

## Earnings, macro data, global cues key for stock markets this week

NEW DELHI, JULY 8 /--/ Sentiment in the stock market this week will be driven by a host of key triggers, including macroeconomic data, June quarter earnings and global trade relations, say experts.

"Focus will be on inflation number, IIP data and monsoon. Globally, the focus will be on trade issues," said Sanjeev Zarbade, Vice President Research, Kotak Securities.

IT majors TCS and Infosys are scheduled to kick-start the earnings season with announcement of their June quarter results next week.

Market experts said developments on the trade front will also be monitored closely. "We believe the trade-wars are a developing story and will take some time before we hear the final word," said VK Sharma, Head Private Client Group and Capital Market Strategy, HDFC Securities.

"CPI inflation and IIP data will be keenly watched," said Vinod Nair, Head of Research, Geojit Financial Services.

Over the last week, the Sensex rose by 234.38 points, or 0.66 per cent to settle at 35,657.86.

"Fundamentally, lot of events are lined up with critical importance and eyes will be on inflation data and IIP numbers,"

# PSU banks plan to raise over Rs 50k-cr equity capital in FY19

NEW DELHI, JULY 8 /--/ Public sector banks are planning to tap the markets to raise more than Rs 50,000 crore this fiscal to shore up their capital base for business growth and meeting regulatory global risk norms.

Capital is very much required for these banks as they are saddled with non-performing assets (NPAs) of about Rs 10 lakh crore.

According to analysts, their first quarter results may not be very encouraging despite heavy encouragement of books as the dust has not settled on the NPA front.

Out of 21 public sector banks,

13 have already taken the approval of their boards or shareholders for raising capital through the equity market, as per the data compiled by PTI. The combined value of the shares sales of these banks is upwards of Rs 50,000 crore.

Leading the pack is the Central Bank of India, which has already got shareholders' approval for raising Rs 8,000 crore equity capital through various means, including a follow-on public offer, rights issue on a qualified institutional placement (QIP), to shore up its capital base.

As per the latest annual report of the Central Bank, the bank will allot

shares to raise capital through FPO/rights issue/QIP in India or abroad up to the value of Rs 8,000 crore in such a way that the government shall at all time hold not less than 51 per cent of the paid-up equity capital.

Canara Bank also proposes to raise up to Rs 7,000 crore through various means, including rights issue and QIP. Out of this, the bank plans to raise about Rs 1,000 crore through an employee stock purchase scheme (ESPS), under which it will issue up to 6 crore equity shares to its staff.

Bank of Baroda aims to mop up Rs 6,000 crore, while Syndicate

Bank plans to access the capital market and raise equity capital of up to Rs 5,000 crore in one or more tranches. Other banks which have capital raising plans include Oriental Bank of Commerce, UCO Bank, Corporation Bank, Dena Bank, Allahabad Bank and Bank of Maharashtra.

As per the Rs 2.11 lakh crore capital infusion programme announced by the government in October last year, banks will get Rs 1.35 lakh crore through re-capitalisation bonds, and the balance Rs 58,000 crore through raising of capital from the market. (PTI)

## Rupee may hit 70-mark this week, say bankers

MUMBAI, JULY 8 /--/ Continued strengthening of the US dollar, lack of foreign investment inflows and concerns over rising oil prices are likely to keep the rupee under pressure and push it down to the 70 mark this week, said bankers.

They added 69.30 remains a crucial level for the domestic currency which if breached, could further plumb down to the 70 mark against the dollar.

The Reserve Bank of India (RBI), however, will not be comfortable with the currency touching 70 and would strongly defend the same, according to them.

The rupee had touched an all-time low of 69.10 against the dollar on June 28. It closed at a lifetime low 68.55 on Thursday and 68.47 on Friday. "Concerns over

widening current account deficit due to higher crude prices and demand for dollar from oil companies and general importers is impacting the rupee. It may briefly touch the 70 mark this week but would not remain there," said a senior bank official. Those companies who have to repay their external commercial borrowing (ECB) debt are also stocking up the US currency, a bank treasurer said. "The RBI won't allow the rupee to fall below 68.30. If it breaches this level, the rupee will touch the 70 level in no time," said another banker.

The apex bank has always targeted it does not target any level of the domestic currency but intervenes in the foreign exchange (forex) market to



A cook prepares to make the lunch of lobsters imported from Boston, U.S. at the kitchen of a sea food restaurant in Beijing, China—REUTERS

## Eight of 10 most valued cos add Rs 66,626cr in m-cap

NEW DELHI, JULY 8 /--/ Eight of the 10 most valued companies added Rs 66,625.6 crore to their market valuation last week, with TCS emerging as the star performer.

