It is quite telling how Sebi ignored PSUs' failure to disclose AGR case fallout

STATE OF FLUX Assessment of current economic situation a major challenge: Das



WEF 2020 Growth slowdown in India temporary, expect pace to improve going ahead

NEW DELHI, SATURDAY, JANUARY 25, 2020

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MAKE IN GORAKHPUR

A RED initiative appears in today's edition of Financial Express. This magazine is an initiative of the marketing solutions team of The **Indian Express Group and** contains content paid for by advertisers. The magazine should be read as advertisement.

■ IN THE NEWS

CJI Bobde calls for speedy resolution of tax disputes

CHIEF JUSTICE OF India SA Bobde on Friday made a case for speedy resolution of tax disputes, saying it will act as an incentive for taxpavers and free the funds locked in litigation, reports **PTI**. He said tax judiciary plays a very important role in resource mobilisation of the country and expressed concern over pendency of cases.

Ind-Ra cuts rating of Vodafone Idea ₹3,500-cr NCDs

INDIA RATINGS AND Research on Friday downgraded the rating of ₹3,500-crore NCDs of Vodafone Idea on account of liabilities related to AGR dues, reports PTI. The rating agency downgraded the rating to IND BBB from IND A+ and placed it in "rating watch negative".

NPA WORRIES

BoB posts ₹1,400-cr loss as slippages rise

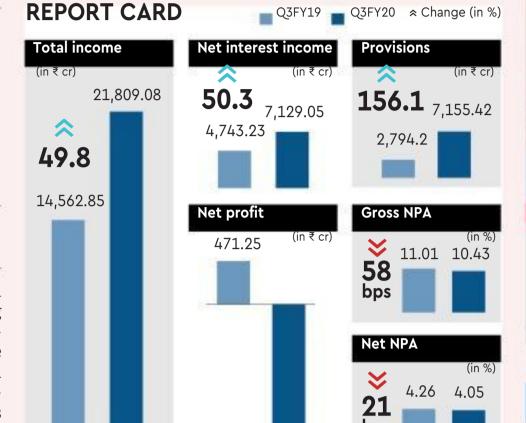
Fresh bad loans shoot up 73% q-o-q to ₹10,387 crore and provisions surge 156% y-o-y to ₹7,155 crore

FE BUREAU Mumbai, January 24

BANK OF BARODA (BoB) on Friday reported a shocking ₹1,407-crore loss for the quarter ended December at a time when most bankers have been claiming the NPA (non-performing assets) cycle has peaked and that the worst is over. BoB's fresh bad loans shot up a whopping 73% sequentially to ₹10,387 crore and and provisions surged 156% year-on-year (y-o-y) to ₹7,155 crore.

The state-owned lender's management attributed the jump in slippages to divergences between the bank's assessment of asset quality and the Reserve Bank of India's (RBI) for the year ended March 2019, with over ₹4,000 crore of fresh bad loans resulting from the central bank's review.

"We have had a rough quar-



ter due to divergences. There are some short-term challenges due to amalgamation. In the long term we are going to create fair value of assets," Sanjiv Chadha, MD and CEO, BoB, observed.

The divergence in both gross and net non-performing assets (NPA) stood at a very large ₹5,250 crore, while that for provisioning was as much as ₹4,090 crore. After recognising the additional bad loans identified by the RBI, BoB Continued on Page 2

restated its net loss for FY19 at ₹10,998 crore, against ₹8,339 crore earlier.

The gross NPA ratio at the end of December stood at 10.43%, up 18 basis points (bps) sequentially. Net NPAs were at 4.05%, 14 bps higher than 3.91% at the end of the September quarter. The provision coverage ratio (PCR) of BoB improved to 77.77% from 70.72% a year ago.

United colours

People hold the national flag during a unity rally in Mumbai on Friday

Outlook 2020

Investment growth may slow down this year

Although the outlook for 2020 is positive, investment growth is expected to slow down to about 15-20%, said a report by IVCA-EY. Most PE/VC investors are expected to continue investing in financial services, IT, e-commerce, retail consumer finance and healthcare. The year 2020 is expected to be a good year for exits because a huge stock of small and mid-cap companies has built up over the past 18 months where PE/VC investors have a substantial stake, the report said.



