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Forex reserves decline
\$867 m to \$593.037 b



Mumbai: The country's foreign exchange reserves declined \$867 million to \$593.037 billion in the week ended September 15, the Reserve Bank said on Friday. In the previous reporting week, the overall reserves dropped \$4.99 billion to \$593.90 billion. In October 2021, the country's reserves had touched an all-time high of \$645 billion. For the week ended September 15, the foreign currency assets decreased \$511 million to \$525.915 billion. [FTI](#)

ANZ selects HCLTech for digital workplace services

New Delhi: Banking major ANZ has selected IT services company HCL Technologies (HCLTech) for a new engagement that entails digital workplace transformations across 33 countries. HCLTech will provide ANZ with digital workplace services and experience management across end user devices and applications, including laptops, mobile phones and tablets, according to a release. [FTI](#)

Nomura buys Chola Fin shares worth ₹166 crore



New Delhi: Nomura India Investment Fund Mother Fund on Friday bought shares of Cholamandalam Financial Holdings Ltd worth ₹166 crore through an open market transaction. According to the bulk deal data available with BSE, Nomura India Investment Fund Mother Fund purchased 14,51,000 shares of Cholamandalam Financial Holdings. The shares were acquired at an average price of ₹1,145.30 apiece, taking the transaction size to ₹166.18 crore. [FTI](#)

ICICI Lombard chief Bhargav Dasgupta resigns

Our Bureau
New Delhi

ICICI Lombard General Insurance, the country's second-largest insurer, has announced the resignation of Bhargav Dasgupta as MD & CEO of the company.

Dasgupta, who held the post of MD & CEO of ICICI Lombard for 14 years, would have ended his term in April 2024. Over the 14 years when Bhargav was at the helm, the company's revenues grew six times and net profits 78 times.

As per extant regulations, Bhargav would have had to step down from his position in April 2024 after completion of 15 years.

The board of directors of

Index inclusion may lower borrowing cost for govt: CEA

POSITIVE IMPACT. Rupee will appreciate due to more dollar flow, says Nageswaran

Shishir Sinha
New Delhi

Chief Economic Advisor V Anantha Nageswaran expects government borrowing cost to come down post inclusion of government securities in JP-Morgan's GBI EM Global Diversified Index.

He also hopes that the rupee will appreciate because of more dollar inflow. However, it will be a challenge to keep the rupee competitive.

For the current fiscal, the government has set a target of ₹15.4-lakh crore for gross market borrowings. This is being done through government bonds with maturities of 3, 5, 7, 10, 14, 30 and 40 years. Out of these, 10-year bond is taken as benchmark and current yield. The government has provided around ₹10.8-lakh crore under interest payment which is nearly 24 per cent of total government expenditure.

"Everything being equal, the cost of government borrowing should come down," Nageswaran said in a virtual briefing. If it happens, this will be a big saving for the government, which can be used for other development purposes.

MORE POTENTIAL

Replying to a question, he said there will be a tendency for the



LOOKING UPBEAT. Chief Economic Advisor V Anantha Nageswaran says this will be a big saving for the government

currency to appreciate just as it happened between 2003 and 2008 when capital inflows into India surged. "There is a demand for investors to buy the Indian government bonds, so in that sense, there is a potential for currency appreciation, when the index inclusion starts to happen or the demand from investors for the Indian government securities starts to rise," he said.

Rupee in recent times has been under some pressure and breached 83-level against the dollar. However, RBI interventions have curtailed the ru-

pee's fall. The expectation is that USD/INR to trade between 82-84 in H2FY24, gradually gravitating towards the lower bound of the range.

Nageswaran said that inclusion of Indian government bonds in JP Morgan's global index from June 2024 will widen investor base.

"It will also, in a way, relieve the Indian financial institutions from having to be one of the biggest buyers or subscribers of government bonds and they can actually then lend that money for more productive purposes to private sector,

the commercial sector individuals etc," he said. Earlier in the day, he said that JP Morgan has made this decision on their own. It attests to the confidence that financial market participants and financial markets have on India's potential and growth prospects and its macroeconomic and fiscal policies.

"Just as long-term equity investors have been rewarded by investing in Indian markets, so will long-term investors in Indian government bonds," he said.

'WELCOME MOVE'

Echoing the same sentiment, Economic Affairs Secretary Ajay Seth said: "It is a welcome development showing confidence in Indian economy,"

In her Budget speech for 2020-21, Finance Minister Nirmala Sitharaman had said, "Certain specified categories of government securities would be opened fully for non-resident investors, apart from being available to domestic investors as well."

