

MARKET WATCH

	06-01-2019	% CHANGE
Sensex	40,677	-1.9
US Dollar	71.93	-0.18
Gold	41,730	1.76
Brent oil	69.29	0.92

NIFTY 50

	PRICE	CHANGE
Adani Ports	380.20	-2.30
Asian Paints	1707.15	-44.25
Axis Bank	723.25	-19.70
Bajaj Auto	3037.65	-34.40
Bajaj Finserv	9042.70	-303.15
Bajaj Finance	3996.70	-196.75
Bharti Airtel	449.65	-5.45
BPL	469.15	-14.35
Britannia Ind	3022.05	-16.75
Cipla	466.75	-3.20
Coal India	205.70	-6.15
Dr Reddys Lab	2878.85	-5.05
Eicher Motors	20860.45	-328.80
GAIL (India)	124.35	-1.30
Grasim Ind	737.00	-19.65
HCL Tech	582.00	-3.05
HDFC	2384.10	-70.35
HDFC Bank	1240.95	-27.45
Hero MotoCorp	2368.15	-64.20
Hindalco	209.30	-7.15
Hind Unilever	1915.45	-12.00
ICICI Bank	525.70	-13.15
Indusind Bank	1469.40	-59.45
Bharti Infratel	242.75	-5.40
Infosys	738.85	-7.15
Indian OilCorp	124.50	-1.95
ITC	235.10	-3.40
JSW Steel	264.25	-8.20
Kotak Bank	1652.55	-4.55
L&T	1316.75	-18.30
M&M	524.50	-8.25
Maruti Suzuki	7042.40	-211.85
Nestle India Ltd.	14416.65	-176.95
NTPC	118.90	-0.45
ONGC	126.25	-2.20
PowerGrid Corp	193.10	0.10
Reliance Ind	1501.50	-35.65
State Bank	319.00	-14.70
Sun Pharma	439.95	-4.65
Tata Motors	185.65	-5.45
Tata Steel	473.25	-10.45
TCS	2200.45	-0.20
Tech Mahindra	770.40	-4.70
Titan	1158.60	-18.90
Ultra Tech Cement	4157.10	-62.10
UPL	584.95	-5.80
Vedanta	150.55	-7.20
Wipro	252.15	1.05
YES Bank	45.15	-1.95
Zee Entertainment	261.50	-12.20

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on January 06

CURRENCY	TT BUY	TT SELL
US Dollar	71.73	72.05
Euro	80.33	80.72
British Pound	94.30	94.76
Japanese Yen (100)	66.32	66.62
Chinese Yuan	10.29	10.34
Swiss Franc	73.98	74.31
Singapore Dollar	53.16	53.41
Canadian Dollar	55.31	55.56
Malaysian Ringitt	17.48	17.56

Source:Indian Bank

BULLION RATES CHENNAI

January 06 rates in rupees with previous rates in parentheses

Retail Silver (1g)	52.2	(51.4)
22 ct gold (1 g)	3896	(3815)

Resolve your differences: SC to Tata, Wadia

LEGAL CORRESPONDENT NEW DELHI

The Supreme Court asked Tata Sons’ chairman emeritus Ratan N. Tata and industrialist Nusli Wadia to amicably settle their differences like “mature leaders of industry.”

The court was hearing an appeal filed by Mr. Wadia against a July 2019 Bombay High Court decision, quashing criminal defamation proceedings initiated by a local court, based on his complaint, against Mr. Tata, current Tata Sons chairman N. Chandrasekaran and eight directors.

In his petition, Mr. Wadia alleged Mr. Tata and the others had made defamatory statements against him shortly after the removal of Cyrus Mistry as Tata Sons’ chairman on October 24, 2016.

Mr. Wadia was removed as an independent director from the boards of Tata firms between December 2016 and February 2017.

IT firms may report muted Q3 growth

TCS likely to report its weakest QoQ growth, says analysts

PIYUSH PANDEY MUMBAI

Indian information technology (IT) firms are likely to start new year with a muted growth, when they announce their third quarter results following to a seasonally-weak quarter and continued challenges in the banking, financial services and insurance (BSFI) and retail verticals.

Tata Consultancy Services (TCS), Infosys, HCL Technologies, Wipro and Tech Mahindra are likely to report a tepid revenue growth in constant currency (cc) terms on a sequential basis with improved operating margins due to weaker currency and optimisation measures, according to analysts.

Equities plunge amid global sell-off over West Asia fears

HDFC, RIL and SBI among key losers in Sensex pack; rupee drops 13 paise

SPECIAL CORRESPONDENT MUMBAI

Indian equities lost heavy ground on Monday amid a global sell-off as investors turned jittery due to increasing geopolitical tension in the West Asia region which threatens to push up international price of crude, of which India is one of the biggest importers globally.

The 30-share Sensex lost 787.98 points, or 1.90%, to close at 40,676.63.

