

MARKET WATCH

	28-05-2019	% CHANGE
Sensex	39,750	0.17
US Dollar	69.69	-0.26
Gold	32,870	0.31
Brent oil	70.05	1

NIFTY 50

	PRICE	CHANGE
Adani Ports	412.65	0.25
Asian Paints	1364.35	-2.50
Axis Bank	438.40	-5.50
Bajaj Auto	2988.00	-78.90
Bajaj Finserv	8128.55	-84.50
Bajaj Finance	3409.80	-39.20
Bharti Airtel	345.60	-3.90
BPLCL	401.95	-0.05
Britannia Ind	2887.00	-9.55
Cipla	577.95	-0.75
Coal India	250.70	6.60
Dr Reddys Lab	2651.95	-6.05
Eicher Motors	20790.10	-97.25
GAIL (India)	348.75	0.40
Grasim Ind	910.95	-24.35
HCL Tech	1071.30	7.10
HDFC	2147.85	-17.45
HDFC Bank	2416.20	7.85
Hero MotoCorp	2743.10	-78.10
Hindalco	201.85	1.25
Hind Unilever	1776.90	4.95
Indiabulls HFL	784.45	-7.45
ICICI Bank	434.30	-1.20
IndusInd Bank	1619.65	6.85
Bharti Infratel	269.00	-10.55
Infosys	728.10	20.00
Indian OilCorp	163.45	1.25
ITC	288.90	-1.95
JSW Steel	292.95	5.20
Kotak Bank	1511.00	-18.40
L&T	1574.50	-21.50
M&M	670.55	-8.80
Maruti Suzuki	7054.65	-13.80
NTPC	132.60	-0.60
ONGC	175.30	1.65
PowerGrid Corp	190.20	2.85
Reliance Ind	1323.75	13.10
State Bank	360.05	-1.65
Sun Pharma	412.75	-2.10
Tata Motors	180.25	-1.10
Tata Steel	507.05	-5.50
TCS	2073.75	18.60
Tech Mahindra	737.15	11.10
Titan	1231.55	-9.40
UltraTech Cement	4772.95	-68.10
UPL	1015.55	-8.90
Vedanta	169.55	3.05
Wipro	282.95	2.45
YES Bank	152.80	6.00
Zee Entertainment	381.80	20.80

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on May 28

CURRENCY	TT BUY	TT SELL
US Dollar	69.49	69.81
Euro	77.75	78.10
British Pound	88.03	88.44
Japanese Yen (100)	63.54	63.83
Chinese Yuan	10.05	10.10
Swiss Franc	69.17	69.49
Singapore Dollar	50.44	50.67
Canadian Dollar	51.58	51.82
Malaysian Ringgit	16.59	16.67

Source: Indian Bank

BULLION RATES CHENNAI

May 28 rates in rupees with previous rates in parentheses

Retail Silver (1g)	39.3	(39.5)
22 ct gold (1 g)	3035	(3037)

Sun Pharma Q4 net profit at ₹635.88 crore

Distribution change impacts numbers

PRESS TRUST OF INDIA NEW DELHI

Drug major Sun Pharmaceutical Industries on Tuesday reported a consolidated net profit of ₹635.88 crore for the fourth quarter ended on March 31, 2019.

The company had posted a net profit of ₹1,342.50 crore for the corresponding period of the previous fiscal, Sun Pharmaceutical Industries said in a filing to BSE.

The profit was mainly impacted by distribution change for its India business.

Profit not comparable

The company said the net profit for the fourth quarter of FY2018-19 is not comparable with the year-ago period due to the one-time impact of distribution change for India business in the

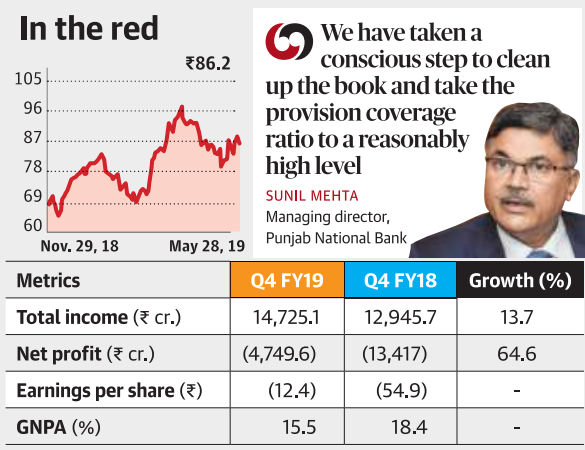
PNB Q4 loss at ₹4,750 crore; NPAs decline