SECURITY FIRST

UN officials barred from using WhatsApp since June 2019

MICHELLE NICHOLS & RAPHAEL SATTER United Nations, January 24

UNITED NATIONS OFFICIALS do not use WhatsApp to communicate because "it's not supported as a secure mechanism", a UN spokesman said on Thursday, after UN experts accused Saudi Arabia of using the online communications platform to hack the phone of Amazon CEO Jeff Bezos. The independent UN experts said on Wednesday they had information pointing to the "possible involvement" of Saudi Arabia's Crown Prince Mohammed bin Salman in the alleged 2018

Special Feature

The Kia Carnival is really

big on INNOVAtion

cyberattack on Bezos.

They called for an immediate investigation by the US and other authorities, based on a forensic report by Washingtonbased FTI Consulting. The report alleges that Bezos'iPhone was

hijacked by a malicious video file sent from a WhatsApp account used by the crown prince. When asked if UN

secretary-general Antonio Guterres had communicated with the Saudi crown prince or any other world leaders using Whats App, UN spokesman Farhan Hag said on Thursday: "The senior officials at the UN have been instructed not to use WhatsApp, it's not supported as a secure mechanism."

Continued on Page 2

While the Carnival is

expected to be priced

Innova Crysta, its real

competition is vehicles

such as the Mercedes-

Benz V-Class ■ Motobahn, P13

slightly more than Toyota

CORONAVIRUS

China ramps up measures to contain virus as toll hits 26

JUDY HUA & CATE CADELL Beijing, January 24

CHINARAMPED UP measures to contain a virus that has killed 26 people and infected more than 800, suspending public transport in 10 cities, shutting temples over the Lunar New Year and even closing the Forbidden City and part of the Great Wall.

The week-long holiday to welcome the Year of the Rat began on Friday, raising fears the infection rate could accelerate as hundreds of millions of people travel to their homes and abroad in what is usually a festive time of year.

The World Health Organisation (WHO) has declared the new coronavirus an emergency for China but stopped short of declaring the epidemic of inter-

national concern. While most of the cases and all of the deaths have been in China, the virus has been detected in Thailand, Vietnam, Singapore, Japan, South Korea, Taiwan and the US. It was likely Britain also had cases, a health official said.

The newly identified coronavirus has created alarm because it is too early to know just how dangerous it is and how easily it spreads between people. Symptoms include



A security officer checks the temperature of a passenger at an expressway toll station, in Xianning, China, on Friday

fever, difficulty breathing and coughing. Most of the fatalities have been elderly, many with pre-existing conditions, the WHO said.

Cases are likely to continue to rise in China but it is too soon to evaluate the severity of the virus, a WHO spokesman said on Friday.

As of Thursday, there were 830 confirmed cases and 26 people had died there, China's **National Health Commission** said. In Wuhan, where the outbreak began last month, pharmacies were running out of supplies and hospitals were flooded with nervous resident seeking medical checks.

Continued on Page 2

TAKING INTO ACCOUNT THE CLIMATE EMERGENCY AND WORLDWIDE UNREST, IT'S NOT AN **EXAGGERATION TO SAY THAT 2020 AND THE NEXT** FEW YEARS WILL DETERMINE NOT ONLY THE FATE OF XI AND TRUMP, BUT ALSO THE FATE OF THE WORLD.

-GEORGE SOROS, US FINANCIER AND PHILANTHROPIST

TATA VS MISTRY

Breather for RoC as SC stays order of NCLAT

FE BUREAU New Delhi, January 24

THE SUPREME COURT on Friday stayed the National Company Law Appellate Tribunal's order earlier this month that rejected Registrar of Companies' plea to modify its December 18, 2019, order casting aspersions on its role in approving Tata Sons as a private limited company from a public limited one.

