MARKET WATCH

	20-06-2019	% CHANGE
Sensex	39,602	1.25
US Dollar	69.44	0.34
Gold	34,020	0.82
Brent oil	64.32	3.24

NIFTY 50

	PRICE	CHANGE
Adani Ports	401.20	-6.50
Asian Paints	1392.05	10.90
Axis Bank	771.40	0.70
Bajaj Auto	2897.30	74.40
Bajaj Finserv	8417.85	160.85
Bajaj Finance	3582.55	57.05
Bharti Airtel	348.55	7.45
BPCL	385.20	5.85
Britannia Ind	2834.05	-41.65
Cipla	551.30	17.60
Coal India	260.35	3.30
Dr Reddys Lab	2564.80	13.95
Eicher Motors	19793.15	2.45
GAIL (India)	311.15	3.40
Grasim Ind	900.80	18.75
HCL Tech	1087.35	3.25
HDFC	2199.25	23.85
HDFC Bank	2426.35	-2.00
Hero MotoCorp	2665.70	59.55
Hindalco	194.30	4.25
Hind Unilever	1805.05	-6.65
Indiabulls HFL	599.75	44.25
ICICI Bank	433.40	13.60
IndusInd Bank	1435.60	54.25
Bharti Infratel	279.05	6.95
Infosys	754.90	3.00
Indian OilCorp	156.75	2.35
ITC	277.00	-0.20
JSW Steel	269.25	8.70
Kotak Bank	1518.35	20.55
L&T	1557.10	51.95
M&M	627.15	12.00
Maruti Suzuki	6616.75	192.10
NTPC	134.55	-0.10
ONGC	172.00	4.65
PowerGrid Corp	200.95	0.65
Reliance Ind	1296.75	19.40
State Bank	345.15	6.30
Sun Pharma	390.50	15.30
Tata Motors	159.25	4.60
Tata Steel	501.00	6.90
TCS	2277.95	18.05
Tech Mahindra	725.55	-10.05
Titan	1306.60	31.50
UltraTech Cement	4576.05	91.05
UPL	870.25	-80.05
Vedanta	172.00	3.50
Wipro	286.95	-7.10
YES Bank	114.55	11.35
Zee Entertainment	351.70	-1.30

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on June 20

CURRENCY	TT BUY	TT SELL
US Dollar	69.24	69.56
Euro	78.31	78.67
British Pound	87.84	88.25
Japanese Yen (100)	64.32	64.63
Chinese Yuan	10.10	10.15
Swiss Franc	70.28	70.60
Singapore Dollar	51.05	51.29
Canadian Dollar	52.58	52.82
Malaysian Ringitt	16.69	16.78

Source:Indian Bank

BULLION RATES CHENNAI

June 20 rates in rupees with previous rates in parentheses

Retail Silver (1g)	41.3	(40.3)
22 ct gold (1 g)	3213	(3147)

Council may consider GST cut on EVs

But tax experts call for focus on addressing concerns about new returns filing system

TCA SHARAD RAGHAVAN
NEW DELHI

The GST Council meeting on Friday could see rate reductions for electric vehicles (EVs) and the extension of the term of the National Anti-Profiteering Authority till November 2020, according to officials in the Finance Ministry.

Tax experts say that the Council's real focus should be on addressing concerns regarding the new return filing system recently introduced, while the start-up community is asking for the Council to further streamline the input tax credit refund system since a large portion of their working capital is locked away.

"Since this is the first meeting of the GST Council with the new Minister, there are likely to be a number of issues that will be discussed," the Finance Ministry official told *The Hindu*. "Some of the items on the table are a possible rate reduction to 5% for electric vehicles (from the 12% currently), and extending the term of the National Anti-Profiteering Authority to November 2020."


Some of the items on the table are a possible rate reduction to 5% for electric vehicles, from the 12% currently. • REUTERS

Apart from this, the official indicated that there could be a discussion on an electronic invoices system, and the revenue position of the Centre and the States.