The specified securities, which will be listed on the indices, will not have a lock-in requirement. This was long pending and there were certain issues including with regard to taxation, which the government has ironed out in the last few months.

Amid broader pessimism, PSU Bank Index rises 3.5%

Anshika Kayastha
Mumbai

On a day that benchmark indices ended 0.3 per cent lower, the Nifty PSU Bank Index rose 3.5 per cent to ₹5,215.05 on the back of news of inclusion of India's government securities in JPMorgan's Emerging Market Bond Index.

"Domestic markets closed on a sombre note as mixed cues from US and Asian markets weakened domestic investors' confidence. Nevertheless, PSU bank stocks outperformed as India's inclusion in JPMorgan's Government Bond Index led to a decline in bond yields," said Vinod Nair, Head of Research at Geojit Financial Services.

While PSU bank stocks underperformed for most of the week, the shares saw a surge in buying interest on Friday after the news turned sentiment positive for the sector, analysts said. Except PSU and PSU banks, all indices posted a loss for the week.

STOCKS SURGE

Stocks of banks such as Union Bank, Canara Bank, Bank of Maharashtra, Bank of Baroda, Punjab & Sind Bank and Indian Bank led gains, rising 3.8-5.4 per cent. Central Bank was the outlier with the stock end-



PSBs sizzle (in ₹)

Stock	LTP	% change	Stock	LTP	% change
Central Bank	51.15	9.06	PSB	46.45	3.80
Union Bank	101.60	5.39	UCO Bank	43.15	3.73
Canara Bank	381.35	4.64	PNB	77.60	3.47
Bank of Mah	46.80	4.35	IOB	43.95	2.33
Bank of Baroda	215.20	3.89	SBI	598.70	1.79
Indian Bank	420.50	3.85	Bol	109.05	1.63

ing up 9.06 per cent. All 12 index constituents ended in the positive.

"A simple reason (for the PSU bank rally) maybe that PSU banks are holding more than required government securities in their HTM portfolios. That is possibly the reason sentiment has more positive for them," said the treasury head of a major PSU bank.

The Nifty Bank Index, however, ended 0.03 per cent down whereas the Nifty Private Bank Index ended 0.09 per cent lower.

"The BankNifty index witnessed a significant double top breakdown pattern, which often signals a reversal in trend. This bearish pattern was largely influenced by selling pressure in HDFC Bank. The index breached its 20-day moving average (20 DMA) located at 45,000," said Kunal Shah, Senior Technical & Derivative analyst at LKP Securities.

Analysts peg the range for the Nifty Bank Index between 44,000 and 45,500 levels.

Rupee, bond markets cheer bond index inclusion but gains limited

Anshika Kayastha
New Delhi

The government securities and forex market cheered the inclusion of India in JPMorgan's Global Bond Index - Emerging Markets, but gains were limited in both markets due to expected structure of index flows and broader market sentiment.

Market participants have lauded the move as positive for Indian money markets as it will bring in a new set of in-

vestors to the market. The fact that it is an index or passive fund, will ensure that there is a regular flow of foreign capital unlike under the FPI limits which remain under-utilised at around 15 per cent due to the need for active management.

FUND INFLOW

The inclusion will be staggered over a 10-month period starting from June 2024, and is expected to support both the government bond and rupee markets.

"The JPMorgan Index fund has a corpus of around \$216 billion so 10 per cent comes to about \$2-2.5 billion every month. This money will start coming in a staggered way from June 2024.

This is not a very disruptive flow for our market because government borrows approximately \$15 billion a month, which makes the total monthly supply from index inclusion around 15 per cent of the demand," said Gopal Tripathi, Head - Treasury

and Capital Markets, Jana Small Finance Bank. Government bond prices, which rose following the news, erased gains after lower-than-expected cut-offs at the ₹33,000 crore gilt auction on Friday as market participants refrained from bidding aggressively on expectations of further rise in US treasury yields and crude oil prices.

"Near term, we expect bond yields and INR to reverse gains after the initial euphoria, tracking global markets. However, the trend

will again reverse in favour of bonds by end March 2024, with 10-year yield coming off well below 7 per cent. For H2 FY24, we see USD-INR ranging 82.25-84.25," Emkay Global Financial said in a note.

The 10-year benchmark 7.26 per cent, 2033 bond closed at ₹100.47, or at 7.19 per cent yield, against ₹100.63, or 7.17 per cent yield on Thursday. The yield on the 7.18 per cent, 2033 bond also closed 2 bps higher.

