

MARKET WATCH

| | 12-03-2018 | % CHANGE |
|-----------|------------|----------|
| Sensex | 33,918 | -1.83 |
| US Dollar | 65.04 | 0.20 |
| Gold | 39,500 | -0.38 |
| Brent oil | 64.35 | -0.58 |

NIFTY 50

| | PRICE | CHANGE |
|-------------------|----------|--------|
| Adani Ports | 386.60 | 8.70 |
| Ambuja Cements | 240.85 | 5.45 |
| Asian Paints | 1131.50 | 2.40 |
| Aurobindo Pharma | 582.85 | -9.60 |
| Axis Bank | 519.20 | 13.85 |
| Bajaj Auto | 2957.75 | 22.35 |
| Bajaj Finance | 1665.25 | 11.05 |
| Bharti Airtel | 421.55 | 19.40 |
| Bosch | 18247.45 | 43.90 |
| BPCL | 446.75 | 7.35 |
| Cipla | 580.65 | 9.60 |
| Coal India | 297.65 | -6.40 |
| Dr Reddys Lab | 2148.40 | 18.50 |
| Eicher Motors | 28316.90 | 353.05 |
| GAIL (India) | 446.45 | 9.55 |
| HCL Tech | 967.65 | 24.65 |
| HDFC | 1858.05 | 39.45 |
| HDFC Bank | 1867.25 | 16.20 |
| Hero MotoCorp | 3694.50 | 108.15 |
| Hindalco | 227.65 | 7.45 |
| HPCL | 366.75 | 9.70 |
| Hind Unilever | 1324.20 | 23.45 |
| Indiabulls HFL | 1210.45 | 11.25 |
| ICICI Bank | 300.65 | 7.95 |
| IndusInd Bank | 1735.30 | 37.75 |
| Bharti Infratel | 339.50 | 6.35 |
| Infosys | 1185.75 | 22.35 |
| Indian Oil Corp | 400.65 | 15.15 |
| ITC | 270.10 | 10.85 |
| Kotak Bank | 1100.60 | 18.15 |
| L&T | 1310.05 | 19.55 |
| Lupin | 769.80 | 5.30 |
| M&M | 737.10 | 8.60 |
| Maurit Suzuki | 8810.30 | 149.70 |
| NTPC | 171.15 | 6.75 |
| ONGC | 183.85 | 3.95 |
| PowerGrid Corp | 195.00 | 2.10 |
| Reliance Ind | 930.30 | 17.20 |
| State Bank | 252.85 | -0.40 |
| Sun Pharma | 512.65 | 5.85 |
| Tata Motors | 352.60 | 11.10 |
| Tata Steel | 622.90 | 16.15 |
| TCS | 3052.15 | 18.05 |
| Tech Mahindra | 619.55 | 0.35 |
| UltraTech Cement | 4176.00 | 96.15 |
| UPL | 717.95 | 5.80 |
| Vedanta | 317.40 | 13.25 |
| Wipro | 290.70 | 5.65 |
| YES Bank | 311.15 | 7.90 |
| Zee Entertainment | 576.25 | 7.75 |

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on March 12

| CURRENCY | TT BUY | TT SELL |
|--------------------|--------|---------|
| US Dollar | 64.84 | 65.16 |
| Euro | 79.73 | 80.12 |
| British Pound | 89.75 | 90.19 |
| Japanese Yen (100) | 60.83 | 61.13 |
| Chinese Yuan | 10.24 | 10.30 |
| Swiss Franc | 68.22 | 68.56 |
| Singapore Dollar | 49.31 | 49.57 |
| Canadian Dollar | 50.48 | 50.75 |
| Malaysian Ringgit | 16.60 | 16.69 |

Source: Indian Bank

BULLION RATES CHENNAI

March 12 rates in rupees with previous rates in parentheses

| | | |
|--------------------|------|--------|
| 22 ct gold (1 g) | 2901 | (2921) |
| Retail Silver (1g) | 41.4 | (41.6) |

IIP quickens to 7.5%, inflation softens

Manufacturing, electricity, capital goods drive industrial activity; 4.4% inflation at four-month low

SPECIAL CORRESPONDENT NEW DELHI

Industrial activity accelerated in January to 7.5% on the back of strong manufacturing growth and a rebound in the consumer durables sector, according to official data released on Monday.

