

DOMESTIC:

- NCC Ltd may lose Rs6,100cr projects; ball in new government court
- Dilip Buildcon executed the EPC Agreement with the NHAI on EPC mode valued at Rs480.06cr in the state of Maharashtra
- Mahindra & Mahindra Benefit Trust sells M&M shares worth Rs1,244cr to Canada's CDPQ
- KTM and Bajaj Auto agree on new Electric Vehicle alliance
- L&T picks up Mindtree shares worth Rs70cr during May 27-30
- GE Power bags Rs738cr order from Aravali Power Company
- TCS Launches Master Craft TransformPlus v4.0
- Dr Reddy's re-launches generic Zenatane capsules in US
- Mahindra Susten and Mitsui to co-invest in distributed solar power projects in India
- BHEL expands footprint in the transportation sector
- IOC forms JV with HPCL, BPCL
- PSP Projects wins orders worth Rs155.61cr
- USFDA concludes inspection of Indoco's Sterile facility (Plant II)
- Natco Pharma files ANDA for Bosentan tablets with USFDA
- Wipro signed definitive agreement to acquire International TechneGroup
- Jaguar Land Rover & BMW Group announce collaboration to develop electric vehicle technology
- Aurobindo Pharma received 10 observations from the US health regulator for its Unit 3 in Hyderabad
- VA Tech WABAG signs concession agreement worth Rs575cr
- CARE Ratings downgrades Eros International to default
- Marksans Pharma Goa unit receives EIR from USFDA
- USFDA issues 4 observations for Goa plant of Indoco Remedies
- Cyient announces strategic investment in rail Cybersecurity Company
- JSW Steel has agreed to acquire the entire issued and paid-up share capital of Piombino Steel Limited
- USFDA issues 9 observations to Natco Pharma's Kothur facility
- DHFL to raise Rs900cr via loan portfolio sale

ECONOMY:

- India's manufacturing sector growth gains momentum in May: PMI
- FDI in services sector up 37% to USD9.15bn in 2018-19
- Trump terminates USD5.6bn trade concessions for India under GSP programme
- RBI removes charges on RTGS/NEFT transactions; banks to pass on benefits

INDUSTRY:

- DoT to oppose spectrum sale of bankrupt telcos
- Solar installations down 49% in January-March 2019: Report
- Government mulling over fixing nutrient-based subsidy rate for urea: as per sources

