

MARKET WATCH

	05-01-2018	% CHANGE
Sensex	34,154	0.54
US Dollar	63.37	0.06
Gold	30,500	0.44
Brent oil	67.41	-0.90

NIFTY 50

	PRICE	CHANGE
Adani Ports	423.80	13.95
Ambuja Cements	273.90	0.45
Asian Paints	1185.25	13.20
Aurobindo Pharma	671.15	2.85
Axis Bank	563.25	3.35
Bajaj Auto	3279.85	15.40
Bajaj Finance	1814.50	60.50
Bharti Airtel	540.00	17.00
Bosch	19693.15	40.50
BPL	487.70	-3.80
Cipla	615.15	-1.60
Coal India	278.75	0.95
Dr Reddys Lab	2473.40	62.60
Eicher Motors	29237.00	666.25
GAIL (India)	494.40	-2.30
HCL Tech	900.05	6.95
HDFC	1725.20	22.00
HDFC Bank	1863.60	3.70
Hero MotoCorp	3744.65	5.75
Hindalco	276.40	-3.40
HPCL	415.00	-3.85
Hind Unilever	1356.55	4.30
Indiabulls HFL	1198.95	15.00
ICICI Bank	312.90	-1.80
IndusInd Bank	1698.20	51.60
Bharti Infratel	372.60	-6.45
Infosys	1012.00	-3.40
Indian Oil Corp	383.85	-3.45
ITC	262.90	1.35
Kotak Bank	1003.05	2.65
L&T	1314.90	-0.80
Lupin	900.15	22.00
M&M	756.35	0.35
Maurti Suzuki	9433.85	47.60
NTPC	177.50	0.40
ONGC	198.45	-1.05
PowerGrid Corp	201.25	0.90
Reliance Ind	923.25	2.95
State Bank	306.35	-2.15
Sun Pharma	578.75	-2.45
Tata Motors	431.60	1.65
Tata Steel	770.70	10.45
TCS	2689.20	32.10
Tech Mahindra	525.45	2.90
UltraTech Cement	4395.80	50.30
Wipro	774.20	-7.45
Vedanta	339.55	0.45
Yes Bank	309.55	-2.10
YES Bank	332.85	15.75
Zee Entertainment	586.85	6.85

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on January 05

CURRENCY	TT BUY	TT SELL
US Dollar	63.17	63.49
Euro	76.13	76.52
British Pound	85.55	85.99
Japanese Yen (100)	55.76	56.05
Chinese Yuan	9.73	9.79
Swiss Franc	64.66	64.99
Singapore Dollar	47.59	47.84
Canadian Dollar	50.50	50.76
Malaysian Ringgit	15.79	15.88

Source: Indian Bank

BULLION RATES CHENNAI

January 05 rates in rupees with previous rates in parentheses

Retail Silver (1g)	42.00	(41.90)
22 ct gold (1 g)	2,820	(2,806)

Lenders to pay depositors higher rates

Kotak Mahindra, Yes Bank increase fixed deposit rates by 5-25 basis points for different tenures

MANOJIT SAHA
MUMBAI

After a gap of about three years, commercial banks have started increasing fixed deposit rates for their retail customers.

At least two private sector lenders – Kotak Mahindra Bank and Yes Bank – have raised interest rates on fixed deposits by 5-25 basis points (bps) for some tenures. (100 bps = 1 percentage point)

Kotak Mahindra Bank will now offer 6.7% for 364 days, which is a rise of 10 bps. For deposits of more than three years but less than five years, the bank is offering 6.5% – an increase of 25 bps. The new rates were effective December 27. “Interest rates have moved in sync with liquidity conditions in the market,” said Ambuj Chandra, head - Retail Liabilities, Investment & Payment Pro-



New cycle begins: Interest rates have moved in sync with liquidity conditions in the market, says Ambuj Chandra of Kotak Mahindra Bank. • GETTY IMAGES/ISTOCK

ducts, Kotak Mahindra Bank.

“At Kotak, we are focused on savers as much as on borrowers. Just as we’ve increased our retail fixed deposit rates, we continue to offer up to 6% interest rate to our savings bank customers,” he added. Another private sector lender, Yes Bank

has also increased term deposit rates by 5-10 bps in various buckets. In both 46-90 days and the 3-6 month tenures, rates have risen 10 bps to 6.85% and 6.9% respectively. This is the first time in almost three years that banks have increased deposit rates. The current

rate-easing cycle started with the Reserve Bank of India cutting interest rates in January 2015. RBI has reduced interest rate by 200 bps between January 2015 and August 2017. In the policy meetings in October and December, the RBI had maintained status quo. The

key policy rate, the repo rate, is now 6%. Growth in bank deposits has slowed considerably recently.

RBI data showed year-on-year deposit growth slowed to 4% as on December 22 from 11.8% on March 31. Credit growth, on the other hand, rose to 10.7% compared with 5.1% in March.

