

| MARKET WATCH | | |
|--------------|------------|----------|
| | 30-01-2018 | % CHANGE |
| Sensex | 36,034 | -0.69 |
| US Dollar | 63.60 | -0.03 |
| Gold | 31,240 | 0.38 |
| Brent oil | 68.71 | -1.16 |

| NIFTY 50 | | |
|-------------------|----------|---------|
| | PRICE | CHANGE |
| Adani Ports | 428.25 | -8.40 |
| Ambuja Cements | 261.50 | -2.15 |
| Asian Paints | 1126.70 | -25.35 |
| Aurobindo Pharma | 631.70 | -3.55 |
| Axis Bank | 593.75 | -11.80 |
| Bajaj Auto | 3358.30 | -5.50 |
| Bajaj Finance | 1678.40 | -36.90 |
| Bharti Airtel | 440.60 | 0.00 |
| Bosch | 19495.55 | -383.65 |
| BPL | 485.60 | 15.80 |
| Cipla | 605.95 | -9.05 |
| Coal India | 305.90 | 4.15 |
| Dr Reddys Lab | 2306.15 | -50.95 |
| Eicher Motors | 26689.40 | -764.25 |
| GAIL (India) | 476.10 | 1.75 |
| HCL Tech | 1000.40 | -11.65 |
| HDFC | 1937.50 | -30.10 |
| HDFC Bank | 1995.50 | -4.15 |
| Hero MotoCorp | 3687.85 | 46.10 |
| Hindalco | 253.55 | -5.05 |
| HPL | 393.00 | 17.85 |
| Hind Unilever | 1400.25 | 2.95 |
| Indiabulls HFL | 1415.00 | -6.15 |
| ICICI Bank | 353.25 | -4.40 |
| Indusind Bank | 1736.05 | -6.45 |
| Bharti Infratel | 344.45 | -8.95 |
| Infosys | 1170.65 | -12.25 |
| Indian OilCorp | 416.25 | 16.60 |
| ITC | 275.20 | -0.45 |
| Kotak Bank | 1088.05 | -27.05 |
| L&T | 1429.90 | -2.05 |
| Lupin | 902.75 | -9.45 |
| M&M | 764.90 | 0.55 |
| Maurti Suzuki | 9571.55 | -59.15 |
| NTPC | 170.30 | -0.75 |
| ONGC | 204.80 | -0.35 |
| PowerGrid Corp | 194.95 | 0.80 |
| Reliance Ind | 950.40 | -14.10 |
| State Bank | 313.55 | 1.45 |
| Sun Pharma | 591.95 | 4.00 |
| Tata Motors | 395.85 | -3.40 |
| Tata Steel | 775.85 | -7.30 |
| TCS | 3152.85 | -46.00 |
| Tech Mahindra | 602.95 | -1.85 |
| Ultra Tech Cement | 4363.20 | -27.50 |
| UPL | 770.75 | -17.75 |
| Vedanta | 341.30 | -3.70 |
| Wipro | 307.30 | -3.85 |
| YES Bank | 353.35 | -4.65 |
| Zee Entertainment | 603.00 | -5.90 |

| EXCHANGE RATES | | |
|---|--------|---------|
| Indicative direct rates in rupees a unit except yen at 4 p.m. on January 30 | | |
| CURRENCY | TT BUY | TT SELL |
| US Dollar | 63.40 | 63.72 |
| Euro | 78.80 | 79.20 |
| British Pound | 89.47 | 89.93 |
| Japanese Yen (100) | 58.38 | 58.68 |
| Chinese Yuan | 10.03 | 10.09 |
| Swiss Franc | 67.96 | 68.31 |
| Singapore Dollar | 48.37 | 48.62 |
| Canadian Dollar | 51.49 | 51.75 |
| Malaysian Ringitt | 16.26 | 16.34 |
| Source: Indian Bank | | |

| BULLION RATES CHENNAI | | |
|---|-------|---------|
| January 30 rates in rupees with previous rates in parentheses | | |
| Retail Silver (1g) | 42.10 | (42.60) |
| 22 ct gold (1 g) | 2,892 | (2,895) |

IN BRIEF

Wolfgang Prock-Schauer appointed as IndiGo COO

MUMBAI IndiGo has announced the appointment of Wolfgang Prock-Schauer as Chief Operating Officer, subject to regulatory approvals. Mr Prock-Schauer, an accomplished industry leader with more than three decades of experience in civil aviation, had quit as CEO of Go Air in December. The former Jet Airways CEO's responsibilities will include overseeing flight operations, maintenance & engineering and inflight services.