Tax analysts, however, say that the discussion must also focus on the annual return filing form – GSTR-9 – which is due to be filed on June 30.

First annual return

"This is the first annual return that tax-filers will be filing for GST," Archit Gupta, founder and CEO of ClearTax explained. "It is a very complex return. It requires a lot of detailed information, things that were not asked either in GSTR-1 or GSTR-3B. And, it has undergone various changes."

Further, Mr. Gupta added that while the government usually runs several awareness-building programmes for GSTR-3B and the other higher-frequency forms, this has not been done for GSTR-9. "Given the complexity of the return form, it should have a lot more focus," Mr. Gupta said. "We are looking forward to see what the GST Council wants to do regarding GSTR-9, what is the way forward, etc."

The start-up community had previously highlighted to Finance Minister Nirmala Sitharaman the problems faced by the sector which had to do with input tax credits being held up.

"For start-ups, the input tax is greater than output, so if input tax credits are pending, then start-ups are stuck without a large part of their working capital," said Sachin Taparia, founder and chairman of LocalCircles.

NCLT puts Jet resolution plan on fast track

IRP asked to find solution in 3 months

LALATENDU MISHRA
KANIKA LAMBA
MUMBAI

Taking up the matter as one of national priority, the Mumbai bench of the National Company law Tribunal (NCLT) has set in motion the process to expeditiously find a solution for revival of Jet Airways.

Share price surges

Even as the hearing was on, the company's share price, surged over 150% intra-day to finally close at ₹64 with a gain of 93.35%.

"It appears to be a speculative play and should be probed so that no manipulation takes place," said Deven Choksey, MD & CEO, KR Choksey Shares and Securities. The NCLT on Thursday admitted the insolvency proceedings against Jet Airways following a petition filed by the State Bank of India (SBI)-led lenders to recover their dues amounting to approximately ₹8,000 crore.

The bench of NCLT members V.P. Singh and Ravikumar Duraisamy appointed Ashish Chhawchharia, partner at Grand Thorton, as the interim resolution professional (IRP).

"The order has been passed admitting the Section 7 IBC application of SBI, and the court has ordered a moratorium on all other proceedings," said Rahul Kamerkar, a lawyer for the engineers of Jet Airways who have also moved the NCLT.

"The IRP has been asked to take over all assets of Jet Airways immediately and directed to file his resolution plan within 3 months considering the number of workers and the fact that the case is of national importance," Mr. Kamerkar said.

Mr. Chhawchharia has been directed to submit his preliminary report by July 5, 2019, wherein he will have to provide details of all the assets of the company, etc.

The IRP will soon issue a public notice inviting claims from affected parties and creditors. While JAMEWA, the engineers' union, and about 72 senior managers will individually submit their claims through their legal counsel Mr. Kamerkar, the pilots union – National Aviators Guild (NAG) – will do it through their counsel Jane Cox.

The petition of other two Dutch logistics firms, namely Shaman Wheels Pvt. Ltd. and Gaggar Enterprises, has been dismissed and they have been asked to file their claims in the proceedings.

Jet Airways, which has reportedly been declared bankrupt by a local court in the Netherlands following the applications by two service providers – H. Essers Finance Company and Wallenborn Transports – with claims of unpaid bills worth ₹280 crore from the airline, got relief from the NCLT.

The NCLT dismissed their plea on the grounds that Jet Airways is a company registered in India. NCLT member V.K. Singh said, "The Netherlands does not have any jurisdiction on Jet Airways as it is a Mumbai-based company and there is no provision for cross border relations."

Sensex soars as dovish Fed lifts sentiments

Rupee rises 24 paise against dollar

SPECIAL CORRESPONDENT
MUMBAI

A strong rally in the global equity markets on account of a dovish stance by the U.S. Federal Reserve propelled the Indian benchmark indices on Thursday with banking and auto majors registering strong gains amid an overall positive trend.

