



**CURRENCIES**

US \$	<b>Rs 73.45</b>
UK Pound	<b>Rs 94.66</b>
Euro	<b>Rs 83.62</b>

**INDICES**

BSE		
Sensex	34431.97	<b>-10.08</b>
Midcap	14773.07	<b>+160.48</b>
Smallcap	14355.51	<b>+154.14</b>
NSE		
Nifty	10380.45	<b>-6.15</b>
Next 50	26728.80	<b>+162.45</b>
Nifty 500	8772.50	<b>+19.05</b>

**Most active on NSE**

Script	Price*	Traded value#
Yes Bank	205.60	1383.22
L&T	1331.10	1208.53
Reliance	1055.00	995.05
Axis Bank	607.20	955.72
HDFC Bank	1911.70	938.20

\*In Rs; #In Rs crore

**COMMODITIES**

Gold (10 gram in Rs)		
Pure	32275	<b>+10</b>
Hallmark	31080	<b>+10</b>
Silver (kg in Rs)		
Bar	38400	—
Portion	38500	—
Crude*	4775	<b>-117.00</b>
Copper#	434.70	<b>-1.00</b>

\*per barrel in Rs; # per kg in Rs

**MONEY MARKET**

	Yield (%)
Call rate	5.10
91-day T-Bill	6.93
1-year Gilt	7.44
5-year Gilt	7.79
10-year Gilt	7.82

## IN BRIEF

### IL&FS board jolt

■ **NEW DELHI:** Within a month of being appointed by the government as a director on the board of debt-ridden infrastructure lender IL&FS, G.N. Bajpai has resigned from the board, citing personal reasons. Bajpai was one of the seven directors appointed on the company's board by the government on October 1. **PTI**

### Factory numbers

■ **NEW DELHI:** The country's manufacturing sector activity showed improved in October with the Nikkei India Manufacturing Purchasing Managers' Index strengthening to 53.1 from 52.2 in September. **PTI**

### Tea Board

■ **NEW DELHI:** The Tea Board has asked gardens in many states to stop plucking from December 15. The order will apply to all tea manufacturing units in Bengal, Bihar, Sikkim, Himachal Pradesh and Uttarakhand. **PTI**

### BOTTOM LINERS



“It should not be a personal property but it should be anonymised data”

IT minister Ravi Shankar Prasad



XXCE

## Fresh Sebi crackdown on Sahara

OUR SPECIAL CORRESPONDENT

**Mumbai:** The Securities and Exchange Board of India (Sebi) has found that a Sahara group firm has raised over Rs 14,000 crore in violation of rules and ordered the company and its then directors, including Subrata Roy, to refund the money with 15 per cent annual interest.

The market regulator has also barred the company, Subrata Roy and four other individuals from accessing and dealing in the securities market for a period of four years from the date of completion of refunds to investors.

The 54-page order passed by wholetime member Madhabi Puri Buch relates to Sahara India Commercial Corporation Ltd (SICCL) raising Rs 14,106 crore between 1998 and 2009 from nearly two crore investors through the issuance of optionally fully convertible debentures.

Sebi has passed this new order at a time legal dispute is going on in the Supreme Court over an earlier direction from the capital market regulator asking two other Sahara firms in 2011 to refund over Rs 24,000 crore raised via OFCDs.

While Sahara has been asked to refund the money to a special Sebi account under a Supreme Court-monitored repayment process, the group has been saying it has already refunded more than 98 per cent of the amount directly to investors and proof has been given to Sebi.

In SICCL, too, the Sebi order mentioned that the company made submissions that it had already refunded the money collected from the investors in cash, barring Rs 18 crore for which the bondholders did not turn up for the refund. However, the regulator pointed out that the company did not provide any proof for repayment through banking channels.

Sebi said the repayments to investors of SICCL must be done through non-transferable bank demand draft or pay order.

# US cracks whip, impact small

R. SURYAMURTHY

**New Delhi:** The US on Thursday revoked duty-free concessions on the import of at least 50 Indian products, mostly from the handloom and agriculture sectors.

Experts, however, averred the move would impact exports worth only about \$72.3 million. This is out of a total of 2,000 GSP-enabled products worth about \$5.6 billion shipped to the US annually, according to commerce ministry officials.

