

## THE WEEKLY WRAP-UP

05th January 2018

### DOMESTIC:

- GST anti-profiteering: FinMin serves notices to McDonald's franchisee and other companies
- Gayatri Projects wins orders worth Rs583cr from NHAI
- Bank of India gets capital infusion worth Rs2,257cr from government
- ONGC makes significant oil, gas discovery in Arabian Sea
- L&T wins Rs2,100cr contracts from HPCL, Reliance Industries
- Adani, Neyveli Lignite & Sembcorp in the race to buy stake in GMR's Power project
- Vivimed Labs gets additional USD7.5mn funding from OrbiMed Asia
- Thermax wins Rs327cr order for co-generation power plant
- RIL commissions 'world's largest' refinery off-gas cracker at Jamnagar
- Tata Power commissions 50-MW solar plant in Karnataka
- NBCC bags contracts worth Rs315cr
- Tata Motors, Greaves in pact with foreign firms on BS-VI engines
- NALCO lines up 3 projects, invests Rs25,000cr
- Nitesh Estates soars on reports that Fosun Group would invest Rs800cr
- Glenmark launches biosimilar Adalimumab in India
- Idea Cellular to raise Rs3,250cr from promoter Aditya Birla Group
- Airtel, Samsung to offer affordable 4G smartphones with cashback offers
- NIIT acquires Eagle Productivity Solutions for USD8.1mn
- HCL Tech terminates JV with Great American Insurance Company
- Govt seeks bids from advisors for sale of Dredging Corp, HLL

### ECONOMY:

- Eight core sectors grow 6.8% in November
- December PMI data signals revival in manufacturing, Indian economy

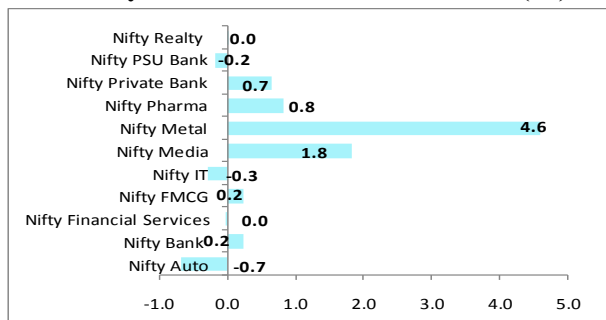
### INDUSTRY:

- Indian Pharma will continue to stare at single digit growth: ICRA
- Indian Railways eyes big for next fiscal, plans Rs1.46lakhcrore outlay
- Lok Sabha nod to Rs80,000cr public sector bank recapitalisation plan
- Steel companies upset over hike in iron ore prices