The 30-share Sensex gained 488.89 points or 1.25% to close at 39,601.63. As many as 26 of the 30 constituents of the benchmark gained ground with stocks such as Yes Bank, Indusind Bank, ICICI Bank, Maruti Suzuki India, Tata Motors and Sun Pharmaceutical leading the gainers pack. The overall strong trend was further corroborated with more than 1,500 gainers as against around 1,000 declines. Some of the broader indices such as BSE Midcap and Sensex 50 even outperformed the benchmark Sensex. The 50-share Nifty gained 140.30 points or 1.20% to close at 11,831.75. Incidentally, the India VIX index, which was on the rise in the recent past, lost nearly 5% on Thursday.

"The gains came on the back of positive global cues as a dovish Fed opened the door to further rate cuts," said Deepak Jasani, Head - Retail Research, HDFC Securities. Meanwhile, the rupee rose 24 paise to close at a one-week high of 69.44 against the U.S. dollar.

Manual checks of IGST returns only for 'risky' exporters: Centre

Tags 5,106 exporters suspected to have committed fraud

SPECIAL CORRESPONDENT
NEW DELHI

The government has clarified that manual checks for Integrated GST returns will apply only for 'risky' exporters suspected of indulging in large-scale frauds relating to Integrated Goods & Services Tax (IGST) refunds. These risky exporters account for only 3.5% of the total number of exporters.

"The Central Board of Indirect taxes and Customs (CBIC) has recently instructed its Customs and GST formations to verify the correct availment of input tax credit (ITC) by a few exporters who are perceived as 'risky' on the basis of pre-defined risk parameters," the Finance Ministry said in a note.

"Only 5,106 risky exporters have been identified so far as against about 1.42 lakh total exporters. Thus, the risky exporters are only 3.5% of the total exporters."

The Ministry added that on June 17-18, 1,436 shipping bills filed by 925 exporters were interdicted, which was a negligible amount compared with the about 20,000 shipping bills filed by roughly 9,000 exporters on a daily basis.

Exports allowed

It also said that, even for the 'risky' exporters, the exports were allowed immediately. Only their refunds would be released pending the verification of the ITC within 30 days.

"The new verification exercise is aimed at preventing unscrupulous exporters from defrauding the exchequer and bringing a bad name to the larger exporting community," the government said.

"CBIC would like to assure all genuine exporters that they would continue to get their IGST refunds in a timely manner in a fully automated environment.

"Where there is an empirical basis for selection of exporters whose claims are to be scrutinised in detail, this measure should be quite a justified one," said Abhishek Jain, tax partner at EY.

Retail forex trading platform to be ready on Aug. 5

SPECIAL CORRESPONDENT
MUMBAI

The foreign exchange trading platform (FX-Retail) for retail participants will be ready for roll-out by the Clearing Corporation of India Ltd (CCIL) on August 5, the Reserve Bank said on Thursday .

The RBI said no transaction charges would be levied by the CCIL on customers if the transactions do not exceed $50,000 per day.

The FX-Retail platform can be accessed by any customer of a bank (through the website https://www.fxretail.co.in) who has a need to purchase or sell U.S. dollar against the rupee for delivery on cash basis (same day), tom basis (next day) or spot basis (two days after date of the transaction).

The total amount of transactions of a customer would be subject to the limit assigned by its bank.

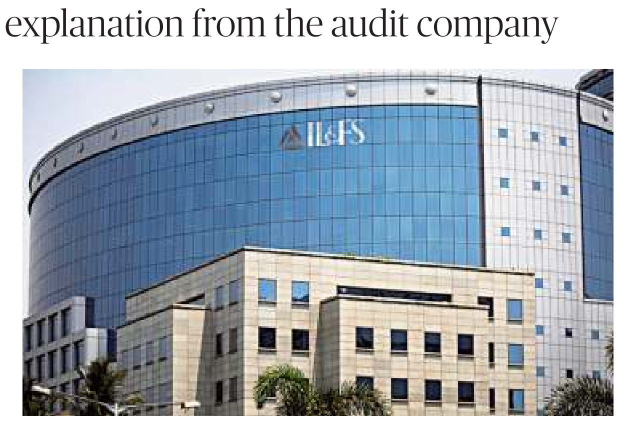
BSR quits as IL&FS arm's auditor after show-cause notice

