CAUTION

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QUICKLY.

Govt approves ₹500 crore capital infusion in IFCI

New Delhi: IFCI on Friday said the government has approved ₹500 crore capital infusion in the company through the preferential issue of shares. Following this, the meeting of the board of directors of the company is called to consider the Preferential Issue of equity shares to the Centre. PTI

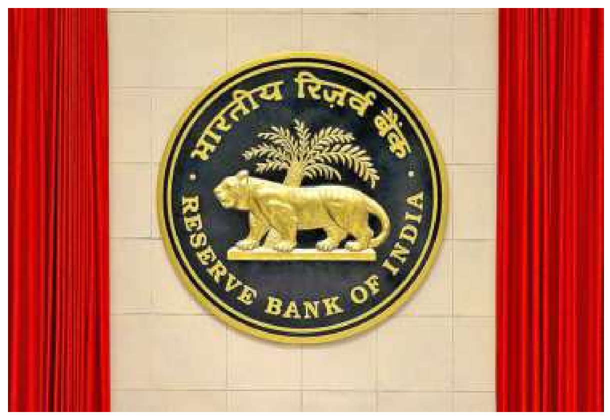
RBI penalises J&K Bank, Bank of India, Canara Bank

Mumbai: The RBI said it has penalised Jammu and Kashmir Bank, Bank of India and Canara Bank for deficiencies in regulatory compliance. While J&K Bank has been penalised ₹3.31 crore, Bank of India and Canara Bank have been fined ₹1 crore and ₹1.63 crore respectively. PTI

Banks bid to draw more funds overnight than at longer tenor

EASING LIQUIDITY. Bids placed at daily overnight VRR auction trump those for 14 days

K Ram Kumar
Mumbai



DRAWING MORE FUNDS. RBI conducted two VRR auctions aggregating ₹3.75 lakh crore – overnight (₹2 lakh crore) and 14 days (₹1.75 lakh crore)

Banks appear to be expecting liquidity conditions to ease next week, going by the bidding pattern for funds at the two variable rate repo (VRR) auctions conducted by the RBI on Friday.

They sought to draw more funds via the overnight VRR auction than the 14-day VRR auction.

The central bank conducted two VRR auctions aggregating ₹3.75 lakh crore – overnight (notified amount: ₹2 lakh crore) and 14-days (₹1.75 lakh crore) — to alleviate liquidity tightness in the banking system.

At the daily overnight VRR auction, banks placed bids aggregating ₹2,22,968 crore against the notified amount of ₹2 lakh crore.

RBI accepted bids aggregating ₹2,00,011 crore at a weighted average rate (WAR) of 6.53 per cent.

LIQUIDITY DEFICIT UP

Further, banks placed bids aggregating ₹1,62,096 crore at the 14-day VRR auction against the notified amount of ₹1.75 lakh crore.

The central bank accepted all the bids at a WAR of 6.51 per cent.

V Rama Chandra Reddy, Head-Treasury, Karur Vysya Bank, observed that the functional liquidity deficit has increased significantly from ₹1.05 lakh crore at the beginning of the month to ₹3.16 lakh crore as of Thursday.

"This liquidity deficit is primarily attributed to tax outflows and limited government spending.

"However, the deficit is expected to ease towards the end of the month with increased government spending," he said.

MODERATE DEMAND

Reddy said 14-day VRR auction saw moderate demand, with a cut-off rate of 6.51 per cent, reflecting banks' reluctance to borrow for a longer duration at rates higher than the repo rate, given expectations of improved liquidity conditions in the coming week.

Meanwhile, RBI said based on assessment of the liquidity conditions, it will conduct daily VRR auction on January 27, 2025, Monday, for a notified amount of ₹2 lakh crore.

Sri Lanka 'revokes' power purchasing deal with Adani

Meera Srinivasan
Colombo

Sri Lanka has revoked a 2024 power purchase agreement with Adani Green Energy — for a proposed wind power plant in the island's Northern Province — following corruption allegations, news agency *AFP* reported on Friday.

"The government has revoked the power purchase agreement, but the project is not cancelled. A committee has been appointed to review the entire project," the report said, quoting an unnamed senior official from the Energy Ministry.

The Hindu sought a comment from Sri Lanka's Ministry of Power and Energy, and is yet to receive a response. The development assumes significance amid President Anura Kumara Dissanayake's pre-poll pledge to cancel the Adani project.

