

MARKET WATCH

|           | 02-05-2019 | % CHANGE |
|-----------|------------|----------|
| Sensex    | 38,981     | -0.13    |
| US Dollar | 69.37      | 0.27     |
| Gold      | 32,620     | -0.76    |
| Brent oil | 69.87      | -4.16    |

NIFTY 50

|                   | PRICE    | CHANGE  |
|-------------------|----------|---------|
| Adani Ports       | 395.30   | 2.50    |
| Asian Paints      | 1436.60  | -26.55  |
| Axis Bank         | 752.35   | -14.50  |
| Bajaj Auto        | 3030.55  | 46.45   |
| Bajaj Finserv     | 7578.85  | 58.40   |
| Bajaj Finance     | 3131.75  | 35.80   |
| Bharti Airtel     | 324.20   | 3.90    |
| BPCL              | 378.45   | -1.40   |
| Britannia Ind     | 2783.05  | -113.00 |
| Cipla             | 565.60   | 0.60    |
| Coal India        | 252.35   | 0.20    |
| Dr Reddys Lab     | 2919.90  | -13.85  |
| Eicher Motors     | 20565.10 | 196.80  |
| GAIL (India)      | 347.55   | -8.40   |
| Grasim Ind        | 899.30   | -1.90   |
| HCL Tech          | 1160.05  | -23.30  |
| HDFC              | 2017.40  | 22.35   |
| HDFC Bank         | 2355.80  | 38.35   |
| Hero MotoCorp     | 2551.70  | 39.85   |
| Hindalco          | 204.70   | -1.35   |
| Hind Unilever     | 1723.55  | -34.15  |
| Indiabulls HFL    | 679.65   | -15.80  |
| ICICI Bank        | 395.55   | -11.95  |
| IndusInd Bank     | 1561.30  | -45.20  |
| Bharti Infratel   | 270.85   | 8.30    |
| Infosys           | 730.80   | -20.55  |
| Indian OilCorp    | 158.10   | 0.05    |
| ITC               | 305.00   | 3.65    |
| JSW Steel         | 306.65   | -1.70   |
| Kotak Bank        | 1406.35  | 19.80   |
| L&T               | 1358.75  | 10.20   |
| M&M               | 645.90   | 0.60    |
| Maruti Suzuki     | 6683.25  | 16.85   |
| NTPC              | 133.10   | -0.95   |
| ONGC              | 168.90   | -0.30   |
| PowerGrid Corp    | 190.20   | 3.80    |
| Reliance Ind      | 1405.05  | 12.25   |
| State Bank        | 308.15   | -1.80   |
| Sun Pharma        | 452.20   | -5.45   |
| Tata Motors       | 207.30   | -7.00   |
| Tata Steel        | 554.95   | -2.25   |
| TCS               | 2215.40  | -44.95  |
| Tech Mahindra     | 837.00   | 0.90    |
| Titan             | 1138.15  | -20.40  |
| UltraTech Cement  | 4616.30  | -0.50   |
| UPL               | 963.90   | -5.25   |
| Vedanta           | 168.30   | 1.45    |
| Wipro             | 293.65   | -4.90   |
| YES Bank          | 173.75   | 5.75    |
| Zee Entertainment | 418.45   | -14.15  |

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on May 02

| CURRENCY           | TT BUY | TT SELL |
|--------------------|--------|---------|
| US Dollar          | 69.16  | 69.48   |
| Euro               | 77.49  | 77.85   |
| British Pound      | 90.26  | 90.68   |
| Japanese Yen (100) | 62.02  | 62.31   |
| Chinese Yuan       | 10.27  | 10.32   |
| Swiss Franc        | 67.86  | 68.17   |
| Singapore Dollar   | 50.80  | 51.04   |
| Canadian Dollar    | 51.47  | 51.71   |
| Malaysian Ringgit  | 16.71  | 16.81   |

Source:Indian Bank

BULLION RATES CHENNAI

May 02 rates in rupees with previous rates in parentheses

|                    |      |        |
|--------------------|------|--------|
| Retail Silver (1g) | 39.7 | (40.5) |
| 22 ct gold (1 g)   | 3002 | (3041) |

