

DOMESTIC:

- Piramal Enterprises to launch extensions for Saridon after SC lifts the ban
- SBI to sell NPAs worth more than Rs1,000cr
- Lupin gets USFDA nod for anti-inflammatory drug
- Jet Airways lenders to consider interim funding of Rs500cr:PNB
- Reliance Jio at the cusp of becoming India's largest telco
- Shilpa Medicare gets USFDA nod for cancer drug
- SEBI slaps fine on 6 entities for fraudulent trade
- Wipro shareholders approve bonus issue of 1:3
- Lupin launches generic Minocycline Hydrochloride ER tablets
- NBCC signs MoU with RSCL
- Bharti Airtel to conduct trial of Nokia's 5G-ready telecom gear
- Maruti Suzuki expands pre-owned sales network to 200 outlets
- Mahindra and Mahindra launches e-mobility service in Mumbai
- Bharti Airtel partners with Ciena to deliver ultra-fast data over 4G, 5G and FTTH
- Bank of Baroda plans international auction of Rs1,838cr RCom debt
- Tata Steel board approves plans to raise up to Rs5,000cr
- Airtel, Vodafone Idea in talks for fibre joint venture
- GMR bags airport project in Andhra Pradesh
- HG Infra bagged an EPC order worth Rs189.49cr
- Torrent Pharma recalls around 2.30lakh bottles of high BP treatment tablets from US
- Bharti Airtel's board approves Rs32,000cr fund raise
- Motherson Sumi to acquire Bombardier's UK rolling stock electrical biz for 10.87mn pounds
- RIL in talks to acquire logistics startup Grab
- Lupin launches chronic angina treatment drug in the US
- Carlyle acquires 9% Stake in SBI Life for Rs4,600cr
- NCC won orders of Rs4,088cr in Feb
- Aurobindo Pharma says USFDA observations for Unit IV not related to data integrity

ECONOMY:

- India's GDP growth likely slowed to 6.9% in December quarter: Poll
- RBI to pump in Rs1lakhcr cash to ease liquidity
- Cabinet approves FAME 2 policy at the cost of Rs10,000cr
- Moody's says India to grow at 7.3% in 2019, 2020

INDUSTRY:

- GST Council cuts rates sharply to make room for housing growth
- USFDA chief supports generics made in India
- TRAI to decide on rules for Internet calling, messaging firms soon

Price Performance

Company	1M	3M	12M
Supreme Petrochem Ltd	3.7%	-0.8%	-42.8%
Shanthi Gears Ltd	-4.6%	-4.5%	-18.1%
Hind Rectifiers Ltd	7.9%	2.9%	-13.6%
KCP Ltd	0.7%	-4.1%	-32.1%
Hester Biosciences Ltd	6.7%	3.6%	-22.0%
The Hi-Tech Gears Ltd	0.9%	-9.4%	-30.6%
Bharat Bijlee Ltd	-3.5%	-3.7%	-38.1%
Triveni Turbines Ltd	-1.7%	-10.0%	-12.4%
Siemens Ltd	-2.1%	7.0%	-12.7%
Aksh Optifibre Ltd	-10.3%	-22.5%	-46.7%
GMM Pfaudler Ltd	7.9%	10.8%	64.5%
Alicon Castalloy Ltd	1.7%	-14.2%	-12.2%
Gufic Biosciences Ltd	-11.6%	-17.0%	-38.4%
Excel Industries Ltd	5.1%	-22.5%	36.2%
Vesuvius India Ltd	1.1%	1.4%	-14.1%
Munjal Showa Ltd	0.2%	-3.5%	-25.0%
Bharat Rasayan Ltd	-13.7%	-32.1%	-18.0%
Alkyl Amines Chemicals Ltd	-4.9%	-4.0%	14.8%
Grauer and Weil (India) Ltd	6.3%	-3.7%	-23.3%
Texmaco Rails & Engineering Ltd	6.7%	7.5%	-36.9%
Nagarjuna Agrichem Ltd	11.0%	12.9%	-30.5%
Simplex Infrastructures Ltd	3.7%	-25.9%	-71.3%
ITD Cementation India Ltd	-4.1%	5.9%	-38.4%
Westlife Development Ltd	-6.9%	2.2%	5.3%
Federal Mogul Goetze (India) Ltd	-5.3%	11.4%	-3.3%
Dynamic Technologies Ltd	6.9%	-5.2%	-26.4%
Hitech Corporation Ltd	-37.6%	-14.4%	-36.4%
NRB Bearings Ltd	8.0%	7.5%	26.5%
Kokuyo Camlin Ltd	-4.5%	-13.7%	-23.8%
Timken India Ltd	1.0%	7.2%	-26.1%
Morganite Crucible (India) Ltd	-3.2%	-4.6%	40.6%
Vardhman Special Steels Ltd	27.1%	6.6%	-33.3%
Zen Technologies Ltd	-5.4%	15.5%	-48.7%
KSB Ltd	-5.4%	-15.3%	-18.5%
Thermax Ltd	-10.6%	-3.3%	-18.5%
Transpek Industry Ltd	2.4%	0.6%	13.4%
BASF India Ltd	-1.8%	-15.9%	-34.9%
Artson Engineering Ltd	-13.1%	-28.5%	-54.1%
Remsons Industries Ltd	-35.9%	-18.0%	-9.7%
Snowman Logistics Ltd	-0.8%	-12.2%	-40.1%
Alembic Pharmaceuticals Ltd	-7.1%	-10.8%	-1.0%
SKF India Ltd	2.0%	0.8%	8.7%
Indian Hume Pipe Co. Ltd	-12.5%	-5.8%	41.2%
Engineers India Ltd	-4.5%	-5.3%	28.3%
Gulshan Polyols Ltd	-11.3%	-11.9%	-33.2%
Nesco Ltd	-1.8%	-2.4%	-26.4%
Castrol India Ltd	-0.2%	4.6%	59.2%
Hikal Ltd	9.6%	9.2%	-1.6%

