

STOCK CHECK

Sensex intra-day movement

High 36588.41

Open 36585.50

Close 36395.03

Low 36300.48

Previous 36546.48

CURRENCIES

US \$

Rs 71.17

UK Pound

Rs 92.00

Euro

Rs 80.53

INDICES

BSE

Sensex

36395.03

-151.45

Midcap

14117.55

-211.26

Smallcap

13450.47

-206.28

NSE

Nifty

10888.80

-54.80

Next 50

26240.00

-296.60

Nifty 500

8967.15

-69.75

Most active on NSE

Script

Price\*

Traded value#

Tata Steel

479.75

1105.12

Reliance

1254.50

947.55

SunTV

574.00

695.81

IBULHsgFin

603.00

646.59

ApolloHosp

1124.10

621.17

\*In Rs; #In Rs crore

COMMODITIES

Gold (10 gram in Rs)

Pure

33475

-305

Hallmark

32235

-295

Silver (kg in Rs)

Bar

40100

-50

Portion

40200

-50

Crude\*

3724

-36.00

Copper#

439.45

-3.30

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

MONEY MARKET

Yield (%)

Call rate

5.00

91-day T-Bill

6.37

1-year Gilt

6.64

5-year Gilt

7.24

10-year Gilt

7.53

IN BRIEF

SpiceJet net drops

■ NEW DELHI:

SpiceJet on Monday reported a massive 77 per cent fall in its net profit at Rs 55 crore owing to higher aviation fuel cost and rupee depreciation. The airline had posted a net profit of Rs 240 crore in the year-ago period, a company statement said. Total income stood at Rs 2,530.8 crore for the quarter against Rs 2,096.1 crore a year ago. PTI

Edelweiss

■ MUMBAI:

The Edelweiss group on Monday said that Allianz Investment Management, a part of Allianz Group, is investing over \$200 million into its private debt platform.

Jute strike

■ CALCUTTA:

All trade unions of the jute sector barring the Indian National Trinamul Trade Union Congress have announced an indefinite strike from March 1. PTI

BOTTOM LINERS

"I've made a billion here and a billion there, but never any serious money."

The Telegraph

BUSINESS

India is not only an important market for us...it is a very strategic partner

Minister of state in the United Arab Emirates and CEO of Adnoc Sultan Ahmed al Jaber

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CALCUTTA TUESDAY 12 FEBRUARY 2019

# SUUTI set to pare Axis stake

OUR SPECIAL CORRESPONDENT

Mumbai: The Specified Undertaking of the Unit Trust of India (SUUTI) is selling part of its stake in Axis Bank. The SUUTI is looking to sell close to 3 per cent of the private sector lender, which may yield the government over Rs 5,300 crore.

The sale should go some way to meet the government's selloff target of Rs 80,000 crore this fiscal; so far, it has managed to raise a little over Rs 35,000 crore through stake sales in central public sector enterprises.

The Centre had earlier tried to go for a strategic sale of Air India to meet the divest-

ment target but did not find any takers. The SUUTI also holds stakes in ITC and L&T. Investors are watching whether the government will put up these stakes for sale.

Finance minister Piyush Goyal, who presented the interim budget earlier this month, has targeted Rs 90,000 crore to come from disinvestments next fiscal.

Axis Bank on Monday informed stock exchanges that the SUUTI was proposing to sell about 5 crore shares, or 1.98 per cent of the private sector lender, on February 12. This it said will consist the base offer and open only for non-retail investors.

On the following day, the SUUTI will look to sell another

2.6 crore shares, or 1.02 per cent stake, which will be the over-subscription option. The sales will be conducted in a separate designated window of the BSE and the NSE.

STAKE SHAKE

Axis Bank shareholding pattern as on Dec. 31, 2018 (in %)

SUUTI 9.56

Promoters 23.71

LIC 11.53

Public 76.29

Axis Bank share price on BSE in Rs

High 720.90

Open 720.85

Low 706.00

Close 710.35

Previous 718.25

## Select IL&FS arms to start debt servicing

OUR SPECIAL CORRESPONDENT

Mumbai: The National Company Law Appellate Tribunal (NCLAT) has allowed 22 domestic arms of the IL&FS group to service their debt obligations, providing a much needed relief to the lenders.

