



STOCK CHECK

Sensex intra-day movement



Previous 40301.96

CURRENCIES	
US \$	Rs 70.68
UK Pound	Rs 91.23
Euro	Rs 78.63

INDICES		
BSE		
Sensex	40248.23	-53.73
Midcap	14723.75	-168.40
Smallcap	13522.04	-108.62
NSE		
Nifty	11917.20	-24.10
Next 50	28442.35	-210.55
Nifty 500	9694.05	-38.35

Most active on NSE		
Scrip	Price*	Traded value#
Yes Bank	68.30	2033.01
SBI	319.00	1596.52
Bajaj Fin	4,250.2	1229.95
HDFC	2,182.5	1207.40
IbUlHsgFin	223.90	1075.60

COMMODITIES		
Gold (10 gram in Rs)		
Pure	39220	-60
Hallmark	37770	-55
Silver (kg in Rs)		
Bar	46650	-250
Portion	46750	-250
Crude*	4034	-16
Copper#	443.55	+1.95

*per barrel in Rs; # per kg in Rs

MONEY MARKET	
	Yield (%)
Call rate	3.70
91-day T-Bill	5.04
1-year Gilt	5.51
5-year Gilt	6.33
10-year Gilt	6.51

IN BRIEF

PNB posts profit

■ **NEW DELHI:** Punjab National Bank (PNB) on Tuesday reported a profit of Rs 507.06 crore for the September quarter aided by substantial reduction in provisioning for bad loans. The lender had posted a loss of Rs 4,532.35 crore a year ago. Provisions for bad loans fell to Rs 3,253.32 crore from Rs 7,733.27 crore a year ago.

Adani MIAL stake

■ **MUMBAI:** Two days before the deadline, the Adani group on Tuesday sought the Bombay high court's nod to complete its offer to buy the 13.5 per cent stake held by Bidvest in Mumbai airport, saying the GVK group has failed to deposit the money in the court-ordered escrow account on time. PTI

Boeing CEO

■ **NEW YORK:** Boeing's chairman on Tuesday gave a forceful vote of confidence in CEO Dennis Muilenburg amid calls in Congress for the embattled Boeing chief executive to resign after two deadly crashes. AFP

BOTTOM LINERS



50 points of discord at RCEP

OUR SPECIAL CORRESPONDENT

New Delhi: The negotiations at the RCEP failed to address India's concerns over a surge in imports and source of origin of imports, commerce minister Piyush Goyal said here on Tuesday. The negotiations also could not offer clarity on access to services from India. "Our demands with the RCEP mainly were balancing the trade deficit, protect domestic industry from indiscriminate surge in imports, steps on non-tariff barriers and to get a good opportunity for Indian goods and services in foreign markets," Goyal said. Prime Minister Narendra Modi in Bangkok on Monday said that India would not join



Piyush Goyal

the RCEP deal as negotiations failed to address New Delhi's "outstanding issues and concerns". Goyal said there were 70 points raised at the discussions, of which 50 were put forward by India. Some concessions on the 50 points were offered, but they were not adequate so India opted out. He said India was keen to explore trade agreements with the US and the European Union.

China defence

OUR SPECIAL CORRESPONDENT

New Delhi: A day after India opted out of the 16-nation Regional Comprehensive Economic Partnership (RCEP) in Bangkok, China on Tuesday sought to allay Indian fears of Chinese goods flooding the market because of the deal by pointing to the 15 per cent increase in imports from India over the past five years. Chinese goods taking over the Indian market and undermining the "Make in India" initiative was one issue that gave India cold feet but Beijing insisted it would be a two-way street. "If it is signed and put into implementation it is conducive for the Indian goods entry into China and other participating countries. In the same vein, it will also help Chinese goods to enter the markets of India and other participating countries," Chinese foreign ministry spokesman Geng Shuang said, according to PTI. He was responding to questions on India's decision not to join the RCEP. On India's specific concern regarding Chinese goods flooding Indian markets Geng said: "It is two-way and complementary (deal)," maintaining that it is not as if Chinese imports from India have remained static.

New base year for GDP soon

New Delhi: The ministry of statistics and programme implementation will decide on a new base year for the GDP series in a few months, a senior official said on Tuesday.

The ministry is working to bring in a new series of national accounts which would result in change in the existing base year of 2011-12.

Though the ministry is considering 2017-18 as the new base year, no decision has been taken as the committee of experts are awaiting some more data before finalising their opinion.