Retail inflation, as measured by the Consumer Price Index (CPI), eased to 4.4% in February, following two months of figures above 5%.

Growth in the Index of Industrial Production quickened to 7.5% in January from 7.07% in December. The manufacturing sector saw growth quickening marginally to 8.7% in January from 8.4% in the previous month. Electricity also saw growth accelerating to 7.6% from 4.43% in December. "IIP growth appears to be



Growth mould: IIP growth is confirmation of the ongoing recovery of the economy, says D.K. Srivastava. ■ REUTERS

firming up and it is confirmation of the ongoing recovery of the economy," D.K. Srivastava, chief policy adviser at EY India said. "The government demand picked up post last year's Budget and it is now having an effect on infrastructure and primary

goods." Primary goods saw growth accelerating to 5.8% in January from 3.73% in December. The capital goods sector continued to witness strong growth of 14.6% in January, although this was lower than the 16.44% seen in the previous month.

Growth in infrastructure and construction quickened slightly to 6.8% in January from 6.68% in the previous month. The consumer durables sector saw growth accelerating sharply to 8% from 0.86% over the same period.

'PMI data mismatch'

"The only concern is that the Purchasing Managers' Index data for February showed a weakening so one has to wait and watch," Mr. Srivastava said.

Inflation as measured by the CPI slowed to 4.44% in February from 5.07% in January, mostly due to easing food and fuel prices.

Inflation in the food and beverages segment slowed to 3.38% in February from 4.58% in the previous month. Similarly, inflation in

the fuel and light segment slowed to 6.8% from 7.73% over the same period.

"Whether this easing sustains or not depends on multiple factors, including the agricultural production as well as the threat of rising crude oil prices on the back of further output cuts.

"Hence, it can be expected that RBI may not dilute its position on expected inflationary risks and is likely to maintain status quo during the April monetary policy."

Bharti board gives nod to raise up to \$1 billion

Firm may use funds to refinance debt

SPECIAL CORRESPONDENT NEW DELHI

The country's largest telecom services provider Bharti Airtel said its board had approved raising up to \$1 billion through a mix of non-convertible debentures and foreign currency bonds, to be used for refinancing of debt and payment of spectrum liabilities.



NCDs, bonds

In a communiqué to the stock exchanges, Bharti Airtel said the board of directors, in its meeting held on Monday, approved "issuance of non-convertible debentures (NCDs) of up to ₹10,000 crore on a private placement basis in such tranches / series and at such rates as may be approved

from time to time on cumulative basis along with all NCDs issued by the company; and issuance of foreign currency bonds up to a limit of \$1 billion or equivalent in one or more tranches."

"Any funds, if raised from the issuance of aforesaid debt securities, shall be used for routine treasury activities, including refinancing of existing debt and spectrum liabilities," the company added.

Global rally spurs indices, Sensex rises 600 points

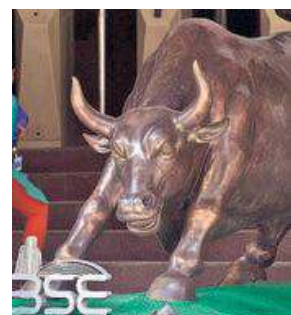
Strong employment data from U.S. lift sentiment

SPECIAL CORRESPONDENT MUMBAI

Indian benchmark equity indices clocked significant gains on Monday as an overall rally in the global markets on the back of strong data from the U.S. lifted sentiments.