IFIN had sought an explanation from the audit company

SPECIAL CORRESPONDENT
MUMBAI

BSR & Associates LLP – the sub-licensee of KPMG in India – has quit as the auditor of Infrastructure Leasing and Financial Services' non-banking financial services (NBFC) arm – IL&FS Financial Services (IFIN) – after it was served a show-cause notice on why it should not be removed.

BSR resigned as auditors of IFIN on June 19. Both BSR and IL&FS have confirmed the development. BSR said while it had responded to the show-cause notice from IFIN, it was yet to hear from IFIN.



IL&FS Financial Services' gross non-performing assets had shot up to 90% in the December quarter of FY19. • REUTERS

"We confirm that BSR & Associates LLP has resigned as auditor of IL&FS Financial Services on June 19, 2019. We had received a notice dated May 13 from the board of directors of IFIN seeking an explanation on our removal as auditor. We had filed our written response to this notice on May 24 and provided explanations during a meeting held with IFIN on May 29. While IFIN has not communicated its decision to us as yet, we do not intend to impose ourselves as auditor of the company," the audit firm said in a statement.

"Our resignation will allow the company to appoint another auditor so that the work on the audit for FY2019 may progress. We believe we have discharged our duties in good faith and acted in a bona fide manner and we will continue defending ourselves," BSR said.

After the government dismantled the earlier board of IL&FS after debt default by the company, and appointed a new board under banker Uday Kotak in October 2018, IFIN saw its gross non-performing assets shoot up to 90% at the end of October-December quarter of FY19, from 5% in the January-March quarter of FY18. BSR said it had filed its replies to Corporate Affairs Ministry.

Gold prices surge by ₹280, cross ₹34,000-mark

PRESS TRUST OF INDIA
NEW DELHI

Gold prices on Thursday surged by ₹280 to cross the ₹34,000-mark in the national capital on strong global sentiment and fresh buying by local jewellers, according to the All India Sarafa Association.

The prices of the yellow metal rose to ₹34,020 per 10 gm. Tracking gold, silver too increased by ₹710 to ₹39,060 per kg on increased off-take by industrial units and coin makers.

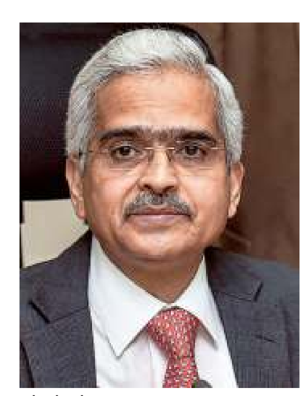
Traders said apart from increased buying by jewellers, robust global trends where the precious metal surged to a five-year high also pushed the prices higher. Globally, gold was trading higher at $1,385.54 an ounce in New York, while silver was up at $15.35 per ounce. Spot gold jumped to a five-year high of $1,386 an ounce on hopes of a rate cut by the U.S. Fed later this year.

Third time rate cut to address growth concerns, says MPC

Acharya voted for rate cut this time despite 'dilemma'

SPECIAL CORRESPONDENT
MUMBAI

The Reserve Bank of India (RBI)'s decision to reduce the interest rate for the third consecutive time was aimed at addressing growth concerns, with inflation staying well within the mandated target.


Shaktikanta Das

Headline inflation trajectory is projected to remain below 4% throughout FY20

According to the minutes of the RBI's monetary policy committee meeting, which was held earlier in June, all the six members were in favour of the rate cut. RBI has also changed the stance of the monetary policy to accommodative from neutral.

"Growth impulses have clearly weakened, while the headline inflation trajectory is projected to remain below 4% throughout 2019-20 even after considering the expected transmission of the past two policy rate cuts," RBI Governor Shaktikanta Das observed.