IN BRIEF

PNB Housing to raise \$1 bn from foreign markets

NEW DELHI  
PNB Housing Finance said it would raise up to \$1 billion from foreign markets, and an additional ₹10,000 crore by issuing bonds. The board meeting on May 9 will consider approval of “fund raising by way of external commercial borrowings up to \$1 billion in one or more tranches,” it said. The board will also consider the issuance of secured and unsecured non-convertible debentures up to ₹10,000 crore in tranches. PTI

# Robust plan in place to import oil: MEA

U.S. refuses to extend sanctions waiver to India on Iran oil import; OMCs stop placing orders from Iran

TCA SHARAD RAGHAVAN  
SUHASINI HAIDAR  
NEW DELHI

India has a “robust plan” to import oil from other countries, the Ministry of External Affairs said, even as the deadline for the U.S. sanction waiver for oil imports from Iran expired on Thursday without an extension from the U.S.

Last year, the U.S. re-imposed sanctions on Iran, prohibiting countries from importing oil from it, but waived these sanctions for eight countries, including India. That waiver has now expired and the U.S. announced last month that it



Fuel fracas: Prior to the sanctions, Iran accounted for about 10% of India's oil requirements. ■ AP

would not be extending it. The U.S. refused to change its stance despite a last-mi-

nute call by External Affairs Minister Sushma Swaraj to U.S. Secretary of State Mike

Pompeo on Saturday.

“Whatever decisions we take will be a combination of a number of factors [including] commercial negotiations and keeping our legitimate security interests and economic interests in mind,” Ministry of External Affairs (MEA) spokesperson Raveesh Kumar said.

‘Responded accordingly’ “We continue to engage with the U.S. on this matter. But a decision has been taken by them and accordingly we have responded.”

“We have a robust plan in place to import oil from other countries,” Mr. Kumar ad-

ded. “This is a decision that will be taken in a considered manner.” Indian oil companies, meanwhile, have stopped placing orders for Iranian oil.

“The oil companies do not take a decision on this, that is taken by the government,” a spokesperson for the Indian Oil Corporation said. “The official position is what was stated by the MEA. But we have not placed any further orders with Iran.”

Prior to the sanctions and the subsequent reduction in the quantity of oil imported from Iran, Iran accounted for about 10% of India's oil requirements.

## ‘Banks can declare defaulting IL&FS accounts as NPAs’

But lenders can't initiate recovery, debit money, says NCLAT

PRESS TRUST OF INDIA  
NEW DELHI

The National Company Law Appellate Tribunal (NCLAT) on Thursday allowed the banks to declare as non-performing assets (NPAs) the accounts of IL&FS and its group companies that have defaulted on payments.

A bench headed by Chairman Justice S.J. Mukhopadhyaya lifted the embargo on the banks to declare the accounts of the debt-ridden IL&FS and its 300 group entities, which are unable to pay their debt.

However, the appellate tribunal has also clarified that although the banks would declare the IL&FS accounts as NPAs, they cannot initiate recovery process and debit money.

The bench has observed that lenders must not withdraw support until a resolution is found for the IL&FS and its group companies.

Presently, Infrastructure Leasing & Financial Services (IL&FS) Group companies, with a collective debt of over ₹90,000 crore, are going through a resolution process.

The NCLAT had, in February, prohibited banks from recognising any IL&FS group accounts as non-performing assets without first seeking approval from the tribunal.

The RBI had moved the NCLAT to modify the order allowing the banks to declare the defaulting accounts of IL&FS as NPAs, as per banking regulations.

It contended that banks had an obligation to mark bad loans as NPA in cases of non-payment, after the default of 90 days.

## Bandhan Q4 net rises 68%

Net interest income grows 45.6%

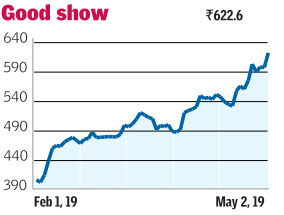
SPECIAL CORRESPONDENT  
MUMBAI

Private sector lender Bandhan Bank reported a 68% rise in net profit to ₹651 crore for the quarter ended March 31 on the back of healthy growth in both interest income and non-interest income.

