

MARKET WATCH		
	30-05-2019	% CHANGE
Sensex	39,832	0.84
US Dollar	69.87	-0.06
Gold	32,870	-0.46
Brent oil	67.26	-2.05

NIFTY 50		
	PRICE	CHANGE
Adani Ports	409.30	2.75
Asian Paints	1374.60	16.35
Axis Bank	807.55	2.85
Bajaj Auto	2945.00	19.50
Bajaj Finserv	8226.90	95.15
Bajaj Finance	3481.65	72.40
Bharti Airtel	346.70	7.90
BPCL	407.65	8.50
Britannia Ind	2887.15	-29.85
Cipla	561.95	-2.40
Coal India	252.95	2.25
Dr Reddys Lab	2652.40	41.65
Eicher Motors	19891.50	-532.25
GAIL (India)	359.25	5.50
Grasim Ind	911.45	0.95
HCL Tech	1078.20	-6.80
HDFC	2184.40	36.95
HDFC Bank	2439.55	22.65
Hero MotoCorp	2715.20	-10.30
Hindalco	198.55	-0.75
Hind Unilever	1784.25	3.40
Indiabulls HFL	774.05	-3.75
ICICI Bank	426.20	2.90
IndusInd Bank	1586.90	-21.75
Bharti Infratel	271.90	-3.80
Infosys	733.55	5.75
Indian Oil Corp	161.95	1.60
ITC	288.65	0.55
JSW Steel	276.60	-3.95
Kotak Bank	1535.35	21.45
L&T	1558.60	6.15
M&M	661.70	-10.45
Maurit Suzuki	6867.70	-23.75
NTPC	135.10	4.20
ONGC	169.45	-2.10
PowerGrid Corp	191.20	1.05
Reliance Ind	1329.75	16.70
State Bank	353.55	4.90
Sun Pharma	412.75	-11.05
Tata Motors	175.15	-1.20
Tata Steel	487.95	-5.35
TCS	2146.30	38.75
Tech Mahindra	735.00	-3.85
Titan	1240.60	5.95
UltraTech Cement	4758.90	39.05
UPL	1005.85	8.85
Vedanta	164.00	-1.85
Wipro	288.00	2.30
YES Bank	155.00	3.30
Zee Entertainment	365.25	-7.30

EXCHANGE RATES			
Indicative direct rates in rupees a unit except yen at 4 p.m. on May 30			
CURRENCY	TT BUY	TT SELL	
US Dollar	69.67	69.99	
Euro	77.59	77.95	
British Pound	87.96	88.37	
Japanese Yen (100)	63.51	63.80	
Chinese Yuan	10.09	10.13	
Swiss Franc	69.12	69.44	
Singapore Dollar	50.50	50.73	
Canadian Dollar	51.61	51.85	
Malaysian Ringgit	16.61	16.70	
Source: Indian Bank			

BULLION RATES CHENNAI			
May 30 rates in rupees with previous rates in parentheses			
Retail Silver (1g)	39.2	(39.2)	
22 ct gold (1 g)	3031	(3047)	

Three PSUs ink joint venture pact for buying rare metals

NALCO to hold 34% of the proposed ₹100 crore equity

SPECIAL CORRESPONDENT KOLKATA

Three public sector units – National Aluminium Company (NALCO), Mineral Exploration Corporation Ltd. and Hindustan Copper Ltd. – are set to sign by next month, a joint venture (JV) agreement for making overseas acquisition of reserves of rare metals like lithium and cobalt.

First acquisition

The first acquisition is likely to be made within six months NALCO will hold 34% of the proposed ₹100 crore equity, with the other two companies holding 33% each. “The JV will acquire assets in overseas countries,” HCL CMD Santosh Sharma said.

Expert teams have already visited countries holding such deposits like Chile, Peru and Bolivia, he said, adding that the tie-ups are likely to be between the governments. These rare



Santosh Sharma

metals are needed in devices such as mobile phones, laptops and also for electric vehicles.

Turning to HCL, Mr. Sharma said that he expected London Metal Exchange (LME) prices to be good this year in view of the demand-supply situation in copper.

“I do not see a downswing in LME prices in the near future,” he said. There was a global shortage of the metal and exports from India are set to drop on rising domestic demand. HCL is the coun-

try’s only integrated copper miner with operating units in Khetri (Rajasthan), Ghatsila (Jharkhand), Malanjkhand (Madhya Pradesh), Talaja (Maharashtra) and Jhagadia (Gujarat).

