

MARKET WATCH		
	27-07-2017	% CHANGE
Sensex	32,283	0.00
US Dollar	64.11	0.40
Gold	29,450	0.78
Brent oil	51.23	1.18

NIFTY 50		
	PRICE	CHANGE
ACC	1732.00	25.65
Adani Ports	392.50	-0.55
Ambuja Cements	264.60	-0.30
Asian Paints	1148.80	14.80
Aurobindo Pharma	738.75	-8.95
Axis Bank	524.65	-4.20
Bajaj Auto	2840.30	-1.05
Bank of Baroda	160.95	-2.40
Bharti Airtel	416.05	-10.20
Bosch	23982.60	-297.65
BPCL	477.20	5.80
Cipla	568.70	-6.75
Coal India	255.25	-5.40
Dr Reddys Lab	2620.35	-87.00
Eicher Motors	29102.25	99.80
GAIL (India)	378.70	3.05
HCL Tech	890.25	-2.45
HDFC	1728.20	94.75
HDFC Bank	1789.65	42.10
Hero MotoCorp	3703.55	-13.90
Hindalco	221.25	-0.30
Hind Unilever	1171.90	7.35
Indiabulls HFL	1158.85	-30.40
ICICI Bank	307.20	-3.15
Indusind Bank	1606.70	26.50
Bharti Infratel	411.05	-2.45
Infosys	971.05	-23.00
Indian Oil Corp	368.90	-4.75
ITC	288.55	-5.10
Kotak Bank	998.15	11.60
L&T	1182.05	1.80
Lupin	1110.05	-13.55
M&M	1398.20	-15.30
Mauriti Suzuki	7599.60	34.35
NTPC	165.40	-0.95
ONGC	162.90	-1.10
PowerGrid Corp	216.65	-0.65
Reliance Ind	1594.80	-27.95
State Bank	298.35	2.55
Sun Pharma	572.10	-7.40
Tata Motors	445.40	-11.90
Tata Motors DVR	262.30	-8.20
Tata Steel	82.00	-0.55
Tata Power	561.25	-4.50
TCS	2481.70	-74.30
Tech Mahindra	377.25	-12.10
UltraTech Cement	4042.95	-31.45
Vedanta	279.90	-1.05
Wipro	289.70	0.35
YES Bank	1785.85	73.90
Zee Entertainment	539.30	8.65

EXCHANGE RATES		
Indicative direct rates in rupees a unit except yen at 4 p.m. on July 27		
CURRENCY	TT BUY	TT SELL
US Dollar	63.91	64.23
Euro	74.81	75.19
British Pound	83.96	84.38
Japanese Yen (100)	57.38	57.67
Chinese Yuan	9.48	9.53
Swiss Franc	66.60	66.93
Singapore Dollar	47.07	47.31
Canadian Dollar	51.33	51.59
Malaysian Ringgit	14.94	15.02

BULLION RATES CHENNAI		
July 27 rates in rupees with previous rates in parentheses		
Retail Silver (1g)	41.30	(40.60)
22 ct gold (1 g)	2,730	(2,709)

Idea Cellular posts third straight loss

Firm reports Q1 loss of ₹815 crore

SPECIAL CORRESPONDENT MUMBAI

Kumar Mangalam Birla-led Idea Cellular reported a net loss of ₹815 crore for the quarter ended June, its third successive quarterly loss, as a brutal price war in the mobile services market triggered by Reliance Jio hurt the new entrant's rivals. The third-largest mobile operator had posted a net profit of ₹220 crore in the year-earlier period and a loss of ₹325 crore in the immediate preceding quarter. Idea's revenue during the quarter fell 14% to ₹8,166.5 crore. Idea attributed the steep decline in voice and mobile data realisations to aggressive tariffs led by unlimited voice and data bundle plans. "However, the fall in realisation rate was largely com-



Revenue during the quarter fell 14% to ₹8,166.5 crore.

pensated by a substantial volume growth," it said. The Aditya Birla Group company, which had net debt of ₹53,920 as of June 30, is in the process of merging with Vodafone Plc's local arm to create India's largest mobile carrier. Idea Cellular shares slid 2.11% on the BSE to close at ₹92.65 in a flat Mumbai market on Thursday.

‘Good prospects for India-U.K. auto trade’

High tariff regime retarding sales of British luxury cars in India, says SMMT chief

VIDYA RAM LONDON

Britain and India have the potential to expand post-Brexit trade in the auto sector, the head of the body representing British manufacturers said, as exports of U.K.-made cars to India rose 8.3% in the first half of the year, while those of Indian-made cars to the U.K. almost doubled. The 8.3% rise in sales of U.K. cars was driven by increased demand for British-made luxury cars, while the number of India-built cars rose by 48.6%.