While net interest income (NII) for the quarter grew 45.6% to ₹1,258 crore, non-interest income grew 91.13% to ₹388 crore during the reporting period.

The bank's net interest margin was 10.7% in the fourth quarter as compared to 10.5% in the preceding quarter.

Total advances growth



was 38.46% to ₹44,776 crore, while deposits increased 27.64% to ₹43,232 crore as on March 31, 2019.

The gross non-performing assets ratio rose on a year-on-year basis from 1.25% on March 31, 2018 to 2.04%, though declined sequentially from 2.41%. Provision for the fourth quarter grew by 41.3% on year to ₹154 crore.

# Central banks step up gold buying in 2019

Diversification and desire for safe, liquid assets were main drivers of purchases, says WGC

SPECIAL CORRESPONDENT  
MUMBAI

Central banks across the globe are building up gold reserves with the first quarter of 2019 seeing significant buying from such entities.

According to the latest Gold Demand Trends report by the World Gold Council, central banks bought 145.5 tonnes of gold in the first quarter – a 68% jump from the same period in 2018 and also the strongest start to a year since 2013.

Meanwhile, the overall global gold demand rose to 1,053.3 tonnes in the first quarter of 2019, up 7% compared to the same period last year.

“This year-on-year increase was largely due to continued



growth in central bank buying, as well as growth in gold-backed exchange-traded funds (ETFs),” said a statement by WGC while adding that diversification and a desire for safe, liquid assets were the main drivers of the purchases.

On a different note, the first quarter jewellery demand rose

Despite sharp recovery in investor sentiment in both equity and debt markets, appetite for gold remained solid

ALISTAIR HEWITT  
Head of market intelligence, WGC

1% compared with the same period last year, at 530.3 tonnes, boosted by India.

### Jewellery demand in India

“A lower local rupee gold price in late February and early March coincided with the traditional gold buying wedding season, lifting jewellery demand in India to 125.4 tonnes, a 5% increase on the same period last year and the highest Q1 since 2015,” stated the report.

Bar and coin investment softened slightly and was down 1% to 257.8 tonnes.

According to the WGC, this was purely due to a fall in demand for gold bars, as official gold coin buying grew 12% to 56.1 tonnes even as China and Japan were the main contributors to the decline.

“The beginning of 2019 saw a sharp recovery in investor sentiment in both the equity and debt markets, but appetite for gold remained solid,” said Alistair Hewitt, head of market intelligence, WGC. “In addition, central banks on both sides of the Atlantic putting monetary policy tightening on hold – and potentially easing – is likely to be supportive of gold,” he added.

## Decline in air traffic in Mar. a first since 2013

Four key metro airports see shrinkage

SPECIAL CORRESPONDENT  
NEW DELHI

In a first in six years, Indian airports registered negative growth of 1.1% in March as four of the major airports saw a decline in passenger traffic as compared to the same period last year, according to Airports Authority of India data. The airports in the country recorded 2.81 crore passengers in March 2019, which was down from about 2.85 crore passengers in March 2018.

Delhi, the country's biggest airports in terms of passenger traffic, saw 54.81 lakh passengers in March 2019 as compared to about 60.4 lakh in March 2018, registering a shrinkage of -9.4%. Similarly, Mumbai saw 35.7 lakh passengers, down by 16.2% in the same comparative period. Chennai saw 17.19 lakh passengers which was a dip of 7.4% and Cochin recorded 8.3 lakh passengers – a deceleration of 11.3%.

“The decline in March 2019 is the first instance of year-on-year traffic de-growth in a month since February 2013,” said Harsh Jag-nani, vice president and sector head for corporate ratings, ICRA. “Thus, the robust growth trend of last few years, wherein the CAGR



Slowdown can impact revenues and margins of the airports sector, says ICRA.

had been 17.5%, has been arrested. This can impact revenues and margins for the airports sector, at a time when many of them are undertaking sizeable capex.”

### Groundings spur decline

The decline in March was due to multiple factors, primary among them the grounding of Jet Airways fleet of 124 aircraft. The same month also saw 12 Boeing 737 MAXs of SpiceJet being grounded after an outrage globally against the aerospace manufacturer following the Ethiopian Airlines crash.

