

MARKET WATCH

	16-04-2019	% CHANGE
Sensex	39,276	0.95
US Dollar	69.60	-0.25
Gold	32,790	0.52
Brent oil	71.22	0.09

NIFTY 50

	PRICE	CHANGE
Adani Ports	395.65	8.60
Asian Paints	1459.00	27.45
Axis Bank	771.10	8.25
Bajaj Auto	3068.45	33.40
Bajaj Finserv	7578.95	69.80
Bajaj Finance	3032.50	10.25
Bharti Airtel	348.75	1.05
BPCL	357.50	-0.90
Britannia Ind	3020.50	22.05
Cipla	559.35	-6.95
Coal India	251.60	1.60
Dr Reddys Lab	2825.10	32.30
Eicher Motors	21270.55	-61.40
GAIL (India)	351.60	-2.45
Grasim Ind	883.55	17.55
HCL Tech	1107.05	-1.80
HDFC	2026.70	12.45
HDFC Bank	2305.05	16.25
Hero MotoCorp	2739.65	38.95
Hindalco	214.95	2.20
Hind Unilever	1738.55	16.50
Indiabulls HFL	832.45	-2.30
ICICI Bank	407.00	14.25
IndusInd Bank	1815.15	66.25
Bharti Infratel	312.95	4.50
Infosys	724.10	-3.40
Indian Oil Corp	155.70	1.70
ITC	307.20	1.70
JSW Steel	291.20	-0.95
Kotak Bank	1386.40	12.55
L&T	1381.40	24.50
M&M	688.10	4.90
Maruti Suzuki	7458.55	106.05
NTPC	137.55	0.80
ONGC	160.45	4.00
PowerGrid Corp	196.85	-1.20
Reliance Ind	1343.75	3.60
State Bank	315.75	0.15
Sun Pharma	462.55	3.90
Tata Motors	230.50	-1.25
Tata Steel	553.25	0.10
TCS	2131.80	18.50
Tech Mahindra	798.10	0.90
Titan	1120.05	29.90
UltraTech Cement	4255.05	29.75
UPL	933.90	4.15
Vedanta	184.95	0.25
Wipro	280.90	-6.80
YES Bank	266.45	0.95
Zee Entertainment	415.55	-1.05

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on April 16

CURRENCY	TT BUY	TT SELL
US Dollar	69.40	69.72
Euro	78.45	78.82
British Pound	90.78	91.21
Japanese Yen (100)	61.98	62.27
Chinese Yuan	10.34	10.39
Swiss Franc	68.97	69.32
Singapore Dollar	51.27	51.51
Canadian Dollar	51.92	52.16
Malaysian Ringgit	16.78	16.88

Source: Indian Bank

BULLION RATES CHENNAI

April 16 rates in rupees with previous rates in parentheses

Retail Silver (1g)	40.3	(40.1)
22 ct gold (1 g)	3031	(3016)

BFSI propels Wipro's Q4 profit

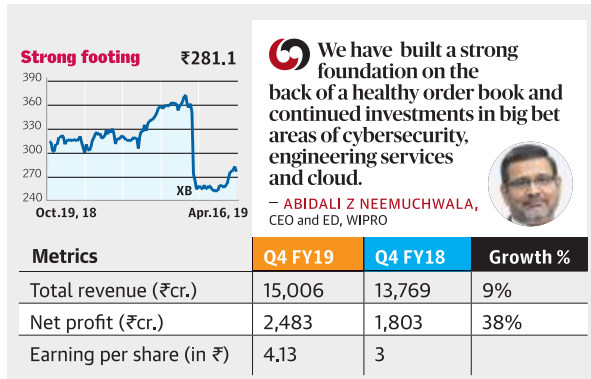
The information technology major's profit rises 38% while revenue increases 9%

SPECIAL CORRESPONDENT
BENGALURU

IT and digital services firm Wipro has reported a 38% increase in its net profit for the fourth quarter ended March 31 to ₹2,483 crore compared with ₹1,803 crore in the corresponding quarter last year.

Backed by a strong performance in the banking and insurance business (BFSI), the fourth quarter revenue rose 1.4% in reported terms and 1% in constant currency terms.