While Infosys and SBI suffered losses in their market capitalisation (m-cap) for the week ended Friday, TCS, Reliance Industries Limited (RIL), HDFC Bank, HUL, ITC, HDFC, Maruti Suzuki India and Kotak Mahindra Bank made gains.

The market valuation of Tata Consultancy Services (TCS) soared by Rs 25,306.88 crore to Rs 7,32,521.29 crore.

Maruti Suzuki's valuation zoomed Rs 14,608.59 crore to Rs 2,81,079.45 crore and that of Hindustan Unilever Ltd (HUL) jumped Rs 8,030.79 crore to Rs 3,63,431.19 crore.

The m-cap of ITC advanced by Rs 7,627.68 crore to Rs 3,32,322.95 crore and that of Kotak Mahindra Bank soared Rs 5,510.83 crore to Rs 2,61,263.97 crore.

RIL's valuation climbed by Rs 4,859.69 crore from its 6,18,749.36 crore and that of HDFC rose by Rs 1,728.92 crore to Rs 3,22,542.15 crore.

The market cap of HDFC Bank went up to Rs 1,562.49 crore to Rs 5,503.99 crore.

On the other hand, Infosys suffered an erosion of Rs 4,859.69 crore from its m-cap to stand at Rs 2,80,551.12 crore, while SBI lost Rs 1,651.04 crore to Rs 2,29,763.51 crore.

In the ranking of top-10 firms, TCS retained its numero-uno position, followed by RIL, HDFC Bank, HUL, ITC, HDFC, Maruti, Infosys, Kotak Mahindra Bank and SBI.

Last week, the Sensex rose by 234.38 points, or 0.66 per cent to close at 35,657.86. (PTI)

## CBDT to I-T dept: Curb high-pitched assessments; take action against erring assessing officers

NEW DELHI, JULY 8 /--/ The CBDT has issued a stern directive to Income Tax Department (ITD) offices in the country, asking them to curb "high pitched" assessments against taxpayers and ensure that assessing officers who issue such irrational orders are transferred and face disciplinary action.

CBDT Chairperson Sushil Chandra, in a recent three-page directive to all regional ITD chiefs, expressed disappointment that a special drive launched in this regard in 2015 had failed to achieve its mandate of resolving taxpayers' grievances and was under-utilised.

The Central Board of Direct Taxes (CBDT), which frames policy for the tax department, had four years ago sought the creation of local committees in every tax region headed by a principal chief commissioner to "expeditiously deal with taxpayers' grievances arising from high-pitched scrutiny assessment". The decision was taken as part of the Modi government's plan to check high-handedness of taxmen in deciding assessments of a common taxpayer that led to issues of corruption and bribery.

The tax department has taken action against at least 10 assessing officers (AOs) till now as part of this drive, but still enough is not being done, a senior official told PTI.

A high-pitched scrutiny assessment case is one where it is found that the addition of income was made on frivolous grounds, non-observance of principles of natural justice, or non-application of mind and gross negligence by the assessing officer in deciding a case.

A local committee of senior ITD officials, in case an order was found to be unreasonable or high-pitched, was empowered by the CBDT to take remedial action to rectify the demand and ensure that the taxpayer is not harassed. The CBDT chairperson, in his letter, said the performance of these committees in the last three years "has not been found to be satisfactory".

Citing examples, Chandra said last year (2016-17), the reports filed by the regions, after prodding from the CBDT, were found to be either deficient or incomplete.

"For 2017-18, not a single report of local committees from any of the regions has been received by the board," the chairman said in the letter.

Chandra said that he has got "personal feedback" that these committees are either vacant at many locations due to transfer or promotion of a member or meetings were not being held regularly.

"You would also appreciate that all these deficiencies in functioning of local committees are hampering their effectiveness in tackling high-pitched assessments in an institutional manner," he said.

Therefore, he said, regional chiefs of the department should give due attention to "monitor performance of local committees on a regular basis so that these committees serve as a useful mechanism to curb high-pitched assessments in the ITD."

He said that in cases where such assessments are found, an explanation should be sought from the assessing officer and in select cases, the official should be transferred to a non-sensitive post without any delay and disciplinary action initiated against him or her.

"No coercive action should be taken for recovery of demand in cases which have been identified as high-pitched by the local committee," the chairman said.

## FPIs infuse Rs 3k-cr in just 5 trading sessions

NEW DELHI, JULY 8 /--/ Foreign investors have pumped in over Rs 3,000 crore in the Indian capital markets in the last five trading sessions after pulling out hefty funds during April-June.

The recent infusion comes following a net outflow of more than Rs 61,000 crore in the last three months. Prior to that, they had poured in Rs 2,662 crore in March. According to depositories data, foreign portfolio investors (FPIs) pumped in Rs 2,235 crore in the equity markets during July 2-6. Besides, they put in Rs 892 crore in the debt market, taking the total to Rs 3,127 crore.