"We welcome foreign capital, including from the private sector. But all investments should come through a fair tender process," he told *The Hindu* in a September 2024 interview. "If the government had gone for a fair tender process, we could have got it for half the

Anura Kumara Dissanayake, Sri Lankan President

price," he noted, barely a fortnight before he assumed charge at the country's top office, after winning elections on an anti-corruption plank.

'STANDARD REVIEW'

When asked about the revocation of the power purchase agreement, a media spokesman of the Adani Group said, "The Sri Lankan Cabinet's decision of January 2, 2025 to re-evaluate the tariff approved in May 2024 is part of a standard review process, particularly with a new government, to ensure that the terms align with their current priorities and energy policies. Adani remains committed to investing $1 billion [including transmission infrastructure] in Sri Lanka's green energy sector, driving renewable energy and economic growth." The $442-million wind power project, for two wind power plants in Mannar and Pooneryn in northern Sri Lanka, has remained contentious from the time it was approved by the Ranil Wickremesinghe administration in February 2023.

In May 2024, his Cabinet cleared a proposal to purchase power at $0.0826, or 8.26 cents, per kWh from Adani Green Energy. The proposal faced fierce opposition from different quarters — environmentalists who feared the project would disrupt a crucial aviation corridor; economists who found the rates exorbitant; and anti-corruption activists who pointed to the absence of a fair tender mechanism allowing for competitive bids. The main political Opposition at the time accused the Adani Group of making a "backdoor entry" into Sri Lanka's energy sector. The project was later challenged at Sri Lanka's Supreme Court. In October 2024, the Dissanayake government told Sri Lanka's Supreme Court that the project agreement needed "comprehensive re-evaluation".

Meera Srinivasan is the The Hindu Correspondent in Colombo

'Banks' credit cost key monitorable for foreseeable future'

bl.interview

Piyush Shukla
Mumbai

Credit costs play a critical profitability factor for Indian banks, as evidenced during the last major asset quality downturn, and will remain a key monitorable for the foreseeable future, Saswata Guha, Senior Director, Financial Institutions (Banks), Fitch Ratings, tells *businessline* in an interaction. He says 2025 will be a critical year for unsecured retail loans, and potentially a litmus test of banks' underwriting capabilities, particularly their claims of lending primarily to salaried borrowers, and individuals with stable cash flows.

Edited excerpts:

> We believe that retail loans will continue to experience above-average growth, with banks focusing on secured asset classes
>
> **SASWATA GUHA**
> Senior Director, Financial Institutions (Banks), Fitch Ratings

What is your outlook on banks' profitability?

We anticipate banks' profitability to moderate post FY25 due to net interest margin (NIM) normalisation, and an uptick in credit costs. Our projections include a 10 basis points (bps) NIM contraction for the sector in FY25 and FY26 each, with impact varying across individual banks.

Funding cost is the key driver, although a better alignment of credit growth and deposit growth should help reduce some pressure on funding cost. Banks with strong franchises may be able to intermittently counter these pressures through higher non-interest income or cost efficiencies, but not perpetually if loan growth remains moderate.

Moreover, Indian banks do not enjoy much pricing power due to the stiff competition which limits the potential for NIM. It is currently at a historical high, compared to the long-term average of around 3 per cent, which implies that reversion towards mean will likely continue.

This makes asset quality, and thus credit costs a critical profitability factor, as evidenced during the last major asset quality downturn. This is a key monitorable for the foreseeable future from our perspective.

Loans in unsecured segments has started showing higher defaults...

Recent years have seen a predominance of retail lending, including unsecured loans. Risk levels vary within this category. For example, microfinance loans are arguably the riskiest experiencing significant delinquencies, followed by small unsecured loans typically ranging between ₹50,000-₹60,000, or lower. These smaller loans are primarily used for consumption rather than asset creation, and generally avoided by large banks due to their inherent risk.

However, these banks could still be indirectly exposed through funding NBFCs that on-lend to such borrowers. RBI's latest report highlights that this segment is levered, driven by consumption, with most borrowers having multiple loans. This creates a risk of stress potentially spreading to secured asset classes. Additionally, stress could manifest through financial markets, which has seen a significant rise in retail participation, coinciding with high growth in unsecured personal loans.

We anticipate that 2025 will be a critical year for unsecured retail loans, and potentially a litmus test of banks' underwriting capabilities, particularly their claims of lending primarily to salaried borrowers, and individuals with stable cash flows.

