

THE MARKETS ON MONDAY			Chg#
Sensex	41,528.9	▼	416.5
Nifty	12,224.5	▼	127.8
Nifty futures*	12,263.2	▲	38.6
Dollar	₹71.1		₹71.1**
Euro	₹78.8		₹79.0**
Brent crude (\$/bbl)**	64.7		65.2**
Gold (10 gm)***	₹39,951.0	▲	₹142.0

*(Jan.) Premium on Nifty Spot; **Previous close; # Over previous close; ## At 9 pm IST; ### Market rate exclusive of VAT; Source: IBIA

SENSEX DOWN 416 PTS ON PROFIT-BOOKING

The Sensex tumbled from record highs to close deep in the red on Monday as investors booked profits in index heavyweights Reliance Industries, Kotak Mahindra Bank, HDFC Bank, and TCS following their quarterly results. After hitting a intra-day high of 42,273.87, the Sensex settled 416.46 points, or 0.99 per cent, lower at 41,528.91.

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Nadda takes over as BJP national president



Jagat Prakash Nadda (*right*) was elected unopposed the BJP's national president on Monday, taking over the reins from Amit Shah, who had a tenure of five and a half years. The Delhi assembly election is the first challenge for Nadda.

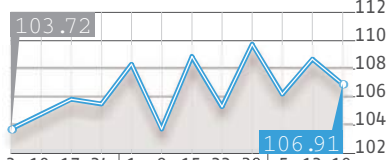
SC refuses interim stay on electoral bond scheme

The Supreme Court on Monday sought response of the Centre and the Election Commission on a plea seeking a stay on the electoral bond scheme meant for funding political parties. The top court, however, refused to grant an interim stay on the electoral bond scheme.

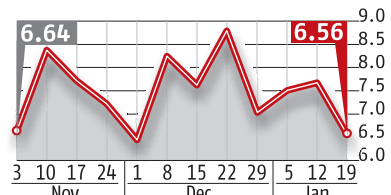
THE CMIE TRACKER

CONSUMER SENTIMENTS INDEX

(Base: September – December 2015 = 100)



UNEMPLOYMENT RATE (%)



Source: CMIE

THE REAL UNEMPLOYMENT CHALLENGE

RESULTS RECKONER

Quarter ended Dec 31, 2019; common sample of 82 companies (results available of 97)

SALES

Dec 31, '18	37.3%	₹3.17 trillion
Dec 31, '19	2.4%	₹3.24 trillion

PROFIT BEFORE TAX

Dec 31, '18	16.7%	₹49,774 cr
Dec 31, '19	8.6%	₹54,035 cr

NET PROFIT

Dec 31, '18	13.4%	₹35,608 cr
Dec 31, '19	15.6%	₹41,149 cr

Companies with zero sales excluded; given the change in corporation tax rates, to give a fair comparison the profit before tax has been considered; compiled by BS Research Bureau Source: Capitaline

Maruti, Hero dole out big BS-IV discounts

Buyers of Maruti get 10 days to save up to ₹89K; those choosing Hero bikes can save up to ₹10K

SHALLY SETH MOHILE
Mumbai, 20 January

A month before pulling the plug on producing BS-IV models and a couple of months before completely switching over to BS-VI, market leaders Maruti Suzuki India and Hero MotoCorp have offered huge discounts on vehicles running on the older emission technology.

Car market leader Maruti is offering discounts of up to ₹89,500 before it stops selling diesel models and prices on BSVI go up. Hero MotoCorp, which sells every second two-wheeler in the country, has also doled out grand offers. Depending on the model and where it's being bought, the benefits to Hero buyers, including discounts of up to ₹5,000, could be around ₹10,000, a Hero spokesperson said.

Shashank Srivastava, executive director, sales and marketing at Maruti Suzuki India, said average discounts (depending on the model, fuel type and region) were ₹15,000-20,000 lower than

Wagon R	₹35,000
Dzire	up to ₹77,000
Alto	up to ₹50,100
Swift	up to ₹70,750
S-Presso	up to ₹17,500
Celerio	up to ₹45,100
Brezza	up to ₹89,500

Note: Includes offers on BS-IV diesel models

IN TOP GEAR

◀ MARUTI SUZUKI Benefits

HERO MOTOCORP Discount

HF Deluxe	₹2,020
Xtreme Sport	₹5,000
Destini 125	₹3,000

Note: Offer for limited period in select regions till stock lasts

Source: Advertisements/firms

what were offered in December. He said it was time for the buyers to make the most of the offer, as the price hikes the firm announced in December take effect in 10 days.

Maruti said brisk sales during festivals and in December due to discounts helped the company cut its stock levels to 10-12 days — the lowest in a year. "The whole of this financial year, we have been battling to bring down the stock levels. There have been days when it has risen to 50 days. It's important for the dealers as it is one of the significant cost components for them apart from manpower," Srivastava said. Therefore, he said the current stock level gave the firm a lot of comfort.

