

MARKET WATCH		
	19-03-2018	% CHANGE
Sensex	32,923	-0.76
US Dollar	65.17	-0.35
Gold	31,180	-0.35
Brent oil	65.66	0.93

NIFTY 50		
	PRICE	CHANGE
Adani Ports	364.30	-6.20
Ambuja Cements	231.15	-3.50
Asian Paints	1102.55	-20.20
Aurobindo Pharma	572.90	0.35
Axis Bank	519.45	-3.15
Bajaj Auto	2849.45	-61.00
Bajaj Finance	1631.85	-56.05
Bharti Airtel	399.65	-17.10
Bosch	17515.05	-406.65
BPCL	430.75	-16.80
Cipla	559.75	0.35
Coal India	272.30	-5.90
Dr Reddys Lab	2119.85	-22.30
Eicher Motors	27403.05	-676.10
GAIL (India)	442.05	1.05
HCL Tech	926.50	-41.10
HDFC	1774.50	-16.90
HDFC Bank	1847.25	-5.75
Hero MotoCorp	3515.30	-30.80
Hindalco	214.55	-7.15
HPCL	352.35	-12.40
Hind Unilever	1309.40	-10.25
Indiabulls NPL	1187.85	-19.60
ICICI Bank	294.55	-3.55
IndusInd Bank	1718.80	-5.90
Bharti Infratel	325.35	-9.10
Infosys	1146.75	-25.15
Indian OilCorp	177.90	-6.85
ITC	259.15	-1.35
Kotak Bank	1049.00	-11.75
L&T	1279.55	10.25
Lupin	766.60	4.75
M&M	742.70	1.95
Mauriti Suzuki	8773.50	96.95
NTPC	167.00	2.15
ONGC	176.85	-0.30
PowerGrid Corp	194.20	1.95
Reliance Ind	895.50	-4.55
State Bank	247.95	-4.35
Sun Pharma	497.65	-5.40
Tata Motors	335.70	-4.05
Tata Steel	574.95	-25.25
TCS	2831.00	5.30
Tech Mahindra	609.90	-24.80
UltraTech Cement	3972.40	-53.90
UPL	701.85	-17.85
Vedanta	307.20	-1.70
Wipro	288.65	-7.10
YES Bank	304.80	-8.10
Zee Entertainment	566.45	-3.90

EXCHANGE RATES		
Indicative direct rates in rupees a unit except yen at 4 p.m. on March 19		
CURRENCY	TT BUY	TT SELL
US Dollar	64.97	65.29
Euro	79.81	80.21
British Pound	91.24	91.70
Japanese Yen (100)	61.17	61.47
Chinese Yuan	10.26	10.31
Swiss Franc	68.13	68.47
Singapore Dollar	49.27	49.51
Canadian Dollar	49.70	49.95
Malaysian Ringgit	16.58	16.68
Source: Indian Bank		

BULLION RATES CHENNAI		
March 19 rates in rupees with previous rates in parentheses		
Retail Silver (1g)	41.1	(41)
22 ct gold (1 g)	2886	(2895)

Bandhan IPO subscribed 14.62 times

SPECIAL CORRESPONDENT MUMBAI
The initial public offer (IPO) of Bandhan Bank, which closed on Monday, was subscribed 14.62 times till 7 p.m. While the institutional portion was subscribed 38.67 times, the part reserved for high net worth individuals was subscribed 13.89 times.
The retail portion, however, was subscribed 1.18 times. Bids for a total of 122.07 crore shares were received as against 8.35 crore shares on offer in the price band of ₹370-₹375. At the top end of the band, the lender could raise ₹4,400 crore. More than 10 lakh applications were received from investors in the public issue. The issue comprises a fresh issue of 9.77 crore equity shares and offer for sale of 2.16 crore equity shares, including an anchor portion of 3.58 crore equity shares.

Is govt. turning a deaf ear to banks bureau?

Waiting since July 2017 for time to discuss bank reforms with Jaitley, says BBB

SPECIAL CORRESPONDENT MUMBAI
Is the government ignoring the suggestions of the Banks Board Bureau (BBB) on reforms in public sector banks?
The answer is yes if one were to go by the ‘Compendium of Recommendations’ put up on its website on Monday, where it said the bureau was merely functioning as ‘an appointment board’. Though the bureau, headed by Vinod Rai, had sought a meeting with Finance Minister Arun Jaitley to chalk out the action plan for reforms in PSBs in July 2017, the Minister had not given it time yet, it said.
Having begun functioning from April 1, 2016, BBB was seen as a step towards gover-