Mike Hawes, the chief executive of the Society of Motor Manufacturers and Traders (SMMT), said that there were many opportunities for growth in areas such as in the development of autonomous, connected vehicles, as well as in the Indian after-market segment. "The U.K. currently has a negligible part of that market in India, but we have a lot of



Hot wheels: Exports of India-built cars to the U.K. almost doubled in the first half of the year. •AFP

expertise and there are a lot of products that could be developed," he said in an interview to this paper in London. "We want to develop those relations, but obviously it had to be mutual." However, he added that the prospect of increasing sales of British-made luxury cars, for which there was great demand in India, remained

ITC first-quarter net increases by 7.4 %

Hotel segment revenue rose by 6%

SPECIAL CORRESPONDENT KOLKATA

FMCG company ITC Ltd. closed its first quarter with a 7.4% increase in its net profit over that of a year earlier on a 4.3% rise in its gross operational revenue. While revenue from operations stood at ₹13,800.4 crore on June 30, 2017, net profit stood at ₹2,560.5 crore. Cigarette revenue increased from ₹8,230.6 crore to ₹8,774.2 crore during the quarter under review. Turnover from its new FMCG business, which the company is trying to grow, increased by 9% to ₹2,600.9 crore amid muted demand environment and destocking of FMCG products ahead of the GST rollout, ITC said. Hotels segment revenue rose by 6% to ₹304.9 crore on improved room rates and



The turnover from its new FMCG business increased by 9% to ₹2,600.9 crore.

growth in food and beverages. However, a ban on sale of liquor in hotels near highways caused revenue loss at properties like ITC Grand Chola, Chennai. Revenue from paperboards, paper and packaging rose from ₹1,322.9 crore to ₹1,359.8 crore, but was impacted by FMCG and pharma sector destocking and subdued cigarette sales.

limited with high tariff regimes still in place and expressed reservations about the potential for changing this. "One would hope so but history would suggest its going to be incredibly difficult," he said. His comments came as the SMMT said U.K. car production fell 2.9% in the first half of 2017, as demand in Britain declined, which it at-

tributed to the current uncertainty around the Brexit negotiations. The industry is also lowering its ambition of producing 2 million cars a year by 2020. "The U.K. automotive industry is in particularly challenging times in terms of production, new cars sales and level of investment," said Mr. Hawes.

Interim arrangements The SMMT has been pushing for interim arrangements that maintain access to the single market and customs union to avoid a cliff-edge situation. "We are totally integrated with the European automotive industry – the future relationship we have is fundamental to our continued success. We need to maintain the barrier free trade that we currently enjoy," he said, adding that reverting to WTO terms would be disruptive to the supply chain.

Panel seeks details on AI divestment

Parliamentary Standing Committee on Transport set to meet government officials on Friday

SOMESH JHA NEW DELHI

A Parliamentary Standing Committee has sought details from the government on its strategic divestment plans for national carrier Air India. The department-related Parliamentary Standing Committee on Transport, Tourism and Culture, chaired by Rajya Sabha Member of Parliament Mukul Roy, is set to meet the Central government officials on Friday.

Hearing views

"To hear the views of the Ministry of Civil Aviation, Department of Investment and Public Asset Management (Ministry of Finance) and Air India on Disinvestment of Air India," the agenda of the meeting said.

The Cabinet Committee on Economic Affairs (CCEA), chaired by Prime Minister Narendra Modi, on June 28



Tell all: The panel will seek the views of officials from AI and the Finance and Civil Aviation ministries. •AP

gave its in-principle approval for the strategic divestment of Air India and its subsidiaries.

The CCEA also set up a Group of Ministers under Finance Minister Arun Jaitley to examine the modalities of

the national carrier's stake sale. The Ministerial group will decide upon the "treatment of unsustainable debt of Air India, hiving off of certain assets to shell company, de-merger and strategic divestment of three profit-

making subsidiaries, quantum of disinvestment and the universe of bidders." Hours after the Union Cabinet gave its nod for Air India's strategic divestment, India's largest low-cost carrier IndiGo expressed interest in acquiring the flag carrier's airline business, mainly related to its international operations. Tata Sons was also said to be reportedly in talks with the government to seek more details about the national carrier's strategic divestment.

‘Fragile finances’

Minister of State for Civil Aviation Jayant Sinha told the Rajya Sabha on Tuesday that the decision to divest a stake in Air India was based on government think-tank NITI Aayog's recommendations in May this year.

"In its recommendations, the Aayog had given the rationale for the divestment of Air India and has attrib-

uted the main reason as fragile finances of the company. AI has been incurring continuous losses and has huge accumulated losses," Mr. Sinha said in a written reply. "Further, NITI Aayog in its report on Air India says that further support to an unviable non-priority company in a matured and competitive aviation sector would not be the best use of scarce financial resources of the government," Mr. Sinha added.