Total revenue for the quarter stood at ₹15,006 crore, a growth of 9% compared with the year-earlier period. Total revenue for the fiscal stood at ₹58,906 crore, a 7.5% increase compared to the ₹54,487 crore recorded in the year-earlier period. Profit for the period was ₹9,003 crore against ₹8,008 crore in the year-earlier period, a 12.42% increase.



Addressing the media, Wipro CEO and ED Abidali Z Neemuchwala said, "Our teams have executed well on our strategy which has resulted in consistent improvement of year-on-year growth each quarter. We have built a strong foundation on the back of a healthy order book and continued investments in big bet areas of cybersecurity, engineering services and cloud."

The company's flagship IT services revenue stood at \$2,075.5 million, registering a quarter-on-quarter growth of 1.4%. The IT services operating margin for the quarter was 19%, an increase of 4.4%.

On guidance, Wipro expects its IT services revenue to be in the range of \$2,046 million to \$2,087 million for the first quarter of fiscal 2020. The guidance tran-

slates to a sequential growth of -1% to 1% excluding the impact of the divestment of Workday and Cornerstone on Demand business which was concluded in the March quarter, said the company.

Weak quarter

"Q1 is seasonally a weak quarter for us, which is reflected in our guidance. The outlook also factors in completion of large programmes and delayed start of fresh projects.

"That said, we are confident that our growth trajectory will improve from Q2 on back of strong order book and healthy pipeline," he said.

On localisation, the company said it was hiring people in the U.S., U.K., Australia, Canada, Singapore, Africa and West Asia. "We have increased localisation in the U.S. to 64.5%."

Wipro okays ₹10,500-crore buy-back

SPECIAL CORRESPONDENT
BENGALURU

Wipro is going in for a fresh ₹10,500-crore share buy-back, for which it recently received clearance from SEBI.

The board, that met here on Tuesday, approved a proposal to buy back 323.1 million equity shares, or 5.35% of the total paid up equity capital, at ₹325 per share, from the shareholders on a proportionate basis by way of a tender offer.

This is the firm's third buy-back programme.

The last one, worth ₹11,000 crore was in November 2017 at ₹320 per share while its first buy-back in December 2016 was worth ₹2,500 crore.

Wipro founder Azim Premji and his family may participate in the buy-back programme.

Phishing won't impact our financials: Wipro

'Some employee accounts, clients hit'

SPECIAL CORRESPONDENT
BENGALURU

Wipro has clarified that the recent phishing attack it encountered will not have any material impact on the company's financials or clients.

The company said on Tuesday it was investigating an advanced phishing attack that had affected some employee accounts and customers, causing it to release a security patch instantly and conduct a forensic investigation by its partner network into the intrusion.

E-mails of some of the employees were hacked and Wipro had to quarantine them and trigger a security protocol, including password change.

As per security blog KrebsOnSecurity, Wipro's systems were seen being used as jumping-off points for digital phishing expeditions targeting at least a dozen Wipro customer systems.

Wipro customers traced malicious and suspicious network reconnaissance activity back to partner systems that were communicating directly with Wipro's network, the blog said.

However, Wipro rubbished the claim of the blog that this was a multi-month intrusion from an assumed state-sponsored attacker.

"The alerts were detected a week ago and not months ago. We came to know about a potential abnormal activity in our network and this was related to a few employee accounts. These accounts were subject to advanced phishing activity. In a year, we investigate some 4.8 million malware alerts and this is common in all enterprises," said Wipro COO Bhanumurthy BM.

HDFC MF justifies giving more time to Essel promoters

Investors told to roll over FMPs or redeem at current NAVs

SPECIAL CORRESPONDENT
MUMBAI

HDFC Mutual Fund, one of the country's largest fund houses in terms of assets under management (AUM), has said that the decision of giving Essel Group promoters more time to complete the strategic sale process was taken in the best interest of investors who could stand a good chance of higher or complete recovery against the debt exposure.

"... risk-reward seemed clearly in favour of providing additional time to Essel Group. Thus, in the given circumstances, this was the

best course of action available with the lenders," said a statement released on Monday by the fund house.