The week that went by:

Following the strong Asian markets, the markets commenced the week on a strong note. The geo-political tension at the Indo-Pak border, led to a weak opening for the markets on Day 2 of the trade week. In the midweek session, the markets however opened on a higher note. The last day of trade was a good strong close to the week with positive sentiments passed on through the entire gamut of indices.

Coverage Universe Valuations												
Company	Reco	Reco at	CMP	Tgt price	Upside	Mcap	EPS(x)		PE(x)		EV/EBITDA (x)	
	(Rs)	(Rs)	(Rs)	(Rs)	(%)	(Rs bn)	FY18	FY19E	FY18	FY19E	FY18	FY19E
Supreme Petrochem Ltd	BUY	77	207	275	32.6	20.0	6.6	6.4	31.3	32.4	9.6	11.7
Shanthi Gears Ltd	BUY	107	118	200	69.5	9.6	3.5	3.9	33.7	30.3	26.2	22.1
Hind Rectifiers Ltd	BUY	69	117	175	50.2	1.8	0.8	5.3	147.8	22.0	24.6	12.3
KCP Limited	BUY	71	86	150	73.9	11.1	7.0	7.0	12.4	12.3	9.4	8.3
Hester Biosciences Ltd	BUY	565	1325	1750	32.1	11.3	35.9	39.8	36.9	33.3	11.0	9.9
The Hitech Gears Ltd	BUY	298	309	500	61.9	5.8	17.0	21.2	18.2	14.5	10.6	9.3
Bharat Bijlee Ltd	BUY	787	1071	2000	86.8	6.1	25.1	37.4	42.7	28.6	24.5	20.3
Triveni Turbines Ltd	BUY	92	103	150	45.1	0.3	3.0	3.1	34.7	33.2	21.7	20.8
Siemens Ltd	BUY	1128	1007	1350	34.0	358.5	53.0	53.6	19.0	18.8	25.3	24.9
Aksh Optifibre Ltd	BUY	15	20	30	52.7	3.2	1.4	2.7	13.7	7.2	7.5	4.7
GMM Pfaudler Ltd	BUY	332	1183	1300	9.9	17.3	19.4	26.7	60.9	44.4	37.2	27.2
Alicon Castalloy Ltd	BUY	288	549	850	54.8	6.8	29.0	46.6	19.0	11.8	8.9	6.5
Gufic Biosciences Ltd	BUY	50	72	150	107.0	5.6	1.9	3.1	38.8	23.3	16.6	13.0
Excel Industries Ltd	BUY	380	1158	1800	55.4	15.0	58.1	112.2	19.9	10.3	11.9	6.3
Vesuvius India Ltd	BUY	1165	1152	1500	30.2	23.0	52.3	56.3	22.0	20.5	11.1	10.7
Munjjal Showa Ltd	BUY	191	171	250	45.9	6.9	19.4	21.5	8.8	8.0	5.9	5.2
Bharat Rasayan Ltd	BUY	2747	3719	5000	34.4	15.6	227.3	257.5	16.4	14.4	10.8	9.4