UltraTech offers to buy Binani Cement for ₹7,266 crore

Binani Industries seeks to terminate cement arm’s insolvency process at NCLT

PIYUSH PANDEY MUMBAI

Binani Cements promoter Binani Industries Limited (BIL), has decided to seek termination of its insolvency proceedings at the the National Company Law Tribunal (NCLT), after UltraTech Cement agreed to buy out the promoters’ stake in Binani Cement for ₹7,266 crore.
This development comes after the Committee of Creditors approved Dalmia Bharat’s ₹6,700-crore bid to buy Binani Cement last week. Sameer A. Kaji, advisor to Binani Industries, said, “The idea of IBC is to maximise value for all stakeholders. The NCLT has powers to keep the corporate debtor out of the



Part of process: The owner has the right to sell a mortgaged asset and repay the loan, says UltraTech’s Atul Daga. ■REUTERS

IBC process, if all liabilities are paid. UltraTech has given us letter of comfort of ₹7,266 crore to buy Binani Cement, based upon which we are seeking termination of insolvency proceedings at NCLT.”

Asked if the proposal could go through with the matter pending with the NCLT, Atul Daga, ED & CFO, UltraTech Cements, said, “If you have a house that’s mortgaged with a bank, you are still the own-

er and can sell it and repay the loan.”

‘Binani sought support’
In a statement, BIL said, “To terminate the IBC proceedings, Binani Cement will be required to pay off lenders’ debts and other liabilities as admitted in the IBC proceedings.
“To add credibility to its application, BIL had approached UltraTech Cement Ltd. to support ... with the funds required to pay off the amount determined as due.”
It added “upon the termination of the insolvency proceedings of Binani Cement, the company had agreed to... sell its 98.43% shareholding... to UltraTech.”

IRDAI may appeal against tribunal’s order

Mulls moving SC against SAT order that cited IRDA member’s decision as ‘aiding corruption’

N. RAVI KUMAR HYDERABAD

IRDAI, currently without a chairman, is facing a crisis after the Securities Appellate Tribunal described an order passed by a member of the regulator as one that “virtually amounts to aiding and abetting corruption.”
The legal department of the Insurance and Regulatory and Development Authority is examining options to appeal against the Tribunal’s order in the Supreme Court and a decision is likely by the weekend, sources familiar with the matter said.

‘Chairman’s post vacant’
IRDAI has remained without a Chairman since February 21, when T.S. Vijayan demitted office on completing five years. Though candidates,

many from the insurance sector, were interviewed, no announcement has yet been made.
On Friday, while disposing an appeal filed by Atkins Special Risks, the SAT bench comprising presiding officer Justice J.P. Devadhar and member Dr. C.K.G. Nair questioned an order passed by IRDAI Member (Non-Life) P.J. Joseph and directed the regulator to conduct a probe by a “competent officer” and pass a fresh order.
“We fail to understand as to how Member (Non-Life) could make such false statement... the impugned order... virtually amounts to aiding and abetting corruption in the insurance business...” the Bench said. In the complaint filed with IRDAI in August 2015, Atkins



■GETTY IMAGES/ISTOCK

said between 2002 and 2012 it had provided international reinsurance cover to Jagson International on annual brokerage or commission basis. Atkins accused Jagson International chairman Jagdish Gupta of demanding a cut, from 2010, in the commission it earned. In 2012, the re-insurance business of Jagson went to Marsh India In-

surance Brokers. Detailing the sequence leading to the complaint, the SAT order said Atkins had engaged a global investigating firm as it suspected illegal means were used to divert the business, and that the agency, in its report, said kickbacks were given to Mr. Gupta.
“As no action was taken,” on its complaint filed with IRDAI, Atkins filed a writ petition in the High Court in Hyderabad, which disposed the petition in September 2017 with a direction to IRDAI to consider the complaint filed by the firm in accordance with law.
Mr. Joseph heard the appellant on November 16, 2017 and passed an order on January 9, disposing of the complaint by “simply stating that the appellant has not

submitted any documentary proof, material information or evidence in support of its contention.” Following this, Atkins filed an appeal at SAT.