"This option [giving time till September] offered a good chance of higher/complete recovery against debt exposures," it added.

HDFC MF, which has an exposure of ₹1,156 crore towards the troubled Essel Group, has given two options to its investors who have put money in fixed maturity plans (FMPs) that hold debt securities of Essel Group.

The maturity date of such FMPs can either be rolled over

or investors can redeem their units at the prevailing net asset value (NAV).

HDFC MF, which had an AUM of over ₹3.44 lakh crore as on March 31 as per Value Research, has four fixed maturity plans which had invested in Essel Group securities maturing in the coming days of April. The cumulative exposure towards Essel Group in the four schemes is pegged at ₹356 crore.

HDFC MF had also announced the extension of its FMP - Series 35 - a closed-ended scheme due for maturity on April 15, by 380 days.

Sensex at all-time high; banks lead rally

Investor sentiment buoyant on positive global trend and strong foreign inflows

SPECIAL CORRESPONDENT
MUMBAI

Equity indices closed at new highs on Tuesday as investor sentiment remained upbeat on the back of a positive trend in the global markets and strong foreign flows in the Indian equity market.

The 30-share Sensex gained 369.80 points or 0.95% to close at a new high of 39,275.64. This is only the second time that the benchmark has closed above the psychological 39,000-mark - the first instance was on April 2, when it closed at 39,056.65.

The broader Nifty too ended at a new high of 11,787.15 while gaining 96.80 points. The previous closing



high for the Nifty was 11,738.50 on August 28, 2018.

While many of the side counters lost ground on Tuesday, index constituents from the financial sector such as ICICI Bank, IndusInd Bank, Axis Bank, HDFC Bank and Kotak Mahindra Bank along with ONGC, L&T and the auto majors gained

ground and pushed up the benchmarks.

On the BSE, a total of 1,292 stocks gained ground as against 1,279 declines. "Nifty and Sensex touched new all-time highs and closed at an all-time high on Tuesday as global markets remained supportive," said Deepak Jasani, head - retail research, HDFC Securities.

"Banks and auto, the traditional high beta sectors, did well as did oil and gas, telecom, capital goods and consumer durables. A close above 11,760 for 1-2 sessions more would convince fence sitters to jump in," he added.

Most of the global markets remained strong on Tuesday with Hang Seng gaining more

than 1% while Nikkei, Kospi and Jakarta Composite along with the Chinese benchmarks also moved northwards.

In India, investor sentiment has remained buoyant in the recent past with foreign investors pumping in significant amount of money in Indian equities. Foreign portfolio investors have invested over ₹14,000 crore in the current month, following the previous month's net inflows of nearly ₹34,000 crore.

Meanwhile, Polycab India made an impressive debut on the bourses with the stock listing at ₹633 against its issue price of ₹538. It settled the day at ₹655.

Choksi's Gitanjali Gems headed for liquidation

Time over-run cited to end resolution

PRESS TRUST OF INDIA
MUMBAI

Mehul Choksi-run Gitanjali Gems, which owes over ₹12,550 crore to 31 financial creditors and a key player in the ₹14,000-crore PNB scam, is headed for liquidation as the committee of creditors has voted to end the resolution process citing time over-run.

Mr. Choksi and his nephew Nirav Modi are absconding after the biggest financial fraud came to light in February 2018, and are facing extradition from Antigua and Britain, respectively. Together, the uncle-nephew duo has defrauded the state-run Punjab National Bank of ₹14,000 crore between 2011 and 2017, using fake letters of undertaking through the bank's Brady

House branch in south Mumbai's tony Horniman Circle area.

The lenders of Gitanjali Gems have rejected a resolution proposal and have voted for liquidation, citing time over-run beyond the 180 days, the company informed the exchanges on Tuesday.

The committee of creditors met on March 28, and with a majority of 54.14%, rejected a plea to continue with the resolution process, and instead chose to go in for liquidation, it added.

"The 180 days since the resolution process began ended on April 6. Since extension is not approved by the lenders, the next logical step is to go for liquidation," the company said in a BSE filing.