The GSP programme provides for the duty-free treatment of designated articles when imported from beneficiary developing countries to America. The federal register has issued a notification, listing out 90 products which were so far subject to duty-free provisions under the Generalized System of Preferences (GSP).

A review of the products indicates

that the move is not country specific, but product specific.

Commerce ministry officials said the Washington has “not taken any unilateral action, but through a regular review process”.

Of the 90 items revoked by the US, the country would be impacted in about 50 items as India was the largest beneficiary under the GSP.

While the US has revoked duty free benefits under the Generalised System of Preferences (GSP) to some Indian products, New Delhi has for the third time deferred the imposition of its retaliatory tariff on 29 American products till December 17.

According to trade data, India imported goods and services valued at \$49.4 billion and exported goods worth \$76.7 billion to the US. The US trade deficit with India was \$27.3 billion in 2017.

“As far as the country is con-

### DUTY-FREE LIST CUT

*Some of the 50 Indian goods affected*

■ Pigeon pea seed; Areca nuts; Mango preserves

■ Turpentine gum; sandstone; tin chlorides; Barium chlorides; salts and esters of tartaric acid; Nesoi; Trimethyl phosphite

■ Types of buffalo hide; Certain handloom fabrics, carpets; gold plated link necklaces

■ Keyboard musical instruments

cerned, the US move would have little impact on exports. However, it would have a significant impact on small and medium exporters, who were getting a competitive advantage because of GSP,” Ajay Sahai, director general of FIEO, said.

“Small exporters are definitely af-

## October GST tops Rs 1 lakh crore

OUR SPECIAL CORRESPONDENT

**New Delhi:** GST collections in October crossed the Rs 1-lakh-crore-mark after a gap of five months, on the back of festive demand and anti-evasion measures.

The finance ministry said 67.45 lakh businesses filed the goods and services tax (GST) returns in October and deposited Rs 1,00,710 crore as taxes.

“GST collections for October 2018 have crossed Rs 1 lakh crore. The success of the GST is lower rates, lesser evasion, higher compliance, only one tax and negligible interference by taxation authorities,” finance minister Arun Jaitley tweeted.

The states which achieved “extraordinary growth” in the total taxes collected include Kerala (44 per cent), Jharkhand (20 per cent), Rajasthan (14 per cent), Uttarakhand (13 per cent) and Maharashtra (11 per cent), an official statement said.

### KITTY COUNT

**GST collections in October (in Rs crore)**

Central GST	16,464
State GST	22,826
Integrated GST	53,419
Cess	26,908
Total	1,00,710



GST revenue had first crossed the landmark figure in April when the collections stood at Rs 1,03,458 crore. Since then collections have been above Rs 90,000 crore.

Aditi Nayar, principal economist at Ibra, said, “While the uptick in the October GST collections compared with the trend since May is encouraging, the inflow remained lower than the April 2018 levels. Whether GST collections sustain above Rs 1 trillion per month during the festive

months as well as in the remainder of 2018-19 remains to be seen. This will crucially affect the extent of gap between the budget estimates for CGST and the realised inflows.”

The collections stood at Rs 94,016 crore in May, Rs 95,610 crore in June, Rs 96,483 crore in July, Rs 93,960 crore in August and Rs 94,442 crore in September.

Deloitte India partner M. S. Mani said, “It appears that GST collections have turned the tide and the increased collections would be on account of the stabilisation of GST processes and the anti-evasion measures taken. The fact that September heralds the festive season has also helped in improving collections”.

EY tax partner Abhishek Jain said while a possible reason for an upsurge in September could be closing adjustments for 2017-18 financial year, this trend can be expected to continue with the implementation of anti-evasion measures such as TDS/TCS.

## Company law tweak gets nod

OUR SPECIAL CORRESPONDENT

**New Delhi:** The Union cabinet on Thursday approved an ordinance to amend the Companies Act that seeks to decriminalise some 83 offences and cap the remuneration of independent directors.

The move to take out of the courts' ambit technical and procedural lapses aims at unburdening courts and decriminalising procedural lapses.