"The decision to change the base year (of GDP) would be taken in the next few months. We are waiting for the Annual Survey of Industries and the Consumer Expenditure Survey. All the preparatory work is getting ready for that.

"Once the result is out, we will place it before the respective committees (to decide about the base year)," MOSPI secretary and chief statistician Pravin Srivastava told reporters at a Ficci conference, adding that the decision has to be taken considering global and national scenario as well.

He also said that earlier when the new series with the 2011-12 base year was being worked out, the ministry thought of revising it to 2009-10. But then economists decided that 2009-10 was not a good year globally and domestically and finalised 2011-12 as the base year for the new series of GDP.

On whether the economy will see recovery he said, it was too early to comment on it because lot of inputs for tabulation depend upon the IIP (index of industrial production), CPI and WPI data, which would come in the first fortnight of November.

On experts' views that industrial production for September will see a decline after core sector output contracted 5.2 per cent during the month, Srivastava said, "We do not speculate data. We wait for data to come because the data will tell us."

When asked about the need for a new GDP base year, he said it will capture the change in structures of the economy. PTI

OUR SPECIAL CORRESPONDENT

Mumbai: The government is likely to offer incentives to the real estate sector and is engaged in discussions with the RBI to resolve the issues faced by the industry.

"The government is very keen and is working very clearly together with the RBI to see how best we can, where necessary, tweak the existing norms to help the people who are affected in the realty sector," she said at the silver jubilee celebrations of the National Stock Exchange (NSE) here on Tuesday.

In September, the government had slashed the corporate tax rates in a bid to lift the

domestic economy out of a slowdown, marked by a fall in private sector capex and a rise in unemployment.

However, the real estate sector continued to be affected by the downturn.

Sitharaman said many alternative funds were keen to invest in the sector, but they wanted policy support. The segment has a spillover effect on various other sectors such as infrastructure.

"The real estate sector has a spillover effect on very many sectors. Several home-buyers and core industries which supply material are looking up to the government for solutions. They will benefit from a revival of the real estate sector," the finance minister said.

Services contract again in October

Bangalore: Activity in India's dominant services industry contracted for a second consecutive month in October because of muted demand, a private business survey showed on Tuesday, driving business optimism to a near-three year low.

Although the Nikkei/IHS Markit Services Purchasing Managers' Index rose to 49.2 last month from 48.7 in September, it remained below the 50-mark threshold separating contraction from growth on a monthly basis.

The last time services activity contracted for two consecutive months was in August 2017 following the hasty implementation of the Goods and Services Tax (GST).

A sub-index tracking demand showed new business barely grew last month.

That, alongside a manufacturing slowdown, dragged the composite index to a more than two-year low of 49.6, pointing to further weakness in Asia's third-largest economy after growth fell to a six-year low of 5 per cent in the April-June quarter.

"New business stabilised, following contraction in Sep-

INDEX POINTER

PMI Services index	
April 2019	51.0
May	50.2
June	49.6
July	53.8
Aug	52.4
Sept	48.7
Oct	49.2

(>50 is expansion and <50 is contraction)

tember, while job creation moderated. At the same time, concerns that challenging economic conditions will linger dragged business confidence to its lowest level in close to three years," the report said.

It noted that cost inflation climbed to a one-year high, but charges increased at a softer pace as weak demand limited pricing power.

"It's somewhat worrying to see the Indian service sector stuck in contraction, as firms react to muted demand by lowering business activity," said



Nirmala Sitharaman and Sebi chairman Ajay Tyagi ringing a bell to conclude the silver jubilee celebrations of the NSE in Mumbai on Tuesday. PTI

Sitharaman said though the government had been making various interventions since August to revive consumption and investment demand, more needed to be done.

"One particular sector which I have not touched, but which has a lot of positive impact and also can impact the stock market, is the real estate sector," she said.

Birla Corp profit jumps five times

OUR SPECIAL CORRESPONDENT

Calcutta: Profits of Birla Corporation, the flagship company of MP Birla Group, jumped more than five times in the second quarter of this fiscal, beating the slowdown blues.

The company, under the chairmanship of Harsh V. Lodha, attributed the spike to a better realisation from the sale of premium and blended cement and cost rationalisation.

This is first quarterly result that BCL announced after the legal dispute over the ownership of the MP Birla group renewed with gusto between the Lodha and Birla family members.

A court appointed committee entrusted to look after the estate of late Priyamvada Devi Birla, wife of late Madhav Prasad Birla, till ownership is conclusively decided by the grant of probate, decided not to support a formula of payment of profit linked remuneration to Lodha.