The 30-share Sensex rose 601.80 points or 1.83% to close at 33,917.94. Barring Coal India, all stocks in the Sensex pack gained ground with ICICI Bank, Tata Motors, Bharti Airtel, NTPC, ITC and Axis Bank all gaining between 2-4% each.

The broader market breadth was, however, reminiscent of the bearish sentiments of investors in the recent past. On BSE, 1,370 stocks lost ground as against



more than 350 points. Global markets staged a recovery after data from the U.S. showed that the country added 3.13 lakh jobs in February.

It led to the Nasdaq closing at a new high on Friday and Dow Jones gaining more than 400 points.

Domestic data Government data showed that industrial activity rose 7.5% in January.

The sharp improvement in IIP is a positive trigger for Q4 GDP which will be announced on the last day of May and a good performance in March will take the overall GDP growth to above 6.7%," said Jaikishan Parmar of Angel Broking.

elsewhere in Asia, Hang Seng gained almost 600 points while Nikkei rose

RCom to appeal stay on sale of arm's assets

To move NCLAT on Reliance Infratel

SPECIAL CORRESPONDENT MUMBAI

Reliance Communications (RCom) has decided to appeal before the National Company Law Appellate Tribunal (NCLAT) against the order of the Mumbai bench of National Company Law Tribunal (NCLT), staying the sale of assets of its subsidiary Reliance Infratel.



Confirming the development, an RCom spokesperson, in an e-mail, said, "we intend to file an appeal immediately before the NCLAT for vacation of the stay, to protect the interests of our secured lenders." "It is to be noted the stay granted by NCLT today relates only to RCom's tower and fibre assets, and does not apply to spectrum, MCNs, real estate, etc."

'Passenger vehicle sales to rise 9% in FY18'

Expansion in other segments may turn out better than expected, says SIAM

SPECIAL CORRESPONDENT NEW DELHI

The Society of Indian Automobile Manufacturers (SIAM) said the passenger vehicle segment should be able to achieve 9% growth during the current fiscal while the expansion in other segments should be better than expected.



Action packed: Auto sector's performance for February has been significantly strong, says Sridhar V. ■ NAGARA GOPAL

"All segments, including passenger vehicles and two-wheelers have been showing growth," said SIAM director general Vinod Mathur. "The only exception is heavy buses, which is a major concern for us." The comments come in the backdrop of passenger vehicle sales growing at 7.7% in February. Sales of domestic passenger vehicles (PVs), which include cars, utility vehicles and vans, grew to more than 2.75 lakh units in February from 2.55 lakh units in the year-earlier period. The increase was driven

mainly by a growth of 21.82% in the sales of utility vehicles to 80,254 units during the month, according to SIAM data. Car sales rose 3.7% to more than 1.79 lakh units.

SIAM had forecast a growth of 9% for PVs, 13% for commercial vehicles, 7% for three wheelers and 12% for two-wheelers. As per the data released on Monday, in the 11-month period from

April-February 2018, PV sales rose 8% while commercial vehicle sales grew 19.3%, three-wheelers 19.11% and two-wheelers 14.47%.

"Overall, performance of the auto sector across vehicle categories for February 2018 has been significantly strong and in line with the growth trajectory evidenced throughout the last 11 months," said Sridhar V,

partner, Grant Thornton India. "New launches post auto expo [and] a sector-motivating Budget has kept the momentum at a very high level especially with respect to commercial vehicles and two wheelers."

Customs duty

He, however, added that the increase in customs duty on imports could impact those passenger vehicles which had high level of imported components and conversely, the decrease in duty is expected to charge up sales in high-powered two-wheelers. "2017-18 is expected to end up as a record year for the sector." Total two-wheeler sales in February rose 23.77% to more than 16.85 lakh units. While motorcycle sales rose 26.48% to more than 10.53 lakh units, sales of scooters grew 23.96% to more than 5.60 lakh units.

Banks need better governance: IMF

Asset quality deteriorating, says Zhang

SPECIAL CORRESPONDENT MUMBAI

The recent instance of fraud in the banking sector has brought to the fore the issue related to governance in banks, especially public sector entities that need to put in place tighter controls and improve their balance sheets, according to a top official of the International Monetary Fund (IMF).