Sliding market share

Mr. Sinha told the Lok Sabha on Thursday that Air India's market share on domestic routes had declined to 14.2% in 2016-17, from 17.9% in 2014-15. Air India had accumulated total debt of ₹48,876 crore till March 31, 2017.

The carrier has been reporting continuous losses due to its high debt with its net loss at ₹3,728 crore in 2016-17, compared with ₹3,836 crore in 2015-16.

Centre may cut import duty on gold

LALATENDU MISHRA MUMBAI

The Centre may reduce the import duty on gold to 2% from 10% to make Indian jewellery competitive in the international market, said a top official.

The Ministry of Commerce and Industry has recommended to the finance ministry to drastically reduce the import duty, said Manoj Dwivedi, Joint Secretary, Ministry of Commerce and Industry.

"We have urged the Finance Ministry to reduce import duty on gold. The CAD position has substantially improved and now there is a case to look at it. We have recommended 2% duty," he said.

Maruti Q1 net profit rises 4.4%

Revenue from operations increased 16.3% to ₹19,777.4 crore

SPECIAL CORRESPONDENT NEW DELHI

Maruti Suzuki on Thursday posted a 4.4% increase in its net profit to ₹1,556.4 crore for the first quarter ended June 30, 2017, impacted by higher deferred tax provision.

The country's largest car maker said its revenue from operations grew to ₹19,777.4 crore, up 16.3% from ₹16,996 crore in the year-earlier period. "Profit Before Tax in the quarter stood at ₹2,298.7 crore, reflecting a growth of 12.3% over same period previous year. However, the net profit in Q1, ₹1,556.4 crore, grew by 4.4% compared to previous year due to higher deferred tax provision," the company said.

The automaker also said

SPECIAL CORRESPONDENT MUMBAI

ICICI Bank reported an 8% drop in its net profit to ₹2,049 crore for the quarter ended June due to a fall in non-interest income.

Its non-interest income was ₹3,388 crore in the fiscal first quarter compared to ₹3,429 crore in Q1 FY17.

Chanda Kochhar, MD & CEO, said non-interest income in the first quarter of the previous fiscal included an exchange rate gain related to overseas operations of ₹206 crore, which was no longer permitted to be accounted as income following an RBI guideline.

In addition, quarterly dividend of ₹204 crore from ICICI Prudential Life Insurance Company (ICICI Life) has moved to dividend payments on a half-yearly basis following its initial public offering in September 2016.

On the asset quality front, Ms. Kochhar highlighted that net non-performing assets had come down on a sequential basis from ₹25,451 crore (4.89%) to ₹25,306 crore (4.86%).

"Addition to gross NPAs, which was ₹4,975 crore, was the lowest in seven quarters," Ms. Kochhar said, adding that the addition to NPAs in the current financial year would be lower than the previous year.

The bank had seen healthy recovery during the quarter, about ₹2,575 crore, aided primarily by loan repayment by a large cement firm.

The bank had made a provisioning of ₹2,609 crore during the quarter, as compared to ₹2,515 crore, and except for ₹160 crore which was standard asset provisioning, the remaining provision was for bad loans.



The firm sold over 3.94 lakh vehicles during the quarter.

there was a one-off impact of compensation given to dealers for the tax loss incurred on vehicles in stock at the time of transitioning to GST regime that came into effect on July 1.

Maruti Suzuki sold more than 3.94 lakh vehicles during the quarter under review, a growth of 13.2% from the same period in the previ-

ous year. Of this, exports stood at 26,140 units.

"Growth in volumes, favourable product mix, higher non-operating income and cost reduction efforts contributed to increase in profits," the company said. However, it added that costs were impacted by higher commodity prices, and sales promotion and marketing expenses.

Shrikant Akolkar, Research Analyst, Auto & Auto Ancillary at Angel Broking said: "While the result is below the consensus estimates, this kind of result was anticipated due to the rise in the raw material costs as well as discounts offered due to the GST. The demand is expected to be strong going ahead."

TWO MOMENTOUS MILESTONES

IN OUR QUEST TO BECOME THE FINEST...

RISES IN GLOBAL RANKINGS

The Banker
TOP 1000
WORLD BANKS 2017
thebankerdatabase.com

YEAR: 2017 2016

RANKING: **271** 400

UP BY: **129**

Forbes
GLOBAL 2000
WORLD'S TOP COMPANIES
2017

YEAR: 2017 2016

MARKET VALUE: **1076** 1854

OVERALL RANKING: **1239** 1732

UP BY: **493**

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