He said that HCL hoped to increase its ore output by 25% to 51.5 lakh tonnes this fiscal through capacity expansion at its existing mines, reopening of closed mines and acquisition of new ones.

The company has earmarked about ₹1,200 crore towards capital expenditure. The flagship expansion project at Malanjkhand (where an underground project was being developed in the place of the existing opencast mine) will start production this fiscal, while work on reopening the Rakha and the Chapri Sidheswar mines in Ghatsila would start soon.

“We may either go in for the EPC or MDO (mine development operator) route for these mines,” he said.

a part of equity infusion. A detailed order is still awaited in this matter.

The order was pronounced by NCLT on Thursday. Bhushan Energy was a subsidiary of Bhushan Steel Ltd., which was also taken over by Tata Steel last May and later renamed as Tata Steel BSL Ltd.

Tata Steel had offered ₹35,200 crore in cash to acquire Bhushan Steel besides ₹1,200 crore to creditors and convert the remaining debt owed to banks to equity.

Earlier in June last year, in this matter, NCLT had extended the insolvency resolution period for 90 days after the creditors failed to find a suitable buyer within the initial period of 180 days as mandated under the Insolvency & Bankruptcy Code (IBC).

Indices close at record highs

Markets upbeat ahead of May derivative contracts expiry, Cabinet swearing-in

SPECIAL CORRESPONDENT MUMBAI

The benchmark equity indices closed at new record levels on Thursday as investor optimism remained upbeat amidst the expiry of the May derivative contracts and ahead of the scheduled swearing-in ceremony of the Ministers.

The 30-share Sensex gained 329.92 points, or 0.84%, to close at a new high of 39,831.97. The index has gained more than 1,000 points since May 23 when the election results were announced. Further, the index had risen in four of the last five trading sessions, touching new highs on a daily basis.

The broader Nifty ended at 11,945.90, up 84.80 points or 0.71%. The India VIX continued its downward jour-



Weak flow: In May, FPIs have been net buyers at ₹5,847 crore, lower than in the last 3 consecutive months. ■ PAUL NORONHA

ney, losing almost 5%. Incidentally, the gains in the Indian market came amid a mixed trend in the global markers on concerns over the ongoing trade tussle between the U.S. and China.

According to Hemang Jani, head-advisory, Sharekhan, equity indices in India ended strongly as sentiment was positive ahead of the Ca-

binet announcement even as focus would now shift to earnings visibility, onset of monsoon, economic reforms and policies.

While the benchmarks closed at record highs, the overall market breadth remained weak as many of the side counters saw selling pressure with investors booking profit after recent

gains. On the BSE, more than 1,300 stocks lost ground as against 1,210 gainers. The Sensex pack comprised 20 gainers with stocks such as HDFC, Reliance Industries, HDFC Bank, TCS, ICICI Bank and Infosys contributing to the rally.

Foreign investors continued their buying activity with provisional data pegging such investors as net buyers at ₹1,665 crore. In May, foreign portfolio investors have been net buyers at ₹5,847 crore, significantly lower than the buying seen in the last three consecutive months wherein cumulative inflow was almost ₹72,400 crore.

The rupee fell marginally by 4 paise to 69.87 against the U.S. dollar, extending its decline for the third successive day on Thursday.

Goldman Sachs invests \$250 mn in India

Local centre does high quality work, touches bank’s global entities: chairman

MINI TEJASWI BENGALURU

New York-based investment and financial services major Goldman Sachs has pumped in \$250 million to construct one of its largest global work-spaces in Bengaluru.

The 1.2 million sq-ft office space, located on the outskirts of the city on a land parcel of 22.5 acres, has a capacity to seat 9,000 staff.

Goldman Sachs’ more than 5,000 employees currently work out of six buildings in the city and with the new facility, the company will be able to bring all its staff to a common premises.

The global investment bank’s chairman and CEO David M. Solomon said, “The Bengaluru office has grown in size and technolog-

Coal India profit rises 148%

Better realisation, cost control boost performance

SPECIAL CORRESPONDENT KOLKATA

Coal India Ltd. closed 2018-19 with a 148% rise in its post tax profit to ₹17,462.2 crore on a net sales of ₹92,896.1 crore against ₹82,487.9 crore a year ago. All the subsidiaries of CIL earned profits during the year.