"While the asset size is increasing in India, there is a deteriorating trend in terms of asset quality," said Tao Zhang, deputy managing director, IMF. "It is not good compared to other countries." "The efficiency of the sector can be made better and risk management and culture strengthened," he added while highlighting some of the recent reforms

related to bankruptcy regulations, asset quality review and the resolution framework for stressed assets.

A challenge

Speaking at a fintech event organised jointly by the IMF and the National Stock Exchange (NSE), he stressed on the fact that even while India had been a leader in terms of growth rates, financial inclusion was a challenge as access to finance had been low compared with other developing countries.

"The Financial Sector Assessment Program (FSAP) has highlighted the need to boost the efficiency of India's financial system as the return on assets has been low when compared to its peer group," he said.

HFCL to set up optical fibre plant for ₹250 cr.

Unit to have 6.4 mn fibre km capacity

SPECIAL CORRESPONDENT HYDERABAD

Himachal Futuristic Communications Ltd. is setting up an optical fibre unit near Hyderabad with an investment of around ₹250 crore.

It will be one of the few such in the country, making principal raw material for optical cables, and is expected to commence production in April 2019.

On Monday, Telangana Minister for Industries and IT K.T. Rama Rao laid the foundation for the unit that would serve as a backward integration project for HFCL's optical fibre cable plants in Goa and Chennai.

Group chairman Mahendra Nahata said it was the first such facility for HFCL and will produce 6.4 million fibre kilometres per annum.

Given the demand for optical fibre, the company is considering scaling the capacity to 8 million fibre km, by April, with an additional investment of ₹50 crore.

"Our own fibre demand is about 15 million fibre km," Mr. Nahata added, pointing out that in-house production would reduce raw material expenditure by 25-30% and enhance profitability.

'₹700-cr. plans'

Over time, HFCL would consider doubling the capacity and also get into manufacturing of preform, a further backward integration project, Mr. Nahata said, estimating the future investment to be ₹700 crore.

On the optical fibre market in India, he said the demand was more than 40 million fibre km. Though manufacturing capacity for 40-50 million fibre km is available, a lot of that gets exported.

He estimated India's optical fibre imports to be about



Mahendra Nahata

10-15 million fibre km. Drivers for demand growth, Mr. Nahata said, were 4G and 5G network technology, with the latter requiring four times more fibre than the former, while the other triggers included FTTH, more data centres coming up and the BharatNet project of the government.

Defence equipment

HFCL also plans to scale up defence equipment manufacturing - it has a plant in Solan - following its participation in the RFP for supplying mini UAVs and night vision devices to the Indian Army.

Addressing the gathering, the Minister said the investments proposed by HFCL, in phases, would be in the range of ₹1,000-₹1,100 crore and about 4,000 direct and indirect job opportunities were to be created.

Highlighting that Telangana ranked first in the Ease of Doing Business Index, Mr. Rao said that the State would be keen on supporting HFCL in its expansion programmes.

The Minister added that the State was also implementing a project to connect all its 10 million homes by a high-speed 15 Mbps broadband connection before the end of the year.

THE HINDU GROUP

THE 40-DAY CHALLENGE TO IMPROVE YOUR ENGLISH STARTS TOMORROW

REGISTER NOW!

STEPATHON 5

14th March - 23rd April

Loaded with all-new content, engaging and interactive learning sessions and live online classes, the fifth edition of STEPATHON is nothing like you've seen before! Register now and improve your English in the coolest and most efficient way around.

- Maya and Arjun - Webseries
- Live Online Classes
- Read-along Sessions
- Weekly Practice Tests
- Functional Language Training
- Vocab, Grammar and much more

Scan the QR code

Limited seats only!

To apply, visit www.mystepathon.com

Standardised Test of English Proficiency
from THE HINDU GROUP