

THE WEEKLY WRAP-UP

12th January 2018

DOMESTIC:

- Aban Offshore promoters offer USD600mn one-time settlement to enders
- NBCC receives order of Rs2,200cr
- USFDA may inspect Sun Pharma's Halol site in February
- Govt to sell 1.5% in NMDC at Rs153.5 per share
- Radiant looks to buy Max Healthcare stake
- Jindal Steel & Power to raise Rs1,000cr through QIP route
- HCC bags Rs484cr contract for Pune Metro
- Siemens to electrify Gujarat Metro Link Express
- L&T Construction bags orders worth Rs2,265cr
- Orchid Pharma gets EIR from USFDA for its Chennai facility
- IDFC bank, Capital First explore merger worth Rs29,000cr
- L&T commissions 360MW Bheramara power plant in Bangladesh
- Motherson Sumi through subsidiary forms JV with Ossia Inc
- All 84 McDonald's outlets to re-open by weekend: Vikram Bakshi
- Whirlpool of India heads towards capacity expansion plan
- Price Waterhouse gets 2-year ban in Satyam case
- Tata Chemicals gets shareholders' nod for Haldia unit sale
- IFC set to invest Rs2,800cr in MP Solar park
- Shipping ministry builds case against Dredging Corporation selloff
- Maruti Suzuki hikes prices by up to Rs17,000
- GE Power wins contract worth Rs818cr
- Simplex Infrastructures wins order worth Rs1080cr from MMRDA
- RInfra emerges lowest bidder for NTPC Rs567cr contract
- Texmaco Rail floats subsidiary
- Reliance Jio planning its own cryptocurrency called JioCoin

ECONOMY:

- Crisil retains 7.6% growth estimate for FY19 on lower base
- Indian retail inflation likely hit a 17-month high in December

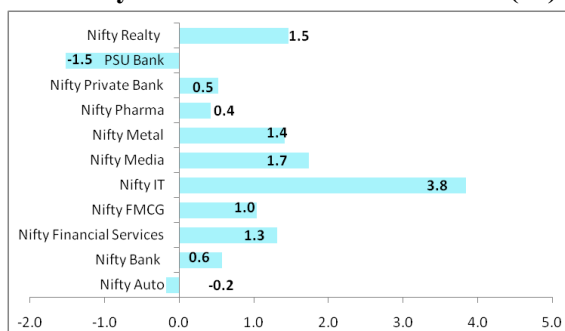
INDUSTRY:

- Rural economy, monsoons to boost FMCG companies in 2018: as per market reports
- NPPA lens on five pharma companies for Hepatitis C drug overcharge
- Telecom Commission favours increasing spectrum cap
- Fertiliser volume growth in FY18 to be modest: ICRA
- Auto industry posts 11.27% growth in April-Dec 2017: SIAM

Price Performance (%)

Company	1M	3M	12M
Supreme Petrochem Ltd	7.0%	10.0%	80.7%
Shanthi Gears Ltd	22.5%	30.0%	47.2%
Hind Rectifiers Ltd	24.3%	22.6%	51.8%
KCP Ltd	30.4%	28.5%	80.3%
Harita Seating System Ltd	13.8%	28.7%	48.6%
Hester Biosciences Ltd	21.4%	60.2%	128.9%
Rallis India Ltd	13.3%	12.6%	28.2%
The Hi-Tech Gears Ltd	2.6%	65.4%	71.4%
Bharat Bijlee Ltd	32.3%	26.6%	70.9%
TNPL	8.3%	37.4%	35.3%
Triveni Turbines Ltd	3.8%	3.4%	13.5%
Siemens Ltd	13.4%	6.1%	12.6%
Hikal Ltd	-0.4%	-5.3%	3.0%
Aksh Optifibre Ltd	33.6%	62.9%	72.7%
GMM Pfäudler Ltd	18.3%	28.4%	39.7%
Alicon Castalloy Ltd	20.1%	27.7%	86.2%
Premier Explosives Ltd	17.4%	7.3%	28.5%
Gufic Biosciences Ltd	25.5%	49.7%	137.4%
Excel Industries Ltd	15.1%	51.3%	88.3%
Vesuvius India Ltd	9.2%	11.6%	15.2%
Munjal Showa Ltd	10.0%	7.1%	51.4%
Bharat Rasayan Ltd	31.9%	68.0%	152.4%
Alkyl Amines Chemicals Ltd	19.0%	23.1%	123.7%
Grauer and Weil (India) Ltd	13.4%	23.6%	119.0%
Texmaco Rails & Engineering Ltd	4.8%	8.6%	3.8%
Nagarjuna Agrichem Ltd	40.3%	32.3%	135.7%
Simplex Infrastructures Ltd	7.1%	24.2%	105.6%
ITD Cementation India Ltd	4.0%	23.3%	29.7%
Westlife Development Ltd	1.2%	47.5%	114.1%
Federal Mogul Goetze (India) Ltd	5.7%	10.6%	9.5%
Dynamatic Technologies Ltd	4.8%	-0.8%	-29.1%
Hitech Corporation Ltd	15.3%	5.5%	8.3%
NRB Bearings Ltd	16.9%	25.2%	64.2%
Kokuyo Camlin Ltd	-0.6%	51.0%	74.3%
Timken India Ltd	13.3%	28.6%	55.7%
Indian Hume Pipe Co. Ltd	0.0%	-21.5%	129.1%
Engineers India Ltd	1.9%	26.6%	150.2%
TRIL	16.1%	35.1%	9.2%
Gulshan Polyols Ltd	20.1%	11.2%	520.1%
Nesco Ltd	15.2%	13.6%	45.8%
Castrol India Ltd	-5.9%	2.6%	-4.1%

Weekly Sectoral Gainers & Losers in (%)



The week that went by:

The markets opened the week at record high levels tracking positive lead from global players. The second day of trade also saw a record high opening for the indices. However, volatility came in with the investors' focus now being on the Dec earnings. The markets opened flat midweek after the record highs in the first two days of the week. The markets opened flat ahead of IT biggies coming up with the quarter results. Last day of trade also had fresh record openings.