### Price Performance (%)

Company	1M	3M	12M
Supreme Petrochem Ltd	8.9%	4.3%	78.8%
Shanthi Gears Ltd	19.8%	29.3%	44.9%
Hind Rectifiers Ltd	14.0%	16.9%	47.0%
KCP Ltd	29.9%	32.4%	80.0%
Harita Seating System Ltd	12.9%	28.4%	37.2%
Hester Biosciences Ltd	43.9%	69.4%	145.2%
Rallis India Ltd	14.1%	28.9%	34.7%
The Hi-Tech Gears Ltd	13.5%	60.5%	62.5%
Bharat Bijlee Ltd	31.5%	29.7%	80.5%
TNPL	31.1%	34.9%	39.9%
Triveni Turbines Ltd	-1.1%	4.5%	11.3%
Siemens Ltd	10.6%	5.8%	12.4%
Hikal Ltd	3.3%	8.9%	10.0%
Aksh Optifibre Ltd	41.5%	86.3%	72.6%
GMM Pfaudler Ltd	17.8%	38.5%	39.7%
Alicon Castalloy Ltd	22.0%	25.1%	78.6%
Premier Explosives Ltd	16.2%	5.2%	18.0%
Gulfic Biosciences Ltd	42.4%	68.4%	124.9%
Excel Industries Ltd	9.7%	52.3%	73.3%
Vesuvius India Ltd	15.0%	14.6%	23.5%
Munjal Showa Ltd	8.2%	10.5%	48.7%
Bharat Rasayan Ltd	15.0%	47.4%	128.6%
Alkyl Amines Chemicals Ltd	16.0%	46.9%	114.5%
Grauer and Weil (India) Ltd	16.8%	30.3%	135.2%
Texmaco Rails & Engineering Ltd	-3.0%	10.7%	0.7%
Nagarjuna Agrichem Ltd	45.2%	51.8%	177.2%
Simplex Infrastructures Ltd	2.7%	21.9%	97.6%
Sadhana Nitrochem Ltd	49.2%	52.3%	264.6%
ITD Cementation India Ltd	6.7%	27.5%	29.7%
Westlife Development Ltd	-4.8%	47.6%	103.0%
Federal Mogul Goetze (India) Ltd	-2.8%	7.0%	7.9%
Cupid Limited	25.2%	20.6%	11.6%
Dynamatic Technologies Ltd	12.1%	7.6%	-23.8%
Hitech Corporation Ltd	14.4%	13.2%	20.5%
NRB Bearings Ltd	17.4%	44.8%	55.1%
Kokuyo Camlin Ltd	8.8%	49.5%	63.6%
Timken India Ltd	1.5%	19.6%	44.7%
Indian Hume Pipe Co. Ltd	-4.9%	-13.1%	131.5%
Engineers India Ltd	8.9%	36.1%	157.9%
TRIL	23.0%	36.5%	18.6%
Gulshan Polyols Ltd	13.2%	10.9%	501.1%
Nesco	9.1%	7.9%	33.3%
Castrol India Ltd	-1.1%	9.7%	-0.4%

### Weekly Sectoral Gainers & Losers in (%)



### The week that went by:

Benchmark indices started the New Year on a flat note. The markets opened in the positive for the second day of trade. Although the market remained volatile during the session it had a positive bias. With a healthy market breadth, the midweek opening was also in the positive for the indices. The markets remained in the positive trend. The markets extended gains in the last day of trade for the week tracking the global cues with the indices hitting record highs.

