

Sony hangs up on India smartphone market

Dwindling sales behind Japanese major's exit; customer support to continue

MIRZA MOHAMMED ALI KHAN
New Delhi, May 22

Sony on Wednesday said it has exited the smartphone market in India as it looks to focus on its key markets — Japan, Europe, Hong Kong and Taiwan — to drive profitability.

Apart from India, Sony has pulled out of some other markets as well. “We have ceased sales in Central and South America, West Asia, South Asia, Oceania, etc. in FY18, but we will keep monitoring the market situations and business feasibility,” the company said.

In the US and China, Sony has withdrawn from the operator business but will continue selling in the open market. Earlier in March, the company had ceased its production in China.

However, Sony also said that it would continue customer support in India. “We ceased sales in India in FY18, but we are committed to continuing

customer support operations including after-sales support and software updates for existing customers in India,” it said.

Sony Xperia phones did have a loyal fanbase in the country for a while, thanks to their camera features (on the top-end variants) and a smooth operating system along with good audio capabilities. But the onset of Chinese brands offering cheaper-budget and mid-range options with good quality specs saw its market share fall.

At the top-end of the smartphone market, competition from the likes of Apple and Samsung, along with the rise of OnePlus led to the Japanese company falling behind. Of late, even South Korean gadget-maker LG has not been able to keep pace with the currently popular brands in the Indian smartphone market.



Some Sony handsets are still available on e-commerce sites BLOOMBERG

Some of Sony's Xperia offerings are still available on e-commerce platforms, but according to industry analysts, their sales have been dwindling for some time.

Data from industry research firm Counterpoint show that Sony's share in India's smartphone market had fallen to very low figures. “Sony had less than 0.01 per cent of the total India smartphone market share in Q1 2019,” Shobhit Srivastava, Research Analyst, Counterpoint,

told BusinessLine. “The pressure from Chinese brands and Samsung in the major price segments resulted in continuous decline of sales for Sony. With declining sales in India and other markets, Sony took the right decision to focus on the high ASP (average selling price) markets such as Japan.”

However, Sony seems to have left the door slightly open in India, as it said: “We will keep monitoring the market situation and business feasibility in India.”

Honor launches three new Android smartphones

Brand president silent on Google's suspension of ties with Huawei

MALA BHARGAVA
London, May 22

Against a backdrop of an intense trade stand-off between the US government and the Chinese company Huawei, the launch of three new smartphones from Huawei's sub-brand Honor con-

cluded in London. The Honor 20 Series phones are camera-centric devices with quad-camera set-ups meant to offer more affordable alternatives to the parent brand Huawei's phones such as the P30 Pro. Also included in the trio of new devices is a mid-range youth-oriented smartphone already launched in China in April.

All three new Honor 20 Series smartphones function on Google's Android 9 Pie op-

erating system. But in a shock move on Monday, Google said it would be suspending business with Huawei, generating confusion and uncertainty regarding what would happen to updates to existing Huawei phones, and of course all future Android-based phones and tablets from the company.

Subsequently, according to a Reuters report, Huawei is to receive a “90-day temporary general licence” to continue to use US technology that it already has licence to.

Meanwhile, the Honor 20 Series phones were introduced by Honor president George Zhao who did not talk about the situation with the US government or Google. He presented the new phones as being aimed at young people everywhere. Leading the series is the Honor 20 Pro with a quad-camera array. The primary sensor is a 48MP one with an f/1.4 aperture. Its telephoto lens can zoom 3x optically and 30x digitally.

There's also a 16MP ultra-wide-angle sensor with an f/2.2 aperture.

A 2MP macro-lens with an f/2.4 aperture allows for really close focus, and supports 4cm macro-photography. It has a 32MP selfie front camera using a punch hole format.

The 20 Pro is powered by the Kirin 980 SoC, and has 8GB RAM and 256GB storage. On the software front, the Honor 20 Pro runs Magic UI 2.0 based on Android 9 Pie. The expected date of launch for the three devices is June 11, with the flagship possibly being priced around ₹46,000, though no India pricing has yet been revealed.

The Honor 20 and Honor 20i are somewhat scaled-down in cameras, specs and price. These are attractively designed phones using a holographic light-reflecting look, likely to appeal to young people.

This writer is in London at the invitation of Huawei.



President of Huawei's Honor brand, George Zhao, launches the Honor 20 range of smartphones, in London REUTERS

Slowdown in enterprise business hems in TechM

Q4 COMMENT

Telecommunications division sees good momentum

VIVEK ANANTH
BL Research Bureau

Slowing growth in its enterprise business, along with a fall in margins saw Tech Mahindra report a net profit of ₹1,133 crore in the quarter ended March, down 6.6 per cent from the October-December quarter. Forex hedging-related charges and a one-time impact due to charges related to some contracts the company had exited weighed on its margins.