Alkyl Amines Chemicals Ltd	BUY	391	727	850	17.0	14.8	31.5	38.9	23.0	18.7	14.0	10.7
Grauer and Weil (India) Ltd	BUY	45	50	65	31.0	11.2	2.7	3.0	18.6	16.8	11.7	11.0
Texmaco Rails & Engineering Ltd	BUY	91	59	150	153.0	20.2	0.5	1.8	129.4	32.7	58.0	17.0
Nagarjuna Agrichem Ltd	BUY	29	30	45	48.8	4.7	0.7	0.8	44.1	38.3	14.0	13.2
Simplex Infrastructures Ltd	BUY	540	163	300	84.5	20.2	30.5	31.8	5.3	5.1	6.3	5.9
ITD Cementation India Ltd	BUY	158	111	180	62.7	17.2	8.3	9.8	13.3	11.3	7.3	6.4
Westlife Development Ltd	BUY	266	354	425	20.2	55.0	0.8	1.6	426.3	222.9	73.3	51.5
Federal Mogul Goetze (India) Ltd	BUY	540	480	750	56.3	26.7	14.9	18.0	32.2	26.6	14.3	13.0
Dynamatic Technologies Ltd	BUY	2160	1432	2750	92.0	9.1	1.1	51.1	1261.2	28.0	11.5	8.8
Hitech Corporation Ltd	BUY	175	98	180	83.7	1.7	4.5	6.4	21.7	15.4	8.6	6.5
NRB Bearings Ltd	BUY	138	205	240	16.8	19.9	8.5	10.4	24.3	19.8	14.2	11.9
Kokuyo Camlin Ltd	BUY	132	92	175	89.9	9.2	1.0	1.5	94.1	62.6	27.6	22.0
Timken India Ltd	BUY	883	574	1000	74.2	39.0	13.5	19.0	42.4	30.2	23.9	15.2
Morganite Crucible (India) Ltd	BUY	1047	1420	2300	62.0	4.0	49.6	63.9	28.6	22.2	2.8	2.5
Vardhman Special Steels Ltd	BUY	151	108	140	29.6	3.9	7.0	8.7	15.4	12.4	9.7	8.0
Zen Technologies Ltd	BUY	115	71	170	139.3	5.5	-0.1	0.8	-1409.3	88.2	-290.6	52.7
KSB Ltd	BUY	820	648	1100	69.7	22.6	18.8	21.2	37.0	32.8	15.5	13.8
Thermax Ltd	BUY	1019	987	1230	25	117.6	22.1	26.8	44.7	36.8	31.7	27.1
Transpek Industry Ltd	BUY	1547	1440	2000	38.9	8.0	47.3	76.0	30.5	18.9	18.7	14.0
BASF India Ltd	BUY	1954	1334	2500	87.4	57.7	20.3	43.5	65.7	30.6	19.6	15.5
Artson Engineering Ltd	BUY	64	38	95	152.3	1.4	0.4	2.3	100.5	16.4	60.8	18.5
Remsons Industries Ltd	BUY	104	82	155	89.0	0.5	6.0	7.9	13.6	10.3	9.2	7.2
Snowman Logistics Ltd	BUY	33	31	55	79.2	5.1	-0.2	0.1	-144.1	213.3	14.4	11.8
Alembic Pharmaceuticals Ltd	BUY	605	546	751	37.5	102.9	22.3	26.7	24.5	20.4	17.0	14.4
SKF India Ltd	BUY	1942	1935	2620	35.4	99.3	57.6	60.7	33.6	31.9	22.8	21.2

