While total wealth has been rising in India, its distribution has been uneven. Close to 92% of adult population has

MARKET WATCH				
14-11-2017	% CHANGE			
32,942	-0.28			
65.42	0.00			
30,550	0.08			
	14-11-2017 32,942 65.42			

NIFTY 50		
		CHANGE
Adani Ports		
Ambuja Cements		
Asian Paints		
Aurobindo Pharma		
Axis Bank		
Bajaj Auto		
Bajaj Finance		
Bharti Airtel		
Bosch		
BPCL		
Cipla	602.45	0.35
Coal India	274.15	-0.80
Dr Reddys Lab	2320.30	-23.80
Eicher Motors	30089.55	494.55
GAIL (India)	456.05	0.60
HCL Tech	869.80	0.30
HDFC		
HDFC Bank	1802.35	-11.20
Hero MotoCorp		
Hindalco		
HPCL		
Hind Unilever		
Indiabulls HFL		
ICICI Bank		
IndusInd Bank		
Bharti Infratel		
Infosys		
Indian OilCorp		
ITC		
Kotak Bank		
L&T		
Lupin		
M&M		
Maurti Suzuki		
NTPC	102.00	0.10
ONGC PowerGrid Corp		
Reliance Ind		
State Bank		
Sun Pharma		
Tata Motors		
Tata Steel		
TCS		
Tech Mahindra		
UltraTech Cement		
UPL		
Vedanta		
Wipro		
YES Bank		
Zee Entertainment.	542.15.	-0.25

except yen at 4 p.m. on November 14				
CURRENCY	TT BUY	TT SELL		
US Dollar	65.22	65.54		
Euro	76.46	76.83		
British Pound	85.46	85.89		
I 1/ (100)	F7 30	F7 67		

Indicative direct rates in rupees a uni

US Dollar	65.22	65.54
Euro	76.46	76.83
British Pound	85.46	85.89
Japanese Yen (100)	57.39	57.67
Chinese Yuan	9.83	9.88
Swiss Franc	65.58	65.91
Singapore Dollar	47.92	48.16
Canadian Dollar	51.23	51.50
Malaysian Ringitt	15.54	15.63
Carrier Indian Bank		

November 14 rates in rupees with pre

2,812....(2,819)

Hit by GST, exports fall 1.1% in October

First decline after 14 consecutive months of positive growth; 12 out of 30 major export groups affected

SPECIAL CORRESPONDENT

India's goods exports shrank by 1.12% in October to \$23 billion, the worst performance since declining 6.86% in July 2016, which was the last time the shipments contracted year-on-year, according to data released by the Commerce Ministry on Tuesday.

The fall, the first after 14 consecutive months of positive growth, was ascribed by exporters'organisations as being a direct fallout of the impact of the Goods and Services Tax (GST). Twelve of the 30 major export groups registered a decline in October, including labour-intensive sectors such as gems and jewellery (-24.51%),readymade garments (-39.23%), carpets (-31.32), handicrafts (-9.08%), manmade yarn/made-ups (-5.91%), and leather items



Taxing times: Exporters are facing liquidity problems for four months in a row without GST refunds, says FIEO's Gupta. • AP

electronic goods (-6.75%), drugs and pharmaceuticals (-8.75%), mica, coal and other ores (-4.19%), fruits and vegetables (-27.53%), tobacco (-7.98%).

Imports climb

Imports rose by 7.6% in October to \$37.1 billion. This widened the trade deficit to level since \$14.08 billion in May 2017.

T.S. Bhasin, chairman of the apex engineering exporters body, EEPC India, said in a statement that "the setback can be traced to disruptions due to roll-out of the GST that resulted in squeezing of working capital for exporters. Otherwise, there is no other plausible reason for

the exports to fall in the midst of recovery in the global markets which was so evident in the previous months." Mr. Bhasin also said "Though engineering exports continued to grow double digit (11.77% growth in October), the pace has slowed." He added that EEPC hoped that the new refund regime for the exporters worked well.

G.K. Gupta, president, Federation of Indian Export Organisations, also said in a statement that "the fall was expected as exporters, particularly small and medium ones, were facing liquidity problem to pay GST for four months in a row without getting any refund." He added, "that there is immediate need for remedial measures to prevent further decline in exports otherwise the situation may be worse for November 2017. Implementproved by the GST Council is not taking place, as a result challenges faced by the exporters remain the same." He added that exports should be kept out of the purview of GST as paying the tax first and getting refund later is cumbersome, in turn affecting exports.