"Keeping in view the evolving growth-inflation dynamics, there is a need for decisive monetary policy action," he said, adding he voted to shift the stance of monetary policy to send a clear signal.

The country's GDP growth slowed to 5.8% in January-March 2018-19 , dragging down the full year growth to a five-year low of 6.8%.

Viral Acharya, the Deputy Governor in-charge of monetary policy, who voted against rate cut in the previous two occasions, voted for a rate cut, despite a 'dilemma'.

"In spite of my dilemma, I vote – albeit with some hesitation – to frontload the policy rate cut.

This would provide an insurance to help prevent the output gap from widening further or the finance-neutral output gap (FNOG) from turning negative," Mr. Acharya said.

He argued that a fiscal slippage of 50 basis points or an oil price increase of 10% left no space to cut the policy rate below 6%.

RBI had decided to cut the repo rate in the policy by 25 basis points to 5.75%. The repo rate fell below 6% for the first time since 2010.

SEBI sets up panel to review margins on derivatives

Existing margin requirements in the F&O segment seen as reason for high cost of trading

ASHISH RUKHAIYAR
MUMBAI

Based on the feedback that the existing margin requirements in the derivatives segment is pushing up cost of trading while not managing risk in the most efficient manner, the Securities and Exchange Board of India (SEBI) has decided to review the current framework of margins in the futures and options segment.

The capital markets regulator has set up a working group, headed by NSE Clearing Ltd., to look into the issue and submit its recommendations to the Secondary Market Advisory Committee.


Lacking vigour: The current framework has not been able to manage risk in an efficient manner. • REUTERS

This assumes significance as lower cost of trading was primarily the reason why institutional investors preferred to trade in Nifty contracts on SGX at Singapore rather than on the highly liquid derivatives segment of the National Stock Exchange (NSE). Incidentally, a recent study jointly conducted by Association of National Exchanges Members of India (ANMI) and consultancy firm Ernst & Young (EY) highlighted the fact that trading in derivatives in India costs much more when compared with most of the other leading markets due to a variety of margins that are imposed on the traders.

It further disclosed that unlike other markets where higher event-based margins are applied temporarily during instances of increased volatility, Indian bourses levy a variety of margins during the normal course thereby pushing up the overall cost of trading.

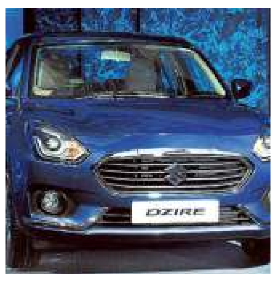
"Margin requirements in India are excessive and highest of any comparable market and there is an urgent need to rationalise this system," said Rajesh Baheti, director, ANMI.

"We have been engaging with the SEBI for the past couple of years on the issue and have conveyed to the regulator that margining as a tool should address risk of a given portfolio but should not be used to control market volumes or exposures... We are glad that after relentless pursuit, SEBI has agreed to a review of margining practices," added Mr. Baheti, who is also the managing director and chief executive officer of Crosseas Capital.

Meanwhile, as per ANMI-EY report, while every other market has a single margin system or SPAN margin, India levies exposure margin and excessive short option margin as part of the initial SPAN margin.

"In India, initial margin in equity F&O segment consists of SPAN margin, exposure margin and other additional margins... Across global exchanges considered under review, only SPAN margin is collected as the initial margin. Intermittent periods of higher volatility are covered by applying event-based margins," stated the report.

IN BRIEF



Maruti hikes Dzire price by up to ₹12,690

NEW DELHI

Maruti Suzuki India on Thursday said it has increased the price of its popular compact sedan Dzire by up to ₹12,690 on account of compliance with new safety and emission norms. Dzire is now compliant with "AIS-145 Safety Norms" (both petrol and diesel). Dzire Petrol is also now BS-VI-compliant, Maruti Suzuki India said in a regulatory filing. The new price will be effective from June 20, the company said. PTI

ICRA downgrades Reliance Power rating

MUMBAI

Credit rating agency ICRA has downgraded Reliance Power long-term rating from 'BB' to 'C' continuing to remain in the 'Issuer Not Cooperating' category, citing deterioration in the company's financial position coupled with its stretched liquidity profile. However, the company disagreed with the revision in the ratings. "The company continues to show strong operational performance," it added.