Price Performance

Company	1M	3M	12M
Supreme Petrochem Ltd	7.5%	-2.3%	-25.9%
Shanthi Gears Ltd	-3.6%	0.0%	-7.7%
Hind Rectifiers Ltd	14.0%	18.8%	12.3%
KCP Ltd	4.9%	-3.4%	-19.1%
Hester Biosciences Ltd	21.9%	29.6%	45.9%
The Hi-Tech Gears Ltd	2.6%	-15.5%	-39.5%
Bharat Bijlee Ltd	9.4%	-0.1%	-14.8%
Triveni Turbines Ltd	4.9%	-2.8%	0.9%
Siemens Ltd	11.3%	23.0%	25.7%
Aksh Optifibre Ltd	-19.6%	-38.0%	-58.6%
GMM Pfaunder Ltd	18.8%	17.6%	68.5%
Alicon Castalloy Ltd	-7.6%	9.9%	-1.7%
Gufic Biosciences Ltd	-6.2%	-5.3%	-39.2%
Excel Industries Ltd	0.1%	-13.2%	-19.8%
Vesuvius India Ltd	3.4%	-1.10%	-6.0%
Munjal Showa Ltd	6.0%	-10.7%	-31.8%
Bharat Rasayan Ltd	0.1%	-4.7%	-29.7%
Alkyl Amines Chemicals Ltd	-1.2%	5.6%	32.8%
Grauer and Weil (India) Ltd	13.8%	6.3%	0.8%
Texmaco Rail & Engineering Ltd	9.8%	9.1%	0.4%
Nagarjuna Agrichem Ltd	11.6%	6.4%	9.3%
Simplex Infrastructures Ltd	-13.6%	-24.9%	-70.4%
ITD Cementation India Ltd	-2.1%	-1.6%	-25.8%
Westlife Development Ltd	-10.9%	-10.8%	-8.0%
Federal Mogul Goetze (India) Ltd	0.9%	8.5%	27.7%
Dynamatic Technologies Ltd	2.6%	-3.2%	-23.0%
Hitech Corporation Ltd	-40.1%	-12.1%	-40.5%
NRB Bearings Ltd	-7.1%	-14.5%	0.6%
Kokuyo Camlin Ltd	-6.1%	-15.3%	-14.5%
Timken India Ltd	26.9%	17.3%	-3.6%
Morganite Crucible (India) Ltd	-4.0%	-14.7%	-4.7%
Vardhman Special Steels Ltd	7.6%	-5.5%	-23.2%
Zen Technologies Ltd	0.8%	-5.1%	-17.4%
KSB Ltd	8.9%	4.9%	-11.9%
Thermax Ltd	8.8%	5.6%	-9.3%
Transpek Industry Ltd	1.2%	-6.0%	18.2%
BASF India Ltd	3.0%	-7.1%	-33.6%
Artson Engineering Ltd	23.0%	-1.7%	-19.8%
Remsons Industries Ltd	-15.1%	-14.6%	-7.9%
Snowman Logistics Ltd	-0.5%	-2.5%	-29.3%
Alembic Pharmaceuticals Ltd	-8.9%	-7.5%	19.7%
SKF India Ltd	-3.3%	-4.3%	4.9%
HFCL Ltd	-4.7%	-10.4%	-29.6%
Sudarshan Chemical Industries Ltd	1.9%	-3.8%	-28.6%
Indian Hume Pipe Co. Ltd	5.6%	-4.4%	107.4%
Engineers India Ltd	9.5%	5.5%	76.9%
Gulshan Polyols Ltd	2.0%	-9.8%	-15.8%
Nesco Ltd	12.3%	23.7%	2.2%
Castrol India Ltd	-4.4%	-11.7%	56.8%
Hikal Ltd	1.4%	1.6%	10.0%

The week that went by:

The week opened on a positive note in spite of weak Asian markets. Following the weak Asian peers, the markets opened on a negative note. Ahead of the MPC meeting, the markets opened on a cautious note with a negative bias. The last trading day of the week kicked off on a positive note after a sharp correction seen in the previous session. The week ended with wild swings witnessed on either sides.