On the other hand, the ru-

pee opened sharply higher on Friday but pared some gains on accelerated buying by some banks in the second half on behalf of oil marketing companies.

RUPEE UP

The rupee broke its five-day streak of ending below 83 per dollar. It closed at 82.93 a dollar on Friday, higher than 83.09 per dollar on Thursday.

However, others believe that the market impact will be a lot more muted as much of the impact has already

been factored in and future trajectory will be led by macros and fundamentals.

"As flow through this route will start from June 2024, the impact on bond yield will be negligible at the moment and the direction of yield will be guided by other factors. Expect 10-year benchmark yield to close between 7.20-7.40 per cent by end of FY24," Tripathi said.

At 7.49%, SBI raises ₹10,000 cr through infrastructure bonds

Anshika Kayastha
Mumbai

State Bank of India has raised ₹10,000 crore via infrastructure bonds at a rate of 7.49 per cent. This is the state-owned lender's fourth infrastructure bond issuance.

The bond issue was subscribed over five times, receiving 134 bids worth ₹21,045 crore against the base issue size of ₹4,000 crore. Investors included provident funds, pension funds, insurance companies, mutual funds and corporates, among others.

SBI will use the proceeds from the issue to enhance long-term resources for funding infrastructure and the af-

fordable housing segment, it said in a release.

PREVIOUS BOND ISSUES

Prior to this, SBI had in July 2023 raised ₹3,101 crore via additional tier-I (AT-1) bonds and ₹10,000 crore via long-term 15-year infrastructure bonds. With the current issuance, the total outstanding long-term bonds are at ₹39,718 crore.

"This issuance is also very significant as the bank has been successful in raising long-duration bonds successively at a finer spread. We believe that this issuance may help in developing a long-term bond curve and encourage other banks to issue bonds of longer tenor," the bank said.

Market borrowing by banks has seen a jump since June 2024 as both PSU and private banks have been looking to tap the market through long-term bonds to shore up their capital and support lending.

Earlier this financial year, Kotak Mahindra Bank raised ₹1,895 crore via 7-year infrastructure bonds at 7.55 per cent, IDFC First Bank raised ₹1,500 crore via 10-year, tier-II bonds at 8.40 per cent, and Punjab National Bank raised ₹3,090 crore via tier-II bonds at 7.74 per cent.

In the coming week, PNB is expected to raise up to ₹3,000 crore via AT-1 bonds and Canara Bank is seen raising up to ₹5,000 crore via 10-year infrastructure bonds, according to market sources.

TRAI starts consultation on encouraging R&D in ICT sector

Press Trust of India
New Delhi

TRAI on Friday asked industry whether there is a need to create a separate agency for R&D functions in ICT (information and communications technology) sector, as it initiated consultation to identify ways to spur research and development in telecom, broadcasting and IT sectors.

Among various questions it threw up for industry's consideration was how participation of private sector in R&D can be encouraged, and whether an incentivisation model via tax-break model, Product-Linked Incentivisation model, or something else would be required.

The Telecom Regulatory Authority of India (TRAI) also

asked if additional tax or fiscal incentives can help support research in emerging technologies.

Issuing the consultation paper, TRAI said R&D ecosystem of a nation is linked to its economic growth and overall progress, with positive spin offs on quality of life and affordability of products and services.

TRAI noted that R&D and innovation is also important for a nation's self-reliance and security.

In its consultation paper, TRAI asked if the current institutional mechanism is adequate to cater to the needs of R&D in ICT sector in India, and if there is a need to create a separate agency to coordinate R&D functions specifically for ICT sector, and if so what would be a suitable framework for the overarching agency.

WazirX sees no immediate cut in TDS on crypto trading

Bloomberg

A shift by India to a less onerous crypto tax regime may be two years away, according to one of the nation's key digital-asset exchanges.

Indian officials last year imposed a 1 per cent levy — known as TDS — on crypto transactions, causing trading volumes at exchanges to crash as market makers and high-frequency investors pulled back due to higher costs. One of WazirX's main competitors has said the tax contributed to a 97 per cent collapse in volumes at domestic exchanges in just 10 months.

"I don't think we'll see any

immediate reduction in TDS since there have been no formal discussions between the industry and lawmakers specifically around it," said Nischal Shetty, Chief Executive Officer of the WazirX exchange, in an interview.