An official said that better average realisation in both FSA (fuel supply agreement) and e-auction sales, coupled with operation cost control, led to the company’s record performance. Coal quality variance was also under control and grade slippages were arrested, the official said.

CIL produced 606 million tonnes of raw coal during the year against 567.4 million tonnes in 2017-18. Off-take stood at 608.1 million tonnes against 580.3 million tonnes. CIL, a listed entity,



produces about 80% of the country coal.

During the fourth quarter, profit after tax was 362 % higher at ₹6,024.2 crore. Average realisation per tonne of coal in FSA sales during 2018-19 was 8% higher at ₹1,348.

Employee cost dropped

by ₹3,851 crore in 2018-19. This was mainly on account of the ₹7,000 crore one-time provision that had to be made in 2017-18 due to the rise in gratuity ceiling, sources said.

They said that the CIL subsidiaries were all in the black due to the control on grade slippages and other costs. Contractual production rates were also kept under tight control, it was learnt.

In 2018-19, four subsidiaries – Eastern Coalfields, Central Coalfields, Northern Coalfields and Western Coalfields – surpassed their production targets while South Eastern Coalfields became CIL’s first subsidiary to surpass the 150-million-tonne production mark. ECL and WCL became 50 million tonne-plus companies for the first time.



Bigger, better: The global investment bank’s 1.2 million sq ft facility can seat 9,000 employees. ■ REUTERS

ical sophistication to become an incubator of talent for our businesses around the globe. The significant investment we have made to build this workplace reflects the importance placed on the high-quality work done in India and our focus on hir-

ing the best talent.”

The firm’s Bengaluru operations began as a back office, driven on cost and time zone advantage, back in 2004 with 290 people. It has now transformed itself into a sophisticated engineering and design hub that directly

touches all global businesses of the bank.

AI, ML, data analytics

Gunjan Samtani, MD and head of Goldman Sachs Services in India, said, “Our Bengaluru centre has become one of the firm’s global centres of innovation focused on the development and application of artificial intelligence, machine learning and data analytics to help solve business problems for our worldwide network.”

Bengaluru, with 2,500 techies, is the second-largest engineering talent base of Goldman Sachs after New York. In the last two years, the company’s campus recruitment for engineers grew more than 60%.

Ramco Cements to boost production capacity

To invest ₹3,500 crore in expansion

SPECIAL CORRESPONDENT CHENNAI

A stable government at the Centre will boost cement sector prospects as it will focus on infrastructure spending, said a top company official.

“The uncertainty has ended and stability is back at the Centre,” said P.R. Venketrama Raja, chairman and managing director, The Ramco Cements Ltd. “We expect the new government to focus on major infrastructure projects that will spur growth in the cement sector.”

“During the current fiscal, the cement industry might report a 7-8% growth, whereas Ramco Cements will post 10-12% growth,” said A.V. Dharmakrishnan, CEO, The Ramco Cements Ltd. The cement major has drawn up an aggressive plan of increasing its production capacity from 12 million tonnes to 20 million tonnes by 2020. It plans to invest ₹3,500 crore for this pro-



P.R. Venketrama Raja

gramme. A major portion of the funds would come through internal resources.

On capital expenditure, Mr. Dharmakrishnan said the firm had already invested ₹1,200 crore in greenfield and brownfield projects and multiple grinding units coming up in Andhra Pradesh, West Bengal and Odisha. In FY20, the company plans to invest ₹1,500 crore.

“Our expansion programme is on track. The West Bengal unit is already on stream. We expect the Odisha plant to be ready by October,” said Mr. Dharmakrishnan.

NCLT approves Tata Steel takeover of Bhushan Energy

To acquire debt-laden firm for about ₹800 crore

PRESS TRUST OF INDIA NEW DELHI

The National Company Law Tribunal (NCLT) on Thursday approved the resolution plan of Tata Steel to acquire debt-ridden Bhushan Energy Ltd. for about ₹800 crore.

The principal bench of NCLT - Delhi also rejected objections from Bhushan Energy’s former promoter Neeraj Singal opposing Tata Steel’s bid.

Upfront payment

Under the resolution plan, Tata Steel will offer an upfront payment of ₹730 crore. It would also pay ₹50 crore additionally to operational creditors of the company.