Provisioning for bad loans in the March quarter were lower at ₹9,154 cr., from ₹16,203 cr. a year earlier

PRES TRUST OF INDIA NEW DELHI

Punjab National Bank (PNB) on Tuesday reported a narrowing of its loss by nearly 65% to ₹4,750 crore during the fourth quarter of the fiscal ended March 2019 even after making adequate provisions towards the Nirav Modi fraud and non-performing assets (NPAs).

The scam-hit lender had posted the highest ever loss of ₹13,417 crore in the corresponding January-March period of 2017-18, due to fraud committed by jeweller duo Mehul Choksi and Nirav Modi. The bank's total income in the March quarter of 2018-19 rose to ₹14,725.13 crore from ₹12,945.68 crore in the year-ago period. It has earned a healthy operating profit of ₹2,861 crore during



the quarter and ₹12,995 crore for the year as a whole indicating strong fundamentals, PNB Managing Director Sunil Mehta said while announcing financials here.

“We suffered a setback (Nirav Modi fraud) last year,

of which 50% provisioning was done last year and 50% has been made this year. We have taken a conscious step to clean up the book and take provision coverage ratio to a reasonably high level which gives high degree of

Manpasand Beverages hits lower circuit

Shares slide after top officials held in alleged GST fake invoices fraud

SPECIAL CORRESPONDENT AHMEDABAD

Shares of Gujarat-based Manpasand Beverages on Tuesday hit the lower circuit of ₹70.40 on the BSE. This follows the arrest of its top officials in connection with an alleged GST fake invoices fraud. On Monday, the scrip dived 20% to close at ₹88 on the BSE.

According to details, some top officials of the company were taken under judicial custody following search and seizure proceedings carried out at various premises of the company by GST officials last week.

Judicial custody

“Mr. Abhishek Singh, whole time director, Mr. Paresh Thakkar, chief financial officer (CFO) of the company and

Mr. Harshvardhan Singh are under judicial custody of GST Authority from 24 May, 2019. The company is contesting these allegations in accordance with the due process of law,” the company said in a statement.

Meanwhile, the company's independent directors Bharat Vyas and Milind Babar, along with director Dhruv Agrawal and non-executive director Vishal Sood have tendered their resignation from the board after the countrywide raids and search operations conducted by the GST authority.

The company informed the stock exchanges that Mr. Vyas resigned due to “pre-

occupation,” while the resignation of others was “mainly due to GST search.”

On Monday, the company also informed the bourses about the cancellation of the board meeting which was scheduled to be held on May 28 “due to unavoidable circumstances and also due to want of quorum during the board meeting.”

The Central Goods and Services Tax (GST) Commissionerate Vadodara-II said in a statement that the company's MD Abhishek Singh, his brother Harshvardhan Singh and CFO Paresh Thakkar were ar-



safety to our stakeholders. “So, almost all my net NPAs (non-performing assets), 75% provision has already been made against that.

“A few assumptions which we thought will happen during this quarter didn't materialise. In 2-3 major accounts which have already been resolved by the NCLT, they were on the table, but that money could not be unlocked; against that we had to make 100% provisioning because of the aging,” he said.

PNB saw improvement as the gross non-performing assets (NPAs) which were brought down to 15.5% of gross advances at the end of March 2019, as against 18.38% at the end of March 2018. Net NPAs also fell to

IMPAL Q4 net rises 36% to ₹14 crore

6.56% from 11.24% in the year-ago period.

Improvement in asset quality allowed the lender to park a lesser amount towards provisioning for bad loans during the March quarter of 2018-19, which stood at ₹9,153.55 crore. In the year-ago period, it stood at ₹16,202.82 crore.

Provision for Jet

“We have factored in the entire IL&FS slippages, we have made provisions for Jet Airways although the account is standard (as on March 2019),” he said without elaborating on exposure of the bank in individual accounts.

Fresh slippages came down significantly to ₹5,130 crore during the quarter, compared with ₹30,377 crore a year earlier.

