evidence suggested that growth was supported by the launch of new

products and better demand, though restrained by competitive pressures and unstable market conditions," the report added.
"After pulling back noticeably in October, manufacturing sector growth displayed a welcoming acceleration in November," Pollyanna de Lima, Principal Economist at IHS Markit, said.
"Still, rates of expansion in factory orders, production and exports remained far away from those recorded at the start of 2019, with subdued underlying demand largely blamed for this." Ms. De Lima added that the PMI data continued to show a lack of inflationary pressures in the sector which, combined with slow economic growth, suggested that the Reserve Bank of India would likely extend its accommodative policy stance and further reduce the benchmark interest rate during December.

Double-digit decline in two-wheeler wholesales

Vehicle makers resort to inventory adjustment in November, ahead of the transition to BS-VI

SPECIAL CORRESPONDENT NEW DELHI
A majority of two-wheeler makers, including Hero MotoCorp and TVS Motor, on Monday, reported a double-digit decline in their domestic wholesale numbers for November, as vehicle makers resorted to inventory adjustment ahead of the transition to BS-VI compliant vehicles.

Market leader Hero MotoCorp said its domestic sales last month declined by 15.8% to over 5.05 lakh units. The company had posted sales of more than six lakh units in November 2018.
"Following record festive retail sales in October 2019 and lowest-ever inventory in two-years, the November 2019 despatch numbers reflect Hero MotoCorp's intent to ensure a smooth transition to BS-VI norms," the company said in a statement.
Stating that it had scaled up production of BS-VI vehicles, the company added that it had stopped production of more than 50 variants



Hero Motocorp said its domestic sales last month declined by 15.8% to over 5.05 lakh units. ■REUTERS

of its BS-IV range of products. The company, however, saw a 17% increase in vehicle exports to 10,781 units.
TVS Motor Company, headquartered in Chennai, said its domestic two-wheeler wholesales last month dropped 26.5% to about 1.91 lakh units from about 2.60 lakh units.
Exports up
Two-wheeler exports, however, grew by 24% from 46,889 units in November 2018 to 58,128 units in November 2019. "Shifting of Diwali season to the earlier month and planned adjustment of BS-IV stocks is reflecting in the sales growth difference between November 2018 and November 2019," the company said.
Likewise, Bajaj Auto posted a decline of 14% in domestic two-wheeler sales to over 1.76 lakh units as against about 2.05 lakh units in the year-ago month, while Honda Motorcycle & Scooter India Pvt. Ltd. said its domestic sales were down 5%.

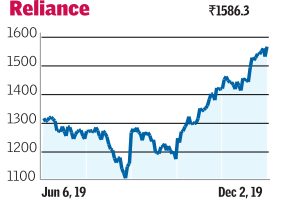
Suzuki Motorcycle India, however, saw a jump of 14.6% in monthly domestic sale at 60,855 units during November 2019 as compared with 53,058 units sold in November 2018.
On Sunday, Maruti Suzuki India, had posted a decline of 3% in domestic passenger vehicles sales to over 1.41 lakh units as against over 1.46 lakh units in the year-ago month. Similarly, Honda Cars said its sales were down nearly 50% to 6,459 units, from 13,006 units in November 2018. Rajesh Goel, senior VP and director - Sales and Marketing, Honda Cars India Ltd., said, "Our sales numbers are better than our plan for the month. We are in the last leg of our BS-IV run-out and accordingly supplies had to be optimised as we progress towards BS-VI transition model-by-model sequentially." However, for Hyundai Motor India, wholesales were up by 2% to 44,600 units, while Toyota Kirloskar Motor posted a decline of 22% in domestic

sales at 8,312 units during the month under review. The company's deputy managing director N. Raja, said, "We have consciously lowered the volume of vehicles sold to dealers to ensure lean inventory/avoid high market offers, we are adjusting our production to ensure we do not put any excess burden on our dealerships before the shift to BS-VI in April 2020."
He added that positive sentiments in the market had continued to November, which reflected in the spike in customer orders across all models. "The boost in customer orders for all models has sustained this month even after the end of festive season. Customers are aware of the model year price rise in January and the significant price hike of diesel vehicles by 15-20% post BS-VI transition. This pre-buying pull of BS-IV vehicles has helped us in pushing retail sales and enabling successful runout of products before shift to BS-VI," he said.

Telco shares zoom on tariff hike

Bharti Airtel touches new 52-week high of ₹485.75

PIYUSH PANDEY MUMBAI
Shares of Reliance Industries (RIL) and Bharti Airtel touched a new 52-week high of ₹1,614 and ₹485.75 on Monday, while shares of Vodafone Idea breached their upper circuit limits of ₹7.85 after the telcos announced tariff hike for pre-paid customers on Sunday.
RIL shares were trading up 2.28% at ₹1,586.3 in a flat Mumbai market on Monday, valuing the company at ₹10.05 lakh crore.
While Vodafone Idea and Bharti Airtel have increased tariffs by 15-47% across pre-paid plans from December 3, Reliance Jio will also hike tariffs by up to 40% from December 6. Shares of Bharti Airtel, on the BSE, rose



ti Airtel. More hikes are anticipated in the coming quarters to keep the sector healthy and investors' wealth protected," Paras Bothra, president - Equities, Ashika Stock Broking, told *The Hindu*.
Jefferies Equity Research anticipates the revenue increase to be between 11% and 23%, lower than the 40% hike announced by the telcos. The lower hike is due to data elasticity resulting in downtrading and SIM consolidation, no increase in post-paid rates, and lower hike in voice call charges.
Shares of Mahanagar Telephone Nigam Limited (MTNL) also closed up 2% at ₹9.17 before hitting its upper circuit limit of ₹9.43 on Monday.

