

MARKET WATCH

	16-03-2018	% CHANGE
Sensex	33,176	-1.51
US Dollar	64.94	0.00
Gold	31,250	-0.64
Brent oil	65.05	-0.17

NIFTY 50

	PRICE	CHANGE
Adani Ports	370.50	-11.65
Ambuja Cements	234.75	-7.55
Asian Paints	1122.75	-38.05
Aurobindo Pharma	572.55	0.25
Axis Bank	522.60	-7.05
Bajaj Auto	2910.45	-38.30
Bajaj Finance	1687.90	-38.35
Bharti Airtel	416.75	-3.70
Bosch	17921.70	-103.50
BPCL	447.55	-14.50
Cipla	559.40	-11.75
Coal India	278.20	-17.30
Dr Reddys Lab	2142.15	-40.60
Eicher Motors	28079.15	-616.40
GAIL (India)	441.00	-9.35
HCL Tech	967.60	8.45
HDFC	1791.40	-38.60
HDFC Bank	1853.00	-27.80
Hero MotoCorp	3546.10	-94.70
Hindalco	221.70	-3.20
HPCL	364.75	-6.80
Hind Unilever	1299.15	-0.80
Indiabulls HFL	1207.45	-30.50
ICICI Bank	298.10	-3.35
IndusInd Bank	1724.70	-17.05
Bharti Infratel	334.45	-3.45
Infosys	1171.90	-10.60
Indian OilCorp	184.75	-7.30
ITC	260.50	-5.05
Kotak Bank	1060.75	-24.90
L&T	1269.30	-25.80
Lupin	761.85	-14.80
M&M	740.75	5.90
Mauriti Suzuki	8676.55	-161.00
NTPC	164.85	-5.05
ONGC	177.15	-3.15
PowerGrid Corp	192.25	-2.55
Reliance Ind	900.05	-11.75
State Bank	252.30	-1.40
Sun Pharma	503.05	-13.40
Tata Motors	339.75	-13.35
Tata Steel	600.20	-11.55
TCS	2825.70	-44.00
Tech Mahindra	634.70	2.85
UltraTech Cement	4026.30	-163.10
UPL	719.70	-1.45
Vedanta	308.90	-8.05
Wipro	295.75	2.35
YES Bank	312.90	1.05
Zee Entertainment	570.35	-0.05

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on March 16

CURRENCY	TT BUY	TT SELL
US Dollar	64.73	65.05
Euro	79.76	80.17
British Pound	90.39	90.85
Japanese Yen (100)	61.27	61.58
Chinese Yuan	10.23	10.29
Swiss Franc	68.14	68.48
Singapore Dollar	49.27	49.52
Canadian Dollar	49.46	49.71
Malaysian Ringgit	16.56	16.66

Source: Indian Bank

BULLION RATES CHENNAI

March 16 rates in rupees with previous rates in parentheses

Retail Silver (1g)	41.3	(41.6)
22 ct gold (1 g)	2895	(2908)

Sensex plunges 500 points amid political uncertainty

Asian markets also ended in red over prospects of a global trade war, say traders

SPECIAL CORRESPONDENT MUMBAI

With investors turning cautious amid global trade wars and political uncertainty at home, equity indices declined for the third straight session.

The benchmark BSE Sensex ended 509.54 points lower, or 1.51%, to 33,176, while the Nifty 50 fell 165 points, or 1.59%, to close at 10,195.15.

Selling pressure

According to traders, Asian markets also ended in red over the prospects of a global trade war, which exerted selling pressure on the domestic markets. This was the biggest fall of the benchmark indices since February 6. At



Turning red: All sectoral indices declined as Nifty Bank, Auto, FMCG, Metal and Realty indices closed lower. • PAUL NORONHA

home, political uncertainties emerged after the Telugu Desam Party decided to quit the National Democratic Alliance government at the Centre and demanded a no-confidence motion against the NDA government.

“Trading for the day be-

gan on a dull note as the key benchmark indices edged lower in early trade on negative Asian stocks,” according to Karthikraj Lakshmanan, senior fund manager, Equities, BNP Paribas Mutual Fund.