IMPAL Q4 net rises 36% to ₹14 crore

SPECIAL CORRESPONDENT CHENNAI

India Motor Parts & Accessories Ltd. (IMPAL) has reported an increase in its standalone operational revenue to ₹511.55 crore for the year ended March, 2019, up from ₹475.50 crore in the previous year, according to a statement.

Profit before tax improved to ₹57.09 crore (₹43.65 crore). Profit after tax stood at ₹40.40 crore (₹31.06 crore).

Revenue for the fourth quarter ended March 2019 stood at ₹136.07 crore versus ₹127.86 crore in the year-earlier period. Net profit for the quarter under review stood at ₹14 crore (₹10.28 crore), an increase of 36%.

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Lakshmi Vilas Bank loss narrows in Q4

Recoveries higher than fresh slippages

SPECIAL CORRESPONDENT CHENNAI

Private sector lender Lakshmi Vilas Bank's (LVB) standalone net loss for the fourth quarter ended March 2019 has narrowed down to ₹264.43 crore from the ₹622.25 crore reported for the year-earlier period.

“This quarter, the losses could have been even lower, if we had not made additional contingent provision of ₹150 crore towards loans to SMEs,” said P. Mukherjee, MD and CEO, LVB.

“This was made to take care of [any] eventuality, even though, it was not required,” he said.

LVB recovered ₹213 crore, which was higher than slippages of ₹7 crore, he said, adding this trend would continue throughout FY20 and that the bank

Trouble brews for coffee growers

Spotty rain to impact bean output

MINI TEJASWI BENGALURU

Spotty summer showers will drastically pull down this year's coffee bean output to almost half of a normal year's yield, according to the Coffee Board as well as planters.

The dip will hit the domestic coffee industry for the second successive coffee year. Growers are yet to recover from last year's devastating floods that washed away some plantations entirely in Kodagu and Wayanad.

The country's annual coffee harvest is done between December and February. This season, fresh blossoms were delayed and the quality of berry/cherry formation was adversely affected due to uneven April showers. This situation would lead to a coffee crop decline of 40-50%, they told *The Hindu*.

April showers missing

As per Karnataka Planters' Association, the plantations should have received some rains in April, but it rained only in May. This had adversely impacted the fruit development in arabica and therefore this year's yield was going to be low.

Anil Kumar Bhandari, a leading coffee farmer and also former president of Upasi, said blossom showers have been ‘spotty’ or uneven this year, in particular areas such as Madapur and Somawarpet in Coorg. “Crops in these plantations are going to be drastically low,” he said.

M.S. Boje Gowda, Coffee Board chairman and a third-generation planter from the country's coffee heartland Chikmagalur, said, “The coffee farmers are in deep distress. The State and Central



governments should quickly interfere and do something to save the industry that offers direct and indirect livelihood to millions of people.”

Himu Gowda, a coffee farmer and proprietor of Krishnagiri Plantations in Chikmagalur's highest peak of Mullyanagiri and Baba Budan Giri areas, said, “Coffee farmers are always at the receiving end. Last year, the floods had eaten away our crop and plants. This year again, we fear almost 50% reduction in output. All these in addition to existing labour, pest and price issues.”

Coffee Board usually gives out two crop estimates in a year: one based on blossoms and the other, after the monsoons.

‘Situation may worsen’

The bad news is that the crop situation can get worse if the monsoon is going to be harsh, like last year, said Jagadish Subramaniam, a medium-scale farmer from Ponnampet, Coorg.

As per Upasi's statistics, India produced 3.16 lakh tonnes of coffee during 2017-18 and the country's exports were 3.92 lakh tonnes. Karnataka alone accounts for around 80% of the country's total coffee production. India currently has over three lakh small and medium coffee farmers.

Airtel Africa eyes LSE listing

SPECIAL CORRESPONDENT NEW DELHI

Airtel Africa, a subsidiary of telecom major Bharti Airtel, on Tuesday said it is looking to undertake an IPO to list shares on the London Stock Exchange (LSE).

The company had sought approval from U.K.'s Financial Conduct Authority for the offer.

Additionally, the company is also considering listing its shares on the Nigerian Stock Exchange. Any net proceeds from the issue of new shares would be used to reduce debt.