Coverage Universe Valuations												
Company	Reco	Reco at	CMP	Tgt price	Upside	Mcap	EPS		PE(x)		EV/EBITDA (x)	
		(Rs)	(Rs)	(Rs)	(%)		(Rs bn)	FY17	FY18E	FY17	FY18E	FY17
Supreme Petrochem Ltd	BUY	77	399	500	25.4	38.5	18.6	19.9	21.4	20.1	12.6	11.9
Shanthy Gears Ltd	BUY	107	167	200	19.7	13.7	2.8	3.1	60.7	54.2	38.3	33.7
Hind Rectifiers Ltd	BUY	69	135	175	30.1	2.0	-4.5	0.5	-126.8	264.8	50.0	33.8
KCP Limited	BUY	71	158	200	26.6	20.4	3.6	4.6	69.7	43.3	16.3	14.1
Harita Seating System Ltd	BUY	266	1011	1150	13.8	7.9	32.4	34.5	31.2	29.3	28.5	23.8
Hester Biosciences Ltd	BUY	565	1785	2200	23.2	15.2	29.2	34.2	61.0	60.2	37.7	32.1
Rallis India Ltd	BUY	181	275	300	9.2	53.4	15.3	11.2	30.8	24.4	20.4	17.1
The Hitech Gears Ltd	BUY	298	535	600	12.2	10.0	10.9	11.1	49.2	49.0	20.7	18.2
Bharat Bijlee Ltd	BUY	787	1431	2000	39.8	8.1	34.7	39.3	41.2	36.4	53.4	32.3
Tamil Nadu Newsprint & Papers Ltd	BUY	224	480	500	4.1	33.3	38.2	36.6	12.6	13.1	26.1	24.9
Triveni Turbines Ltd	BUY	92	133	175	32.1	0.4	3.5	3.6	37.6	36.5	26.7	25.1
Siemens Ltd	BUY	1128	1287	1500	16.6	458.0	9.1	10.0	141.5	128.9	43.5	96.6
Hikal Ltd	BUY	143	242	325	34.5	19.9	8.1	8.7	29.7	27.8	12.2	11.2
Aksh Optifibre Ltd	BUY	15	44	45	1.5	7.2	3.4	5.5	13.0	8.1	8.3	5.9
GMM Pfaudler Ltd	BUY	332	803	1000	24.5	11.7	19.3	21.1	41.6	38.1	28.5	26.1
Alicon Castalloy Ltd	BUY	288	683	750	9.8	8.4	21.4	24.1	32.0	28.3	12.1	10.7
Premier Explosives Ltd	BUY	350	447	600	34.1	4.0	16.6	15.3	26.9	29.3	15.1	12.3
Gufic Biosciences Ltd	BUY	50	137	140	2.1	10.6	1.5	2.0	93.1	68.6	41.1	31.0
Excel Industries Ltd	BUY	380	676	800	18.3	8.7	35.8	25.1	18.9	26.9	21.7	14.0
Vesuvius India Ltd	BUY	1165	1372	1500	9.3	27.4	49.0	65.0	28.0	21.1	15.3	12.4
Munjal Showa Ltd	BUY	191	292	300	2.8	11.7	14.1	15.1	20.6	19.3	12.3	11.8
Bharat Rasayan Ltd	BUY	2747	4185	5000	19.5	17.6	128.1	141.2	32.7	29.6	17.1	15.4
Alkyl Amines Chemicals Ltd	BUY	391	680	700	2.9	13.9	24.3	29.2	28.0	23.3	16.2	15.3
Grauer and Weil (India) Ltd	BUY	45	81	100	23.2	18.4	2.3	2.3	35.9	34.7	20.5	20.0
Texmaco Rails & Engineering Ltd	BUY	91	114	170	49.1	20.2	1.5	2.7	74.5	42.4	48.2	29.7
Nagarjuna Agrichem Ltd	BUY	29	64	75	17.6	9.9	2.3	0.9	27.5	72.7	19.5	18.1
Simplex Infrastructures Ltd	BUY	540	585	700	19.7	20.2	24.3	30.5	24.1	19.2	5.6	4.8
Sadhana Nitrochem Ltd	BUY	67	107	125	16.8	1.0	2.5	5.5	43.4	19.4	14.7	11.7
ITD Cementation India Ltd	BUY	158	216	225	4.2	33.5	4.8	2.9	45.1	73.9	16.1	22.5
Westlife Development Ltd	BUY	266	338	425	25.7	52.6	-0.8	0.3	-433.2	989.9	115.7	69.9
Federal Mogul Goetze (India) Ltd	BUY	540	527	750	42.4	29.3	12.9	15.7	40.7	33.5	16.8	15.2
Cupid Limited	BUY	286	338	340	0.7	3.8	18.5	23.4	18.2	14.5	11.0	9.3
Dynamatic Technologies Ltd	BUY	2160	2262	3000	32.7	14.3	23.0	30.4	52.7	67.7	11.2	11.1
Hitech Corporation Ltd	BUY	175	194	230	18.5	3.3	6.9	7.2	25.4	24.2	9.7	8.5
NRB Bearings Ltd	BUY	138	172	200	16.5	16.6	5.3	5.5	26.4	25.0	15.0	14.4
Kokuyo Camlin Ltd	BUY	132	136	175	28.7	13.6	0.1	0.3	1436.6	542.3	66.6	57.3
Timken India Ltd	BUY	883	910	1200	31.8	61.9	14.3	15.1	63.7	60.1	39.1	34.0

\*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	600	166%
Engineers India Ltd	211	200	Bonus 1 : 1.	106	250	90%
Transformers and Rectifiers (India) Ltd	300	450	Stock Split from Rs.FV 10 to Rs.FV 1.	30	55	40%
Gulshan Polyols Ltd	390	500	Stock Split from Rs.FV 5 to Rs.FV 1.	78	110	10%
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2.	479	640	10%
Castrol India Ltd	447	550	Bonus 1 : 1	223	275	-14%