"Equity markets are witnessing some value buying after a sharp correction in mid and small cap indices that have corrected by almost 20 per cent in 2018. The recent interest among FPIs is basically bottom fishing in beaten down stocks," said Rajeev Srivastava, head of retail broking at Reliance Securities.

Overall, it has been a bumpy ride this year as far as FPI flows are concerned and the fluctuations in net flows at times have been massive, thus making the entire proposition unpredictable.

So far this year, overseas investors have withdrawn Rs 44,737 crore from the capital markets. This includes Rs 40,541 crore from the debt and remaining Rs 4,196 crore from equities. In January, FPIs invested Rs 22,272 crore in the capital market. However, in February they were net sellers to the tune of Rs 11,674 crore. The following month, they again turned positive and put in Rs 2,662 crore in March. However, they took bearish stance in April and the momentum continued till June. During these three months, overseas investors withdrew over Rs 61,000 crore. (PTI)

## Property portals must be bought under MahaRera: Consumerbody

MUMBAI, JULY 8 /--/ City-based consumer body Mumbai Grahak Panchayat (MGP) has urged MahaRera to bring property portals under its ambit to further increase transparency and accountability in the real estate sector.

In a letter to MahaRera chief Gautam Chatterjee, a copy of which is with the PTI, MGP said, "Real estate web portal companies operating in Maharashtra have to be treated as 'real estate agents' under Rera."

It has also sought registration of such portals under MahaRera in the next 60 days.

With regard to the definition of real estate agent, we have no doubts that property portals like [M a g e b r i c k s . c o m . M a k a n . c o m . 99acres.com](http://M a g e b r i c k s . c o m . M a k a n . c o m . 99acres.com), among others, are acting as agents, facilitating buying/selling of properties. As such they are legally liable to register themselves with MahaRera," MGP chairman Shrish Deshpande told PTI.

He further said MGP has approached MahaRera and is awaiting its response.

"MGP is of the view that registration of property web portals under MahaRera will create more confidence in

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Closing 18-Jul-18 12:00 PM For details see website <https://wbtenetenders.gov.in> and at this office on every working days during office time.

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Men work on a recreational vehicle (RV) trailer in a factory of a company manufacturing recreational vehicles in Weihai, Shandong province, China—REUTERS

## Fund-raising via IPOs almost doubles in H1 2018

NEW DELHI, JULY 8 /--/ In a blockbuster performance, as many as 18 companies have raised a staggering Rs 23,670 crore through initial public offerings in the first half of this year, almost double from the year-ago period.

Moreover, the outlook appears to be bullish for the remaining part of 2018 as nearly 50 companies, including HDFC Mutual Fund, Lodha Developers and Rail Vikas Nigam are expected to launch their initial share-sale offers in the coming months.

Of these, around 28 firms are awaiting Sebi's nod to launch their public issues, while 18 companies have already secured the regulator's clearance to float initial share-sale offers, as per the latest update available with markets regulator Sebi.

During January-June this year, 18 companies have raised Rs 23,670 crore through their respective IPOs, which is higher than Rs 12,000 crore garnered by 13 issues in the first six months of 2017, according to an analysis of data available with the stock exchanges.

In the first half of 2016, 11 initial share-sales had garnered Rs 6,962 crore. Most of the funds that have been raised during the period under review are for business expansion plans, repayment of loans and to support working capital requirements. (PTI)

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e-TENDER NOTICE

Area : Jharia; NIT No. (1) GM/JNR/CIVIL/e-Tender/18-19/592 Date : 02.07.2018 & (2) GM/JNR/CIVIL/e-Tender/18-19/593 Date : 03.07.2018. Name of Work : (1) Construction of 43 Nos. Isolation stoppings in ASES15 of 1 & 2 incline R/V/IIA seam under JPC. (2) Construction of 19 Nos. Isolation stoppings for deplanning sub panel 1 of 'A' in R-V/IIA seam at 3 & 4 incline under JPC. Estimated Cost : (1) ₹28,97,262.00 (2) ₹20,48,582.00. Document Download Start Date & Time : (1) 09.07.2018 & (2) 12.07.2018 both from 15:00 Hours. Document Download End Date & Time : (1) 20.07.2018 (2) 23.07.2018 both at 12:00 Noon. Bid Opening Date and Time : (1) 21.07.2018 (2) 24.07.2018 both at 12:30 PM. For further details & submission of tender please visit the ECL website or <https://coalindiatenders.nic.in>

ECL's Website : [www.easterncoal.nic.in](http://www.easterncoal.nic.in)