Last year, Airtel Africa had raised \$1.25 billion from six global investors, including SoftBank Group Corp., Warburg Pincus LLC and Temasek Holdings (Private) Ltd., valuing the company at \$4.4 billion.

Greaves Cotton launches high speed e-scooter Ampere Zeal

The two-wheeler will cost ₹66,000 post-subsidy

SPECIAL CORRESPONDENT COIMBATORE

Greaves Cotton on Tuesday launched high-speed electric scooter Ampere Zeal that meets the specifications of the FAME II policy of the government.

According to a statement from the company, Zeal has a top speed of 55 kmph and a range of 75 km with charge time of 5.5 hours. Under FAME (Faster Adoption and Manufacturing of Electric Vehicles in India) II benefit, Zeal would attract ₹18,000 subsidy per scooter. Customers would have five different colour options. The vehicle has dual speed mode, power acceleration and anti-theft alarm.

The 300-plus Greaves retail stores and the more than 5,000 aftermarket outlets across India would provide after-sales service.

Hemalatha Annamalai, managing director, Ampere Vehicles (the e-mobility arm of Greaves Cotton and the maker of Zeal), told *The Hindu* that Zeal was a high-speed vehicle with new specifications. It had advanced-technology lithium battery. The customer demand now

was for high-speed electric vehicles. The focus markets for the vehicle would be major cities such as Bengaluru, Chennai and Pune where there was more use of electric vehicles. The price of the high speed electric scooter would be about ₹66,000 (after deduction of the subsidy amount).

Nagesh Basavanhalli, MD and CEO, Greaves Cotton,

said, “Ampere Vehicles, known for technical ingenuity, combined with Greaves retail scale and efficiency, has resulted in successful growth over the last year. Today, we are complete EV ecosystem player with comprehensive offering of products, services, and aftermarket support.”

Greaves Cotton had acquired a major stake in Ampere Vehicles last August.



SEBI paper on regulatory sandbox for fintech testing

SPECIAL CORRESPONDENT MUMBAI

The Securities and Exchange Board of India (SEBI) has released a discussion paper on a framework for a ‘regulatory sandbox,’ wherein companies dealing with financial technologies can test new technologies and products in a live market environment.

In the discussion paper, the capital markets regulator said that the regulatory sandbox would be defined as a live, testing environment where new products, processes, services and business models could be deployed on a limited set of eligible customers for a specified period of time, with certain relaxations in the regulations and guidelines.

Reliance Capital sells 8% in MF arm for ₹1,100 cr.

To meet public holding norms

SPECIAL CORRESPONDENT MUMBAI

Reliance Capital has sold 8% stake in Reliance Nippon Asset Management (RNAM) through an offer for sale (OFS) to meet the minimum public shareholding norms that stipulate at least 25% of the equity should be held by public shareholders.

“The offer for sale announced by Reliance Capital... to sell its shareholding in Reliance Nippon Life Asset Management Ltd. (RNAM) has received an excellent response from investors. Reliance Capital has exercised the ‘green shoe’ option and will sell over 8% of its shareholding in RNAM through this OFS aggregating approximately ₹1,100 crore,” Reliance Capital said in a statement.

The shares will be allotted

under the OFS at ₹222 per share against the base offer of ₹218.

On May 23, Reliance Capital announced that it had signed a binding definitive agreement with Nippon Life Insurance to sell its entire stake in the asset management venture.

The statement further added that the entire stake monetisation proceeds of around ₹6,000 crore that would be received from the OFS and the stake sale to Nippon Life would be utilised to reduce Reliance Capital's outstanding debt.

Based on the overall asset monetisation deals, presently underway, the company expects to reduce its debt by at least ₹12,000 crore, or 70% of the total debt, in the current fiscal, according to the statement.

IN BRIEF



Arun Sarin joins Ola Electric Mobility board
NEW DELHI
Ola Electric Mobility has appointed former Vodafone Group CEO Arun Sarin as an independent director on its board. Bhavish Aggarwal, co-founder and CEO at Ola, said: "Ola Electric aims to build an ecosystem that can accelerate the adoption of electric mobility in India and across the world. Arun's experience of building global businesses will be very valuable for us at Ola Electric."