Non-petroleum and nongems and jewellery exports in October 2017 rose 2.48% to \$16.6 billion. Petroleum products exports increased 14.74% to \$3.18 billion. Exports during April-October 2017-18 increased by 9.62% to \$170.28 billion.

Oil imports in the month were 27.89% higher at \$9.28 billion. "The global Brent prices (\$/bbl) have increased by 15.87% in October 2017 vis-à-vis October 2016 as per World Bank commodity price data (The pink sheet)," the ministry said. Non-oil imports were 2.19% higher at \$27.8 billion.

Bank of

Baroda net

slides 35.7%

SPECIAL CORRESPONDENT

State-run lender Bank of

Baroda reported a 35.7%

decline in net profit to ₹355

crore for the quarter ended

September 30, as the bank

decided to increase provi-

sions although its bad

loans declined on a se-

Provisions for bad loans

increased 13.3% year-on-

year to ₹1,847 crore while

the gross non-performing

11.16% from 11.4% recorded

in the June quarter. The net

NPA ratio declined from

5.17% to 5.05% quarter-on-

quarter. Slippages in the

quarter were at ₹3,451

crore, compared with

₹5,200 crore reported in

the previous quarter.

asset ratio came down to

quential basis.

Wholesale inflation accelerates to 3.59%

Aided by 4.3% food price inflation

SPECIAL CORRESPONDENT

Wealth inequality

wealth below \$10,000

< \$10,000

\$10,000 to < \$1,00,000

\$1,00,000

Wealth distribution in India (%)

CREDIT SUISSE GLOBAL WEALTH REPORT 2017

Inflation at the wholesale level accelerated to 3.59% in October, a six-month high, on the back of quickening food price inflation and firming oil prices, according to official data released by the Ministry of Commerce on Tuesday.

The Wholesale Price Index had, in comparison, registered a growth of 2.6% in September.

Within the Index, the primary articles segment saw inflation quickening to 3.33% in October from 0.15% in September.

This was mostly driven by food and fuel prices. The food articles segment saw inflation at 4.3% in October, climbing from 2.04% in the previous month. The fuel segment saw a much slower contraction in prices in October, of 2.1%, compared with a contraction of 11.55% in September.

The food index – which is a composite of the food segment within primary articles, and the manufactured food category - saw infla-



92.3

hand, 4.2 million

people (0.5% of

adults) have a

net worth > \$1,00,000

80

tion accelerating to 3.23% in October from 2.99% in September.

Vegetables – stress point "Both wholesale and retail prices edged up in the month of October," Pankaj Patel, president, FICCI, said in a written statement.

"The increase was led by firming up of food prices with the vegetables segment remaining a key stress point at this juncture. However, this is due to adverse weather conditions and the situation should ease out in the coming months."

The minerals segment also saw inflation quickening sharply to 14.8% compared with a contraction of 7.08% in September.

IBC effect: Debt data a must for listing

SEBI plans to amend norms to mandate disclosure to IU; in talks with IBBI, banks

ASHISH RUKHAIYAR

As part of its attempts to further strengthen bankruptcy regulations, the Securities and Exchange Board of India (SEBI) plans to amend listing norms to make it mandatory for companies to disclose all data on debt to the newlyformed Information Utility (IU) - a central database for loans taken by firms from and institutions.

A person familiar with the matter said the regulator was mulling insertion of an enabling clause in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, which all listed companies have to comply with.

"SEBI is discussing the modalities with various stakeholders like IBBI (In-



solvency and Bankruptcy Board of India), banks, lawyers and industry experts," said a person, who did not wish to be named. "An amendment in the listing regulations to make companies directly report to an IU seem to be the best way ahead." The move, once implemented, will tighten the

disclosure of debt and also give lenders access to a central database that has the borrower's credit history, including defaults if any.

SEBI had earlier suspended an attempt to make it mandatory for listed companies to inform stock exchanges of any default on payment of interest or principal to lenders within a day of such default.

Investor protection tack

This time, however, the regulator is looking to to make companies directly report to the IUs instead of stock exchanges. On Monday, SEBI chairman Ajay Tyagi said the regulator would address all issues within its domain to strengthen the bankruptcy regulations. "There are some

issues which need to be ad-

dressed," said Mr. Tyagi, speaking at an event organised by National E-Gov-Services Ltd. (NeSL), the first IU to be registered under the Insolvency and Bankruptcy Code (IBC). "We are working closely with the Insolvency and Bankruptcy Board of India to see that those issues also get resolved at the earliest." Under IBC, an IU would be a one-stop repository for all information related to lending and borrowing activities of all financial institutions.