One of the reasons the committee cited to vote against a resolution on the fixation of Lodha's salary in the last AGM was declining financial performance of Birla Corp under Lodha's tenure. The committee took the decision based on a majority vote.

Based on the results of the second quarter and first half, it appears that Birla Corp is on course to make one of the better performances in many years, blunting the criticism faced from the committee of

REPORT CARD

Quarter ended September (In Rs crore)		
	2018	2019
Revenue	1485	1647
Ebitda	206	332
Cash profit	112	229
Net profit	16.29	88.34

Administrators Pendente Lite (APL) of the estate of Priyamvada Devi Birla.

Birla Corp has recorded a Rs 88.34-crore profit after tax in July-September of 2019-20 on a consolidated basis, compared with Rs 16.29 crore in the same period last year.

In the first half, it posted a profit of Rs 228.96 crore compared with Rs 100.15 crore in the April-September period of 2018-19. Birla Corporation made a full-year profit of Rs 255.70 crore.

Sandip Ranjan Ghosh, chief operating officer of BCL, said the company's branding and premiumisation strategy was paying off.

"We are focusing on selling blended and premium cement focusing on retail and trade channels where the brand draws the customer," he said.

Despite an extended monsoon and depressed demand, the company's sales by volume increased 4.1 per cent year-on-year to 3.2 million tonnes (mt), while 2.65mt of this was sold through the more remunerative trade, or retail, channels.

Demand for gold set to wane

OUR SPECIAL CORRESPONDENT

Mumbai: The appetite for gold as an investment avenue could take a hit in India with the stock market turning around and mutual funds grabbing all the attention.

The World Gold Council (WGC), the market development organisation for the gold industry, has pointed out that gold demand in India is facing competitive threats from other mainstream investment opportunities.

"Retail investors' attention has been captured by equities, with the BSE Sensex flirting with record highs and year-to-date trading volumes at their highest since 2009. More importantly, a well-executed marketing campaign by the Association of Mutual Funds in India has generated sustained inflows into systematic investment plans," the organisation said in its latest 'Gold Demand Trends' Report.

The observation came even as demand for bars and coins during the third quarter of this calendar year fell to its lowest level since the first quarter of 2009.

WGC said the high gold price surged even higher during the period which, coupled with a faltering economy, saw retail investment falling 35 per cent over the same period last year to 22.3 tonnes.

Despite the rapid uptick in the gold price there was limited net selling, with dealers reporting that many investors were holding on to their bars and coins in the expectation of further price rises.

Bitter sugar forecast

OUR SPECIAL CORRESPONDENT

New Delhi: Heavy rainfall and flooding in key sugarcane growing areas of Maharashtra and Karnataka in September, which resulted in a massive crop loss, is likely to bring down sugar output by 21.5 per cent to 26 million tonnes for the ongoing marketing year, industry body said.

"A multitude of factors have resulted in lower sugar output, including heavy rainfall and flooding in Maharashtra and Karnataka in September, which resulted in massive crop loss. The growth in the domestic ethanol production capacity for mixing in petrol has also contributed to the lower output," according to Indian Sugar Mills Association.

Meanwhile, the Centre announced on Tuesday that an environmental clearance would not be required to produce additional ethanol from sugarcane juice as it does not cause pollution, a move that may benefit farmers and sugar mills. Sugar mills and farmers have been at loggerheads because of the non-payment of dues to the latter.

Germany coal mining call

ASTAFF REPORTER

Calcutta: German coal miners are exploring opportunities in India amid a slowdown in mining activities in Germany. The European country is shifting to renewables and is cutting down on carbon emissions from coal-based energy production. The country is now dependant on lignite, while coal is being imported as feedstock for the plants.

For German state North Rhine-Westphalia, the shift is a cause of concern as a large part of its economy is dependant on mining.

Several firms, specialising in underground mining technology and equipment, are looking at overseas markets. "India is one of the markets among the target markets. If many of the projects of Coal India and other companies becomes reality, there is scope for collaboration, provided our technology and know how is required," said Peter Hartlieb of EnergieAgentur.NRW. He was speaking at a



Peter Hartlieb in Calcutta on Tuesday

seminar organised by the Bengal Chamber of Commerce.

A delegation of German firms has met Bengal government officials to identify areas of collaboration between the two states.

"There has been a meeting with officials from the West Bengal Power Development Corporation and Coal India to identify areas of collaboration. The state government was primarily interested in two areas - mine safety and productivity," said Rajesh Nath, managing director of VDMA's (the German Engineering Federation) India chapter, based in the city.