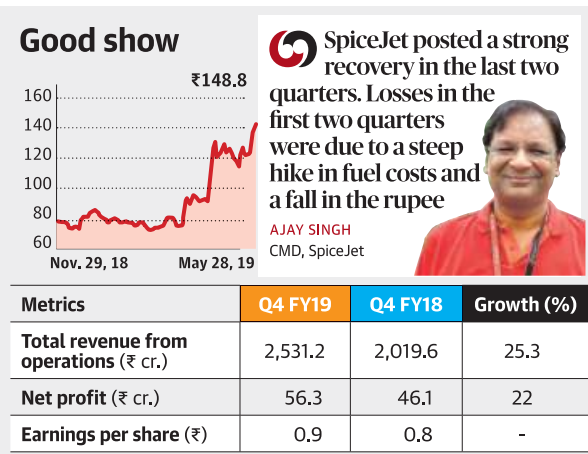
NMDC Q4 profit rises 31% to ₹1,453 crore
NEW DELHI
State-owned miner NMDC posted an over 31% rise in standalone profit to ₹1,453.77 crore for the quarter ended March 2019. It had posted a standalone profit of ₹1,105.85 crore in the year-ago quarter, NMDC said in a BSE filing. Total income declined to ₹3,839.40 crore from ₹4,053.16 crore in January-March 2018. Total expenses for the latest quarter fell to ₹1,641.65 crore from ₹2,059.84 crore. PTI

NTPC targets 310 BU power output this fiscal
NEW DELHI
State-owned power company NTPC on Tuesday said it was aiming to produce 310 billion units (BU) of power and 10.4 million tonnes of coal, and spend ₹20,000 crore on capital expenditure in the current financial year. The company inked a memorandum of understanding (MoU) with the Power Ministry on various targets to be achieved in 2019-20 on May 23, a company statement said. PTI

SpiceJet Q4 net rises 22% on demand surge

Cancellation of Jet flights helps low-cost carrier make up for losses due to grounding of MAX aircraft

**SPECIAL CORRESPONDENT
NEW DELHI**
Low-cost carrier SpiceJet reported a profit of ₹56.3 crore in the quarter ended March, a 22% growth over ₹46.2 crore profit it earned during the same period last year. The performance comes after a surge in demand following the cancellation of flights by Jet Airways, which helped SpiceJet make up for losses due to the grounding of its MAX aircraft. For FY19, however, the airline posted a net loss of ₹316 crore as opposed to a profit of ₹566 crore in FY18. "SpiceJet has posted a strong recovery in the last two quarters after suffering a loss of ₹427.5 crore in the first two quarters due to a steep increase in fuel costs



and sudden depreciation of the rupee. This recovery comes despite the unprecedented challenges we faced during Q4 FY2019, which saw the grounding of 13 of our MAX planes," the airline's chairman and managing director, Ajay Singh, said in a press statement. The airline garnered ₹2,571.3 crore in total income for the reported quarter, while its total expenses

stood at ₹2,515.5. Its revenue from operations grew by 25% in a seasonally weak quarter. While the airline was forced to ground 13 of its 737 MAX 8 aircraft on March 12 following a Directorate General of Civil Aviation (DGCA) order in the aftermath of Ethiopian Airlines crash, large-scale flight cancellations by Jet Airways in the weeks leading up to a complete suspension of operations in mid-April provided other players in the market an opportunity to sell more seats on their aircraft, raise airfares and add more capacity on more profitable routes. The airline said that there was a likelihood of Boeing 737 MAX aircraft resuming operations in July and that it is yet to receive compensation from Boeing for the groundings. Between April and May, SpiceJet added 25 aircraft enabling it to expand to a fleet size of 100 planes as well as 106 new flights, a large chunk of which fly to, from and between Delhi and Mumbai. The low-cost carrier will add 35 planes in the current fiscal. The company is planning to ramp up its cargo capacity by adding four Boeing 737 NG planes to its freighter fleet of two aircraft. The low-cost carrier said it planned to develop Guwahati a cargo hub in the north-east by connecting it to all the seven States there.