To protect investors, SEBI may consider "an enabling provision... that information regarding issuance of debt securities be shared with Information Utilities," said Sumit Agrawal, partner,

⁺ Centre gets 141 proposals in round two of UDAN

As many as 502 routes covered in bids from 17 applicants

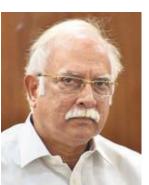
NEW DELHI

The government has received 141 initial proposals covering 502 routes under the second round of regional air connectivity scheme "Second round of bidding

has received very good response. The 141 bids have come from 17 applicants," Civil Aviation Minister Ashok Gajapathi Raju said on Tuesday. He added that between

the first round of bidding under the scheme and the second round, roughly 80 destinations in the country would be covered.

The government's UDAN scheme aims to boost air connectivity to and from unserved and under-served air-



Ashok Gajapathi Raju

ports. The 502 routes seek to connect about 116 airports and helipads, including 49 unserved and 15 underserved airports and 24 helipads, the Minister added.

Stating that bidding under round two had been more "aggressive" compared to the earlier round, Civil Avi-Secretary ation R.N. Choubey said that for 58 routes, bidders had not sought viability gap funding. Under the scheme, an operator is entitled to receive viability gap funding if a fixed number of seats on the flight are sold at a fare of up to

Counter bidding

On November 16, these proposals would be put up for counter bidding and the players in the second round are likely to be declared by the third week of December.

Under the first round of bidding, the government had approved 27 proposals for 128 routes to connect about 70 airports.

Bharti Airtel sells part of

SPECIAL CORRESPONDENT

Bharti Airtel will primarily use the proceeds to reduce its debt, the company said in a statement. The firm's net debt stood at ₹91,480 crore at the end of September 2017.

The sale was for a consideration of more than ₹3.325 crore or about \$510 million and was executed at a price of ₹400.6 a share. Following the transaction, Bharti Airtel and its whollyowned subsidiaries hold 53.51% in Bharti Infratel. Promoters held 58% as of September 2017, as per BSE data.

Infratel stake

Bharti Airtel on Tuesday said it offloaded 83 million Bharti Infratel for ₹3,325 crore through a secondary share sale in the stock market.

New Boeing twin-engine jet flies places

FlyDubai expects aircraft to improve fleet performance, reach new destinations

P. JACOB

There is a new bird on the aviation horizon that could make a potential difference to airlines when it comes to medium-haul strategies. It's the Boeing 737 MAX 8, the company's newest and largest twin-engine aircraft that has evolved from its workhorse, the 737.

Fuel and operating efficiencies as well as design features that enable longerrange flights, and significant noise reduction inside the cabin, are two of the points the company holds out. Boeing speaks of a six-hour flying range.

The MAX gives long-haul comforts compared to the earlier 737, said Sudhir Sreedharan, senior vice president, FlyDubai, explaining the features at the Dubai Air Show on Monday, inside one of the six aircraft Boeing is delivering this season to FlyDubai. The Dubai-based airline is deploying it on a



Efficiency gains: The Max 8 offers 14% savings in fuel consumption over the 737. • P. JACOB

Dubai-Bangkok route by the end of this month. He spoke of a 14% saving in fuel consumption for MAX 8 over the existing 737.

Orders 76 planes

The aircraft is the first of 76 that FlyDubai ordered at the 2013 Dubai Air Show, all of which will be delivered by 2023. It was the largest order for MAX 8 in the Gulf region.

Other airlines are following. Dinesh Keskar, president, Boeing India, confirmed to *The Hindu* at the Air Show that SpiceJet had placed an order for 175 MAX 8s and Jet Airways, 75 of them. Malaysia-based Malindo Airways and Indonesia-based Lion Air are already operating the aircraft.

"The 737 MAX family is the fastest-selling airplane in

Boeing's history with about 3,950 orders from 93 customers worldwide," said Marty Bentrott, Boeing's vice-president, Sales.

FlyDubai, which operates from multiple points in India including Chennai, New Delhi and Mumbai, offers economical rates but seeks to stay away from the 'budget airline' tag.

It wants to stress on an "exceptional on-board experience" for its passengers, both in business class and economy, not without a touch of hype.

FlyDubai expects the new aircraft would improve its fleet performance, bring more flexibility and efficiency to its operations and start flying to new destinations. FlyDubai chairman Sheikh Ahmed bin Saeed Al Maktoum sees this as a milestone in Dubai's aviation success story.

(The author attended the Dubai Air Show on an invitation from FlyDubai)