Jio may be the biggest gainer of tariff hikes

Bharti likely to return to pre-tax profit, Vodafone Idea's worries set to linger

PIYUSH PANDEY MUMBAI
Reliance Jio is likely to be the biggest beneficiary of the up to 40% tariff hike announced by telecom companies on Sunday, as analysts estimate the telco to clock an incremental quarterly revenue of ₹3,900 crore compared with ₹2,400 crore and ₹2,100 crore for Bharti Airtel and Vodafone Idea respectively.
The incremental revenues are compared to reported revenues in the September quarter, assuming no change in the respective subscriber base of the three companies, according to the analysts.
Reliance Jio will have the strongest balance sheet and become virtually net debt-free company by March 31, 2020 with the exception of

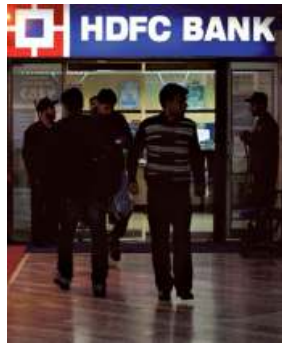


Breasting the tape: Reliance Jio may clock an incremental quarterly revenue of ₹3,900 crore on tariff hike. ■REUTERS

spectrum-related liabilities while Vodafone Idea and Bharti Airtel are saddled with debt exceeding ₹1 lakh crore each.
Reliance Jio may continue to increase its market share as it offers to provide 300% higher benefits to its custom-

ers compared with competition while Bharti Airtel is likely to retain its market share and may turn profitable at pre-tax level after reporting several quarters of losses.
But for Vodafone Idea, despite the hike in ARPU (av-

erage revenue per user), free cash flows are in the negative and market share is falling.
Negative cash flow
According to Motilal Oswal research report, worries linger on Vodafone Idea in spite of tariff hike, given the continued negative free cash flow (FCF) position.
Besides, AGR liability for Vodafone Idea and Bharti Airtel due to an adverse Supreme Court judgement has given Reliance Jio an advantageous position.
Bharti Airtel has scheduled its board meeting for December 4 to look at potential fund-raising for AGR liability, which needs to be met in three months, subject to the outcome of review petition filed by the telcos.



About 90% of HDFC Bank's transactions are through digital channels.

HDFC Bank's net banking services hit by tech glitch

Mobile banking application too down

SPECIAL CORRESPONDENT MUMBAI
Hundreds of HDFC Bank customers were unable to use the bank's Internet banking facility as well as mobile banking application following a technical glitch on Monday. The bank authorities, however, said they were confident that the services would be restored shortly.
Since salaries are credited mostly at the beginning of the month, there was a huge pressure on the Internet banking and mobile banking platforms of HDFC Bank, which has a significant number of customers who use the digital platform.
HDFC Bank has a customer base of around 49 million and 90% of the transactions are through digital channels. Many customers complained on social media that they were unable to use the services, with some claiming that the systems were

down since morning.
"Due to a technical glitch, some of our customers have been having trouble logging into our NetBanking and MobileBanking App. Our experts are working on it on top priority, and we're confident we'll be able to restore services shortly," HDFC Bank said in a statement.
"While we deeply regret the inconvenience caused, there's no cause for undue concern," it added.

DHFL admitted for bankruptcy

No party to challenge the application for rejection: NCLT

SPECIAL CORRESPONDENT MUMBAI
The Mumbai bench of the National Company Law Tribunal (NCLT) has admitted troubled mortgage lender Dewan Housing Finance Corporation Ltd. (DHFL) for bankruptcy proceedings following an application filed by the Reserve Bank of India (RBI). Admitting the petition, the NCLT said the petition deserved admission.
DHFL is the first financial services provider against which insolvency proceedings have been initiated after the government issued a notification last month specifying

ing the categories of financial service providers that can be taken up for resolution under the generic framework of the Insolvency and Bankruptcy Code.
Earlier, RBI had superseded the board of DHFL and said bankruptcy proceedings would be initiated against the company.
R.Subramaniakumar, ex-MD and CEO of Indian Overseas Bank, was appointed as the administrator and a three-member committee was formed to assist the administrator.
While admitting the application, the bench noted that

there was no party in the case who could challenge the application for rejection.
"Is there any other view which we are missing," the bench comprising Justice M.K. Shrirat and Chandra Bhan Singh observed.
DHFL, which has a debt of close to ₹40,000 crore to the banks, has defaulted on repayments.
Several banks, including State Bank of India and ICICI Bank, had classified the loans as non-performing, which prompted the banking regulator to initiate insolvency proceedings against the company.