Coverage Universe Valuations												
Company	Reco	Reco at	CMP	Tgt price	Upside	Mcap	EPS(x)		PE(x)		EV/EBITDA (x)	
		(Rs)	(Rs)	(Rs)	(%)	(Rs bn)	FY18	FY19	FY18	FY19	FY18	FY19
Supreme Petrochem Ltd	BUY	77	215	275	27.9	20.7	6.6	6.4	32.5	33.6	9.9	12.2
Shanthi Gears Ltd	BUY	107	120	200	66.7	9.8	3.5	3.9	34.3	30.8	26.6	22.5
Hind Rectifiers Ltd	BUY	69	139	175	26.4	2.1	0.8	5.3	175.7	26.2	28.3	14.0
KCP Limited	BUY	71	89	150	68.6	11.5	7.0	7.0	12.7	12.7	9.7	8.5
Hester Biosciences Ltd	BUY	566	1853	2250	21.4	15.8	35.9	39.8	51.6	46.6	15.2	13.6
The Hitech Gears Ltd	BUY	298	272	500	83.8	5.1	17.0	21.2	16.0	12.8	9.7	8.4
Bharat Bijlee Ltd	BUY	787	1119	2000	78.8	6.3	25.1	37.4	44.6	29.9	25.3	20.9
Triveni Turbines Ltd	BUY	92	109	150	37.6	0.4	3.0	3.1	36.6	35.0	22.9	21.9
Siemens Ltd	BUY	1128	1254	1350	7.7	446.4	53.0	53.6	23.6	23.4	32.0	31.5
Aksh Optifibre Ltd	BUY	15	13	30	131.7	2.1	1.4	2.7	9.0	4.7	5.9	3.7
GMM Pfaudler Ltd	BUY	332	1390	1600	15.1	20.3	19.4	26.7	71.6	52.1	43.7	32.0
Alicon Castalloy Ltd	BUY	288	590	850	44.1	7.3	29.0	46.6	20.4	12.7	9.4	6.9
Gulfic Biosciences Ltd	BUY	50	77	150	96.1	5.9	1.9	3.1	41.0	24.6	17.4	13.6
Excel Industries Ltd	BUY	380	1045	1800	72.2	13.5	58.1	112.2	18.0	9.3	10.7	5.7
Vesuvius India Ltd	BUY	1165	1176	1500	27.6	23.5	52.3	56.3	22.5	20.9	11.4	11.0
Munjal Showa Ltd	BUY	191	159	250	57.2	6.4	19.4	21.5	8.2	7.4	5.5	4.9
Bharat Rasayan Ltd	BUY	2747	4081	5000	22.5	17.1	227.3	257.5	18.0	15.8	11.8	10.3
Alkyl Amines Chemicals Ltd	BUY	391	825	1000	21.2	16.8	31.5	38.9	26.2	21.2	15.7	12.0
Grauer and Weil (India) Ltd	BUY	45	55	65	17.5	12.5	2.7	3.0	20.7	18.7	13.1	12.3
Texmaco Rail & Engineering Ltd	BUY	91	72	150	109.8	20.2	0.5	1.8	156.0	39.5	67.2	19.5
Nagarjuna Agrichem Ltd	BUY	29	32	45	39.1	5.0	0.7	0.8	47.2	40.9	14.7	13.9
Simplex Infrastructures Ltd	BUY	540	139	300	115.7	20.2	30.5	31.8	4.6	4.4	6.1	5.7
ITD Cementation India Ltd	BUY	158	114	180	58.5	17.6	8.3	9.8	13.6	11.6	7.5	6.6
Westlife Development Ltd	BUY	266	331	525	58.6	51.5	0.8	1.6	399.0	208.6	68.8	48.3
Federal Mogul Goetze (India) Ltd	BUY	540	543	750	38.1	30.2	14.9	18.0	36.4	30.1	16.1	14.7
Dynamatic Technologies Ltd	BUY	2160	1421	2750	93.5	9.0	1.1	51.1	1251.6	27.8	11.4	8.7
Hitech Corporation Ltd	BUY	175	94	150	59.6	1.6	4.5	6.4	20.8	14.7	8.4	6.3
NRB Bearings Ltd	BUY	138	170	240	41.2	16.5	8.5	10.4	20.1	16.4	11.9	10.0
Kokuyo Camlin Ltd	BUY	132	83	175	110.1	8.4	1.0	1.5	85.1	56.6	25.3	20.2
Timken India Ltd	BUY	883	691	1000	44.7	47.0	13.5	19.0	51.0	36.4	28.7	18.3
Morganite Crucible (India) Ltd	BUY	1047	1310	2000	52.7	3.7	49.6	63.9	26.4	20.5	2.5	2.2
Vardhman Special Steels Ltd	BUY	151	96	140	45.2	3.4	7.0	8.7	13.7	11.1	9.0	7.5
Zen Technologies Ltd	BUY	115	74	170	131.1	5.7	-0.1	0.8	-1458.9	91.3	-301.0	54.5
KSB Ltd	BUY	820	708	1100	55.4	24.6	18.8	21.2	37.0	32.8	15.5	13.8
Thermax Ltd	BUY	1019	1039	1230	18	123.8	22.1	26.8	47.0	38.8	33.3	28.6
Transpek Industry Ltd	BUY	1547	1533	2000	30.5	8.6	47.3	76.0	32.4	20.2	19.7	14.8
BASF India Ltd	BUY	1954	1328	2000	50.6	57.5	20.3	43.5	65.4	30.5	19.5	15.4
Artson Engineering Ltd	BUY	64	46	95	108.8	1.7	0.4	2.3	121.5	19.8	71.5	21.8
Remsons Industries Ltd	BUY	104	76	155	103.9	0.4	6.0	7.9	12.6	9.6	8.8	6.9
Snowman Logistics Ltd	BUY	33	33	55	66.7	5.5	-0.2	0.1	-154.9	229.3	15.3	12.6
Alembic Pharmaceuticals Ltd	BUY	605	503	751	49.3	94.8	22.3	26.7	22.5	18.8	15.7	13.4
SKF India Ltd	BUY	1942	1866	2620	40.4	95.8	57.6	60.7	32.4	30.8	22.0	20.4
HFCL Ltd	BUY	25	21	35	65.1	26.4	1.3	1.7	16.8	12.6	11.0	7.9
Sudarshan Chemical Industries Ltd	BUY	372	332	500	50.7	25.8	12.4	13.8	26.8	24.1	13.1	11.7