*Castrol, Vesuvius, ITD Cementation- Dec Ending | Siemens-Sept ending |

Recommendations adjusted as per Corporate Actions							
Company	Reco	Target	Corp Action	Adj Price	Adj Tgt Price	Appreciation	
IHP Ltd	341	600	Bonus 1 : 1.	171	500	64%	
Engineers India Ltd	211	200	Bonus 1 : 1.	105	250	5%	
Gulshan Polyols Ltd	390	500	Stock Split from Rs.FV 5 to Rs.FV 1.	78	110	-32%	
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2.	479	640	-9%	
Castrol India Ltd	447	550	Bonus 1 : 1	223	200	-28%	
Hikal Ltd	143	325	Bonus 1 : 2	95	216	74%	

Coverage Universe Valuations												
Company	Reco	Adj Reco	CMP	Tgt price	Upside	Mcap	EPS(x)		PE(x)		EV/EBITDA (x)	
	(Rs)	(Rs)	(Rs)	(Rs)	(%)	(Rs bn)	FY18	FY19E	FY18	FY19E	FY18	FY19E
IHP Ltd	341	171	281	500	77.9	13.6	13.6	20.1	20.6	14.0	11.2	8.6
Engineers India Ltd	211	105	110	200	81.4	37.1	6.0	7.0	18.4	15.8	16.8	13.3
Gulshan Polyols Ltd	390	78	53	78	47.9	2.5	3.9	5.1	111.7	85.5	31.6	25.4
Nesco Ltd	2397	479	435	640	47.1	6.1	25.1	23.7	17.3	18.4	14.2	14.8
Castrol India Ltd	447	223	161	200	24.6	79.4	7.1	15.6	22.7	10.3	14.9	13.5
Hikal Ltd	143	95	166	216	30.3	13.6	9.4	10.1	17.6	16.5	10.7	9.7

Please Turn Over

Coverage Performance Sheet												
Company	Reco at	CLS	Target Price (Rs)								Appreciation	
	(Rs)	(Rs)	Target 1	Target 2	Target 3	Target 4	Target 5	Target 6	Target 7	Target 8	(%)	
Supreme Petrochem Ltd	77	207	120	150	200	275	350	500	275	-	169%	
Shanthi Gears Ltd	107	118	150	200	-	-	-	-	-	-	10%	
Hind Rectifiers Ltd	69	117	110	140	175	-	-	-	-	-	69%	
KCP Limited	71	86	105	150	200	150	-	-	-	-	21%	
Hester Biosciences Ltd	565	1325	750	875	1150	1500	2200	1750	-	-	135%	
The Hitech Gears Ltd	298	309	450	600	500	-	-	-	-	-	4%	
Bharat Bijlee Ltd	787	1071	1100	1500	2000	-	-	-	-	-	36%	
Triveni Turbines Ltd	92	103	135	150	-	-	-	-	-	-	12%	
Siemens Ltd	1128	1007	1350	-	-	-	-	-	-	-	-11%	
Aksh Optifibre Ltd	15	20	24	35	45	30	-	-	-	-	31%	
GMM Pfaudler Ltd	332	1183	500	700	800	1000	1300	-	-	-	256%	
Alicon Castalloy Ltd	288	549	450	600	750	1000	850	-	-	-	91%	
Gufic Biosciences Ltd	50	72	75	100	140	175	150	-	-	-	45%	
Excel Industries Ltd	380	1158	550	650	800	1100	1400	1800	2200	1800	205%	
Vesuvius India Ltd	1165	1152	1500	-	-	-	-	-	-	-	-1%	
Munjal Showa Ltd	191	171	250	300	350	300	250	-	-	-	-10%	
Bharat Rasayan Ltd	2747	3719	3500	4250	5000	6500	9000	5000	-	-	35%	
Alkyl Amines Chemicals Ltd	391	727	550	700	850	-	-	-	-	-	86%	
Grauer and Weil (India) Ltd	45	50	65	80	100	65	-	-	-	-	10%	
Texmaco Rails & Engineering Ltd	91	59	125	150	-	-	-	-	-	-	-35%	
Nagarjuna Agrichem Ltd	29	30	45	60	75	60	45	-	-	-	4%	
Simplex Infrastructures Ltd	540	163	700	540	300	-	-	-	-	-	-70%	
ITD Cementation India Ltd	158	111	225	180	-	-	-	-	-	-	-30%	
Westlife Development Ltd	266	354	350	425	-	-	-	-	-	-	33%	
Federal Mogul Goetze (India) Ltd	540	480	750	-	-	-	-	-	-	-	-11%	
Dynamatic Technologies Ltd	2160	1432	3000	2750	-	-	-	-	-	-	-34%	
Hitech Corporation Ltd	175	98	230	180	-	-	-	-	-	-	-44%	
NRB Bearings Ltd	138	205	200	240	-	-	-	-	-	-	49%	
Kokuyo Camlin Ltd	132	92	175	-	-	-	-	-	-	-	-30%	
Timken India Ltd	883	574	1200	1000	-	-	-	-	-	-	-35%	
Morganite Crucible (India) Ltd	1047	1420	1500	1750	2300	-	-	-	-	-	36%	
Vardhman Special Steels Ltd	151	108	225	140	-	-	-	-	-	-	-28%	
Zen Technologies Ltd	115	71	170	-	-	-	-	-	-	-	-38%	
KSB Ltd	820	648	1100	-	-	-	-	-	-	-	-21%	
Thermax Ltd	1019	987	1230	-	-	-	-	-	-	-	-3%	
Transpek Industry Ltd	1547	1440	2000	-	-	-	-	-	-	-	-7%	
BASF India Ltd	1954	1334	2500	-	-	-	-	-	-	-	-31.7%	
Artson Engineering Ltd	64	38	95	-	-	-	-	-	-	-	-41%	
Remsons Industries Ltd	104	82	155	-	-	-	-	-	-	-	-21%	
Snowman Logistics Ltd	33	31	55	-	-	-	-	-	-	-	-7%	
Alembic Pharmaceuticals Ltd	605	546	751	-	-	-	-	-	-	-	-10%	
SKF India Ltd	1942	1935	2620	-	-	-	-	-	-	-	0%	