A committee headed by company affairs secretary I. Srinivasan had suggested that simple violations such as the non-filing of financial statements and annual returns could be treated as civil offence and handled through in-house adjudication by the Registrar of Companies and regional directors of the ministry of corporate affairs and not brought before courts. The adjudicating officer could levy a fine on the erring company as a deterrent.

At present, the non-filing of annual return and financial statement by a firm is a criminal offence under section 92 and 137, respectively, of the Companies Act.

In a release the ministry had earlier said “the committee undertook a detailed analysis of all penal provisions, which were then broken down into eight categories based on the nature of offences.”

“The committee recommended that the existing rigour of the law should continue for serious offences, covering six categories, whereas for lapses that are essentially technical or procedural in nature, mainly falling under two categories may be shifted to in-house adjudication process.”

### REPORT CARD

*Quarter ended September (in Rs crore)*

	2017	2018
Revenues	9003	11245
Expenses	6292	7767
PBT	2714	3489
PAT	1978	2467
EPS (Rs)	12.42	14.60

## Stake sale boosts HDFC net

OUR SPECIAL CORRESPONDENT

**Mumbai:** HDFC on Thursday reported a 25 per cent rise in net profit for the September quarter with its bottomline boosted by the part sale of its stake in its mutual fund arm even as robust loan demand fuelled earnings.

The company's largest housing finance company posted a standalone net profit of Rs 2,467.08 crore compared with Rs 1,978.19 crore in the same period of last year.

In August, the corporation received Rs 891 crore from the initial public offering (IPO) of HDFC Asset Management Company. HDFC's total individual loan disbursements grew 17 per cent even as the average size of individual loans stood at Rs 27 lakh.

The company has maintained its focus on loans to the economically weaker section (EWS) and low income group (LIG) segments. During the half-year ended September 30, 2018, 37 per cent of home loans approved in volume terms and 18 per cent in value terms were to the customers in these segments. HDFC said it has on an average approved 8,300 loans on a monthly basis to the EWS and LIG segments.

Vice-chairman Keiky Mishra said the company has no liquidity issues, despite the crisis in the system and that it has no exposure to the IL&FS group's debt instruments.

## Pricing of air tickets under CCI scanner

**New Delhi:** The Competition Commission is looking at algorithms used by airlines to determine fares as part of a detailed probe into the alleged fixing of air ticket prices, according to its chief Sudhir Mital.

At present, the fair trade regulator is investigating allegations of similar pricing as well as simultaneous increase in ticket prices by the airlines. The cases pertain to steep fluctuations in fares during the Jat agitation in Haryana and floods in Chennai, among other instances.

Mital, chairperson of the Competition Commission of India (CCI), said that it is looking into a couple of cases of alleged price fixing by the airlines.

“We are trying to work out the pricing pattern followed by airlines. Airlines have often stated that similarity in airfares as well as increase in prices are results of demand-based dynamic pricing by the softwares used by them.

“Unless and until the issue is examined and looked into in detail, we cannot say much at this stage,” Mital said in an interview. There have been instances of a spike in ticket prices during festivals and natural calamities.

Earlier this year, some members of the Rajya Sabha sought a cap on airfares and the government had been maintaining that fares are deregulated. The CCI chief said the cases being looked into involve allegations of similar pricing by airlines during the Jat agitation and floods in Chennai.

While the Jat agitation took place in early 2016, the floods occurred in 2015.

One case being looked into is about similarity in prices of different airlines for the same route that customers often comes across while booking tickets and the other is about surge pricing

CCI CHIEF SUDHIR MITAL

“Basically, one case being looked into is about similarity in prices of different airlines for the same route that customer often comes across while booking tickets and the other is about surge pricing. For example, how is that during Jat agitation all airlines on the same day decided to increase the prices,” Mital said.

The regulator is waiting for a report from the director-general (DG), which is its investigation arm. Generally, cases where the CCI has found prima facie evidence of violations of competition norms are referred to the director-general for a detailed probe.

“We have asked the DG to look into the algorithms used by the airlines for determining the fares to ascertain whether the airlines have co-ordinated to fix prices or the algorithms function on their own to determine the prices,” Mital said.