How much of a part is GDP growth slowdown playing in slower credit growth?

Credit growth and economic growth are traditionally interlinked, with each influencing the other. However, the current slower loan growth is primarily due to banks trying to manage or reduce their loan-to-deposit ratios, as deposit growth has lagged behind loan growth in recent years.

Additionally, increased risk weights have compelled banks to slow lending to NBFCs and (unsecured) retail loans, which has also contributed to the slowdown in lending.

We believe that retail loans will continue to experience above-average growth, with banks focusing on secured asset classes such as housing loans and auto loans. Auto loans may soften in the near-term, but housing loan growth should continue to benefit from India's low housing penetration rate, and lower risk weighting. Banks are likely to maintain a cautious stance towards SMEs, partly due to slowdown in specific sectors.

Will deposit competition remain intense in the current year. Some small banks are offering up to 9 per cent on savings account?

This has always been the case, reminiscent of a quote that, in banking, assets are liabilities and liabilities are assets.

Funding is a bank's raw material, influencing both pricing and risk appetite. Banks offering substantially higher savings deposit rates than competitors are often compelled to deploy funds in riskier assets to maintain profitability thresholds. Given the persistent lag of deposit growth behind credit growth, competition for deposits is inevitable.

Our analysis reveals that deposits have grown by only about 9.4 per cent over the last decade. The key differentiator has been loan growth, which was notably low during the last asset quality downturn.

This not only helped banks contain their LDRs, but actually lower them during that period.

Shriram Finance PAT up 96% on one-time gain

Our Bureau
Mumbai

Non-banking finance company (NBFC) major Shriram Finance on Friday reported a 96 per cent year-on-year (y-o-y) in net profit for the quarter ended December at ₹3,570 crore, largely led by one-time gain of ₹1,489 crore from the sale of the NBFC's entire stake in Shriram Housing Finance.

Excluding the one-time gain of ₹1,489 crore, the profit after tax increased by 14 per cent to ₹2,080 crore. The net interest income for the third quarter increased by 14 per cent y-o-y to ₹5,823 crore. Net interest margin (NIM), meanwhile, moderated slightly to 8.48 per cent in the reporting quarter from 8.74 per cent in Q2.

Total assets under management (AUM) of the NBFC grew 19 per cent y-o-y to ₹2.54 lakh crore. Commercial vehicle loans accounted for 45 per cent of the overall AUM, while passenger vehicle accounted for 20 per cent and MSME loans accounted for 14 per cent of overall AUM.

Asset quality deteriorated slightly, with gross stage-3 asset ratio rising to 5.38 per cent in Q3 from 5.32 per cent in last quarter. Net stage 3 ratio, too, rose by 4 basis points sequentially to 2.68 per cent.

Banks disburse ₹38,000 cr of loans under ULI pilot

Piyush Shukla
Mumbai

Banks have disbursed a total of 7.5 lakh loans amounting to ₹38,000 crore till now under the Reserve Bank of India's (RBI) Unified Lending Interface (ULI) pilot, RBI Chief General Manager Suvendu Pati said at an Indian Banks' Association (IBA) event held here on Friday.

Thirty-six lenders, including public sector banks, private banks, small finance banks, district central co-operative banks, regional rural banks and NBFCs have been on-boarded on ULI pilot, which started in August last year.

These lenders use over 50 data services including authentication and verification services, land records data from six States, satellite service, transliteration, property search services, dairy insights and identity/document verification, the RBI said in its trends and progress in banking report.

Further, 12 "loan journeys" have been introduced, including kisan credit card, digital cattle, MSME (unsecured), housing, personal, tractor, micro business, vehicle, digital gold, e-Mudra, pension and dairy maintenance loans.

"Based on the learnings and the positive response from stakeholders, the scope and coverage of the platform is being expanded to include more loan journeys, data providers and lenders," the report said.

MORE COLLABORATION

Further, RBI Deputy Governor (DG) T Rabi Sankar on Friday also called for more collaboration from banks to develop more use-case and adoption of central bank digital currency (CBDC) and ULI.

"...Many banks are participating in CBDC pilot, banks are also creating solutions including programmable solutions, but I think this process can be made a lot faster if we as a banking industry take it up, put all our efforts behind it...," he said.

The central bank's initial inspiration was to reach 1 million CBDC transactions each day. However, the adoption of CBDC is yet to pick up and lenders are mostly using the digital currency to conduct internal transactions with employees.