Inflation concerns

Inflation too has risen. Retail inflation measured by the consumer price index, which the RBI uses for policy purposes, accelerated to 4.88% in November due to rising food and oil prices as compared with 3.58% in October. Most bankers have ruled out any further cut in interest rates by the RBI.

They also ruled out a rate increase any time soon. The market expects rates to stay steady for 4-5 months.

‘Public stockholding of grains to stay’

Protected by 2014 negotiation: Prabhu

SPECIAL CORRESPONDENT
NEW DELHI

India’s ongoing public stockholding programmes would remain unaffected and continue, Commerce Minister Suresh Prabhu informed the Rajya Sabha on Friday. The minister’s assurance comes in the wake of the recent Eleventh Ministerial Conference of the World Trade Organization failing to reach a permanent solution on public stockholding for food security purposes.



Suresh Prabhu

In a statement, Mr. Prabhu said the conference had agreed to extend an existing moratorium on imposing customs duties on electronic transmission in exchange for another moratorium preventing the evergreening of patents in the pharmaceutical sector.

Regarding the permanent solution to the public stockholding issue, Mr. Prabhu said: “Quite logically, in addition to fulfilling the obligation placed by the Bali/Nairobi mandate, India viewed this as an opportunity for achieving an outcome that would be an improvement over the existing interim solution through less onerous transparency and disclosure conditions, no additional safeguards in respect of programmes already covered by the interim solution and greater legal certainty.”

However, some developed countries sought explicit language on existing safeguards, according to Mr. Prabhu, and the U.S. said it could not agree to a permanent solution.

“Our public stockholding programmes, however, continue to be protected due to the interim solution that the government negotiated in 2014, which is available in perpetuity,” he said. “An existing moratorium on im-

posing customs duties on electronic transmission was extended for two years in exchange for another moratorium on trade-related aspects of intellectual property rights non-violation complaint, which, inter alia, prevents ‘evergreening’ of patents in the pharmaceutical sector, thereby ensuring accessibility and affordability of generic medicines.”

“The above decisions are in line with India’s position in the matter,” Mr. Prabhu added. “This is a major achievement for India.”

Ministerial declaration

Mr. Prabhu said that members could not arrive at an agreement regarding a ministerial declaration following the conference.

“Ministers could not arrive at an agreed ministerial declaration at the end of the conference on the basis of a draft brought forward from Geneva,” the minister said.

“As the revised draft ministerial declaration subsequently proposed by the chairperson excluded or failed to adequately include important issues such as multilateralism, the Doha Development Agenda and special and differential treatment of developing countries, India could not support it,” he added.

RCom’s Chinese lender recalls petition

China Development Bank to get development rights in DAKC following a pact

SPECIAL CORRESPONDENT
MUMBAI

The China Development Bank (CDB), one of the biggest foreign lenders to Anil Ambani-led Reliance Communications (RCom) with an exposure of \$2 billion to the carrier, on Friday withdrew its petition at the National Company Law Tribunal seeking to drag RCom into insolvency.

A lawyer representing CDB informed the NCLT that the Chinese bank had filed a plea to withdraw the insolvency petition, which the tribunal allowed.

Dina Wadia, joint managing partner, JSA Associates, representing the Joint Lenders’ Forum, told *The Hindu*, “The agreement was signed with the lenders last



Status quo: RCom said it would not pay interest on NCDs till the restructuring process ends. • REUTERS

week and [they] have agreed to the asset monetisation programme of the company as it would give maximum value [for] the assets... CDB also attended the JLF meeting as an invitee.” Last

month, Reliance Jio had agreed to buy RCom’s spectrum, towers and optic fibre network, which may fetch the latter as much as ₹24,000 crore. “An agreement has been reached with

CDB; they will be given a part of the development rights in the Dhirubhai Ambani Knowledge City (DAKC) in Navi Mumbai,” a person privy to the development, said on condition of anonymity.

Ericsson dues

Swedish equipment maker Ericsson, which is yet to recover dues from RCom, said it would continue with the NCLT proceedings.

Meanwhile, RCom will not pay or fix any record date for payment of interest on NCDs till the completion of the restructuring process, the company said in a notification to the stock exchanges.

Shares of RCom rose 2.1% to close at ₹34.05 on the BSE on Friday.

Chocolate brown ₹10 note coming

SPECIAL CORRESPONDENT
MUMBAI

A new chocolate brown-coloured ₹10 denomination currency will be put into circulation, the Reserve Bank of India said on Friday. The new note has the motif of Sun Temple, Konark, on the reverse, depicting the country’s cultural heritage.

“The base colour of the note is chocolate brown,” the RBI said.

The size of the new note will be 63 mm x 123 mm – smaller than the existing 63 mm x 137 mm ones.

“All the banknotes in the denomination of ₹10 issued... in the earlier series will continue to be legal tender,” the RBI added.

Sensex, Nifty scale records on global cues

Bank, telecom, auto stocks lead gains

SPECIAL CORRESPONDENT
MUMBAI

Tracking a strong global trend, Indian equity indices closed at record levels on Friday as banking, telecom and auto heavyweights posted strong gains. The 30-share Sensex gained 184.21 points, or 0.54%, to close at a new high of 34,153.85. The broader Nifty of the National Stock Exchange rose 0.51% or 54.05 points to 10,558.85.