The Hindu had reported earlier that the growth in passenger traffic at Indian airports for 2018-19 was at a five-year low of 11.6%.

## Manufacturing PMI dips to 51.8 in April

Slower growth in orders hits output

SPECIAL CORRESPONDENT  
NEW DELHI

Manufacturing activity expanded at a slower rate in April compared to its levels in March, according to a private sector survey.

The Nikkei India Manufacturing Purchasing Managers' Index registered a reading of 51.8 in April, lower than the 52.6 in March.

A reading over 50 indicates an expansion while one below 50 denotes a contraction.

“A softer increase in new orders created a domino effect in the Indian manufacturing industry, restricting growth of output, employment, input buying and business sentiment,” the report said.

“The one bright spot in April was exports, which expanded solidly and at a slightly quicker pace than in March.”

“Broken down by sector, capital goods was the key source of weakness, recording contractions in new business and output,” the report added.

“Growth was meanwhile sustained at both consumer and intermediate goods makers.”

The report went on to say that new business growth moderated in April reportedly due to the ongoing General Elections and also in response to a challenging economic environment. The increase in order book volumes was the slowest in eight months, it said.



Capital goods was the key source of weakness, with new business contracting.

“The slowdown in growth of total sales, coupled with cashflow difficulties and competitive pressures, hampered output expansion in April,” the report said. “Although production rose, the increase was the slowest since last September.”

### RBI rate cut likely

“Although remaining inside expansion territory, growth continued to soften and the fact that employment increased at the weakest pace for over a year suggests that producers are hardly gearing up for a rebound,” Pollyanna De Lima, principal economist at IHS Markit and author of the report, said.

Ms. De Lima added that the fact that price pressures were cooling in the manufacturing economy and growth was losing momentum makes it increasingly likely that the Reserve Bank of India may cut interest rates for the third consecutive time in June.



IN BRIEF



**Kadiresan takes charge as LIC south zone head**  
CHENNAI  
K. Kadiresan has taken charge as Zonal Manager of Life Insurance Corporation of India (LIC) in the south, said a company statement. He will oversee the operations of 13 divisional offices, 261 branch offices and 262 satellite offices covering Tamil Nadu, Kerala and Union Territories of Puducherry and Lakshadweep. Prior to this posting, he was the executive director (pension and group schemes), LIC, Central Office, Mumbai.

**Sundaram-Clayton Q4 net profit falls 48.85%**  
CHENNAI  
Sundaram-Clayton Ltd.'s standalone net profit for the fourth quarter ended March 2019 had declined by 48.85% to ₹50.27 crore from ₹98.27 crore in the corresponding quarter last year on lower revenue. Revenue from operations dipped 71% to ₹455.65 crore from ₹490.46 crore. Total income for FY19 rose by 9.41% to ₹1,932.94 crore. Net profit for FY19 increased by 118% to ₹119.66 crore.

**Axis AMC invests ₹60 cr. in Akshaya's Orlando**  
CHENNAI  
Axis AMC has invested ₹60 crore in the Akshaya Group's upcoming project Orlando through Axis RERA Opportunities Fund - I. The project is located in Kelambakkam on the Old Mahabalipuram Road in Chennai. "In the future, real estate will be tilting towards themed and serviced projects and Orlando is an example of the same," said Balaji Rao, managing partner - real estate, Axis AMC.

# JSW forays into paints business

Aims to be among the top three players in five years with new venture

**SPECIAL CORRESPONDENT**  
MUMBAI  
JSW Group has forayed into the ₹42,000-crore organised paints business in the country with the launch of JSW Paints.  
JSW Paints is a greenfield venture backed by 'technology, automation and scale'. The company aims to be among the top three players in the next five years.  
The company will manufacture and market both industrial coatings as well as decorative paints.

**Industrial paints**  
In industrial coatings, JSW Paints has commenced operations with coil coatings.  
In the decorative paints segment, the company will offer a range of water-based paints for interior and exterior walls and wood and metal.