DG Rabi Sankar said the regulator remains open to consultation with banks on the ways to increase CBDC adoption at the grass-root level.

GMR Hyderabad International Airport Limited

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CIN: U62100TG2002PLC040118

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2024

(Amount Rs.in Crore)

S. No.	Particulars	Quarter ended December 31, 2024	Quarter ended December 31, 2023	Year ended March 31, 2024
		Unaudited	Unaudited	Audited
1	Total Income from Operations	567.37	455.94	1,830.71
2	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	92.25	34.83	325.34
3	Net Profit / (Loss) for the period before Tax (after Exceptional and/or Extraordinary items)	92.25	34.83	423.85
4	Net Profit / (Loss) for the period after Tax (after Exceptional and/or Extraordinary items)	60.91	23.48	277.03
5	Total Comprehensive Income / (Loss) for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	47.65	75.52	258.58
6	Paid-up Equity Share Capital (Face Value of Rs. 10/- per equity share)	378.00	378.00	378.00
7	Reserves (Other Equity) (excluding Revaluation Reserve)	-	-	1,683.65
8	Securities Premium Account (Refer note 4)	-	-	-
9	Net Worth (Refer note 5)	2,281.25	2,053.10	2,061.65
10	Paid up Debt Capital/ Outstanding Debt	8,311.95	8,276.58	8,774.71
11	Outstanding Redeemable Preference Shares (Refer note 4)	-	-	-
12	Bad debts to accounts receivable ratio (Refer note 4)	-	-	-
13	Debt Equity Ratio (Refer note 6)	3.64	4.03	4.26
14	Earnings Per Share (EPS) [face value of Rs. 10/- per equity share] EPS for the quarter not annualized (for continuing and discontinued operations)- - Basic (amount in Rs)	1.61	0.62	7.33
	- Diluted (amount in Rs)	1.61	0.62	7.33
15	Capital Redemption Reserve (Refer note 4)	-	-	-
16	Debenture Redemption Reserve	253.00	199.00	253.00
17	Debt Service Coverage Ratio (Refer note 7)*	1.94	0.73	1.65
18	Interest Service Coverage Ratio (Refer note 8)*	1.94	0.73	1.82
19	Current Ratio (Refer note 9)	1.69	1.06	1.34
20	Long term debt to working capital (Refer note 9)	12.36	61.37	12.96
21	Current liability ratio (Refer note 9)	0.10	0.20	0.18
22	Total debt to total assets (Refer note 9)	0.71	0.70	0.72
23	Debtors turnover ratio (Refer note 9)	15.95	15.03	17.60
24	Operating margin (%) (Refer note 9)	46.58%	38.39%	46.09%
25	Net profit / (Loss) margin (%) (Refer note 9)	10.74%	5.15%	15.13%

* Not annualised (except for year ended March 31, 2024).

Notes :

1. The above is an extract of the detailed format of the financial results filed with the BSE Limited under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the quarter and nine months period ended financial results is available on the website of the stock exchange i.e. www.bseindia.com and on the company's website : https://www.hyderabad.aero
2. The applicable information required to be furnished under regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been submitted to the stock exchange i.e. BSE limited and the same can be accessed on website of stock exchange i.e. www.bseindia.com and on the company's website : https://www.hyderabad.aero
3. There is no impact on net profit/loss, total comprehensive income or any other relevant financial item(s) due to change(s) in accounting policies.
4. Securities Premium account, Outstanding Redeemable Preference Shares, Capital Redemption Reserve, Bad debts to account receivable ratio and Inventory turnover ratio are not applicable for the company.
5. Net worth (paid up equity share capital plus Other Equity (including gain on equity instruments designated at Fair Value through Other Comprehensive Income as on December 31, 2024 is Rs. 2,281.25 crores (December 31, 2023 : Rs.2,053.10 crores and March 31, 2024 : Rs. 2,061.65 crores)
6. Debt Equity ratio represents (Borrowings/Shareholder's fund). Shareholder's funds is Equity shares plus Other Equity. Debt Equity ratio (including gain on equity instrument designated at Fair Value through Other Comprehensive Income) as on December 31, 2024 is 3.64 (December 31, 2023 : 4.03 and March 31, 2024 : 4.26)
7. Debt Service Coverage Ratio represents earnings available for debt services (Net Profit after taxes - exceptional item + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like profit/loss on sale of Fixed assets etc. / Debt service (Interest, option premium & Lease Payments + Principal Repayments)
8. Interest Service Coverage Ratio represents earnings available for debt services (Net Profit after taxes - exceptional item + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like profit/loss on sale of Fixed assets etc. / Debt service (Interest, option premium).
9. a) Current ratio represents current assets/ current liabilities.
   b) Long term debt to working capital represents (long term borrowings + long term lease liablities) / (current assets less current liabilities).
   c) Current liability ratio represents current liabilities / total liabilities.
   d) Total debts to total assets represents total debt /total assets.
   e) Debtors turnover represents revenue from operations/ average trade receivables (including unbilled receivables).
   f) Net profit margin % represents profit after tax/ revenue from operations.
   g) Operating profit margin% represents (Earnings before interest and tax)/ revenue from operations.
10. The Board of directors, at its meeting held on January 24, 2025, declared an interim dividend of Rs. 7.50 per equity share of Rs. 10 each, which are unlisted securities.