During the quarter, Tech Mahindra reported EBITDA margins of 18.4 per cent compared with 19.3 per cent a quarter ago. If we were to normalise for the impact of one-time items during the quarter, the margins came in at 18.7 per cent.

Due to a seasonal slowdown in retail spends by clients, and some deals in the enterprise business being deferred to the new financial year, the enterprise business slowed during the quarter.

Tech Mahindra reported revenues of ₹8,892 crore, down 0.6 per cent sequentially. The slowdown in the enterprise business (revenues fell 2 per cent sequentially in US dollar terms) was due to a fall in retail and financial services.

However, the telecommunications business saw good momentum during the quarter, growing 4.4 per cent in US dollar terms. That's a third consecutive quarter of

healthy growth for the communications business. Telecom makes up for nearly 41 per cent of the firm's annual revenues.

Digital growth

Robust growth in digital services saw it contribute 31 per cent of the total 2018-19 revenue of ₹34,742 crore. Tech Mahindra's government, defence and digital initiatives performed well, along with 5G services (part of its telecom business).

At the end of the January-March quarter, digital accounted for 34 per cent of total revenues. Growth in the enterprise business is expected to pick up only after a few deals in the pipeline close in the first half of 2019-20.

During the quarter, Tech Mahindra added two customers in the over-\$50-million bucket, four in the over-\$20-million and nine in the over-\$1-million bucket.

However, the number of customers in the over-\$10-million bucket fell by five, and by one in the over-\$5-million bucket. As a whole, the company has 938 active clients, up by three over the previous quarter.

Attrition remained high at 21 per cent for a second consecutive quarter, and there was also a fall in the total number of employees by 760 to 1,21,082.

This helped the company's employee expenses fall 4.7 per cent to ₹4,307 crore compared with the October-December quarter. Utilisation of employees, excluding trainees, fell during the quarter to 82 per cent from 83 per cent a quarter ago.

Drop in mobile user base not worrisome: COAI

Attributes it to consolidation of multiple SIMs, weeding out of low-usage connections

PRESS TRUST OF INDIA
New Delhi, May 22

The Cellular Operators' Association of India said on Wednesday that not too much should be read into the drop in mobile subscriber numbers for March, as the reduced numbers are a result of consolidation of multiple, unused SIMs and weeding out of low-usage connections by operators. The comments came a day after data from the Telecom Regulatory Authority of India (TRAI) showed that the country's total wireless subscribers fell

to 1,161.8 million as of March 31, shedding 21.87 million users over the previous month.

The overall teledensity in India declined to 90.11 at the end of March, from 91.86 in February.

The mobile subscriber base of Vodafone Idea and Bharti Airtel shrunk by nearly 14.5 million and 15.1 million, respectively, as of March, over the previous month, while Reliance Jio added 9.4 million users during the period.

COAI Director General Rajan Mathews attributed the fall to a combination of factors such as

subscribers with multiple SIMs making a decision to move onto one mobile number.

He said that with the roll-out of 'minimum recharge plans' by operators, many low-usage customers may have decided not to continue with multiple connections. Also, the requirement of recharging within a set period to keep the number active may have led to discontinuation of connections, he added.

“It is not worrisome, because of those factors. The improvement in revenue and increase in average revenue per user (ARPU) in future will confirm this,” Mathews told PTI.

ITI signs MoU with DoT

OUR BUREAU
Bengaluru May 22

ITI, a Bengaluru-based public sector undertaking in the telecommunications technology space, has signed a Memorandum of Understanding with the Department of Telecommunications for 2019-20.

The MoU envisages greater thrust to manufacturing equipment and other emerging technology products for broadband, internet of things, etc.

The MoU will also focus on driving the 'Make in India' and 'Digital India' initiatives of the Centre.