Srivastava, however, remains cautious in his outlook. "We have to see how the market absorbs the price increase. All the factors responsible for slowing auto sales, including the high cost of ownership, steeper cost of borrowing, etc, remain. It is difficult to predict anything," he said.

Maruti is likely to halt production of BS-IV models by the end of this month. It still continues to produce the Brezza diesel.

Owing to the price sensitivity of the segment, two-wheeler makers have a bigger challenge with regard to the switchover.

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AMAZON COMMITS 10,000 EVS TO DELIVERY FLEET BY 2025 P2

ECONOMY P5

CURB ON SALE OF DUTY-FREE LIQUOR MAY RAISE TRAVEL COST



PUBLISHED SIMULTANEOUSLY FROM AHMEDABAD, BENGALURU, BHUBANESWAR, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI (ALSO PRINTED IN BHOPAL), NEW DELHI AND PUNE

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ANDHRA MOVES CLOSER TO GETTING THREE CAPITALS



Telcos dial apex court again

▶ SEEK CHANGE IN 90-DAY PAYMENT DEADLINE FOR DUES

▶ WANT PERMISSION TO SIT WITH DoT ON TERMS

▶ ASK FOR URGENT HEARING OF THEIR PLEA TODAY

SURAJEET DAS GUPTA & MEGHA MANCHANDA
New Delhi, 20 January

Three telecom operators on Monday filed a "modification application" in the Supreme Court, seeking a change in the 90-day payment deadline for dues on account of adjusted gross revenue (AGR) as well as permission to engage with the Department of Telecommunications (DoT) on the terms and timing of payment.

Bharti Airtel, Vodafone Idea, and the Tata group, including Hughes Telecom (which was later named TTSL Maharashtra), have requested the apex court to list their petition for urgent hearing on Tuesday, because the deadline for them to pay ₹1.47 trillion as AGR ends on January 24.

The court, on October 24 last year, had ordered telecom companies to pay their licence fees and spectrum user charges (SUCs) within 90 days. Failure to do so could lead to contempt of court.

Spokespersons for the three companies and groups did not respond or comment on the matter. According to sources in the DoT, the department will not do anything that is against the order.

The plea, apart from holding off the telcos' earlier plan to go for a curative petition, is aimed at not only getting more time to make the AGR payment but also, if the apex court allows, negotiate with the DoT for a staggered payment scheme, just as it was able to get while paying for spectrum.

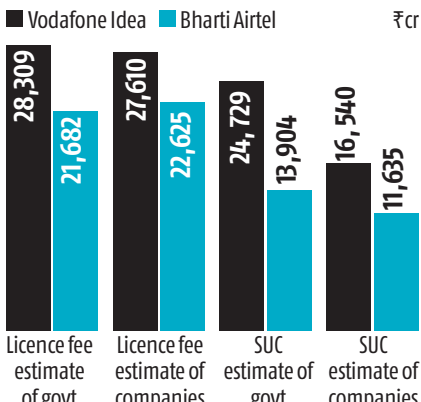
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DIFFERING VIEWPOINTS

Government's estimates versus leading telecom companies' estimates on AGR dues

SUC: Spectrum usage charge Source: Government, companies and Jefferies



OIL to move TDSAT over ₹48,000-cr DoT notice

The telecom department has slapped a ₹48,000-crore demand notice on Oil India (OIL) in past statutory dues, an order which OIL plans to challenge at the Telecom Disputes Settlement and Appellate Tribunal (TDSAT). Following a SC ruling that non-telecom revenues should be included for considering payments of government dues, the telecom department has asked OIL to pay ₹48,000 crore.

Oberoi & Interups to bid for Lavasa

DEV CHATTERJEE & RAGHU MOHAN
Mumbai/New Delhi, 20 January

Mumbai-based Oberoi Realty and US-based fund Interups have joined the race to acquire Lavasa Corporation, a real estate city near Mumbai.

Lavasa is facing bankruptcy proceedings at the National Company Law Tribunal (NCLT) Mumbai after it failed to repay debt of ₹6,200 crore. During the creditors meeting held in early January, the lenders had decided to place fresh expressions of interest (EoIs) before the NCLT.

At the hearing on Monday, the NCLT agreed to consolidate the bankruptcy proceedings of Lavasa and its subsidiaries into a single resolution, so as to get the best value of all assets, and also agreed to include the new resolution applicants.

Interups is a New York-based financial services group with expertise in developing financial models for restructuring distressed assets. In its presentation to lenders, the fund said it owns 27,000 self-directed retirement asset clients, with \$1.5 billion in assets.

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Sachin Bansal to put all bets in fintech cos

BIBHU RANJAN MISHRA & YUVRAJ MALIK
Bengaluru, 20 January

After seeing huge success in e-commerce, Sachin Bansal, co-founder of Flipkart, is determined to put all his bets in the financial services space, which, he believes, is craving for digital technologies to boost efficiency.

The poster boy of Indian e-commerce says that while he did a few investments in start-ups such as Ola and Ather Energy, now he is going to exclusively invest his time and resources in financial services, in areas like microfinance, mutual fund, insurance, and also end-to-end banking.