As many as 28 constituents of the index ended the day in red, with stocks such as HDFC, HDFC Bank, Reliance Industries, ICICI Bank, State Bank of India and Tata Steel among others shedding more than 2% each on Monday.

1,900 stocks lose

On a broader level, more than 1,900 stocks lost ground on BSE, while less than 600 stocks managed to end on a positive note.

The broader Nifty fell below the psychological 12,000-mark to close at



11,993.05, down 233.60 points or 1.91%. The India VIX index, which is looked upon as a barometer of near-term volatility, jumped over 16% on Monday.

Meanwhile, the rupee plunged 13 paise to close at 71.93 against the U.S. dollar on Monday – the third straight session of losses during which it has cumulatively lost 71 paise.

The rupee touched a low of 72.11 on Monday.

The fall in the Indian equity markets was in line with most other markets, as Nikkei lost nearly 2%, while

Hang Seng was down nearly 0.80%. Further, most of the European markets opened more than 1% lower on Monday.

‘Oil on peak’

“Global equity markets are under pressure as a flare-up of tensions in the Middle East sent gold to its highest in almost seven years and oil near its 4-month peak,” said Prasanna Pathak, fund manager, Taurus Mutual Fund.

“If Brent crude sustains above \$70 per barrel, fiscal deficit concern will again arise. Government could get

restricted in its spending which could limit economic growth in medium term, while the Reserve Bank of India would be constrained in cutting interest rates,” Mr. Pathak added.

Brent crude prices touched nearly \$71 per barrel during the day, while gold moved beyond \$1,590 an ounce on Monday.

“Escalating tensions may dent market risk appetite and weigh down on riskier assets like global equity markets and commodities like base metals,” said Ravindra Rao, head – Commodity Research, Kotak Securities.

“However, it may continue to lend support to safe havens like gold and silver and will also be supportive of crude oil prices amid worries over supply disruption from the region,” Mr. Rao added.

Incidentally, foreign portfolio investors (FPIs), who were major buyers of Indian shares in 2019, were net sellers on Monday at a little over ₹100 crore.

Oil tops \$70 as Iran, Trump trade threats

West Asia accounts for almost half of the world’s crude production

REUTERS LONDON

Oil prices jumped by about 1% on Monday, pushing Brent above \$70 a barrel, as rhetoric from the United States, Iran and Iraq fanned tensions in West Asia after a U.S. air strike killed a top Iranian military commander.

Brent crude futures soared to a high of \$70.74 a barrel and was at \$69.36 by 8.30 p.m., up 76 cents from Friday’s settlement.

U.S. West Texas Intermediate crude was up 54 cents at \$63.59 a barrel after touching \$64.72, its highest since April.

The gains extended Friday’s more-than-3% advance after a U.S. air strike in Iraq killed Iranian military commander Qassem Soleimani, heightening concerns about an escalation in conflict in West Asia and a possible impact on oil supplies.

Services sector activity growth at 5-month high

PRESS TRUST OF INDIA NEW DELHI

India’s services sector activity gained momentum and touched a five-month high in December, supported by an uptick in new business orders that boosted output as well as employment, a monthly survey showed on Monday.

The IHS Markit India Services Business Activity Index improved from 52.7 in November to 53.3 in December, highlighting the second-strongest rate of increase in output in over a year, after July.

“The news of sustained job creation, robust new order growth and a pick-up in business confidence suggest that expansion can be maintained in the early part of 2020,” said Pollyanna de Lima, principal economist at IHS Markit.

Survey members linked the increase in services sector activity growth to better market conditions and new business growth.

Moreover, total sales expanded for the third consecutive month at the end of the year, and at the quickest pace since October 2016.



Sabre-rattling: With U.S. threatening more action against Iran, oil prices may increase further. •AP

The region accounts for nearly half of the world’s oil production, with a fifth of the world’s oil shipments passing through the Strait of Hormuz.

More sanctions on Iraq

U.S. President Donald Trump on Sunday threatened to impose sanctions

Tata-Mistry case: NCLAT no to modifying verdict

Did not cast aspersions on RoC, it says

PRESS TRUST OF INDIA NEW DELHI

The National Company Law Appellate Tribunal (NCLAT) on Monday dismissed the petition of the Registrar of Companies seeking modification of its judgment in the Tata-Mistry case and said the ruling had not cast any aspersions on the RoC.

“There is no ground to amend judgment dated December 18, 2019,” a two-member NCLAT bench said.

On December 18, the tribunal ruled reinstating Cyrus Mistry as the executive chairman of Tata Group and also termed conversion of Tata Sons from a public company to a private one by the RoC ‘illegal’.

In its plea, RoC, which functions under the Ministry of Corporate Affairs, had sought to be impleaded as a party in the two petitions and deletion of words ‘illegal’ and ‘with the help of the RoC’ used by the NCLAT in its 172-page-long judgment.

Contesting the observations, RoC Mumbai asked the NCLAT to “delete the aspersions made regarding any hurried help accorded by

RoC, Mumbai, to Tata Sons except what was statutorily required by RoC Mumbai.”