**Splash of colour:** Parth Jindal, MD, with A.S. Sundaresan, Joint MD & CEO in Mumbai on Thursday. ■PAUL NORONHA  
According to industry estimates, India's organised paints industry is expected to cross ₹50,000 crore in value by 2020 with a CAGR of 15%.  
JSW Paints said it had studied the market to understand evolving customer dynamics and global trends. It aims to be a significant player in the Indian paints sector.  
"We have ensured that every aspect of the JSW Paints brand has a 'Never Before

Done' quality and a promise to deliver true value to our consumers. We hope to be the preferred choice of millennial couples. JSW Paints aims to be the future of colour and painting for Indian homes," Parth Jindal, MD, JSW Paints, said.  
**Price transparency**  
"We aim to be among the top three paints players in the next five years. Our 'any colour one price' ensures great value for consumers and price transparency, and gives them choice of colours for their homes," A.S. Sundaresan, joint MD & CEO of JSW Paints, said. A statement said the group aims to make a comprehensive offering for consumer homes through steel, cement, furniture and paints.

## TDSAT stays DoT demand from Airtel

**PRESS TRUST OF INDIA**  
NEW DELHI  
Telecom tribunal TDSAT on Thursday granted partial stay on a ₹8,300-crore demand raised by the telecom department from Bharti Airtel for approving its merger with Tata Teleservices. The TDSAT has directed "the concerned authorities of the Union of India to take the merger of two companies and licence on record", subject to stay on one-time spectrum charges (OTSC) demand of around ₹7,000 crore.  
The tribunal asked Airtel to submit 50% payment of ₹1,287.97 crore demand raised by DoT as OTSC for Chennai circle licence extension from Nov. 30, 2014 to September 27, 2021.

try had witnessed a moderate 7.1% growth in FY19, a company statement said the commercial vehicle category showed polarity in its sales performance between the first and second halves of the fiscal year.  
The statement further said that changing car ownership patterns, shift in personal mobility, disruptive technological advances, tightening global regulatory framework, Centre's initiatives in reduction of emissions and steps to decrease oil dependence, would all lead to increased funding in alternative hybrid & electric vehicles technology.  
All these would have implications for tyre majors in the year ahead, it added.

# TVS Motor Company posts 5% sales growth in April 2019

Auto major reports total 2-wheeler sales of 3.06 lakh units

**SPECIAL CORRESPONDENT**  
CHENNAI  
TVS Motor registered a 4.6% growth in sales volume in April 2019 to 3.19 lakh units from 3.05 lakh units recorded year earlier.  
During the period under review, the company reported total two-wheeler sales of 3.06 lakh units from 2.93 lakh units, marking a 4.4% growth. In the domestic market, the company sold 2.48 lakh two wheelers, registering a growth of 2.5%, against 2.42 lakh units sold in the year-ago period.  
Scooter sales grew 9% from 89,245 units to 97,323. Motorcycle sales grew 8.3% to 1.43 lakh units (1.32 lakh



units). Three-wheeler sales grew 15% to 13,104 units (11,377 units). Overall exports grew 13% to 69,565 units.  
**Leyland sales**  
Truck major Ashok Leyland Ltd. posted a 7.49% growth in total monthly sales in

April 2019 to 13,626 units from 12,677 units in the comparable year-ago period, due to growth in truck, buses and light commercial vehicles (LCVs).  
Domestic sales of medium and heavy commercial vehicles (M&HCV) and LCVs grew 9.96% to 13,141.  
In the M&HCV segment, trucks sales grew to 7,517 units from 7013 units. Bus sales grew 12.89% to 1,401 units. LCVs grew 14% to 4,223 units.  
Eicher Motors, the makers of Royal Enfield motorcycles, reported a 17.47% dip in its April month sales to 62,879 units against 76,187 units sold a year earlier.

## Bharti re-launches 'AirtelThanks'

**SPECIAL CORRESPONDENT**  
NEW DELHI  
Bharti Airtel on Thursday re-launched its 'AirtelThanks' customer rewards programme that segregates users across three tiers - silver, gold, platinum. The higher the tier, the more the benefits.  
The company has also launched a ₹299 'industry first' offer, where prepaid customers will get Amazon Prime membership along with 2.5 GB data per day, and unlimited calls for 28 days.  
Silver tier is an entry to basic content such as AirtelTV and Wynk, while gold customers get access to add-on telecom benefits, and 'great value access to premium content'.