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EXTRACT OF AUDITED STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019

Sl. No.	Particulars	Standalone				Consolidated	
		Quarter ended		Year ended		Year ended	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
		Unaudited		Audited		Audited	
1	Total Income from Operations	78760.90	60060.26	296215.87	235512.33	296215.87	235512.33
2	Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	16093.32	14159.95	75137.52	60486.01	74751.53	60424.14
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	16093.32	14159.95	75137.52	60486.01	74751.53	60424.14
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	9750.58	9162.09	48117.79	39675.01	47778.77	39625.99
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	9665.15	9009.79	47922.62	39540.93	47583.60	39491.91
6	Equity share capital	13154.04	13593.60	13154.04	13593.60	13154.04	13593.60
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year			320053.77	311993.09	319710.00	311953.71
8	Earnings Per Share (of Rs 10 each) (for continuing and discontinued operations) Basic & Diluted (₹)	7.41	6.74	35.72	31.03	35.47	31.00

Notes:

- The above is an extract of detailed format of financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the audited financial results are available in the Company's website (www.cochinshipyard.com) and in the websites of the National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (www.bseindia.com).
- Debt Equity Ratio: 0.04, Debt Service Coverage Ratio: 34.73, Interest Service Coverage Ratio: 72.82, Capital Redemption Reserve: ₹12353.76 lakhs, Debenture Redemption Reserve: ₹1524.27 lakhs, Net Worth: ₹ 333207.81 lakhs (Standalone)
- The above audited Financial Results for the year ended March 31, 2019 was reviewed by the Audit Committee at the meeting held on May 21, 2019 and approved by the Board of Directors and taken on record at the meeting held on May 21, 2019.
- Pursuant to the approval of the Board of Directors at their meeting held on October 16, 2018, 43,95,610 (Forty Three Lakh Ninety Five Thousand Six Hundred and Ten) equity shares (representing approximately 3.23% of the total number of equity shares in the issued, subscribed and paid-up equity share capital of the Company as at March 31, 2018) were bought back from the shareholders / beneficial owners of equity shares of the Company as on the record date i.e. October 31, 2018 ("Record Date"), on a proportionate basis, through the "Tender Offer" route at a price of Rs. 455/- (Rupees Four Hundred and Fifty Five Only) per equity share for an aggregate amount of Rs. 200,00,02,550/- (Rupees Two Hundred Crore Two Thousand Five Hundred and Fifty Only). The tendering period for the Buyback Offer opened on November 28, 2018 and closed on December 11, 2018. The settlement of all valid bids was completed by Clearing Corporation of India Ltd. on December 18, 2018 and the equity shares bought back were extinguished on December 20, 2018.

Utilization of funds from proceeds of IPO as on March 31, 2019

Particulars	₹ In Crores
Proceeds from Initial Public Offer (IPO)	961.95
Less: IPO expenses (Company's share)	21.72
Net IPO proceeds	940.23
Add Interest amount reinvested	60.41
Total Proceeds plus interest	1000.64
Less Utilisation of Proceeds for:	
General Corporate Purpose (GCP)	165.23
Construction of New Dry Dock	256.38
ISRF	210.60
Fund Balance as on 31.03.2019	368.44
Parking of funds in Fixed Deposits	368.39
Parking of Funds in Current Accounts	0.05
Parking of funds as on 31.03.2019	368.44

For Cochin Shipyard Limited
Chairman & Managing Director

IndusInd Bank

CIN: L65191PN1994PLC076333 | Regd. Office: 2401, Gen. Thimmayya Road, Cantonment, Pune - 411 001.
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Q4 FY 19 Performance

Credit & Deposit up by **29% Y-o-Y**

Operating Profit at **₹2,068 Crs**

CASA up by **26% Y-o-Y**

Non Interest Income up by **29% Y-o-Y**

CRAR at **14.16%**

Audited Financial Results for the quarter / year ended March 31, 2019

Particulars	Quarter ended 31.03.2019 (audited)	Year ended 31.03.2019 (audited)	Quarter ended 31.03.2018 (audited)
Total income from operations	755043	2790787	585862
Net Profit / (Loss) for the period (before tax, exceptional and /or extraordinary items)	50700	498057	143384
Net Profit / (Loss) for the period before tax (after exceptional and /or extraordinary items)	50700	498057	143384
Net Profit / (Loss) for the period after tax (after exceptional and/or extraordinary items)	36010	330110	95309
Equity Share Capital	60269	60269	60022
Reserves (excluding Revaluation Reserve as shown in the Audited Balance Sheet of the previous year)	2575773 (As at 31.03.2019)	2575773 (As at 31.03.2019)	2287922 (As at 31.03.2018)
Earnings Per Share (of ₹10 each) (for continuing and discontinued operations) (not annualised)			
- Basic	5.98	54.90	15.88
- Diluted	5.94	54.46	15.73

Note:

- The above is an extract of the detailed format of Quarterly / Annual Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Stock Exchange websites (www.bseindia.com and www.nseindia.com) and Bank website www.indusind.com
- Information relating to Total Comprehensive Income and Other Comprehensive Income are not furnished as Ind AS is not yet made applicable to banks.

Romesh Sobti
Managing Director & CEO

Mumbai
May 22, 2019