The Sensex gainers pack was led by Yes Bank, Adani Ports, Bharti Airtel, IndusInd Bank, Dr. Reddy’s Laboratories, TCS and Tata Steel. Meanwhile, foreign investors were net buyers of equities at ₹1,618 crore in January, after ending December as net sellers of shares worth ₹5,883 crore.

The Nikkei, Hang Seng, FTSE, DAX (Germany) and



CAC 40 (France) all ended in the green. The Dow Jones closed above the 25,000-mark for the first time on Thursday as better-than-expected PMI and employment numbers lifted sentiment.

The coming week marks the start of the earnings season with sector heavyweights Infosys and TCS set to announce their numbers.

Tata, Singapore Air may assess bid for AI

Partners have open mind: Vistara CEO

REUTERS
NEW DELHI

Tata Group and Singapore Airlines are open to potentially bidding for the indebted carrier Air India, a top official at a joint venture owned by the firms said on Friday.

Air India, which was founded in the 1930s by the Tata Group and nationalised in 1953, is saddled with a debt of \$8.5 billion. The Indian government agreed last June to sell it, after multiple efforts to resurrect the business failed.

Leslie Thng, chief executive of Vistara, a carrier launched jointly by the Tata Group and Singapore Airlines in 2015, said at a news conference that the companies were “open to evaluating bids for Air India.”

“They keep an open mind,” Mr. Thng said, with-



Leslie Thng

out elaborating. Several private domestic carriers have expressed an interest in buying the beleaguered airline, which still has about a 13% market share in India, and is the country’s third-biggest carrier, according to analysts and government reports. Tata Group chairman N. Chandrasekaran said last year the company would be interested in bidding for Air India.

‘India plans budget boost for tourism’

Sops may include raising I-T exemption limit on investments in new hotels

REUTERS
NEW DELHI

India is planning to cut taxes on travel and tourism in next month’s Union Budget and give more incentives to the \$210 billion sector, government sources said, hoping to boost economic growth and create more jobs.

The move could add to a domestic tourism boom in the world’s second most populous nation, where low inflation and rising incomes are changing lifestyles and consumption patterns of an estimated 250 million middle-class Indians. With scores of destinations introduced on airline routes last year, air travel is also surging. India’s tourism sector grew over 10% in the six months ending September, compared to near 8% in the year-ago period. According



Picture perfect: The incentives could benefit airlines and hotel operators, according to the sources. • REUTERS

to an industry report, tourism employs 40 million people in India and could add 10 million jobs in a decade. “We’ll announce measures in the budget to promote investment in the tourism sector,” a top Finance Ministry official told Reuters, adding that Finance Minister Arun Jaitley favours lowering

a 28% tax on hotel tariffs, and offering incentives to attract private investments.

If the moves come about, companies expected to benefit include airlines like IndiGo, owned by InterGlobe Aviation and Jet Airways and hotel operators such as Indian Hotels, that owns the Taj Mahal chain and EIH Ltd.

that operates the Oberoi hotels in India.

In India tourists, on average, pay 30% tax on hotel rooms and travel compared with less than 10% in Singapore, Thailand and Indonesia, said Pronab Sarkar, president of the Indian Association of Tour Operators (IATO).

Higher allocation

Another government official said the budget was likely to “significantly” raise allocations for tourism infrastructure and raise income tax exemptions on investments in new hotels. A third official said Mr. Jaitley was expected to lower income tax on corporate profit, offer tax incentives on hotel construction, allocate more funds for new tourist trains and building roads to tourist destinations.

In association with

an experience by

SIGN YOUR KIDS UP FOR THESE AMAZING WORKSHOPS AND GET THEM TO ENERGISE THEIR BODY AND MIND

MATH WORKSHOP

See YOUR CHILDREN become MATH CHAMPS AT THE 'FUN WITH MATH' WORKSHOP.

DATE: January 6, 2018 (Saturday)
TIME: 11:00 AM – 12:00 PM (Juniors 7-10yrs)
03:00 PM – 04:00 PM (Seniors 11-15yrs)
VENUE: Smart Minds Academy
54 & 56 Brindavan Street Extension
West Mambalam, Chennai - 600 033.

ZUMBA WORKSHOP

Dance and exercise come together in an exciting Zumba workshop for children.

DATE: January 7, 2018 (Sunday)
TIME: 03:00 PM – 04:00 PM (Batch I)
04:30 PM – 05:30 PM (Batch II)
VENUE: Smart Minds Academy
54 & 56 Brindavan Street Extension
West Mambalam, Chennai - 600 033.

NO ON-SPOT REGISTRATIONS

To register, visit:
[www.youngworldclub.com/
chennaiath](http://www.youngworldclub.com/chennaiath)

To register, visit:
[www.youngworldclub.com/
chennaizumba](http://www.youngworldclub.com/chennaizumba)