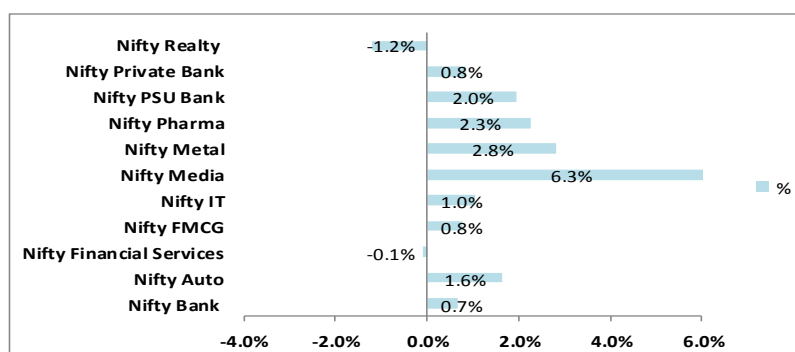
*Castrol, Vesuvius, ITD Cementation- Dec Ending | Siemens-Sept ending |

Recommendations adjusted as per Corporate Actions						
Company	Reco	Target	Corp Action	Adj Price	Adj Tgt Price	Appreciation
IHP Ltd	341	600	Bonus 1 : 1	171	500	64%
Engineers India Ltd	211	325	Bonus 1 : 1	105	250	5%
Gulshan Polyols Ltd	390	500	Stock Split from Rs.FV 5 to Rs.FV 1	78	110	-32%
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2	479	640	-9%
Castrol India Ltd	447	550	Bonus 1 : 1	223	200	-28%
Hikal Ltd	143	325	Bonus 1 : 2	95	216	74%

Coverage Performance Sheet												
Company	Reco at	CLS	Target Price (Rs)								Appreciation	
	(Rs)	(Rs)	Target 1	Target 2	Target 3	Target 4	Target 5	Target 6	Target 7	Target 8	(%)	
IHP Ltd	341	281	500	600	500	-	-	-	-	-	64%	
Engineers India Ltd	211	110	200	250	200	-	-	-	-	-	5%	
Gulshan Polyols Ltd	390	53	110	78	-	-	-	-	-	-	-32%	
Nesco Ltd	2397	435	640	-	-	-	-	-	-	-	-9%	
Castrol India Ltd	223	161	275	250	200	-	-	-	-	-	-28%	
Hikal Ltd	143	166	200	250	325	216	-	-	-	-	74%	

Please Turn Over

Weekly Sectoral Gainers & Losers in (%)



TERM OF THE WEEK:

Credit Default Swaps (CDS): A financial instrument or a contract which allows to swap the credit risk with that of the other investor. This serves the purpose of the lender who can offset the risk when he/she is worried that the borrower might default on a loan in case of a credit event. The two parties involved are: *Buyer of the swap* who is required to make premium payments (like an insurance policy) to the *Swap Seller* until the maturity of the contract. In return, in the event of a credit event (when the debt issuer defaults) the Seller agrees to repay the security's value along with the interest payments that would have been paid between the time and the security's maturity date. As soon as the credit event occurs, the buyer of the swap stops making the premium payment to the seller.