The RoC also said it has acted in ‘bonafide manner’ in converting the status of Tata Sons as “there was no stay granted by this appellate tribunal on the operation of the judgment dated July 9, 2018 of Mumbai, NCLT at the time when this intimation was filed by Tata Sons Ltd.”

TCS board meeting

Meanwhile, TCS is yet to announce its board meeting to consider the third quarter results.

The management, however, is relieved that Mr. Mistry has decided not to seek directorship in the company.

Mr. Mistry on Sunday, in a statement titled ‘Not a quest for position or power’, said that he would not be pursuing the executive chairmanship of Tata Sons, or the directorship of TCS, Tata Teleservices or Tata Industries in spite of a favourable NCLAT judgment.

(With inputs from Piyush Pandey in Mumbai)

liate against Iran if Tehran were to strike back after the killing.

“The situation brings lots of uncertainty and geopolitical tea-leaf reading on reactions. While the closure of the Strait of Hormuz remains a very unlikely event, the deterioration in Iraq bears supply risks,” said Norbert Rucker, head of economics at Swiss bank Julius Baer.

“Geopolitics tend to be a temporary force on oil markets and we believe this time is no different. We raise our near-term forecast to \$65 per barrel and maintain a neutral view”.

The Economist Intelligence Unit raised its first-quarter projection for Brent by \$5 to \$70 a barrel, assessing that Iran is likely to want to avoid open conflict. Elsewhere, bad weather shut all four oil export terminals in eastern Libya on Sunday.

RBI buys, sells ₹10,000 crore securities each

PRESS TRUST OF INDIA MUMBAI

In the third special open market operation (OMO) in as many weeks, the Reserve Bank of India (RBI) bought ₹10,000 crore of three long-term securities while selling a similar amount of three short-term bonds.

The RBI had announced simultaneous purchase and sale of government securities under OMOs for ₹10,000 crore each, last week. Though the RBI offered to sell four securities in the auction, it accepted bids for three bonds.

Shivalik, first UCB to convert into SFB

SPECIAL CORRESPONDENT MUMBAI

Shivalik Mercantile Co-operative Bank Limited has become the first urban cooperative bank (UCB) that has been granted ‘in-principle’ permission to convert into a small finance bank by the Reserve Bank of India (RBI).

The move comes after the RBI had announced a scheme on voluntary transition of UCB into a SFB on September 27, 2018.

The ‘in-principle’ approval will be valid for 18 months, within which Shivalik Mercantile Co-operative Bank had to comply with the norms of a SFB.

Karur Vysya Bank MD Seshadri quits

SPECIAL CORRESPONDENT CHENNAI

Private sector lender Karur Vysya Bank Ltd.’s Managing Director (MD) and Chief Executive Officer (CEO) P.R. Seshadri has resigned citing personal reasons.

The board accepted his resignation on January 4. He will be relieved from service on March 31, 2020 as per his request, KVB said in a regulatory filing.

Following the retirement of his predecessor K. Venkatraman on August 31, 2017, the board co-opted Mr. Seshadri as an additional director and appointed him as the MD and CEO of the bank for a period of three years.

Telecom firms want cut in rates, levies

DoT holds meeting with stakeholders

SPECIAL CORRESPONDENT NEW DELHI

Ahead of the Budget 2020-21, the telecom industry on Monday asked the government to facilitate funding for firms at a lower rate of interest, while also pushing for reduction in various levies and taxes to help the debt-ridden sector.

The demands were discussed at a meeting between the Department of Telecom and industry stakeholders on Monday. “We have heard their [industry’s] demands and have given time to send in written recommendations till Tuesday. We will then review and forward them to the Finance Ministry for consideration in the upcoming Budget,” a senior DoT official said after the meeting that lasted for about one-and-a-half hours.

The pre-Budget meeting was chaired by Telecom Secretary Anshu Prakash and attended by representatives of Bharti Airtel, Vodafone Idea and Reliance Jio, besides industry associations such as Cellular Operators Association of India and Tower and Infrastructure Providers Association.

Reduction in USO

The official added that the industry representatives reiterated the earlier demand for reduction in universal service obligation (USO) fund to 3% and licence fee to 1% as well as re-



fund of accumulated input tax credit. “They have also sought creation of a dedicated fund to be used by purchaser of telecom equipment to help promote Make in India,” the official said.

“We have requested the government to facilitate funding at lower rate of interest to telecom companies to reduce the overall cost of capital and mobilise cheaper funds. Telecom industry is capital-intensive... this will help us plough more funds into network upgradation, maintenance and expansion,” an industry representative said after the meeting.

Other industry representative added that the government had been requested to set up a working group with stakeholders from the DoT, regulator TRAI and industry that will work on preparing guidelines for adopting the principle of input line credit. The industry also pitched that telecom towers be included in the definition of plant and machinery for input tax credit.