India has called for a globally coordinated approach to crypto rules with the help of institutions such as the International Monetary Fund. Meantime the likes of Hong Kong, Dubai and the European Union have pulled ahead by rolling out their own frameworks to protect investors and provide clarity for digital-asset companies, some of which are looking to expand outside the US after regulators cracked down



Nischal Shetty, CEO of WazirX

there. Shetty said he's hopeful India will take at least some steps toward a friendlier crypto policy, without specifying what they might be.

The Finance Ministry didn't respond to a query from Bloomberg. Spurred in large part by the TDS, investors in India have aban-

doned local crypto trading platforms for overseas-based ones. CoinDCX, one of WazirX's local rivals, said in an August report that Indian exchanges lost over 2 million users between February, when the tax was announced, and December last year. During that time, overseas platforms gained more than 1.5 million customers from India, CoinDCX estimated.

CoinDCX CEO Sumit Gupta said in an email that the company is lobbying the government to cut the TDS from 1 per cent to 0.01 per cent, without giving a time frame for when that might happen.

Some crypto entrepreneurs aren't waiting around to

find out. Shetty has moved to Dubai to build his next venture — called Shardeum, a blockchain he said aims to rival Ethereum and other large networks. CoinDCX is also looking abroad, having recently led a funding round in BitOasis, a crypto exchange focused on the Middle East and North Africa.

JOB CUTS

WazirX slashed its workforce in 2022. In August this year, CoinSwitch and CoinDCX announced job cuts.

Even amid the carnage, India's traditional role as hub for software and information technology engineering remains a drawing card for some digital-asset firms.

businessline Classifieds

TENDERS

National Agricultural Cooperative Marketing Federation of India Ltd.
Regd. Office: NAFED House, Siddhartha Enclave, Ring Road, Ashram Chowk, New Delhi-110014
Phs: EPAEX: 011-26340019
Website: www.nafed-india.com

TENDER NOTICE

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The detailed tender document is available on its website www.nafed-india.com. Those interested may visit the website regularly for the updated information.

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NOTICE TO SHAREHOLDERS

[w.r.t. transfer of equity shares of the company to Investor Education and Protection Fund (IEPF)]
Shareholders are hereby informed that pursuant to Section 124(6) of the Companies Act, 2013, read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") as amended, the interim dividend declared for the FY 2016-17, which remained unclaimed for a period of 7 years will be credited to the IEPF on December 06, 2023. The corresponding shares on which dividend was unclaimed for 7 consecutive years or more will also be transferred as per the procedure set out in the rules.

The Company will not transfer such shares to the IEPF where there is a specific order of court/tribunal restraining any transfer of such shares or where the shares are hypothecated/pledged under the Depositories Act, 1996. In compliance to the rules, the Company has communicated individually to the concerned shareholder(s) and the details of such shares liable to be transferred to IEPF are also made available on our website www.kitexgarments.com.

The shareholders are requested to claim the dividend declared for the FY 2016-17 and onwards before the same is transferred to IEPF.

The concerned shareholder(s), holding share(s) in physical form may please note that the shares are liable to be transferred to the IEPF account after issuing new share certificate letter of confirmation for the purpose in favour of the IEPF Authority as per the rules and upon issue of such new share certificate letter of confirmation(s), the original share certificate(s) which stand registered in their name will be deemed to have been cancelled and non-negotiable. In case of shares held in demat form and liable to be transferred to IEPF, the company shall inform the depository by way of corporate action for transfer to the demat account of the IEPF authority.

Please note that no claim shall lie against the Company in respect of unclaimed dividend amount and shares transferred to IEPF. Shareholders may claim the dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, from IEPF authorities after following procedure prescribed in the rules.

In case the Company does not receive any communication from the concerned shareholder(s) by October 31, 2023, the Company shall transfer the unclaimed dividends to IEPF Account. The corresponding shares on which dividend is unclaimed for 7 consecutive years or more shall also be transferred without any further notice.

In case of any query the concerned shareholder may contact the undersigned at its Registered Office address or Company's Registrar and Transfer Agent, i.e. Mr. Muralidharan, Assistant Manager - Shares, M/s. Cameo Corporate Services Limited at Subramanian Building No. 1, Club House Road, Chennai 600 002 Telephone No. 044-28460390. E-mail: investor@cameoindia.com

Kizhakkambalam
September 22, 2023

Note: The shareholders are requested to: (1) to register your correct address and email id with your depository participant concerned (2) update your complete bank account details with your depository participant for prompt direct credit of dividend entitlements. (3) to approach us or IEPF, for any of your previous years' unclaimed dividend entitlements.

For Kitex Garments Limited
Dayana Joseph
Company Secretary