Abench led by Chief Justice SA Bobde issued notice to the Cyrus Mistry group and also stayed the NCLAT's January 6 order that rejected the RoC's application for impleadment and modification.

It also tagged the petition with the earlier batch of related appeals against the December order.

FE BUREAU

The Supreme Court had on January 10 stayed in entirety the December 18 order that reinstated Mistry as chairman of Tata Sons after calling his removal in October 2016 as "illegal". The appellate tribunal, while terming Tata Group's actions against Mistry "prejudicial" and "oppressive", had also termed the appointment of N Chandrasekaran as the new chairman "illegal". It had also called Tata Sons' move to turn into a private company from a public limited as unlawful, and had ordered its reversal.

While dismissing the RoC's application, the NCLAT had also allegedly assigned "fresh and additional reasons" to support the conclusion given in its earlier December judgment, which according to Tata Sons was not required.

Continued on Page 2

Sustained Growth Fuelled by Strong Fundamentals

Reviewed Financial Results (Standalone / Consolidated) for the guarter / nine months ended December 31, 2019 (₹ in crore)

SI. No.	Particulars	Standalone			Consolidated		
		Quarter ended 31-12-2019 (Reviewed)		ended	Quarter ended 31-12-2019 (Reviewed)		Quarter ended 31-12-2018 (Reviewed
1.	Total income from operations (net)	6505.62	18383.07	5269.10	6504.46	18386.44	5269.75
2.	Net Profit / (Loss) for the period (before Tax, Exceptional and / or Extraordinary items)	389.54	1561.33	222.94	390.36	1563.45	223.36
3.	Net Profit / (Loss) for the period before Tax (after Exceptional and / or Extraordinary items)	389.54	1561.33	222.94	390.36	1563.45	223.36
4.	Net Profit / (Loss) for the period after Tax (after Exceptional and / or Extraordinary items)	247.16	971.09	152.27	291.03	1128.53	171.96
5.	Equity Share Capital	608.80	608.80	480.29	608.80	608.80	480.29
	Reserves (excluding Revaluation Reserve as shown in the Audited Balance Sheet of previous year)	15813.36	15813.36	15346.69	16140.13	16140.13	15613.71
7.	Earnings Per Share (of ₹ 10/- each) (for continuing and discontinued operations) Basic : Diluted :	*4.77 *4.77	*19.48 *19.48	*3.17 *3.17	*5.62 *5.62	*22.64 *22.64	*3.58 *3.58

Place: Chennai

Note: The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Stock Exchange(s) websites (www.nseindia.com and www.bseindia.com) and Bank's website (www.indianbank.in).

Date: January 24, 2020 **Executive Director** इंडियन बेंक

Corporate Office: 254-260, Avvai Shanmugam Salai

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with various provisions. **PAGE 12** financialexp.ep4

India, US agree to resolve steel import

QuickPicks

duty row amicably INDIA AND the US have agreed to resolve amicably a dispute over American import duties on certain

Indian steel products, wherein Washington is yet to fully comply with the WTO rulings, reports **PTI**. The WTO dispute resolution body has ruled against the US in this case stating that the high duty imposed by America on certain hot-rolled carbon steel flat products from India was inconsistent

Non-telecom PSUs move SC seeking clarity on AGR dues



pleas before the Supreme Court, reports fe Bureau in New Delhi. The PSUs are seeking clarity on the applicability of SC's October 24, 2019, order on payment of adjusted gross revenue dues. They have sought a clarification from the SC whether the payment order on licence fee and spectrum usage charge dues also applies to them. **PAGE 6**

'Lalit Hotels raids revealed ₹1,000-cr black foreign assets'

THE I-T department's searches on the Bharat Hotels Group have led to the detection of "undis-

closed" foreign assets of over ₹1,000 crore and huge black money that the business house has "stashed" abroad, the CBDT said on Friday, reports PTI. The group runs a chain of luxury units under the Lalit Hotels brand. The department had launched raids at 13 premises of the group and others on January 19 in and around Delhi.

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Managing Director & CEO