Besides, Tata Steel would also infuse ₹367 crore into the company as

IN BRIEF



TNPL Q4 net dips on higher provisioning

CHENNAI
Tamil Nadu Newsprint and Papers Ltd. (TNPL) standalone net profit for the fourth quarter fell to ₹13.49 crore from ₹33.10 crore, on higher provisioning towards bad debts. Total revenue slid to ₹1,059.20 crore from ₹1,062.17 crore. Under exceptional items, it had provided ₹73.19 crore for outstanding deposits or advances considered doubtful of recovery based on defaults in repayment commitments towards advances and deposits for procurement of bagasse.

NACL Industries makes a loss in March quarter

HYDERABAD
NACL Industries incurred a ₹16.23 crore loss on a standalone basis during the quarter ended March on the back of a decline in total income. In the year-earlier period, the firm had posted ₹3.6 crore net profit. Total income was ₹185.7 crore (₹198.97 crore). For FY19, NACL reported a loss of ₹8.38 crore on standalone basis (₹10.72 crore profit).

R-Infra, McLeod defer results announcements

MUMBAI
Reliance Infrastructure has postponed its board meeting to June 7 to approve audited financial results for the quarter and financial year ended March 31, 2019. Meanwhile, McLeod Russel India Ltd. also postponed the finalisation of its FY19 financial results till June 21, it said in a regulatory filing, adding that it was unable to submit audited, standalone results for the quarter and year ended March 31, 2019, as well as its consolidated results, mainly due to sale of assets in the last fiscal.

Sundaram Finance deposits cross ₹3,000 cr.

IL&FS imbroglio, Bharat Stage VI emission norms and liquidity issues made 2018-19 a tough year

K.T. JAGANNATHAN
CHENNAI

Sundaram Finance Ltd. (SFL) has reported a net profit of ₹1,126 crore for the year ended March 2019, up from the ₹563 crore in the preceding year. The profit includes ₹522 crore from exceptional income on account of sale of shares in Royal Sundaram.

Disbursements rise 9.8%
Disbursements for the year under review increased 9.8% to ₹17,170 crore (₹15,632 crore). Revenue from operations increased 21% to ₹3,398 crore (₹2,806 crore). Gross receivables stood at ₹33,447 crore (₹28,648 crore).

The firm registered a net profit of ₹675 crore for the quarter ended March 2019, including the above-mentioned exceptional income of ₹522 crore. The company



T.T. Srinivasaraghavan, managing director (right) and M. Ramaswamy, CFO, at the press meet. ■ SPECIAL ARRANGEMENT

had registered net profit of ₹138 crore a year earlier.

Disbursements for the fourth quarter increased 24% to ₹4,437 crore (₹3,585 crore). Revenue from operations increased about 12% to ₹881 crore (₹788 crore).

The board has recommended a final dividend of

₹12.5 per share, including a special dividend of ₹5 per share. This, along with the interim dividend of ₹5 per share declared earlier in the year, takes the total dividend for the year to ₹17.5 per share. Gross non-performing assets (NPAs) and net NPAs as on March 31, 2019 stood at

1.33% and 0.83%, respectively

During the year, the company mobilised fresh deposits aggregating to ₹701 crore with renewals clocking 85%. Deposits crossed ₹3,000 crore in April.

Addressing the media, T.T. Srinivasaraghavan, MD, said the first half of the last fiscal year saw excellent growth. This got completely reversed in the second half, he said.

The IL&FS imbroglio-triggered crisis, the impending Bharat Stage VI emission norms and evaporation of liquidity had all combined to make 2018-19 a tough year, he said. The out-of-the-blue introduction of new axle load norms in July last and diesel price increases had only accentuated the woes of industry.

The picture on the passenger car front too was grim.

Comfort could be found only in light and intermediary commercial vehicle, tractor and construction equipment fronts, he said.

Liquidity stress

Since smaller and medium-sized NBFCs were under liquidity stress, their ability to address the working capital needs of transport operators had also been hit.

“There is a concern about operators’ cash flow. And, consequently, credit filters have been tightened,” Mr. Srinivasaraghavan said.

Sundaram Finance could raise ₹11,000 crore in in fiscal year 2019-20 to fund business growth.

To a question, he said there were too many imponderables at play at the moment. Focus should be on driving up consumer spending, he added.

Natco settles patent litigation in the U.S.

Pharma major can launch Carfilzomib

SPECIAL CORRESPONDENT
HYDERABAD

Drug maker Natco Pharma has reached a settlement with Onyx Therapeutics Inc. on a patent litigation related to generic versions of anti-cancer drug Kyprolis (10mg, 30mg and 60mg).