Additionally, the appellate tribunal lifted the moratorium on debt payments on 133 IL&FS firms incorporated outside the country even as they were allowed to continue with the resolution process.

Besides, a two-member bench headed by Justice S.J. Mukhopadhyaya approved the appointment of former Supreme Court judge Justice D.K. Jain to supervise the resolution process of the group.

The NCLAT was hearing the government plea over the IL&FS group. Earlier this month, the corporate affairs ministry submitted the debt resolution plan for IL&FS.

Under the plan, the IL&FS group companies were grouped on the basis of their payment ability — green, amber and red.

Companies under the green category would be those that continue to meet their payment obligations. Amber category firms can only meet operational payments obligations and to senior secured financial creditors. On the other hand, red entities are those who cannot meet their payment obligations towards even senior secured financial creditors.

The classification was done by the resolution consultant appointed by the IL&FS board.

In its affidavit filed with the NCLAT, the government has suggested the green entities be allowed to service their debt obligations; and certain amber and red firms be al-

HEADWAY

■ Appellate tribunal has permitted debt payments by some IL&FS entities

■ Decision follows a plan that graded IL&FS entities on their ability to pay debt

■ In October, moratorium set on action by lenders. The curb now partially off

lowed to make payments only to maintain and preserve the "going concern" status.

The appellate tribunal in October last year had imposed a moratorium on all creditor actions against IL&FS and its 348 group firms till further orders, following a petition moved by the Centre.

The ministry of corporate affairs (MCA) had approached the appellate tribunal after the Mumbai bench of the National Company Law Tribunal (NCLT) turned down its plea to grant 90 days' moratorium against legal action over the loans taken by IL&FS and its subsidiaries.

Passing an interim order over the Centre's plea, a two-member NCLAT bench headed by Justice S.J. Mukhopadhyaya had stayed all the proceedings "taking into consideration the nature of the case, larger public interest and economy of the nation and interest of IL&FS and 348 group companies".

The moratorium prohibited initiation or continuation of legal proceedings, enforcement of security over assets of IL&FS and its group companies in addition to restricting creditors from making demands for payment of their credit facilities, debt securities, premature withdrawal of deposits or appropriating cash balance of IL&FS or its group companies.

## CIL jacks up non-power supply

A STAFF REPORTER

Calcutta: Coal India has stepped up its despatch to non-power consumers in the last couple of months as the number of power plants with critical coal stocks have come down.

The public sector miner recorded a despatch of 3.487 lakh tonnes of coal per day in December 2018 and January 2019, which is 14.7 per cent higher than the despatch to the non-power sector between April and November 2018.

A total of around 21 million tonnes of coal were despatched to this sector in December 2018 and January 2019, comprising around 20 per cent of the offtake from all the subsidiaries in these two months.

Coal India sources said that a combination of higher railway rake availability and improved power plant stocks helped increase the supply.

Loading of railway rakes to the non-power sector was 24.7 rakes per day in December and January compared with 18.3 rakes per day in April to November.

Moreover, the number of power plants with critical stocks has come down from 29 at the end of October 31, 2018, to four as of February 7, 2019. Actual coal stock has improved to 13 days from six days earlier according to data from the Central Electricity Authority.

Non-power consumers comprising steel, aluminium and cement had earlier expressed their concerns over the availability of the fuel at their end following diversion of railway rakes in certain subsidiaries to meet the requirements of the power sector.

Coal India has produced 469.65 million tonnes between April and January of 2018-19 compared with 440.60 million tonnes in the year-ago period, a growth of 6.6 per cent. Offtake at 497.04 million tonnes was 4.6 per cent higher over the previous year.

Key Questions

■ Bourses asked to look into trade details and seek clarifications on the open market sale of shares

■ Sebi will also examine if there was any violation of regulations relating to insider trading and disclosure norms

## Market cop to look into Anil scrip dip

OUR SPECIAL CORRESPONDENT

Mumbai: The Securities and Exchange of India (Sebi) is looking into the controversy surrounding the sale of the pledged shares of the Anil Ambani group by two non-banking finance companies (NBFCs).