Terra firma: The unit will have 10 million sq.m capacity to start with, says CEO Mukesh Savlani. ■ NAGARA GOPAL

Welspun to cement growth with tile facility

The ₹1,150-cr. unit will make SPC tiles

**N.RAVI KUMAR
HYDERABAD**
A ₹1,150 crore manufacturing facility of Welspun Flooring, coming up near here, is expected to get into production mode, starting with the easy-to-install, lightweight stone polymer composite (SPC) tiles, by August. "It is under construction," Mukesh Savlani, president and CEO, said about the facility that eventually would be spread over 600 acres on the outskirts of the city. "Full commissioning will happen somewhere between September and December and at its full glory, the facility would employ 1,500 people. We will start production [on SPC] between July and August," he said in an interaction here. A part of the \$2.3 billion Welspun Group, the company is making a foray into flooring with a focus on convenient flooring solutions, especially through the click-n-lock technology that comes with the stone polymer composite tiles. **Locking mechanism** The click-n-lock technology, which does not require water, cement or sand to install the tiles, is essentially a locking mechanism that binds two SPC tiles together. Highlighting the advantages, he said the installation is easier, less time consuming and avoids the hassles associated with conventional tile-laying process. "It is seamless and no grouting is required," he said, the product has applications in both commercial and residential buildings and the tenants can even remove them while shifting to another location. Besides SPC, the product portfolio of Welspun Flooring's will include carpet tiles that now are being imported and artificial grass. "It was an opportunity for us to get this going in India as one of the first investments in non-traditional flooring segments," Mr.Savlani said, adding the manufacturing facility would initially have a capacity of 10 million square metres. Over time, this is to be scaled up to 30 million square metres. The firm is setting up a distribution network, growing sales through e-commerce, too, and setting up experiential stores – with the first set of stores in Mumbai, Delhi, Bengaluru and Hyderabad likely to be in place by Diwali.

Hindustan Copper profit surges 83% on higher sales

Board okays hike in borrowing limit

**SPECIAL CORRESPONDENT
KOLKATA**
The country's lone copper miner, Hindustan Copper Ltd., closed 2018-19 with an 83 % rise in its post-tax profit to ₹145.5 crore on the back of a 9% increase in turnover to ₹1,852.9 crore. HCL , a listed PSU, is engaged in mining and processing of copper ore to produce refined copper metal. It had closed the last fiscal with a 12% rise in its copper ore production to 41.2 lakh tonnes, with a 32,439-tonne production of metal in-concentrate, which was the highest in 16 years. Copper sales volume, too, touched its highest figure in nine years. This coupled with the optimisation of the production of high-va-

E-bike maker Ather Energy raises \$51 mn

**LALATENDU MISHRA
MUMBAI**
Ather Energy, which is into electric scooter manufacturing, has raised \$51 million in its latest round of funding, led by Flipkart co-founder Sachin Bansal's investment of \$32 million. Prior to this, the company had raised about \$70 million, including \$19 million by Hero MotoCorp. The proceeds of the current round of funding would go into capacity addition as well as R&D and geographical expansion, top officials said. As part of its aggressive expansion plan, the company has decided to open pre-orders in Chennai in the coming weeks, eventually scaling to 30 cities by the end of 2023.

Shipping line CMA CGM to focus on digital drive

Move to boost growth in India

**LALATENDU MISHRA
MUMBAI**
CMA CGM Group, one of the world's largest shipping and logistics firms, has embarked on a digitalisation drive led by e-commerce to achieve its growth targets in India, its third biggest market globally, a top executive said. CMA CGM, which had been operational in India since 1984 and currently operated 14 direct weekly services to India, had already launched CMA CGM eSolutions, a 100% digital eco-system wherein a customer can book cargo online and track its progress, in a seamless manner. More e-offerings are on the cards, the firm said. "India is steadily moving towards becoming a digital-empowered society and our alignment to the digital vision will help build a simpler and transparent business eco-system. Our e-commerce solutions allows our customers to get confirmed space onboard using very simple process in just few clicks," said Ugo Vincent, MD, CMA CGM India. **Pilot phase** "Currently the service is in its pilot phase and is applicable on our India-Europe services. "We look forward to the successful completion of the pilot to introduce the product on our other global trade lanes soon. Customer centricity is of utmost importance to us," he said.

Yuletide
Stories of the Season

SLICE
OF
SUMMER

CROSSWORD
FOR YOU

ARISTOTLE'S
Mailbag

EUREKA!
Big Book of Puzzles

TIMELESS
TALES

KEEP
YOUR KIDS ENGAGED
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WITH BOOKS
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THE HINDU
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