COVERAGE NEWS:

Thermax Ltd: Acquisition update:

The company has entered into definitive agreement with MUTARES HOLDING-24 AG, Germany and BALCKE-DUERR GmbH, Germany, JV partners of Thermax SPX Energy Technologies Limited (TSPX) to acquire their shareholding in the TSPX a JV and subsidiary company in India. Post transfer of shares, TSPX will become the wholly owned subsidiary of the Company.

RESULT UPDATE:

Vesuvius India Ltd:

The net sales for the quarter under review came in at Rs2,236mn as compared to Rs2,270mn, drop of 2.3%. EBITDA margins declined to 14.1% from 18.1% in the same quarter last year. The net profit degrew by 5.4% to Rs202mn in quarter ending December 2018 as compared to Rs213mn in the same quarter last year. EPS for the quarter stood at Rs9.9. The Board of Directors has recommended payment of dividend of Rs7/- per share of nominal value of Rs10/- each for the year ended December 31, 2018 at their meeting held on February 27, 2019.

Outlook and recommendations:

The company has reported tepid results for the quarter under review. The full year numbers missed our expectations. However, with the positivity trending in the industry, we feel that the company is aptly placed to reap the benefits. We continue with our Buy recommendation on the stock with a target price of Rs1500 over a 12 months perspective.

Acquisition Update

Tepid Result

Good Set Of Numbers

Result Snapshot Q3FY19

KSB Ltd:

The company has reported total revenue of Rs3,466mn as compared to Rs3,282mn, growth of 5.6%. The EBITDA margins came in at 13.8% as compared to 12.9%. The net profit dropped by 7.7% at Rs253mn as against Rs274mn in the corresponding period of last year. The EPS stood at Rs7.3 for the quarter. On the segmental front, the revenue from Pumps segment clocked growth of 4% while Valves grew by 15%. Board has recommended dividend of Rs6 per share of face value Rs10 each for the year ended 31st December, 2018.

Outlook and recommendations:

The company reported good set of numbers both for the quarter under review and on yearly basis. Company's revenue has increased drastically on yearly basis, high above our expectation. Overall we feel that the growth momentum is here to stay. We continue with our BUY recommendation on the stock with a target price of Rs1100 over a 12 months perspective.

Q3FY19 RESULT SUMMARY:

Our coverage stood pretty decent amidst the not so happening external factors. The major issue for most of the companies was the increase in the raw material costs which impacted the operating margins and efficiency of many companies. The result season for Q3FY19 witnessed many target revisions, considering the overall industry impact pertaining to the respective coverage. There were many companies that reported good set of numbers while some that reported either subdued or more or less flat performance for the quarter. The key attributes were reasons like impact on operating margins due to increase in the raw material costs for certain companies as mentioned earlier; while on the other hand the growth plans gave an impetus to many.

Good set of numbers were reported by Hester Biosciences, Alkyl Amines, Hikal, Transpek Industry and The Hi-Tech Gears Ltd. Kokuyo Camlin and Morganite Crucible were in line with our estimates. With the continued focus on growth plans, launch of new products and technologies, growth in profitability, uptick in margins and having a healthy order book backlog to be executed going forward, companies that were covered in this basket of performance consists of Zen Technologies, Castrol, GMM Pfäudler, Westlife Development, Siemens, Triveni Turbine, Aksh Optifibre, Excel Industries, Alicon, Dynamatic, Hind Rectifiers and KSB Ltd. Artson Engineering had an impact on the results mainly due to the change in the accounting policy being adopted by the company while Supreme took a beating in the quarter led by huge inventory losses. Strong numbers were reported by Timken, Texmaco whereas Snowman Logistics continued to report constant growth in its sales. On the other hand there were companies who didn't have a great quarter to report considering the impact of the raw material costs and overall slowdown in the industry that these companies cater to: BASF India, Bharat Bijlee, Vardhman Special Steels, Munjal Showa, NRB Bearings, Indian Hume Pipe, NACL Industries, Engineers India, Remsons Industries, Federal-Mogul, SKF India, KCP, Nesco, Gufic Biosciences and Vesuvius India Ltd. Decent set of numbers were reported by Alembic Pharmaceuticals, Hitech Corporation, Simplex Infrastructures, Shanthi Gears, Thermax and ITD Cementation. It was a more or less flat/muted quarter for Gulshan Polyols, Grauer & Weil, Bharat Rasayan backed by the impact on its profitability and the seasonality of its business.