Skill development to get leg-up

Sops likely for firms engaging apprentices and States affected by Left extremism

ARUN S
NEW DELHI

With poor employment generation being a major concern, the skill development ecosystem is keen that the Union Budget should have adequate allocation to help complete the plan to set up model training centres in all districts, and special schemes to support skilling of women and the disabled. The Budget is also likely to have an allocation to upgrade Industrial Training Institutes (ITIs), sops including interest subsidies to boost skilling in 'difficult' areas, including the hilly States and those affected by left wing extremism, as well as financial incentives for corporates to engage more apprentices, according to sources in the skill development ecosystem.

Model training centres

Pointing out that the Ministry of Skill Development and Entrepreneurship envisaged establishing 650 (one in each district) 'model training centres' or 'Pradhan Mantri Kaushal Kendras' (PMKKs),



Stitch in time: The skill development ecosystem is keen on special schemes to support skilling of women. ■AFF

Jayant Krishna, Executive Director and Chief Operating Officer, National Skill Development Corporation, said that so far, allocations had been made for setting up 527 PMKKs covering 484 districts in 27 States.

These allocated PMKKs would cover 406 Lok Sabha constituencies.

As of January 25 this year, 356 PMKKs have been established in 24 States and two Union Territories and work is going on at 124 additional

sites for setting up of these centres.

"To cover the remaining unallocated districts/parliamentary constituencies, proposals from market were invited through request for proposal, released on September 12, 2017, covering the remaining 185 unallocated districts/parliamentary constituencies," he said. "There could be a push [in the Budget] to complete [the setting up of] PMKKs in the coming fiscal..."

Then, there would be complete assessment of the

PMKKs by around mid-2018, when the placement data would be available, Mr. Krishna said.

There was also the expectation that the Budget would have some measures to take forward the Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) and Skill Strengthening for Industrial Value Enhancement (STRIVE) programmes, he said. The SANKALP has a \$250 million loan assistance from the World Bank to the Government of India to boost the National Skill Development Mission.

The programme provides specific incentives to the States to help skill disadvantaged populations through innovative models, with focus on women and persons with disability. The STRIVE – a \$425 million Central scheme, with half of the outlay as World Bank loan assistance – incentivises ITIs to improve their performance by involving small and medium firms, business associations and industry clusters, Mr. Krishna said.

Euro zone growth at 10-year high in 2017

Sentiment continues to remain upbeat

REUTERS
BRUSSELS

The euro zone economy expanded at its fastest rate in a decade in 2017, preliminary data showed on Tuesday, and sentiment remained high at the start of 2018 despite a slight dip from a 17-year peak, signalling a strong start to the year.

The European Union's statistics office Eurostat estimated GDP in the 19 countries sharing the euro rose 0.6% quarter-on-quarter in the last three months of 2017, as expected by economists polled by Reuters, for a 2.7% year-on-year gain. Overall in 2017, euro zone GDP rose 2.5%, Eurostat said, the fastest growth rate since a 3.0% rise in 2007. "It seems that the euro zone economy continues to fire on all cylinders. Investment has yet to fully recover from the crisis but has been an essential contributor to growth during the year," said Bert Colijn, economist at ING bank.

"However, the big ques-



■AFP

tion for 2018 is whether the stronger euro will offset the effects of improving external demand. The high growth in Q4 means that the carry-over effect for 2018 is very favourable. We expect euro zone GDP growth to come in at 2.4% again this year."

Eurostat also revised upwards growth data for the third quarter to 0.7% quarter-on-quarter from the previously reported 0.6%, and to 2.8% year-on-year from 2.6%. Separately, European Commission data showed economic sentiment in the euro zone eased in January to 114.7 from a 17-year high of 115.1 in December.

Hyundai Motor to unveil first electric vehicle in India in 2019

'Manufacturing likely from Chennai plant if trial successful'

YUTHIKA BHARGAVA
NEW DELHI

South Korean auto maker Hyundai, which has set a roadmap to introduce nine models in India over the next three years, will be driving in its first electric vehicle (EV) into the country in 2019. The company will also roll out a small car before Diwali this year and a compact SUV in 2019.

"Of the nine models, two will be face-lifts, two new segment products – the AH 2 [internal name] and a sub-4 metre SUV, an electric vehicle. The rest will be full model change," Y.K. Koo, MD & CEO, Hyundai Motor India, told *The Hindu*.

He added that there was a global trend where every one was talking about eco-friendly mobility, including EVs and hybrid, but since the Indian government was focused on EVs, the company would be unveiling its electric vehicle brand Ioniq at the upcoming Auto Expo.