“Subdued global markets

and bits of political skirmishes at home, dampened investor sentiment. The India VIX (volatility index) shot up by over 5% today while all of the sectoral indices on the National Stock Exchange (NSE) closed the day in the red,” Mr. Lakshmanan said.

All sectoral indices were in the red as Nifty Bank, Auto, FMCG, Metal, Pharma and Realty indices closed lower in the range of 1-2%. Some late pullback in the technology stocks helped the IT index to cut its loss to half a percent.

Market participants said bears could take charge of the market if the present headwinds persist and the Nifty 50 may test 10,000 levels.

Edelweiss calls off Religare securities deal

Says seller unable to get approvals

SPECIAL CORRESPONDENT MUMBAI

Edelweiss Financial Services has decided to call off its proposed acquisition of Religare Enterprise Ltd.’s securities business as the latter failed to secure necessary regulatory approvals.

The deal, valued at about ₹250 crore, was announced in December 2017.

“We... inform you that due to the seller’s inability to obtain the requisite clearances within agreed timeline, the binding agreement has come to an end on March 15, 2018,” Edelweiss informed the exchanges on Friday. Edelweiss was to ac-



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quire Religare Enterprises’ securities business, which includes securities and commodities broking, and depository participant services. Edelweiss’ stock fell 1.57% to close at ₹265.60 on the BSE, while Religare’s shares fell 1.81% to ₹57.05.

Audi to raise prices of cars by up to 4%

SPECIAL CORRESPONDENT MUMBAI

German carmaker Audi is set to raise prices of its entire range by up to 4% from April 1 owing to a rise in customs duty announced in the Union Budget. The price increase will range from ₹1 lakh to ₹9 lakh, according to a statement.

“The increase in customs duty and social welfare surcharge in lieu of an education cess in the Budget made the increase in prices inevitable,” said Rahil Ansari, head, Audi India. He added the industry expected support from the Centre. Improved car sales would only help the Centre garner more accumulated tax revenues, he said.

Higher trade deficit pushes up Q3 current account deficit to \$13.5 billion

It was \$8 billion in the year-earlier period; net foreign direct investment falls 55%

PRESS TRUST OF INDIA MUMBAI

The current account deficit (CAD) rose to 2% of the GDP or \$13.5 billion in the December quarter, up from \$8 billion or 1.4% in the year-ago period, on the back of higher trade deficit, according to Reserve Bank of India (RBI).

The CAD, which shows the difference between foreign exchange earned and spent, stood at \$7.2 billion or 1.1% of gross domestic product (GDP) in the preceding September quarter, according to the data released by the central bank on Friday.

“The widening of the CAD on a year-on-year basis is primarily due to a higher trade



deficit which rose to \$44.1 billion in the reporting quarter due to a larger increase in merchandise imports relative to exports,” the central bank said in a statement.

On a cumulative basis, CAD more than doubled to 1.9% of GDP in the April-De-

cember 2017 period from 0.7% in the corresponding period of 2016-17 due to wider trade deficit, which increased to \$118.9 billion from \$82.7 billion.

Services’ receipts

Net services’ receipts rose 17.8% during the reporting quarter mainly on the back of a rise in net earnings from software services and travel receipts. Private transfer receipts, mainly representing remittances, amounted to \$17.6 billion, an increase of 16% from over a year ago.

In the financial account, net foreign direct investment stood at \$4.3 billion, almost 55% less than in the year-ago

period when it was at \$9.7 billion, the apex bank data showed. However, net portfolio investment inflows were in the green at \$5.3 billion in Q3, compared with an outflow of \$11.3 billion in the year-ago period, due to net purchases in both the debt and equity markets.

Net receipts on account of non-resident deposits amounted to \$3.1 billion in the reporting quarter as against net repayments of \$18.5 billion a year ago.

During the three months to December 2017, forex kitty swelled by \$9.4 billion (on balance of payment basis) as against a depletion of \$1.2 billion in Q3 of FY17.