Further, he said the process starts only after the director-general submits its report. The CCI, which keeps a tab on unfair business practices across sectors, has powers to penalise entities for anti-competitive ways as well as direct them to cease and desist from indulging in such practices. **PTI**

## Gold demand to dip

OUR BUREAU

**Calcutta:** The World Gold Council anticipates lower demand during the Dhanteras-Diwali period as a combination of factors such as rising prices, lack of liquidity and impending elections in key states.

Total demand in the July-September quarter rose to 183.2 tonnes from 165.8 tonnes in the year-ago period. While jewellery demand at 148.8 tonnes grew 10 per cent, investment demand at 34.4 tonnes grew 11 per cent during the quarter. In value terms, gold demand went up 14 per cent to Rs 50,090 crore from Rs 43,800 crore a year ago.

“A dip in the gold price in the early part of the quarter—its lowest level since January 2018—spurred demand. However, the rupee's depreciation impacted the local price and demand eased towards the later half of the quarter,” said Somanandaram PR, managing director, India, World Gold Council.

### LESS SHINE



Gold demand in Q3 in tonnes		
Jewellery	134.8	148.8
Investment	31	34.4
Total	165.8	183.2

According to the council, a combination of factors such as lack of buying occasions, disruption caused by the floods in a key gold market (Kerala) and an intervening inauspicious period affected demand.

“The last quarter of the year (October-December) is normally a vibrant period for gold related purchases as demand rises in the festival and wedding season. However, the seasonal spike in demand could be moderate this year because of factors such as a

lack of liquidity, rising Indian prices and impending elections in some key states impacting trade logistics,” Somanandaram said.

The council estimates Indian gold demand to be at the lower end of 700-800 tonnes in the whole of 2018. A quarterly report noted that after minor purchases over recent months, the RBI ramped up its buying in the September quarter, increasing reserves by 13.7 tonnes. “This brings year-to-date purchases to 21.8 tonnes,” it said.

Total gold recycled in the country declined 13.85 per cent to 23 tonnes compared with 26.7 tonnes in the same quarter of 2017.

Global gold demand rose by just 1 per cent during the third quarter to 964 tonnes on account of large outflows in gold-backed exchange-traded funds, the WGC said on Thursday. Overall demand a year ago stood at 958 tonnes, according to WGC's Q3 Gold Demand Trends report.

## Wake-up call for Coal India

A STAFF REPORTER

**Calcutta:** Coal India needs to step up its efforts to ramp up production and cut down on inefficiencies.

On the occasion of the company's 44th foundation day, Union coal minister Piyush Goyal said production growth of the public sector miner has slackened in the last two years and the current levels of double-digit growth are on a lower base with a possibility to come down to single digits unless the company takes efforts.

“Today, we are facing stress because of slower production growth in the last two years. Even as I speak, while we are growing at 10 per cent, my fear is that the rate of growth is not good enough and very soon we may slip down from 10 per cent to single digits unless all of us collectively decide that we will not let that happen,” Goyal said on Thursday.

Coal India has recorded a 10.6 per cent growth in production between April and

### OUTPUT UPDATE

CIL production in million tonnes

2014-15	494.24
2015-16	538.75
2016-17	554.14
2017-18	567.37



September at 256.47 million tonnes (mt) against 231.88mt in the year-ago period. Offtake during the period grew 8.1 per cent.

Total coal production in 2017-18 was 567.37mt against 554.14mt in the previous fiscal. Coal stocks rose 55.55mt at the start of 2018-19 as power stations opted to restrict coal intake during a major part of 2016-17 and the initial months of 2017-18 on account of subdued power demand.

“We must make a sincere effort to rapidly ramp up production and despatches

so that we can once again show that when it comes to meeting our commitments, we are second to none,” Goyal said.

The public sector miner has set an ambitious production target of 652mt in 2018-19. The miner has been urged to step up production and offtake to 2.5mt per day.

Goyal said technical challenges have to be handled efficiently so that production is not affected. He said the miner has to work closely with technical institutions and set up washeries to further improve quality of coal.

### Divestment status

The government on Thursday sold a 3.18 per cent stake in Coal India, in the first big-ticket disinvestment of the current fiscal, which will fetch Rs 5,300 crore to the exchequer. Retail investors lapped up 6.19 crore shares, or 1.56 times the shares reserved for them. Institutional buyers had on Wednesday bid for 15.84 crore shares, or 1.06 times the equity earmarked for them.