Coverage Universe Valuations												
Company	Reco	Adj Reco	CMP	Tgt price	Upside	Mcap	EPS		PE(x)		EV/EBITDA (x)	
		(Rs)	(Rs)	(Rs)	(%)		(Rs bn)	FY17	FY18E	FY17	FY18E	FY17
IHP Ltd	BUY	171	443	600	32.2	22.0	18.4	25.5	24.7	17.8	44.0	47.6
Engineers India Ltd	BUY	106	200	250	25.3	67.3	4.8	4.7	41.4	42.5	9.4	16.3
Transformers and Rectifiers (India) Ltd	BUY	30	43	55	31.0	0.6	5.6	5.6	4.3	2.8	5.6	5.6
Gulshan Polyols Ltd	BUY	78	89	110	27.9	4.0	5.9	6.4	14.5	13.4	8.6	7.5
Nesco Ltd	BUY	479	562	640	21.2	7.4	120.2	137.5	4.4	3.8	17.4	14.5
Castrol India Ltd	BUY	223	195	275	42.4	95.5	14.4	14.9	13.4	13.1	8.0	7.8

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	(%)
Supreme Petrochem Ltd	77	399	120	150	200	275	350	500	-	418%
Shanthi Gears Ltd	107	167	150	200	-	-	-	-	-	56%
Hind Rectifiers Ltd	69	135	110	140	175	-	-	-	-	95%
KCP Limited	71	158	105	150	200	-	-	-	-	122%
Harita Seating System Ltd	266	1011	400	600	750	900	1150	-	-	280%
Hester Biosciences Ltd	565	1785	750	875	1150	1500	1750	2200	-	216%
Rallis India Ltd	181	275	260	300	-	-	-	-	-	52%
The Hitech Gears Ltd	298	535	450	600	-	-	-	-	-	79%
Bharat Bijlee Ltd	787	1431	1100	1500	2000	-	-	-	-	82%
Tamil Nadu Newsprint & Papers Ltd	224	480	350	450	500	-	-	-	-	114%
Triveni Turbines Ltd	92	133	135	175	-	-	-	-	-	44%
Siemens Ltd	1128	1287	1500	-	-	-	-	-	-	14%
Hikal Ltd	143	242	200	250	325	-	-	-	-	69%
Aksh Optifibre Ltd	15	44	24	35	45	-	-	-	-	196%
GMM Pfaudler Ltd	332	803	500	700	800	1000	-	-	-	142%
Alicon Castalloy Ltd	288	683	450	600	750	-	-	-	-	137%
Premier Explosives Ltd	350	447	450	525	-	-	-	-	-	28%
Gufic Biosciences Ltd	50	137	75	100	140	-	-	-	-	174%
Excel Industries Ltd	380	676	550	650	800	-	-	-	-	78%
Vesuvius India Ltd	1165	1372	1500	-	-	-	-	-	-	18%
Munjal Showa Ltd	191	292	250	300	-	-	-	-	-	53%
Bharat Rasayan Ltd	2747	4185	3500	4250	5000	-	-	-	-	52%
Alkyl Amines Chemicals Ltd	391	680	550	700	-	-	-	-	-	74%
Grauer and Weil (India) Ltd	45	81	65	80	100	-	-	-	-	80%
Texmaco Rails & Engineering Ltd	91	114	125	170	-	-	-	-	-	25%
Nagarjuna Agrichem Ltd	29	64	45	60	75	-	-	-	-	120%
Simplex Infrastructures Ltd	540	585	700	-	-	-	-	-	-	8%
Sadhana Nitrochem Ltd	67	107	100	125	-	-	-	-	-	60%
ITD Cementation India Ltd	158	216	225	-	-	-	-	-	-	37%
Westlife Development Ltd	266	338	350	425	-	-	-	-	-	27%
Federal Mogul Goetze (India) Ltd	540	527	750	-	-	-	-	-	-	-2%
Cupid Limited	286	338	340	-	-	-	-	-	-	18%
Dynamatic Technologies Ltd	2160	2262	3000	-	-	-	-	-	-	5%
Hitech Corporation Ltd	175	194	230	-	-	-	-	-	-	11%
NRB Bearings Ltd	138	172	200	-	-	-	-	-	-	24%
Kokuyo Camlin Ltd	132	136	175	-	-	-	-	-	-	3%
Timken India Ltd	883	910	1200	-	-	-	-	-	-	3%

