

# Market pares gains

Key benchmark indices pared gains in early afternoon trade. At 12:16 IST, the barometer index, the S&P [BSE](#) Sensex, was up 69.51 points or 0.22% at 31,973.91. The [Nifty](#) 50 index was up 18.25 points or 0.18% at 9,891.55. The [Sensex](#) was trading below the psychologically important 32,000 mark after crossing that level in intraday trade. Strong gains in index pivotal [Reliance](#) Industries (RIL) and IT major [Wipro](#) boosted key indices.

Among secondary barometers, the [BSE](#) Mid-Cap index was up 0.17%. The [BSE](#) Small-Cap index was up 0.14%. Both these indices underperformed the [Sensex](#).

The market breadth, indicating the overall health of the market, was positive. On [BSE](#), 1,294 shares rose and 1,118 shares fell. A total of 129 shares were unchanged.

Realty shares were mixed. Indiabulls Real Estate (up 1.27%), Godrej Properties (up 1.05%), Prestige Estates Projects (up 0.96%), Unitech (up 0.58%), Housing Development and Infrastructure (HDIL) (up 0.40%), Omaxe (up 0.17%), Sunteck Realty (up 0.15%) and Phoenix Mills (up 0.01%), edged higher. D B Realty (down 0.26%), Mahindra Lifespace Developers (down 0.31%), Oberoi Realty (down 0.48%), Peninsula Land (down 0.76%), Parsvnath Developers (down 0.98%), Anant Raj (down 1.37%), DLF (down 1.53%) and Sobha (down 1.99%), edged lower.

Most auto stocks declined. Mahindra & Mahindra (down 0.82%), Escorts (down 0.61%), Eicher Motors (down 0.58%), TVS Motor Company (down 0.42%), Bajaj Auto (down 0.15%) and Hero MotoCorp (down 0.08%), edged lower. Tata Motors (up 0.12%) and Maruti Suzuki India (up 0.33%), edged higher.

Commercial vehicles maker Ashok Leyland was down 1.37%. The company will announce April-June 2017 results today, 21 July 17.

Jaiprakash Associates surged 8.68% to Rs 25.05, with the stock extending recent gains triggered by the disclosure showing ace investor Rakesh Jhunjhunwala picking up stake in the firm. The disclosure showed Rakesh Jhunjhunwala held 2.5 crore shares, or 1.03% stake, in Jaiprakash Associates as of 30 June 2017. It is not known whether Jhunjhunwala owned any stake prior to the quarter as individual shareholders' holding details show up on exchanges only if the total stake held is above 1%.

The company had announced on 19 July 2017 that board of directors has by resolution passed through circulation on 19 July 2017, accepted the resignation of Rahul Kumar as tendered by him due to personal reasons, from the office of whole-time Director and Chief Financial Officer, with effect from close of working hours on 31 July 2017.

IT major [Wipro](#) jumped 6.90% to Rs 287.55 after the company at the time of announcing Q1 results said that its board approved buyback of shares up to Rs 11000 crore.

[Wipro's](#) consolidated net profit fell 8.13% to Rs 2082.60 crore on 3.09% fall in net sales to Rs 13626.10 crore in Q1 June 2017 over Q4 March 2017. The result was announced after market hours yesterday, 20 July 2017. The results are as per International Financial Reporting Standards (IFRS).

The company's consolidated revenue from IT services segment in dollar terms rose 0.9% to \$1,971.7 million in Q1 June 2017 over Q4 March 2017.

Jatin Dalal, Chief Financial Officer of [Wipro](#) said that the impact on operating margins by rupee appreciation and salary increases was partially offset by strong business efficiencies. The company continues to sustain robust cash generation.

[Wipro](#) expects revenue from IT Services business to be in the range of \$1,962 million to \$2,001 million in Q2 September 2017.

[Wipro's](#) board of directors approved a buyback proposal of up to 34.37 crore shares (representing 7.06% of total paid-up equity capital) from the shareholders of the company on a proportionate basis by way of a tender offer at Rs 320 per equity share for an aggregate amount not exceeding Rs 11000 crore. Promoters have indicated their intention to participate in the proposed buyback.

Index pivotal [Reliance](#) Industries (RIL) rose 1.78% to Rs 1,555.85 after consolidated net profit rose 28% to Rs 9108 crore on 26.7% rise in revenue to Rs 90537 crore in Q1 June 2017 over Q1 June 2016. The announcement was made after market hours yesterday, 20 July 2017.

RIL's increase in revenue is primarily on account of increase in prices and volumes of refining and petrochemical products partially offset by lower prices and volumes from exploration and production (E&P) business. Revenue was also boosted by robust growth in retail business which recorded a 73.6% increase in revenue to Rs 11571 crore. [Reliance](#) Retail witnessed growth across all consumption baskets during the quarter.

Strong refining and petrochemicals margin environment contributed to higher operating profits for the quarter. Gross refining margins recorded nine-year-high of \$ 11.9 per bbl whereas petrochemicals EBIT (earnings before interest and depreciation) margin were at all-time high of 15.8%. Gross refining margin rose to \$11.9 per barrel in Q1 June 2017 from \$11.5 per barrel in Q1 June 2016.

Meanwhile, the board of directors of [RIL](#) considered and approved an investment in Balaji Telefilms (BTL), to acquire 2.52 crore equity shares constituting 24.92% of BTL's equity, through subscription to preferential issue of shares by BTL to [RIL](#) for cash consideration of Rs 164 per equity share amounting to an investment of Rs 413.28 crore. This investment in content production (including digital content) is in line with RIL's commitment to invest and grow in telecom digital and media businesses.

Media company Balaji Telefilms surged 4.23% to Rs 194.55 after the company said its board approved preferential issue of 2.52 crore shares of the company at Rs 164 per share, aggregating Rs 413.28 crore to [Reliance](#) Industries. The announcement was made after market hours yesterday, 20 July 2017.

Overseas, most Asian shares declined, taking a breather from recent upmove and after the European Central Bank (ECB) took a dovish stance on policy and its ongoing stimulus program.

ECB left its key interest rates unchanged on Thursday. The ECB also reiterated its plan to purchase 60 billion euros worth of government bonds and other assets each month through December.

US stocks finished mostly lower on Thursday as Home Depot weighed on the Dow, but the Nasdaq bucked the trend to match its best win streak since February 2015 and closed at a record. The Dow Jones Industrial Average shed 28.97 points, or 0.1%, to end at 21,611.78. The Nasdaq Composite Index edged up 4.96 points to close at 6,390, rising for a 10th session in a row. The S&P 500 index slipped 0.38 points to finish at 2,473.45.