*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	67%	
Engineers India Ltd	211	200	Bonus 1 : 1.	105	200	13%	
Gulshan Polyols Ltd	390	500	Stock Split from Rs.FV 5 to Rs.FV 1.	78	110	-36%	
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2.	479	640	15%	
Castrol India Ltd	447	550	Bonus 1 : 1	223	200	-36%	
Hikal Ltd	143	325	Bonus 1 : 2	95	216	77%	

Coverage Universe Valuations												
Company	Reco	Adj Reco	CMP	Tgt price	Upside	Mcap	EPS(x)		PE(x)		EV/EBITDA (x)	
		(Rs)	(Rs)	(Rs)	(%)	(Rs bn)	FY18	FY19	FY18	FY19	FY18	FY19
IHP Ltd	BUY	341	285	500	75.3	13.8	13.6	20.1	20.9	14.2	11.3	8.7
Engineers India Ltd	BUY	211	119	200	68.7	39.9	6.0	7.0	19.8	17.0	18.1	14.4
Gulshan Polyols Ltd	BUY	390	50	78	56.2	2.3	3.9	5.1	12.8	9.8	5.5	4.4
Nesco Ltd	BUY	2397	553	640	15.8	7.8	25.1	23.7	22.0	23.3	18.0	18.8
Castrol India Ltd	BUY	223	143	200	40.0	70.7	7.1	15.6	20.2	9.2	13.3	12.0
Hikal Ltd	BUY	143	169	216	28.0	13.9	9.4	10.1	18.0	16.8	10.9	9.8