Overall, the quarter that went by did have the WoW Factor missing in it but for our coverage which was decently placed in terms of overall performance.

*Slowdown in GDP
Growth*

ECONOMY:

India's GDP growth likely slowed to 6.9% in December quarter: Poll

India's GDP growth likely stood at a slower pace in over a year in the October-December quarter on account of weak rural incomes and softer urban demand which put a weight on the consumption. The median forecast from more than 55 economists which was polled during 19th-25th February, 2019 was in favour of the GDP growth of 6.9% as compared to 7.1% in July-September. The Gross Value Added (GVA) being the preferred measure of the government is expected to be 6.7% in the October-December quarter, which is marginally down from 6.9% from the previous months.

Our comments:

A slowdown in the GDP growth could be a reason to worry for the current government in power which intends to boost the lending and lift the growth before the elections.

GST Rate Cut

INDUSTRY:

GST Council cuts rates sharply to make room for housing growth

The GST council has approved a sharp reduction in the levy on homes under construction and raised the threshold for affordable housing that will make more purchases eligible for concessional tax, offering substantial relief to buyers ahead of the elections. Starting from 1st April, 2019, homes under construction will be levied 5% GST, against 12%. For affordable homes, GST will drop to 1% from 8%.

Our comments:

With this move, the cost of housing would fall and thereby lead to a boost in the demand.

*Extension Launch of
Saridon*

COMPANY:

Piramal Enterprises to launch extensions for Saridon after SC lifts the ban

The painkiller Saridon will continue to be sold, when SC exempted it from the list of fixed dose combinations (FDC) that were banned by the government expert committee in September, 2018. This comes as a relief for Piramal Enterprises Ltd (PEL) which would launch extensions for the 50 year old brand. Although the company didn't suffer any revenue loss on account of the stay order passed by the Supreme Court, as the court allowed the company to continue the sale of drugs as they were manufactured before 1988.

Our comments:

According to a health expert, if the painkiller is using the same ingredients and the formulations has not been changed since 1988, the ban then cannot be applied to FDCs pre-1988 drugs, Saridon being one of them.

Growth Potential Ahead

Reliance Jio at the cusp of becoming India's largest telco

The company's continuous focus on increasing its customer base has enabled it to be within the market leadership. The company's revenue in Q3FY19 rose by 15% sequentially thereby taking its revenue market share to 29.2% and if this trend continues going forward as well, then Reliance Jio would emerge as the market leader in the last quarter (Q4FY19). While the pace of its monthly net subscriber additions depicted a slow movement, the company has still managed to outperform its peers. The company also gained share in the urban areas despite Airtel and Vodafone Idea having a focus on these regions.

Our comments:

The revenue market share of the company would rise eventually if it manages to perform well ahead of its peers.

E-Mobility Launch

Mahindra and Mahindra launches e-mobility service in Mumbai

The company has launched a technology based e-mobility service in Mumbai on select routes; Glyd which is the premium e-mobility solution to redefine the experience of the daily commuters, powered by several connected car features such as web-conferencing, music content from selective partners. Besides this it also offers additional features like privacy screen, air purifier and strain-free lighting. This is the company's unique step to drive positive change towards a smart, sustainable and experiential daily commute.

Our comments:

M&M has partnered with Vodafone-Idea, Cisco Systems and other service and content providers for the initiative in Mumbai.

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Registered Office Address:
Progressive Share Brokers Pvt. Ltd,
122-124, Laxmi Plaza, Laxmi Ind Estate,
New Link Rd, Andheri West,
Mumbai-400053;
www.progressiveshares.com
Contact No.:022-40777500.

Compliance Officer:
Mr. Shyam Agrawal,
Email Id: compliance@progressiveshares.com,
Contact No.:022-40777500.