The parties have reached an agreement and the district court case has been dismissed. By virtue of the settlement, Natco and its U.S. marketing partner Breckenridge have been granted a licence permitting the launch of their generic, Carfilzomib, on a date held as confidential, in 2027 or sooner depending on certain occurrences.

The parties cannot make

further comment as to the terms of the settlement agreement, a statement from Natco Pharma on Thursday said. Kyprolis, which is used to treat patients with relapsed or refractory multiple myeloma, had sales of \$586 million for the year ended December 2018 in the U.S.

Marketing exclusivity

NATCO believes that its 10 mg ANDA is the sole first to file and could be eligible for 180-day marketing exclusivity for the 10 mg strength under certain circumstances, the release said. Shares of the Hyderabad-headquartered firm closed at ₹515.90 apiece, down 1.45%, on BSE.

Rolls Royce unveils Cullinan

Launch marks firm’s entry into Indian luxury SUV market

SPECIAL CORRESPONDENT
CHENNAI

British luxury automobile maker Rolls Royce Motor Cars marked its entry into the luxury Sport Utility Vehicle market in India with the launch of Cullinan in Chennai.

The luxury SUV was showcased to a select gathering at an exclusive event on Thursday. The luxury SUV is powered by a 6.75 V12, twin turbo 567 horsepower engine. It is priced at ₹6.95 crore (ex-showroom).

“This is the fifth Rolls Royce model to be unveiled in India after Dawn, Wraith, Ghost and Phantom. We have chosen Chennai for the launch as it is a growing market for us,” said David Kim, regional sales manager (Asia



Class apart: The luxury SUV is powered by a 6.75 V12, twin turbo 567 hp engine and is priced at ₹6.95 crore. ■ BIJOY GHOSH

Pacific), Rolls Royce. “During 2018, we sold 4,107 units globally, an increase of 22% over 2017. We have received overwhelming response from our customers. The waiting period for Cullinan is about 9 to 11 months from

now,” he said.

Vasanthi Bhupathi, dealer principal KUN Motor Company, said Cullinan’s launch marked the next stage of ongoing development of Rolls Royce in Chennai and South India.

Piaggio unveils Aprilia Storm scooter in India

Vehicle targeted at first-time buyers

SPECIAL CORRESPONDENT
PUNE

Piaggio India has introduced Aprilia Storm scooter in India at a price of ₹65,000 ex-showroom Pune. Targeted at youngsters and first time two-wheeler buyers, the vehicle is powered by a 125 cc, three-valve engine.

Diego Graffi, MD and CEO, Piaggio Vehicles Pvt. Ltd. said, “Aprilia uses cutting-edge technology to design and create premium differentiated products for the youth of the country that reflect the true characters of brand Aprilia.

“Storm has a dynamic exterior theme with vibrant colours, specially designed wide terrain tyres, 125 cc engine and customisation through accessories that makes it unique.”



Diego Graffi

Ashish Yakhmi, head of two-wheeler business, added, “Our premium lifestyle products reflect the personalities and attitudes of the rider, we believe Aprilia Storm will catch the imagination of the discerning Indian youth, break new ground and help reach out to a larger customer base.”

(The correspondent was in Pune at the invitation of the company)

Panasonic India embarks on 3-year growth plan

Eyes ₹12,000 crore revenue this year

LALATENDU MISHRA
MUMBAI

Panasonic India, the subsidiary of Japan’s Panasonic Corporation, has embarked on a three-year plan to achieve over 15% sustained annual growth. Known for its consumer products, the firm is now focussing on solutions through its consumer as well as B2B products and solutions in India.

In an interview, Manish Sharma, president and CEO, Panasonic India said, “We have identified five pillars to drive growth in India: more emphasis on growing the consumer business, providing life solutions to customers, developing solutions for living spaces, coming out

with products and technology solutions in the supply chain segment and broad-basing the energy business by getting into new areas.”

“We will make significant investments in these areas in the coming years,” he added. In the year ended March 31, the company reported near-flat growth in turnover at ₹10,300 crore versus ₹10,200 crore in the previous year. For this year, the company is eyeing revenue of ₹12,000 crore.

Recently, the company merged two of its businesses: the welding business and SMT (Surface Mount Technology) equipment business to offer integrated Smart Manufacturing Solutions.