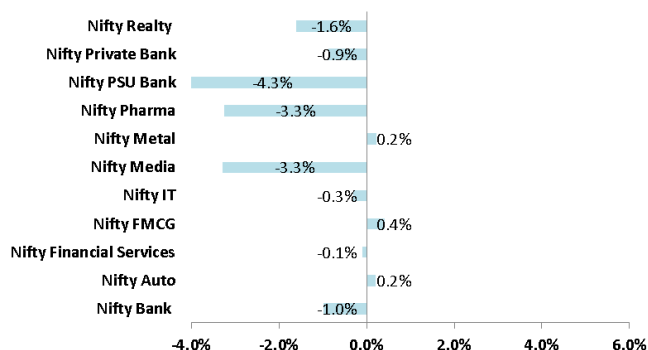
Coverage Performance Sheet												
Company	Reco at	CLS		Target Price (Rs)								Appreciation
	(Rs)	(Rs)	Target 1	Target 2	Target 3	Target 4	Target 5	Target 6	Target 7	Target 8		
Supreme Petrochem Ltd	77	215	120	150	200	275	350	500	275	-	179%	
Shanthi Gears Ltd	107	120	150	200	-	-	-	-	-	-	12%	
Hind Rectifiers Ltd	69	139	110	140	175	-	-	-	-	-	101%	
KCP Limited	71	89	105	150	200	150	-	-	-	-	25%	
Hester Biosciences Ltd	566	1853	750	875	1150	1500	2200	1750	2250	-	227%	
The Hitech Gears Ltd	298	272	450	600	500	-	-	-	-	-	-9%	
Bharat Bijlee Ltd	787	1119	1100	1500	2000	-	-	-	-	-	42%	
Triveni Turbines Ltd	92	109	135	150	-	-	-	-	-	-	18%	
Siemens Ltd	1128	1254	1350	-	-	-	-	-	-	-	11%	
Aksh Optifibre Ltd	15	13	24	35	45	30	-	-	-	-	-14%	
GMM Pfaudler Ltd	332	1390	500	700	800	1000	1300	1600	-	-	319%	
Alicon Castalloy Ltd	288	590	450	600	750	1000	850	-	-	-	105%	
Gufic Biosciences Ltd	50	77	75	100	140	175	150	-	-	-	53%	
Excel Industries Ltd	380	1045	550	650	800	1100	1400	1800	2200	1800	175%	
Vesuvius India Ltd	1165	1176	1500	-	-	-	-	-	-	-	1%	
Munjal Showa Ltd	191	159	250	300	350	300	250	-	-	-	-17%	
Bharat Rasayan Ltd	2747	4081	3500	4250	5000	6500	9000	5000	-	-	49%	
Alkyl Amines Chemicals Ltd	391	825	550	700	850	1000	-	-	-	-	111%	
Grauer and Weil (India) Ltd	45	55	65	80	100	65	-	-	-	-	23%	
Texmaco Rail & Engineering Ltd	91	72	125	150	-	-	-	-	-	-	-21%	
Nagarjuna Agrichem Ltd	29	32	45	60	75	60	45	-	-	-	12%	
Simplex Infrastructures Ltd	540	139	700	540	300	-	-	-	-	-	-74%	
ITD Cementation India Ltd	158	114	225	180	-	-	-	-	-	-	-28%	
Westlife Development Ltd	266	331	350	425	525	-	-	-	-	-	24%	
Federal Mogul Goetze (India) Ltd	540	543	750	-	-	-	-	-	-	-	1%	
Dynamatic Technologies Ltd	2160	1421	3000	2750	-	-	-	-	-	-	-34%	
Hitech Corporation Ltd	175	94	230	180	150	-	-	-	-	-	-46%	
NRB Bearings Ltd	138	170	200	240	-	-	-	-	-	-	23%	
Kokuyo Camlin Ltd	132	83	175	-	-	-	-	-	-	-	-37%	
Timken India Ltd	883	691	1200	1000	-	-	-	-	-	-	-22%	
Morganite Crucible (India) Ltd	1047	1310	1500	1750	2300	2000	-	-	-	-	25%	
Vardhman Special Steels Ltd	151	96	225	140	-	-	-	-	-	-	-36%	
Zen Technologies Ltd	115	74	170	-	-	-	-	-	-	-	-36%	
KSB Ltd	820	708	1100	-	-	-	-	-	-	-	-14%	
Thermax Ltd	1019	1039	1230	-	-	-	-	-	-	-	2.0%	
Transpek Industry Ltd	1547	1533	2000	-	-	-	-	-	-	-	-0.9%	
BASF India Ltd	1954	1328	2500	2000	-	-	-	-	-	-	-32.0%	
Artson Engineering Ltd	64	46	95	-	-	-	-	-	-	-	-29%	
Remsons Industries Ltd	104	76	155	-	-	-	-	-	-	-	-27%	
Snowman Logistics Ltd	33	33	55	-	-	-	-	-	-	-	0.0%	
Alembic Pharmaceuticals Ltd	605	503	751	-	-	-	-	-	-	-	-17%	
SKF India Ltd	1942	1866	2620	-	-	-	-	-	-	-	-3.9%	
HFCL Ltd	25	21	35	-	-	-	-	-	-	-	-15%	
Sudarshan Chemical Industries Ltd	372	332	500	-	-	-	-	-	-	-	-10.9%	