CETC India starts work on solar unit

SPECIAL CORRESPONDENT CHENNAI

CETC (India), an ancillary of China Electronics Technology Group Corporation (CETC), is setting up a solar photovoltaic cell (PVC) manufacturing park at Sri City, near here, according to a top official.

The first phase of the project would go on stream in 18 to 20 months. The civil work for the construction of the facility had already commenced.

According to Liu Liehong, general manager, CEO, CETC, the firm chose Sri City for the project after surveying various sites in India. The plant, which would be built on a plot of 18 acres in the domestic tariff zone at an initial investment of about ₹320 crore, would be commissioned by the last quarter of 2019.

‘India’s steel imports from S. Korea, Japan may rise’

No major impact due to U.S. tariff in medium term: ICRA

SPECIAL CORRESPONDENT MUMBAI

India is likely to witness an increase in steel imports from South Korea and Japan in the near term due to global readjustment of trade patterns after the U.S. imposed a 25% import tariff on the commodity, rating agency ICRA said in a note.

Both South Korea and Japan, which have free trade agreements (FTA) with India, are expected to raise their exports to countries with which they have such pacts, following the move by the U.S.

Together, the two countries exported about 5 million tonnes (mt) of steel to the U.S. in calendar 2017.

ICRA, however, said the impact of U.S. tariffs may not



• AP

be significant in the medium term as 26 mt of affected imports to that country would be absorbed by the 25 mt increase in the global demand elsewhere, especially in emerging economies.

Also, Chinese steel exports had been declining in the last two years, reaching 75 mt in 2017 from a peak of 112 mt in 2015, providing an

opportunity to other countries to fill this gap left by China, by diverting volumes away from the U.S.

‘Meagre exports to U.S.’

“India’s steel exports to the U.S. remained a meagre 0.7 mt in [calendar] 2017,” said Jayanta Roy, senior VP, ICRA. “India’s steel mills should be able to find an [alternative] market for its nominal U.S. export volumes without much difficulty.”

Agreeing, P. Madhusudan, CMD, Rashtriya Ispat Naigam Ltd., said, “The National Steel Policy 2017 envisaged an additional investment of ₹10 lakh crore in capacity addition by FY31. [Jobs] generation would increase to about 36 lakh from the current 25 lakh.”

Grocery start-up Grofers raises ₹400 crore from SoftBank, others

Funds to help firm in domestic battle against Amazon, bigbasket

SPECIAL CORRESPONDENT BENGALURU

Online grocery start-up Grofers has raised ₹400 crore in a fresh funding round led by SoftBank, the Japanese tech-finance conglomerate.

Other existing investors, including the U.S.-based Tiger Global and Russian billionaire Yuri Milner-backed fund Apolloletto Asia also participated in this round.

‘Building war chest’

The total funds raised by the Gurugram-based firm now stands at \$226.5 million. The latest capital infusion is expected to help Grofers build its war chest in the battle against retail giant Amazon and Bengaluru-based online grocer bigbasket which, in February this year, Grofers



Bag full: The funds raised would be used to efficiently manage supply chain, according to the company. • GETTY IMAGES/ISTOCK

raised \$300 million in a funding round led by China’s Alibaba.

“This fresh round by our existing investors is a vote of confidence and trust in the turnaround at Grofers,” said Albinder Dhindsa, co-found-

er and chief executive officer Grofers, in a statement. “We took some hard decisions to fix parts of the business that were not scaling well,” he said. Grofers would use the fresh funding from the series E round to invest

in building private labels and in supply chain improvements.

The firm said a significant amount of investment will go towards building infrastructure and technology. Grofers would also use the money to efficiently manage the supply chain to achieve deeper penetration in cities where it is already present.

‘Path to profitability’

An alumnus of IIT-Delhi, Mr. Dhindsa co-founded Grofers in 2013 along with IIT-Bombay alumnus Saurabh Kumar, who was also his colleague at Cambridge Systematics. “Our efforts have clearly contributed in making sure we have a clear path to profitability,” said Mr. Dhindsa.

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