The market regulator's initiative follows a letter from the group to Sebi where it alleged that the share sales were done at prices that were lower than the prevailing market rates.

The Anil group had asked Sebi to investigate the matter and impose restraint on the entities that sold the shares.

A PTI report quoting Sebi officials said the regulator had asked stock exchanges to look into the trade details and seek clarifications from the entities concerned regarding the open market sale of shares to ascertain whether any norms were breached in the process.

The market watchdog will also examine whether there was any violation of regula-

tions relating to insider trading and disclosure norms.

Last Saturday, the board of three Reliance group firms — Reliance Power, Reliance Capital and Reliance Infrastructure — had given the go-ahead to the respective firms to take necessary legal action in this regard.

Last week, the Anil Ambani group had alleged that L&T Finance and Edelweiss, had in an "illegal and motivated" action, invoked pledged shares and sold them in the open market, which, it said, resulted in a 55 per cent fall in the group's market

## Start-up tax relief on way

New Delhi: The government is considering giving complete exemption to start-ups from angel tax once they are certified by the commerce and industry ministry, a move aimed to help budding entrepreneurs, official sources said on Monday.

The consideration assumes significance as several start-ups have claimed to receive angel tax notices, impacting their businesses.

Various start-ups have raised concerns on notices sent to them under Section 56 of the Income Tax Act to pay taxes on angel funds received by them.

Officials of the department for promotion of industry and internal trade (DPIIT) and the Central Board of Direct Taxes (CBDT) are holding a series of meetings to address the angel tax issue, the sources said.

"One of the consideration being thought about actively is to give complete exemption to start-ups from Section 56(2)(vii-b) of the Income Tax Act, once they are certified by the DPIIT," they added.

This move may be gelled with capping the investment to a much higher level of angel funds so that a good number of start-ups do not face the taxmen.

Giving relief to budding entrepreneurs last year, the government allowed start-ups to avail themselves of tax concession only if total investment, including funding from angel investors, does not exceed Rs 10 crore.

Though start-ups are demanding complete exemption from this tax, the government may increase the investment limit for tax exemption to Rs 25-40 crore. PTI

Key Questions

■ Bourses asked to look into trade details and seek clarifications on the open market sale of shares

■ Sebi will also examine if there was any violation of regulations relating to insider trading and disclosure norms

## Modi offers tip on pricing of crude

OUR SPECIAL CORRESPONDENT

New Delhi: Prime Minister Narendra Modi on Monday made a strong pitch for responsible pricing of crude oil that balances the interest of both producers and consumers amid concerns that volatility in oil prices could impact economies.

"We also need to move towards transparent and flexible markets for both oil and gas. Only then can we serve the energy needs of humanity in an optimal manner," Modi said at the Petrotech 2019 conference here.

For a nation dependent on imports to meet more than 80 per cent of its oil needs and half of its gas requirements, the volatility last October pushed up retail petrol and diesel prices to record highs.

**Prime Minister Narendra Modi in Greater Noida on Monday.** PTI

The same has led to natural gas not being used as a fuel in power plants despite it having enormous environmental advantage over polluting coal and liquid fuels.

Modi said the challenge before nations is to deliver affordable, efficient, clean and assured energy supplies to their citizens. "Suitably priced, stable and sustainable energy supply, is essential for

## Steel exports slump 25%

JAYANTAROY CHOWDHURY

New Delhi: India's iron and steel exports to its top 20 destinations fell 25 per cent in the April-November period of 2018, forcing the government to consider negotiating for duty concessions in its trade talks with other nations..

India sold 8 million tonnes of iron and steel to its top 20 export destinations between April and November compared with 10.7 million tonnes (mt) a year ago. In contrast, imports of various grades of steel increased nearly 8 per cent between April and December 2018 compared with a year earlier, government data showed.