'Das may be indicating second generation policy signal'

It is similar to U.S. Federal Reserve, says a SBI report

SPECIAL CORRESPONDENT
MUMBAI

The recent statement by Reserve Bank of India (RBI) Governor Shaktikanta Das that suggested moving away from the conventional magnitude of rate revisions that are in multiples of 25 bps (basis points), was indicative of second generation policy signals on the lines of the U.S. Federal Reserve, State Bank of India said in a report.

In a speech last week, Mr. Das had said that calibrating the size of the policy rate and the size of the change itself can convey the stance of policy.

Mr. Das delivered the speech on the sidelines of the International Monetary Fund (IMF) and World



Shaktikanta Das

Bank's spring meetings at Washington DC.

"We believe that such thinking signifies the RBI's intent to use communication as a policy in itself rather than being the policy statement being the vehicle for communication. These are

akin to second generation policy signals that Fed provides to the market now," Soumya Kanti Ghosh, group chief economic adviser, SBI, wrote in a note.

Reducing disconnect

The report said "second generation signals" will reduce the disconnect with market expectations in the subsequent press conference with researchers and analysts.

The report says the intent of the RBI Governor looked quite positive but seemed to be futuristic.

It also raises the question that when 25 bps rate cut, or sometimes even a 50 bps rate cut is not able to initiate a transmission of rate cut, how an indicative rate cut of 10 or 15 bps will work.

'Banks have to mark IL&FS accounts as NPAs after default'

Must follow master circular, SC judgment, says RBI counsel

PRESS TRUST OF INDIA
NEW DELHI

The RBI on Tuesday told the National Company Law Appellate Tribunal (NCLAT) that banks would have to classify the accounts of debt-ridden IL&FS and its group companies as NPAs in terms of its master circular and the Supreme Court's judgment.

It is the obligation of the banks to mark any loan as NPA after a default of 90 days, and they cannot be relieved from doing that, the Reserve Bank of India (RBI) said, adding that this was a process every bank had to follow.

'Early warning signals'

Senior advocate Gopal Jain, representing the RBI, submitted before the NCLAT that true reflection in the books of the banks was im-



portant for fair accounting because it had early warning signals. "The whole thing is to have a transparent and fair accounting system, so that the health of the institution is not affected."

"And whatever process, you are having for resolution in IL&FS, we are not on recovery and the resolution process, we are only saying banks have to record the position of NPAs in terms of the

master circular and the Supreme Court judgment, which recognises NPAs in the circular," Mr. Jain said.

According to him, the job of the regulator is to have the right policy for all the banks.

Mr. Jain further said that banks were finalising their accounts and needed clarification from the NCLAT on this.

The NCLAT-bench headed by Chairman Justice S.J. Mukhopadhyaya said it would hear the Reserve Bank of India on next date of hearing on April 29.

The RBI moved the NCLAT seeking modification of its order that restrained banks from declaring accounts of IL&FS and its group companies as NPAs. According to the apex bank, there was an overlap of power.

BSNL starts work on 5G

Eyes those 'untouched by mobiles'

YUTHIKA BHARGAVA
NEW DELHI

Even as the State-owned telco BSNL is awaiting approval to get 4G spectrum from the government, it has begun work on making itself 5G-ready.

Stressing that the worst is over for the company, its chairman and managing director Anupam Shrivastava said this fiscal, the focus would be on deploying new technologies with an aim to tap the nearly 50% of the population that is still "untouched by mobile phones."

The PSU, which has a debt of about ₹16,000 crore, is likely to get 4G spectrum this year as part of a revival package being worked out by the Department of Telecommunications. BSNL had first raised a request for the spectrum in April 2015.

"New technology deployment was taken up for discussion in the board meet-



Anupam Shrivastava

ing today... 4G will, of course, be predominant. We are also preparing for 5G roll-out. We should be potentially ready for 5G roll-out, so that we are not left behind," he said.

He said that BSNL would be able to roll out 4G within 10 days of getting the spectrum. "All equipment is ready, most BTS' are 4G-complaint. We only need a software update to get going."