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Company	Reco	Target	Corp Action	Adj Price	Adj Tgt Price	Appreciation
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Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2.	479	640	17%
Castrol India Ltd	447	550	Bonus 1 : 1.	223	275	-13%

Calls Closed							
Company	Reco	Reco at	Closed price	Company	Reco	Reco at	Closed price
		(Rs)	(Rs)			(Rs)	(Rs)
KEC International Ltd	BUY	140	240	Mukand Engineers Ltd	BUY	33	56
Rajoo Engineers Ltd	BUY	15	30	Camlin Fine Chemicals Ltd	BUY	111	87
Omkar Speciality Chemicals Ltd	BUY	162	90	West Coast Paper Mills Ltd	BUY	67	187
Navneet Education Ltd	BUY	96	159	GEE Limited	BUY	33	44.5
MM Forgings Limited	BUY	607	856				

\*Omkar: Spin off

*GST check on McDonalds*

*Nesco update*

*Target Price Revisions*

**Coverage News:**

**GST anti-profiteering: FinMin serves notices to McDonald's franchisee and other companies**

Notices have been served to Hardcastle Restaurants Pvt Ltd, the master franchisee of fast-food chain McDonald's. The notices have been served to collect information/documents and evidence to investigate and determine whether the benefit of reduction in GST rate or the benefit of input tax credit (ITC) has been passed on to the customers by commensurate reduction in prices. The companies have been asked to respond by January 12, 2018 stating whether they admit that they have not passed on the benefit of tax reduction or ITC benefit to the consumers by way of "commensurate reduction" in prices. The notice sent to Hardcastle Restaurants states that the proceedings have been initiated for supply of restaurant service in case of serving 'McCafe Regular Latte' from the McDonald's outlet in Mumbai's Goregaon East on November 15 for a price of Rs142 including 5% GST, the same price as was charged before November 15 when the GST rate on restaurant service was 18%. Applicants have contended that M/s Hardcastle Restaurants Pvt Ltd have not passed on the benefit of reduction in rate of tax to the customers since the concerned outlet had charged the same price (Rs142) on 07.11.2017 when the GST rate was 18%.

**Our comments:**

One needs to see what the company has to say with regards to the notice in order to come any conclusion.

**Expect to complete IT building in Q1FY19: Nesco**

In a recent interview with a leading new channel, the Executive Chairman of the company, Mr Sumant Patel discussed about the company's capex and growth plans. It was indicated that it expects to complete the IT building in Q1FY19. Also the expansion of the exhibition centre is being chalked out and should be starting next year.

**Our comments:**

The company expects once the IT4 building is operational by June-Sept 2018, it should contribute Rs100cr initially with gradual ramp up.

**Target Price Revision:**

**Target revision: NACL Industries Limited:**

We had initiated Buy on the stock with a target price of Rs45 which was revised to Rs60. This has also been achieved and we revise it further to Rs75 with a 12 months horizon. We recommended to book 10% profits.

**Target revision: Sadhana Nitrochem Limited**

We had initiated Buy on the stock with a target price of Rs100 which has been achieved and we revise it further to Rs125 with a 12 months horizon.

**Target revision: Tamil Nadu Newsprint & Paper Limited**

We had initiated Buy on the stock with a target price of Rs350 which was revised to Rs450 and is also achieved. We further revise it Rs500 with a 12 months horizon. We also recommended to book 10% profits.