For and on behalf of the Board of Directors of
GMR Hyderabad International Airport Limited
Sd/-
GBS Raju
Managing Director
(DIN:00061686)

Place : Zurich
Date : January 24, 2025

HIA/62/PREM ASSOCIATES

Sasken Technologies Limited

Registered Office: 139/25, Ring Road, Domlur, Bengaluru - 560 071.
Tel: +91 80 6694 3000; Email: investor@sasken.com;
Website: www.sasken.com; CIN: L72100KA1989PLC014226

EXTRACT OF AUDITED CONSOLIDATED FINANCIAL RESULTS OF SASKEN AND ITS SUBSIDIARIES FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2024

(₹ in lakhs except per share values)

Sl. No.	Particulars	Quarter ended December 31, 2024	Quarter ended September 30, 2024	Quarter ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023	For the year ended March 31, 2024
1	Total income from operations	15,379.46	15,423.84	11,455.97	44,883.59	34,739.93	47,728.86
2	Net profit for the period before tax	1,092.06	1,936.78	2,103.62	4,935.74	7,285.67	9,379.97
3	Net profit for the period after tax	903.02	1,228.83	1,774.88	3,900.36	6,152.62	7,873.83
4	Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)]	823.28	1,710.95	1,799.31	4,378.90	6,546.44	8,177.97
	Profit attributable to:						
	Owners of the company	905.68	1,205.41	1,774.88	3,925.69	6,152.62	7,871.69
	Non-controlling interests	(2.66)	23.42	-	(25.33)	-	2.14
		903.02	1,228.83	1,774.88	3,900.36	6,152.62	7,873.83
	Total comprehensive income attributable to:						
	Owners of the company	826.36	1,684.48	1,799.31	4,404.61	6,546.44	8,175.81
	Non-controlling interests	(3.08)	26.47	-	(25.71)	-	2.16
		823.28	1,710.95	1,799.31	4,378.90	6,546.44	8,177.97
5	Paid up equity share capital	1,510.64	1,510.64	1,505.09	1,510.64	1,505.09	1,507.80
6	Other equity (excluding non-controlling interests) as show in audited balance sheet of FY 24	-	-	-	-	-	75,374.58
7	Earnings Per Share (of Rs. 10/- each)*						
	1. Basic:	6.00	7.98	11.79	26.01	40.88	52.29
	2. Diluted:	5.95	7.92	11.68	25.79	40.42	51.59
8	Total income**	12,933.32	13,175.27	10,162.00	37,770.08	30,983.05	41,906.00
9	Profit before tax**	1,315.46	1,750.88	2,461.65	4,696.58	7,794.28	9,812.77
10	Profit after tax**	1,164.30	1,082.67	2,094.87	3,730.79	6,751.81	8,415.60

**EPS is not annualized for the quarter and nine months ended December 31, 2024 and December 31, 2023 and quarter ended September 30, 2024.*

***information pertains to Sasken Technologies Limited on a standalone basis.*

Note: The above is an extract of the detailed format of Quarterly Audited Financial Results filed with Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Audited Financial Results are available on the website of (a) Stock Exchange(s) (www.bseindia.com and www.nseindia.com) and (b) Company (www.sasken.com/investors). The same can be accessed by scanning the QR code provided herein.

For Sasken Technologies Ltd.
Rajiv C. Mody
Chairman, Managing Director & CEO
DIN:00092037

Place: Bengaluru
Date: January 24, 2025