‘Abuse of process of law’
According to SAT, the IRDAI order was a “gross abuse of the process of law and dereliction of duty.” The Tribunal, however, said: “We make it clear that we have not expressed any opinion on the merits of the complaint...”
In a statement on Monday, a Marsh India spokesperson said: “We strongly deny any wrongdoing and find the complaint, filed by the competing broker who lost the business to Marsh India, as baseless and without merit.”
(With Ashish Rukhaiyar and Manojit Saha from Mumbai)



What comes first: Once the TDSAT order is vacated, we will honour the guarantees, says Axis Bank. ■REUTERS

DoT asks telcos not to accept Axis Bank’s guarantees

‘Guarantees for Aircel not honoured’

SPECIAL CORRESPONDENT MUMBAI

The Department of Telecommunications (DoT) has instructed all telecom companies and Internet Service Providers (ISPs) not to accept any new bank guarantees from Axis Bank.
In a letter dated March 16, a copy of which is available with *The Hindu*, the DoT said that Axis Bank was in “serious breach of trust and contract” with the Government of India (GOI).
“Axis Bank has failed to invoke the Bank Guarantee issued by them on behalf of Aircel Group of Companies. This action by Axis Bank is a serious breach of trust and contract with the Government of India,” DoT said in the letter.
“In view of this, you are hereby directed not to accept any new bank guarantee from Axis Bank, including renewals. This [is issued] with the approval of competent authority.”
TDSAT order
The amount of bank guarantee given by Axis Bank on behalf of Aircel could not be

independently verified. To an emailed query, an Axis Bank spokesperson said, “The bank guarantees have been issued by us on behalf of Bharti Airtel. Payment of the said guarantees, at present, will be in violation of the orders of the Telecom Disputes Settlement and Appellate Tribunal (TDSAT).
“Once the order is vacated, the Bank will be pleased to honour the said guarantees, as per the underlying terms. This matter has been communicated to the Dept. of Telecom (DoT).”
‘Bankruptcy filing’
Aircel had filed for bankruptcy with the Mumbai bench of NCLT citing high unsustainable debt, price wars and legal and regulatory challenges. The company has ₹15,000 crore of dues to lenders and ₹35,000 crore in dues to operational creditors.
Aircel has spectrum in the 900MHz, 1800MHz and 2100MHz bands, respectively. According to current rules, Aircel is not entitled to any refund if it surrenders its spectrum to DoT.

FRONTLINE
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POLITICAL CHURNING

The BJP’s triumphalism over its recent election victories in the north-eastern region is only a facade to mask its falling stock in northern India.



Roberto Azevedo

Cites major changes since organisation’s inception: Azevedo

SPECIAL CORRESPONDENT NEW DELHI

Against the backdrop of U.S. President Donald Trump calling the World Trade Organisation a “disaster” for the U.S., WTO Director General Roberto Azevedo has said that the U.S. has been very clear on its support to the organisation, but wanted some upgrades and reforms in its functioning.
Mr. Azevedo is in India for a two-day informal ministerial meeting of WTO members over Monday and Tuesday. The meeting assumes significance following the increase in duty on steel and aluminium by the U.S., and the U.S. taking India to the WTO on export incentive programmes.
“The U.S. has been very clear that it supports the WTO,” Mr. Azevedo said, while briefing the media following a CII event on Mon-

day. “The U.S. sees some conversations that are happening at the WTO now as very welcome and they support that.”
“At the same time, the U.S. has been saying that they have some concerns with the way the WTO functions,” Mr. Azevedo added.
“The U.S. maintains that the world has changed significantly since the WTO’s inception in 1995, and it wants some upgrades and

reforms in the WTO.”
“The WTO has been a disaster for this country, for our country,” Mr. Trump said on March 1, while speaking at an interaction with steel and aluminium industry representatives. “It has been great for China and terrible for the United States, and great for other countries.”
Calls on PM
Mr. Azevedo also called on Prime Minister Narendra Modi and thanked the government for taking the initiative to explore ways to reinvigorate the multilateral trading system.
The Prime Minister reiterated that India was a strong supporter of the multilateral trading system.
He said it was imperative to prioritise the WTO’s activities so that it addressed the concerns of developing countries.



Vinod Rai

nance reforms in public sector banks as recommended by the P.J. Nayak Committee.
Preparing PSBs to take on competition, helping them develop capabilities to manage price risk across business cycles and forcing them to focus on generating internal capital, among others,

‘No executive role’
BBB had also sought the government’s mandate to rework the Articles of Association of IDBI Bank Ltd., so that it mirrored, to the extent possible, the Articles of Association of other such in-

situations which were earlier in the public sector.
These mandates were suggested to further reinforce and institutionalise the zero interference policy of the government, it said. It, however, clarified that the board did not seek an executive role. It was to discuss these matters it had sought a meeting with the Finance Minister. The board was still awaiting a meeting, the letter said.
The letter also indicated that reforms could be undertaken without the Centre cutting stake below 51%, contrary to recommendations by the Nayak committee.
The present term of BBB members will end on March 31. It is not clear whether the Centre will reconstitute the board or extend their term.

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