Moody's downgrades Tata Motors

MUMBAI

Moody's Investors Service has downgraded Tata Motors Ltd's (TML) corporate family rating (CFR) and senior unsecured instruments rating to Ba3 from Ba2. "The outlook remains negative," it said. "Downgrade reflects sustained deterioration in TML's credit profile, with weaker than anticipated credit metrics, — led by the weak performance of JLR," said Kaustubh Chaubal, vice-president , Moody's.

Sundaram Finance to buy out BNP in JV

France's BNP Paribas Personal Finance sells stake in housing finance venture for almost ₹1,000 crore

SPECIAL CORRESPONDENT
CHENNAI

Sundaram BNP Paribas Home Finance Ltd. (SBPHFL) is set to become a wholly owned subsidiary of Sundaram Finance Ltd. (SFL).

SFL will be acquiring the remaining stake of 49.9% from BNP Paribas Personal Finance S.A. France for ₹999.67 crore, subject to all regulatory approvals.

SFL inked an agreement with BNP Paribas Personal Finance S.A. France to this effect. It is reliably learnt that the move follows a decision by the BNP Paribas Group to exit the retail housing finance business.

BNP Paribas currently holds 49.9% stake in the home finance unit and the rest is held by SFL. As per the deal, SFL would acquire the entire stake, representing 5.05 crore equity shares of ₹10 each.

The home finance arm has strong synergies with SFL's auto lending business, says T.T. Srinivasaraghavan. • BIJOY GHOSH

"Sundaram Finance and BNP Paribas Personal Finance have enjoyed an excellent relationship over the past 15 years and built up a successful and respected brand in the housing finance sector in India. BNP Paribas Personal Finance has added a lot of value to the technical aspects of the business and been a valued business partner," said T.T. Srinivasaraghavan, MD, SFL.

"India is in an interesting phase in its economic journey. The financial services sector, specifically the housing finance sector, is poised for significant growth once the consolidation activity, which is under way after the recent spate of volatility, is completed.

"Given the strong synergy with the parent's auto lending and related businesses, this will further strengthen our footprint in the retail financial services space," he added.

Partner exits SBFS

The board of SFL also agreed to buy out BNP Paribas Securities Services, France in Sundaram BNP Paribas Fund Services Ltd. (SBFS) for a total consideration of ₹1.5 crore subject to all regulatory approvals. This follows the France-based joint venture partner deciding to exit the registrar and transfer agency business.

After the proposed acquisition goes through, SFL's stake in SBFS will increase to 100% from the current 51% and SBFS would become a wholly owned subsidiary of SFL. The acquisition is proposed to be completed by July, 31.

It may be recalled that Sundaram Finance had brought in Ageas as a 40% partner in Royal Sundaram, its general insurance subsidiary, in late 2018.

The insurance joint venture was originally promoted jointly by SFL and Royal & Sun Alliance Insurance plc, U.K. The latter had exited the JV in 2015.

Motorola wants to make India an export hub

Chinese firm to focus on profitability

YUTHIKA BHARGAVA
NEW DELHI

Motorola, owned by Chinese firm Lenovo, is working towards making India an export hub as it looks to achieve profitable growth in the country, a top official said on Thursday.

"We have a manufacturing strategy in place. Everything we make is made in India. We [also] have an export-ready strategy which gives you better cost advantages," Prashanth Mani, country head for Lenovo's mobile business group and MD, Motorola Mobility, told *The Hindu*.

Mr. Mani said the company recently exported about 1-1.5 lakh units from India to markets such as West Asia, South Africa and Mexico. Its manufacturing unit at Sriperumbudur in Tamil Nadu has a capacity of about 12 million units and employs about 4,000 people.