"Now I am going to completely focus on financial services. Along with IFC (International Finance Corporation), I am also going to be putting most of (the capital) whatever I have in it," Bansal told *Business Standard* in an interview.

Earlier this month, IFC, the investment arm of the World Bank, announced investing around \$30 million in Navi Technologies. Navi, which also functions as a holding company owned by Bansal, is driving all his investments in financial services. It has also applied for a universal banking licence, which is waiting for approval from the Reserve Bank of India (RBI).

Speaking of his plans for the financial services entity for the first time, Bansal said, "It will be a lot more digital than traditional banks. Smartphone experience will be at the centre of banking... We are creating a financial services ecosystem of lending, mutual funds, insurance and overtime life insurance and banking."

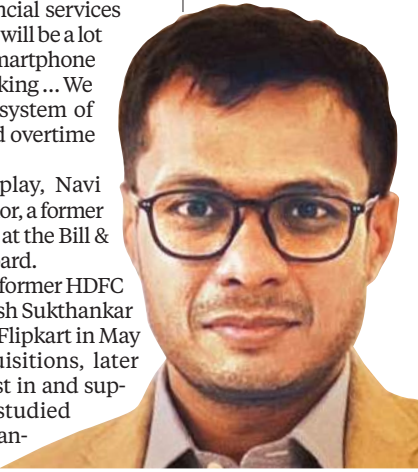
Ahead of its planned banking play, Navi Technologies has inducted Nachiket Mor, a former RBI board member and country head at the Bill & Melinda Gates Foundation, into its board.

Besides, the company has roped in former HDFC Bank deputy managing director Paresh Sukthankar as advisor. Four months after exiting Flipkart in May 2018, Bansal had set up BAC Acquisitions, later renamed Navi Technologies, to invest in and support start-ups. Over the years he studied investment areas and zeroed in on financial services.

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"SMARTPHONE EXPERIENCE WILL BE AT THE CENTRE OF BANKING... WE ARE CREATING A FINANCIAL SERVICES ECOSYSTEM OF LENDING, MUTUAL FUNDS, INSURANCE AND OVER TIME LIFE INSURANCE AND BANKING"

SACHIN BANSAL, CEO, NAVI TECHNOLOGIES



MUMBAI TAX MOP-UP DIPS 13% FOR FIRST TIME IN 10 YRS

Direct tax collections from India's commercial capital, Mumbai, slipped again after witnessing a decline in December, prompting tax officials to call the development rare as a double-digit fall has happened for the first time in the past decade. Mumbai's direct tax collections fell by about 13 per cent by mid January. The city contributes 37 per cent to the total direct tax revenues.

SHRIMI CHOUDHARY reports 6 ▶

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India to pull down global growth: IMF

Fund cuts country's FY20 growth to 4.8%, lower than advance estimates

INDIVIAL DHASMANA
New Delhi, 20 January

The International Monetary Fund (IMF) lowered India's economic growth forecast to 4.8 per cent for this fiscal year owing to the crisis in the non-banking financial sector and weak rural demand. It also cut the world's growth estimate and blamed the slowdown in India for its move.

The IMF projection, 1.3 percentage points lower than its earlier estimates, is less than the 5 per cent projected by the official advance estimates. The IMF projected India's economy to grow by 5.8 per cent next year, which is 1.2 percentage points less than its earlier forecast. It also forecast the economy to grow by 6.5 per cent in 2021-22 which is 0.9 percentage point lower than earlier projections.

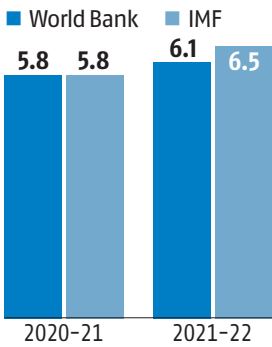
The IMF estimated world economic growth at 1.9 per cent for 2019, 0.1 percentage point lower than its earlier forecast. Similarly, it projected the global economy to grow by 3.3 per cent in the current calendar year, 0.1 percentage point lower than its previous estimates, and 3.4 per cent in 2022, 0.2 percentage points below its earlier estimates.

"The downward revision primarily reflects negative surprises to economic activity in a few emerging market economies, notably India, which led to a reassessment of growth prospects over the next two years," the IMF said ahead of the start of the World Economic Forum annual summit in Davos.



IMF Chief Economist Gita Gopinath expects growth to improve next year due to positive impact of corporation tax rate cut

PROJECTIONS FOR THE NEXT 2 YEARS



ECONOMY

- ▶ INDIA STILL FOURTH MOST ATTRACTIVE MARKET: PWC GLOBAL CEO SURVEY P4
- ▶ DAVOS 2020: WEATHERING THE FORCES OF CLIMATE CHANGE P4
- ▶ INDIA'S TOP 1% 4 TIMES RICHER THAN POOREST 70%: OXFAM STUDY P4