*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	67%
Engineers India Ltd	211	325	Bonus 1 : 1	105	200	13%
Gulshan Polyols Ltd	390	500	Stock Split from Rs.FV 5 to Rs.FV 1	78	110	-36%
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2	479	640	15%
Castrol India Ltd	447	550	Bonus 1 : 1	223	200	-36%
Hikal Ltd	143	325	Bonus 1 : 2	95	216	77%

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	268	500	600	500	-	-	-	-	-	67%	
Engineers India Ltd	211	109	200	250	200	-	-	-	-	-	13%	
Gulshan Polyols Ltd	390	49	110	78	-	-	-	-	-	-	-36%	
Nesco Ltd	2397	483	640	-	-	-	-	-	-	-	15%	
Castrol India Ltd	223	146	275	250	200	-	-	-	-	-	-36%	
Hikal Ltd	143	175	200	250	325	216	-	-	-	-	77%	

Weekly Sectoral Gainers & Losers in (%)



TERM OF THE WEEK:

Defined Benefit Plan:

A defined benefit pension plan is a type of pension plan in which an employer/sponsor promises a specified pension payment, lump-sum on retirement that is predetermined by a formula based on the employee's earnings history, tenure of service and age, rather than depending directly on individual investment returns.

COVERAGE NEWS:

Hester Biosciences Limited (CMP Rs1865)

We had initiated Buy on the stock in 2015 at Rs566 and revised the target six times to Rs1750. This has also been breached and we revise the target to Rs2250 over a 12 months horizon.

Initiating Date: 17/11/2015

Initiating Price: Rs566

6th Target: Rs1750

% of appreciation: 209%

Potential upside: 21%

Revised 7th Target: Rs2250 (over 12 months horizon)

Highlights of Monetary Policy:

MPC cuts repo rate by 25 bps with stance changed to 'Accommodative'

Repo Rate: 5.75% (6% in April 2019)

Reverse Repo Rate: 5.50% (5.75% in April 2019)

Bank Rate: 6% (6.25% in April 2019)

Inflation Projection: CPI inflation seen at 3-3.1% in H1FY20, 3.4-3.7% in H2FY20

GDP Projection: FY20 GDP growth forecast cut to 7% from 7.2% earlier.

H1FY20 GDP growth forecast cut to 6.4-6.7% from 6.8-7.1%

H2FY20 GDP growth forecast revised to 7.2-7.5% from 7.3-7.4%

Our View:

We had expected the MPC to go for a 25-35bps rate cut with a neutral stance. However, the RBI opted for a rate cut of 25bps (with unanimous votes) with a change in stance, amid the slowing economic growth and rising global uncertainty. The decisions are in consonance with the objective of achieving the medium-term target for CPI inflation of 4% within a band of +/- 2%, while supporting growth. Risks around the baseline inflation trajectory emanate from uncertainties relating to the monsoon, unseasonal spikes in vegetable prices, international fuel prices and their pass-through to domestic prices, geo-political tensions, financial market volatility and the fiscal scenario. If inflation continues to undershoot below 4% and growth concerns coming to the forefront, another rate cut of 25bps cannot be ruled out in the next meeting.

Alembic Pharmaceuticals Limited:

Alembic Pharma to consider and approve the proposal for issue of non-convertible debentures on private placement basis on June 12.

Target revision

Monetary Policy June 2019

Corporate development

*Growth Momentum Seen
In Manufacturing Sector*

ECONOMY:

India's manufacturing sector growth gains momentum in May: PMI

India's manufacturing activity grew at its fastest pace in three months in May led by consumer goods raising hopes of a reversal in demand slowdown that had resulted in economic growth decelerating to a five-year low in 2018-19. Survey said consumer goods led the upturn in May, with rates of expansion in output, total sales, new export orders and employment surpassing those seen in the intermediate as well as capital goods categories. The Nikkei India Manufacturing Purchasing Managers' Index rose to 52.7 in May from 51.8 in April, remaining above the 50-point mark that separates expansion from contraction.