"Globally, there are just 2-3 brands which are profitable. Now, Motorola has joined the league... In India, it's the same approach, we are saying it is not about being number one or number two, but profitable growth."

The company has created an IT system, investing "significant million dollars" which will enable the company to export systematically. "We will have products keeping the Indian consumer in mind but exported outside." He was speaking at Motorola's launch of the One Vision smartphone priced at ₹19,999.

Tech Mahindra signs contract with Airbus

Pact covers cabin engineering

SPECIAL CORRESPONDENT
MUMBAI

IT firm Tech Mahindra has signed a multi-year contract with Airbus for cabin and cargo design engineering with an aim to capitalise on the specialised skills and competencies in the growing cabin engineering business over the next few years.

Commenting on the deal, Karthikeyan Natarajan, global head of engineering and IoT, Tech Mahindra, said: "Airbus is a strategic customer and partner of Tech Mahindra, and it has been our constant endeavour to develop innovative engineering and digital solutions for our customers. This is a step towards further nurturing this key relationship and supporting Airbus in consolidating their global supplier base while driving business efficiencies and competencies in this process."

"This will strengthen our aerospace engineering portfolio, especially in areas like cabin engineering and customer services," Mr. Natarajan added.

Fed sees case for rate cuts this year

REUTERS
WASHINGTON

The U.S. Federal Reserve on Wednesday signalled interest rate cuts beginning as early as July, saying it is ready to battle growing global and domestic economic risks as it took stock of rising trade tensions and growing concerns about weak inflation.

Even as the Fed left its benchmark interest rate unchanged for now, the shift in sentiment since its last policy meeting was marked. The bulk of Fed policymakers slashed their rate outlook for the rest of the year by roughly half a percentage point, and Chairman Jerome Powell said others agree the case for lower rates is building.

Jain Irrigation allays investors' concerns on debt servicing

Ind-Ra has downgraded firm's long-term issuer rating

PIYUSH PANDEY
MUMBAI

Jain Irrigation Systems Limited shares jumped more than 22% on Thursday after the company tried to ward off investors' concerns around debt servicing.

The company's shares hit a 52-week low of ₹16.3 after India Ratings and Research (Ind-Ra) downgraded the firm's long-term issuer rating to 'IND BBB' from 'IND A,'while placing it on rating watch negative (RWN) on Wednesday.

"We wish to reassure our investors and stakeholders that company is moving forward with normal operations and is confident of fulfilling its agenda, while making serious efforts to deleverage its balance sheet," it said in regulatory filings.

> Company says it is making 'serious efforts' to deleverage its balance sheet

Unabated and unprecedented significant fall in share price is not the result of anything linked to company's current or expected performance, but may be linked to exit of company's stock from F&O and/or negative sentiments born out of speculative operations fuelled by rumours, said the company statement. "Management remains committed to owning and running all its major business based on intrinsic value, which has been created while pursuing deleveraging to reduce debt by ₹2,000 crore as conveyed earlier," it said.

Shares rise

Jain Irrigation shares rose 22.08% to close at ₹24.05 in a firm Mumbai market on Thursday.

"Any new investment infusion, either by private equity / sovereign or other investors, in one or more divisions is being done. This is not to address any immediate shortfall in debt. Deleveraging is part of a well-thought out strategy to create a much better balance sheet," said the statement.

L&T gets three board seats in Mindtree

PRESS TRUST OF INDIA
NEW DELHI

Construction major L&T, which is in the midst of a hostile takeover of Mindtree Ltd., has secured three board positions at the IT services firm, giving it a firm control over the company. Mindtree on Thursday said L&T CEO and MD S.N. Subrahmanyan would join its board as a non-executive director with effect from July 16. The nomination and remuneration committee and the board of directors of Mindtree have approved and recommended the appointments of Jayant Damodar Patil and Ramamurthi Shankar Raman as non-executive directors, subject to shareholders' approval.