**Target revision: Grauer & Weil (India) Limited**

We had initiated Buy on the stock with a target price of Rs65 which was revised to Rs80 and is also achieved. We further revise it Rs100 with a 12 months horizon. We also recommended to book 20% profits.

**Target revision: KCP Limited**

We had initiated Buy on the stock with a target price of Rs105 which was revised to Rs150 and is also achieved. We further revise it Rs200 with a 12 months horizon. We also recommended to book partial profits.

*Growth in Dec PMI*

**ECONOMY:**

**December PMI data signals revival in manufacturing, Indian economy**

The manufacturing PMI rose to 54.7 in December from 52.6 in the previous month. A reading above 50 denotes expansion and one below it signals contraction. Merchandise exports grew at a six-year high of 30.5% in November while the index for core sectors expanded at its fastest pace in 13 months at 6.8% during the same month.

**Our comments:**

Most analysts expect economic growth to pick up in 2018 on the back of a continuous global recovery and improved manufacturing activity

**INDUSTRY:**

**Indian Pharma will continue to stare at single digit growth: ICRA**

As per the report from ICRA, the growth trajectory for Indian pharmaceutical industry is likely to be moderate on back of slowing growth from US given the relatively moderate proportion of large size drugs going off patent, increased competition leading to price erosion in low-to--mid-teens, generic adoption reaching saturation levels and, regulatory overhang along with base effect catching up.

**Our comments:**

However, despite challenges ICRA found that several Indian Pharma companies have ramped up their R&D spend, targeting pipeline of specialty drugs, niche molecules and complex therapies.

*Fate of Indian Pharma industry*

**Indian Railways eyes big for next fiscal, plans Rs1.46 lakhcrore outlay**

Indian Railways has proposed its highest plan outlay of Rs1.46lakhcrore for the next fiscal, up from Rs1.31lakh crore for the current financial year. The next plan outlay will focus on electrification of about 8,000 km of rail tracks, and commissioning of 4,000 km of new rail lines including doubling, construction of new lines and gauge conversion. Railways will also renew 4,000 km track route.

**Our comments:**

There are optimistic plans made, but one needs to see how they are executed by the Indian Railways.

*Plans of Indian Railways*

**Lok Sabha nod to Rs80,000cr public sector bank recapitalisation plan**

In a breather to PSBs burdened under mounting bad loans worth over Rs2.1lakh, the Lok Sabha gave its nod to the central government's request for additional spending of Rs80,000cr to boost the capital health of Public Sector Banks. The latest approval of funds will be utilised by March this year.

**Our comments:**

The Parliament approval is in line with the government's larger plan to strengthen the Indian economy with total financial inclusion, and bank recapitalization is a major part of the initiative. Another reason for the government push to provide capital boost to PSBs is the global Basel III banking rules, which make it mandatory for governments to strengthen banks' capital requirements by increasing liquidity and decreasing bank leverage by 2019.

*Recapitalization for banks*

**Steel companies upset over hike in iron ore prices**

The hike in iron ore prices has upset domestic steel companies which are now bracing for a spike in production costs. It is slated to affect both large steel majors who do not own captive iron ore mines as well as smaller and medium steel firms that rely on merchant ore supplies to feed their units. Companies fear, alongwith price increase in coal, refractory and other raw materials, it will force them to raise steel prices.

**Our comments:**

As per the different company officials, the price hike is exorbitant. The price increase would force the steel companies to pass on increased cost of production. It will also severely impact steel production by smaller producers as cost increase and additional cash flow will restrict production. There is a need for a regulator to address such irrational price increases.

*Hike in Iron Ore prices*

*Orders for Gayatri  
Projects*

**COMPANY:**

**Gayatri Projects wins orders worth Rs583cr from NHAI**

The company has bagged a new order of Rs583cr from National Highways Authority of India. The contract includes, rehabilitation and upgradation of Cuttack-Angul section of NH-42 (NEW NH-55) to 4-lane in the state of Odisha under NHDP Phase-III on EPC Mode, pkg-1. This is an addition to the recent project won by company on December 20, 2017 (worth Rs1139cr) in joint Venture with Public Joint Stock Company Kyivmetrobud i.e Gayatri-KMB (JV), from National Highways Authority of India under Bharatmala centrally-sponsored and funded road and highways project of the Government of India.