Our comments:

As per the survey report, revival in new order growth promoted a faster upturn in manufacturing production, as Indian firms sought to replenish inventories utilised in May to fulfil strengthening demand.

INDUSTRY:

DoT to oppose spectrum sale of bankrupt telcos

The department of telecommunications (DoT) plans to oppose the sale of airwaves held by bankrupt telcos during the insolvency resolution process. The department will take all legal steps, including moving the Supreme Court if necessary, to ensure that the resolution professional doesn't get the right to sell spectrum during the bankruptcy proceedings as indicated by a senior official. As an explanation he said, that the department believes that the government is the licensor of the airwaves and is the only one authorised to sell it through auctions, according to existing law. More so, since spectrum is a finite and sovereign asset, it makes the government the sole authority responsible for allocating it.

Our comments:

This would have an impact on companies like Aircel and Reliance Communications making them less attractive to buyers and hit their lenders.

*Spectrum Sale On
Debate*

COMPANY:

NCC Ltd may lose Rs6,100cr projects; ball in new government court

The newly instated Andhra Pradesh government ordered to stop engineering works and cancel works which had not yet started despite getting approval before April 1, 2019. If this were to happen, work orders (which have not commenced/not grounded) approximately worth Rs6,100cr issued to NCC are likely to be cancelled.

Our comments:

The development would be a wait and watch for NCC and the new government is to decide its fate, but if implemented it would be a negative for the company.

NCC Projects At Stake

KTM and Bajaj Auto agree on new Electric Vehicle alliance

Bajaj Auto has joined hands with Austrian sports bike maker KTM Industries to manufacture electric two-wheelers vehicles in the power range of 3-10kW (48 volts). Under this partnership, Bajaj Auto and KTM will support different product variants, namely scooters, mopeds, small mopeds under brands of both partners. The production of Bajaj Auto and KTM electric two-wheelers will start at Bajaj's Pune plant by 2022.

Our comments:

With electric vehicles being the next target for auto OEMs in India, KTM Industries AG and Bajaj Auto Ltd, partnership seems to be the way ahead.

KTM Bajaj EV Deal

GE Power bags Rs738cr order from Aravali Power Company

GE Power India bagged a contract worth Rs738cr from Aravali Power Company Private Limited. The contract is for design, engineering, civil work, supply, erection and commissioning of wet FGD (Flue Gas Desulphurisation) systems along with auxiliaries like limestone and gypsum handling system and wet stack on full turnkey basis.

Our comments:

This is a positive for the company.

Order For GE Power

*DRL Re-launches
Zenatane*

COMPANY:

Dr Reddy's re-launches generic Zenatane capsules in US

Dr Reddy has re-launched Zenatane (Isotretinoin Capsules, USP) in the strengths of 10 mg, 20 mg, 30 mg and 40 mg. Zenatane is a generic version of Hoffman LaRoche's Accutane capsules and is being launched with an approved Risk Evaluation and Mitigation Strategy (REMS) Programme.

Our comments:

Customers and patients will benefit from access to this medicine, and those who have had witnessed limited supply and options in the market place.

*BHEL Into
Transportation*

BHEL expands footprint in the transportation sector

Indian Railways' existing fleet of conventional DC Traction Motor driven Electric Locomotives, Bharat Heavy Electricals Limited (BHEL) has successfully developed a Regenerative System for retro-fitment in these locos to make them energy efficient. Following the successful development, Indian Railways has placed an order on BHEL for 25 nos. Broad Gauge 5000 HP AC Electric Locomotives of type WAG-7 with regenerative feature. The system has the unique feature of utilising the kinetic energy of the train while in braking mode, which is re-converted into electrical energy and is fed back to the electric grid through OHE lines.