"In 2019, we will start EVs



Y.K Koo

as completely knocked down units to test the market. We will study the market response, pricing and customer behaviour. If everything is ready, we may consider manufacturing them from our Chennai plant," Mr. Koo said. He added that the company was waiting for a "clear picture and roadmap" from the government on the EVs, that the company "can follow and develop more EV products for India."

The company, which will be investing \$5,500 crore to fund the product pipeline,

'No spending spree seen in last budget before elections'

Govt. spending likely to be limited by fiscal concerns: poll

REUTERS
BENGALURU

India is expected to unveil only modest stimulus at this week's budget, a *Reuters* poll of analysts showed, despite it being the last before the next election, with government spending likely limited by longer-term efforts to trim the fiscal deficit.

Fiscal consolidation was first proposed by Prime Minister Narendra Modi's Bharatiya Janata Party (BJP) government in its maiden budget in fiscal 2014/15, aiming to break a long line of Indian governments that preferred to borrow and spend.

Time frame reset

But in following budgets, the time-frame for reaching a reduction to a 3.0% fiscal deficit target was pushed back.

The latest *Reuters* poll shows the government is expected to delay the time-frame for hitting that target by another year, for the third year in a row, due to setbacks in the economic out-



Tight spot: The govt. has limited resources for any targeted scheme for the poor, says Motilal Oswal's Gautam. ■REUTERS

look. The median forecast from over 40 economists polled Jan. 24-29 was for India's government to borrow 3.2% of gross domestic product (GDP) in fiscal 2018-19.

Populist budget

"As the current government will present its last full-year budget before the 2019 general elections, many in the market expect a heavier dose of populism.

However, the government has limited financial resources to propose any tar-

geted scheme for the poor," Gautam Duggad, head of research at Motilal Oswal Securities, wrote in a research note.

"We also do not expect much relief on the tax front, except some reduction in the corporate tax rate for medium-sized companies."

The government's own economic survey presented to Parliament on Monday suggested that pushing further out the fiscal deficit target would give the economy some momentum.

SBI to provide credit cards to farmers

Introduces apps for online shopping

SPECIAL CORRESPONDENT
KOLKATA

State Bank of India (SBI) has introduced a pilot scheme on credit cards for farmers, which extends facilities like lower interest rate besides the normal 40 days' credit available for credit card users, said chairman Rajnish Kumar.

"We have launched this facility on a pilot basis in three States – Rajasthan, Gujarat and Madhya Pradesh. So far, 100 applications have been received. We will go national, based on the response and our own experience," he told reporters after unveiling two apps, which would enable farmers to enjoy the benefits of online shopping for their farm inputs and produce.

Payment gateway

Conceived by a Mumbai-based start-up, Poorti Agri Services, the Farmcart and Dealer Bandhu apps are being partnered by SBI which provides the payment gate-



Rajnish Kumar

way. Poorti is led by N. Balasubramanian, ex-chairman of SIDBI, R.G. Rajan, ex-chairman of RCF and NFL, and some senior professionals from banking and other sectors. Answering queries on the scheme, Mr. Kumar said while the present Kisan Credit Card scheme was like a debit card for the farmers, the new one would enable them to purchase farm-related items besides some consumer goods.

Mr. Kumar said that a major difference between the regular credit cards and the newer one would be in the interest rates.

With Roman law doctrine, India acts to stub out tobacco industry rights

Centre moves SC to have tobacco classified as 'outside commerce'

REUTERS
NEW DELHI

The Indian government is pushing the Supreme Court to apply a rarely used doctrine that would strip the \$11 billion tobacco industry's legal right to trade, an effort aimed at deterring tobacco companies from challenging tough new regulations.

New Delhi has for the first time asked the top court to classify tobacco as "res extra commercium", a Latin phrase meaning "outside commerce," according to a Reuters review of previously unreported court filing by the Health Ministry on Jan. 8.

If applied, the doctrine – which harkens back to Roman law – would have far reaching implications: in denying an industry's legal standing to trade, it gives authorities more leeway to impose restrictions.

Alcohol precedent

For example, the Supreme Court's application of the doctrine to alcohol in the 1970s paved the way for at least two Indian states to ban it completely and allowed courts to take a stricter



Bitter battle: A court recently quashed labelling rules after industry argued they violated its right to trade.

stance while regulating liquor – something constitutional law experts say could happen with tobacco if a similar ruling was made.