**Our comments:**

This is an addition to the order book of the company.

*L&T bags orders*

**L&T wins Rs2,100cr contracts from HPCL, Reliance Industries**

L&T Hydrocarbon Engineering (LTHE), a wholly owned subsidiary of L&T, has secured a major EPC (engineering, procurement, construction) contract for crude distillation and vacuum distillation unit (CDU & VDU) from HPCL, Visakhapatnam Refinery, and an extension to an ongoing contract for Reliance Industries, Jamnagar, both adding to approx Rs2,100cr. The 9 MMTPA CDU & VDU project is a part of HPCL's Visakh Refinery Modernisation Project (VRMP) and involves engineering, procurement, construction and commissioning.

**Our comments:**

The order reinforces the company's unique capability to deliver 'design to build' engineering and construction solutions across the hydrocarbon spectrum.

*Orders for Thermax*

**Thermax wins Rs327cr order for co-generation power plant**

Thermax has received an order worth Rs327cr for a boiler-turbine-generator (BTG) plant package from a public sector company based in western India for its up-coming chemical plant. The company will be executing this EPC order for captive co-generation power plant of 2x65MW capacity. The scope of the project includes design, engineering, manufacturing, construction and commissioning of the solid fuel based BTG package consisting of 2 CBFC boilers, steam turbines and generators. The company will also provide emission control equipment and other auxiliaries for the BTG package. The project is to be completed in 24 months.

**Our comments:**

It is an addition to the order backlog of the company

*Pact for Tata Motors and  
Greaves*

**Tata Motors, Greaves in pact with foreign firms on BS-VI engines**

Tata Motors and Greaves Cotton entered into agreements with foreign companies to develop and supply less-polluting engines, as India's automotive industry is preparing itself to meet Bharat Stage-VI emission standards before they come into effect two years from now. Tata Motors, has entered into a partnership with Canada's Westport Fuel Systems for the development and supply of 4-cylinder and 6-cylinder natural gas spark-ignited engines for commercial vehicles. Greaves Cotton, a specialist in engines used in small commercial vehicles, has tied up with Italian automaker Piaggio to the supply of BS-VI diesel and alternative-fuel engines.

**Our comments:**

For Greaves Cotton, the Piaggio deal is part of its overall strategy to become a complete powertrain solution provider and be fuel agnostic. Tata Motors indicated that by enhancing our portfolio of natural gas engines, we are focused on increasing our market share even further.

*RIL commissions largest refinery*

*Glenmark launches biosimilar*

**COMPANY:**

**RIL commissions 'world's largest' refinery off-gas cracker at Jamnagar**

Reliance Industries Ltd has commissioned and achieved design throughput of the world's largest refinery off the gas cracker at Jamnagar. The refinery would have a capacity of 1.5 million tonnes per annum (mtpa) along with downstream plants and utilities. This is one of the largest capital expenditure programme globally in the sector in recent times.

**Our comments:**

With the commissioning of the complex, the largest ever expansion of RIL's petrochemicals portfolio, comes to a flawless completion. The world's first ROGC and downstream plants mark a paradigm shift in the profitability and sustainability of RIL's petrochemicals business.

**Glenmark launches biosimilar Adalimumab in India**

Glenmark Pharmaceuticals said it has launched the biosimilar Adalimumab under a licensing agreement with Cadila Healthcare Ltd. Adalimumab is used in the treatment of Plaque Psoriasis and Rheumatoid Arthritis is the spin off version of US drug maker AbbVie which sells the drug in the name of Humira. Adalimumab biosimilar in India was first launched by Zydus in 2014. Glenmark will market the biosimilar drug under the name of ADALY.

**Our comments:**

Globally Adalimumab is estimated to be a USD16bn drug in 2016, making it the "best" selling drug in the world. For Glenmark this is the first biosimilar launch in India.

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