Our comments:

BHEL is the first to develop such a system for these locomotives and would hence enjoy the edge.

FTF For Natco

Natco Pharma files ANDA for Bosentan tablets with USFDA

Natco Pharma has submitted an application for an ANDA with USFDA for the generic version of Bosentan 32mg tablets for oral suspension. Tracleer is indicated for treatment of pulmonary arterial hypertension.

Our comments:

The ANDA is possibly the sole first-to-file based on the filing date and may be eligible for 180 days of marketing exclusivity at the time of potential launch of the product.

VA Tech Agreement

VA Tech WABAG signs concession agreement worth Rs575cr

VA Tech WABAG has signed Rs575cr concession agreement under the Namami Gange programme which integrates the efforts to clean and protect the Ganga River in a comprehensive manner. The scope of the contract includes engineering, supply and construction of new sewage treatment plants, renovation and up-gradation of existing sewage treatment plants, rehabilitation of pumping stations in Bally, Arupara and Baranagar areas of Kolkata. The recent order would help WABAG cumulatively purify over 100-crore litres of sewage every day which used to get discharged in river Ganga and its tributaries.

Our comments:

The project was one of the kinds which by bundling sewage treatment infrastructure along with green power generation and operation and maintenance for 15 years.

*Indiabulls Real Estate
stake sale*

Indiabulls to focus on financial services

Indiabulls Group is looking to exit the real estate business so that it can get regulatory approvals for the proposed merger of Indiabulls Housing Finance with the Lakshmi Vilas Bank. Blackstone might buy promoters' total 39% stake in Indiabulls Real Estate through a joint venture with realty firm Embassy Group for a value of around USD1bn.

Our comments:

This is in line with Indiabulls promoters' strategy to focus on financial services going forward.

DISCLAIMERS AND DISCLOSURES-

Progressive Share Brokers Pvt. Ltd. and its affiliates are a full-service, brokerage and financing group. Progressive Share Brokers Pvt. Ltd. (PSBPL) along with its affiliates are participants in virtually all securities trading markets in India. PSBPL started its operation on the National Stock Exchange (NSE) in 1996. PSBPL is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE) for its stock broking services and is Depository Participant with Central Depository Services Limited (CDSL) and is a member of Association of Mutual Funds of India (AMFI) for distribution of financial products. PSBPL is SEBI registered Research Analyst under SEBI (Research Analysts) Regulations, 2014 with SEBI Registration No. INH000000859. PSBPL hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in last five years. PSBPL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

PSBPL offers research services to clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Other disclosures by Progressive Share Brokers Pvt. Ltd. (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company (s) covered in this report:-

- PSBPL or its associates financial interest in the subject company: NO
- Research Analyst (s) or his/her relative's financial interest in the subject company: NO
- PSBPL or its associates and Research Analyst or his/her relative's does not have any material conflict of interest in the subject company. The research Analyst or research entity (PSBPL) has not been engaged in market making activity for the subject company.
- PSBPL or its associates actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report: NO
- Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report: NO
- PSBPL or its associates may have received any compensation including for brokerage services from the subject company in the past 12 months. PSBPL or its associates may have received compensation for products or services other than brokerage services from the subject company in the past 12 months. PSBPL or its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. Subject Company may have been client of PSBPL or its associates during twelve months preceding the date of distribution of the research report and PSBPL may have co-managed public offering of securities for the subject company in the past twelve months.
- The research Analyst has served as officer, director or employee of the subject company: NO

PSBPL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our sales people, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses (if any) may make investment decisions that may be inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution publication, availability or use would be contrary to law or regulation or which would subject PSBPL or its group companies to any registration or licensing requirement within such jurisdiction. If this document is sent or has reached any individual in such country, especially, USA, the same may be ignored. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of PSBPL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of PSBPL or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Terms & Conditions:

This report has been prepared by PSBPL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of PSBPL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. PSBPL will not treat recipients as customers by virtue of their receiving this report.

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.