"The effects of tobacco are much more than even alcohol ... It will be a fillip to this drive against tobacco," said government lawyer R. Balasubramanian, who is acting on behalf of the Ministry of Health in pursuing the designation.

Mr. Balasubramanian, however, said the government is not discussing banning tobacco and the goal of invoking the Roman law doctrine was only to curtail the industry's legal rights. With an aim to curb tobacco con-

sumption – which kills more than 9,00,000 people each year in India – the government has in recent years raised tobacco taxes, started smoking cessation campaigns and introduced laws requiring covering most of the package in health warnings.

But a court in Karnataka recently quashed those labelling rules after the industry successfully argued the measure was "unreasonable" and violated its right to trade.

The government has appealed the ruling in the Supreme Court, which put on hold the Karnataka court order. The top court will hear the case on March 12.

In its filing, the government included "res extra commercium" because it wants to stop the industry from pursuing such arguments again, said Mr. Balasubramanian. Seeking to apply the doctrine to tobacco, the government argued it should have the power "to regulate business and to mitigate evils" to safeguard public health, the court filing showed.

Sajan Poovayya, a senior lawyer representing cigarette maker ITC Ltd. and Philip Morris International Inc.'s Indian partner, Godfrey Phillips, said the industry's legal rights would be severely limited if the court applies the doctrine to tobacco.

Mr. Poovayya said he would fight the government's argument "tooth and nail" and make a case that taking away the industry's right to trade would imperil millions of farmers who depend on tobacco for their living. The industry estimates 45.7 million people in India depend on tobacco for their living.

"Tobacco is not destructive to health. If tobacco is, sugar is as well," Mr. Poovayya said.

Sundram Fasteners Limited

CIN : L35999TN1962PLC004943

Registered & Corporate Office : 98-A, VII Floor, Dr Radhakrishnan Salai, Mylapore, Chennai - 600 004

Telephone: 91-44-28478500 | Fax : 91-44-28478510 | Email:investorshelpdesk@sfl.co.in | Website: www.sundram.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2017

(₹ in Crores)

| Sl. No. | Particulars | Quarter ended | | Nine Months ended | |
|---------|--|---------------|------------|-------------------|------------|
| | | 31.12.2017 | 31.12.2016 | 31.12.2017 | 31.12.2016 |
| | | Unaudited | Unaudited | Unaudited | Unaudited |
| 1. | Total Income from Operations * | 848.13 | 761.63 | 2,503.59 | 2,323.51 |
| 2. | Net Profit / (Loss) for the period (before tax and Exceptional item) | 126.62 | 102.64 | 374.02 | 308.69 |
| 3. | Net Profit / (Loss) for the period (before tax and after Exceptional items) | 126.62 | 102.64 | 374.02 | 308.69 |
| 4. | Net Profit / (Loss) for the period (after tax and Exceptional items) | 91.66 | 75.34 | 272.26 | 227.82 |
| 5. | Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)] | 92.63 | 73.18 | 279.43 | 227.17 |
| 6. | Equity Share Capital (Face Value of Re 1 each fully paid up) | 21.01 | 21.01 | 21.01 | 21.01 |
| 7. | Earnings Per Share (for continuing and discontinued operations) (Face value of Re 1/- each) (not annualised) (in Rs.) | | | | |
| | a) Basic | 4.36 | 3.59 | 12.96 | 10.84 |
| | b) Diluted | 4.36 | 3.59 | 12.96 | 10.84 |

The Government of India has implemented Goods and Service Tax ("GST") from 1st July 2017 replacing excise duty, service tax and other indirect taxes. As per Ind AS 18, the revenue for the quarter and nine months ended 31st December 2017, is reported net of GST. Had the previously reported revenue shown net of excise duty, comparative revenue of the Company would have been as follows:-

| | Quarter ended | | Nine Months ended | |
|-------------------------|---------------|------------|-------------------|------------|
| | 31.12.2017 | 31.12.2016 | 31.12.2017 | 31.12.2016 |
| Revenue from operations | 848.13 | 707.23 | 2,450.67 | 2,155.32 |

Notes:

- 1 The above is an extract of the detailed format of quarterly standalone financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The Statutory Auditors of the Company have carried out a limited review for the quarter and nine months ended 31st December 2017 and have issued an unqualified report thereon.
- 3 The full format of the standalone financial results and the limited review report issued by the Statutory Auditors of the Company are available on the Stock Exchange websites, www.bseindia.com and www.nseindia.com and on the Company's website www.sundram.com.

Chennai
January 30, 2018

For Sundram Fasteners Limited

Chairman and Managing Director