Till now, Indian steel exports have been a rising graph — 7.6 mt in 2015-16, 14 mt in 2016-17 and 15.9 mt in 2017-18.

"We are now net steel importers, despite being the world's second largest steel maker," said top officials.

In terms of value of steel exported, India earned \$6.52 billion in the April-November period against \$7.36 billion in the same period a year ago.

Sales to the US, EU nations (Italy, Bel-

SHIPMENT STATUS

**Steel exports in million tonnes**

2015-16: 7.6 mt

2016-17: 14 mt

2017-18: 15.9 mt

■ India sold 8mt to its top 20 destinations between April and Nov against 10.7mt a year ago. It earned \$6.52bn against \$7.36bn a year ago

gium, Poland and Spain) as well as Asean nations (Vietnam, Indonesia and the Philippines) fell drastically.

India had in the past cut its duties on steel imports in free trade pacts signed with Japan, Korea and the Asean countries, which resulted in a surge in imports from these countries and China.

However, top officials said India would try to get duty concessions in future negotiations.

"We have virtually no policy on steel

## Lok Sabha approves budget

OUR SPECIAL CORRESPONDENT

New Delhi: The Lok Sabha on Monday passed the interim budget for 2019-20 amid a walkout by the Opposition. Finance minister Piyush Goyal said the budget had addressed the needs of all sections of society by announcing a direct cash transfer scheme for farmers, insurance for unorganised sector workers and income tax relief for the middle class.

"The poor, farmers and the middle-class are the government's priorities. Our government was the first to increase minimum support price for farmers," Goyal said in his speech that was interrupted by slogans from the Opposition benches.

Goyal introduced the Appropriation Bill and the Finance Bill amid a din in the House. The bills were passed by voice vote after the finance minister's reply.

Opposition leaders criticised the budget as having no substance and for introducing tax changes and sops which by tradition are not part of an interim budget.

In this year's interim budget, the cash transfer benefit for farmers drew the most criticism — the Congress said Rs 6,000 a year was a tiny amount and an insult to farmers. Not much, however, has been said about the alterations in taxes for the salaried class, which include a full tax rebate for taxable income up to Rs 5 lakh.

Goyal, referring to the scheme under which small farmers will be provided Rs 6,000 every year, said those living in palaces will never understand the importance of Rs 2,000 every four months and hence they "belittle" it.

"This government has changed the working style followed by the Congress. We are moving towards an honest system," he said, adding the government will take harsh steps against fake companies but will do everything to protect the honest ones.

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## UAE to invest more

OUR SPECIAL CORRESPONDENT

New Delhi: Oil-rich UAE is planning to invest more in refining and petrochemical projects as well as stock more crude in India as demand is expected to grow substantially.

"We are looking at expanding investment portfolio in the downstream sectors (particularly) oil refining and petrochemicals," Sultan Ahmed al Jaber, minister of state in the United Arab Emirates and CEO of Adnoc, said on Monday.

UAE's Abu Dhabi National Oil Co (Adnoc) and its partner Saudi Aramco have jointly taken a 50 per cent stake in the planned \$44-billion refinery-cum-petrochemical complex at Ratnagiri in Maharashtra. It has hired space at the underground strategic oil storages built at Mangalore and Padur in Karnataka.

The same has led to natural gas not being used as a fuel in power plants despite it having enormous environmental advantage over polluting coal and liquid fuels.

Modi said the challenge before nations is to deliver affordable, efficient, clean and assured energy supplies to their citizens. "Suitably priced, stable and sustainable energy supply, is essential for

UAE, he said, is looking to go beyond selling crude to India and wants to develop a strategic partnership.

"We are looking at a strategic partnership given that we can also bring our own crude," he said. "India is not only an important market for us. India is a very strategic partner."

**Barter trade**

Venezuela, the South American nation hit by US sanctions, has indicated that it is open to a barter-like trade in oil with India.

"We are open to barter-like payments to boost oil sales.... The relationships with India will continue, the trade will continue and we will simply expand the trade and relationship," the country's oil minister Manuel Quevedu said on Monday without giving details on how a barter mechanism with India would work.