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	25.2	38.5	18.6	19.9	21.5	20.1	12.6	12.0
Shanthy Gears Ltd	BUY	107	169	200	18.3	13.8	2.8	3.1	61.4	54.8	38.7	34.0
Hind Rectifiers Ltd	BUY	69	146	175	19.9	2.2	-4.5	0.5	-137.7	287.5	53.5	36.3
KCP Limited	BUY	71	157	200	27.8	20.2	3.6	4.6	69.0	42.9	16.1	14.0
Harita Seating System Ltd	BUY	266	1058	1150	8.7	8.2	32.4	34.5	32.6	30.7	29.8	24.9
Hester Biosciences Ltd	BUY	565	1680	2200	31.0	14.3	29.2	34.2	57.4	56.7	35.5	30.2
Rallis India Ltd	BUY	181	266	300	12.7	51.8	15.3	11.2	29.9	23.7	19.8	16.6
The Hitech Gears Ltd	BUY	298	557	600	7.7	10.5	10.9	11.1	51.3	51.1	21.4	18.8
Bharat Bijlee Ltd	BUY	787	1404	2000	42.5	7.9	34.7	39.3	40.5	35.7	52.5	31.7
Tamil Nadu Newsprint & Papers Ltd	BUY	224	467	500	7.2	32.4	38.2	36.6	12.2	12.8	25.5	24.3
Triveni Turbines Ltd	BUY	92	134	175	30.6	0.4	3.5	3.6	38.1	37.0	27.0	25.4
Siemens Ltd	BUY	1128	1322	1500	13.4	470.7	9.1	10.0	145.5	132.5	44.8	99.3
Hikal Ltd	BUY	143	237	325	37.0	19.5	8.1	8.7	29.2	27.3	12.0	11.0
Aksh Optifibre Ltd	BUY	15	43	45	5.3	7.0	3.4	5.5	12.6	7.8	8.0	5.7
GMM Pfäudler Ltd	BUY	332	790	1000	26.6	11.5	19.3	21.1	40.9	37.5	28.1	25.7
Alicon Castalloy Ltd	BUY	288	708	750	6.0	8.7	21.4	24.1	33.1	29.3	12.4	11.1
Premier Explosives Ltd	BUY	350	477	600	25.9	4.2	16.6	15.3	28.7	31.2	16.0	13.0
Gufic Biosciences Ltd	BUY	50	129	140	8.5	9.9	1.5	2.0	87.6	64.6	38.8	29.3
Excel Industries Ltd	BUY	380	723	800	10.7	9.3	35.8	25.1	20.2	28.8	23.1	14.9
Vesuvius India Ltd	BUY	1165	1336	1500	12.3	26.7	49.0	65.0	27.3	20.6	14.9	12.0
Munjal Showa Ltd	BUY	191	298	350	17.4	11.9	14.1	15.1	21.1	19.7	12.5	12.1
Bharat Rasayan Ltd	BUY	2747	4800	5000	4.2	20.2	128.1	141.2	37.5	34.0	19.5	17.6
Alkyl Amines Chemicals Ltd	BUY	391	698	700	0.4	14.2	24.3	29.2	28.7	23.9	16.6	15.7
Grauer and Weil (India) Ltd	BUY	45	80	100	25.1	18.1	2.3	2.3	35.4	34.1	20.2	19.7
Texmaco Rails & Engineering Ltd	BUY	91	118	170	43.9	20.2	1.5	2.7	77.2	43.9	49.7	30.6
Nagarjuna Agrichem Ltd	BUY	29	62	75	21.0	9.7	2.3	0.9	26.7	70.7	19.0	17.6
Simplex Infrastructures Ltd	BUY	540	609	700	15.0	20.2	24.3	30.5	25.0	19.9	5.6	4.9
ITD Cementation India Ltd	BUY	158	211	225	6.9	32.7	4.8	2.9	43.9	72.1	15.7	22.0
Westlife Development Ltd	BUY	266	358	425	18.7	55.7	-0.8	0.3	-459.0	1048.8	122.4	73.9
Federal Mogul Goetze (India) Ltd	BUY	540	553	750	35.7	30.8	12.9	15.7	42.7	35.1	17.6	16.0
Dynamatic Technologies Ltd	BUY	2160	2107	3000	42.4	13.4	23.0	30.4	52.7	67.7	11.2	11.1
Hitech Corporation Ltd	BUY	175	184	230	24.9	3.2	6.9	7.2	25.4	24.2	9.7	8.5
NRB Bearings Ltd	BUY	138	175	200	14.0	17.0	5.3	5.5	26.4	25.0	15.0	14.4
Kokuyo Camlin Ltd	BUY	132	144	175	21.7	14.4	0.1	0.3	1520.1	573.8	70.3	60.5
Timken India Ltd	BUY	883	978	1200	22.7	66.5	14.3	15.1	68.4	64.6	42.0	36.5

*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	430	600	39.6	20.8	18.4	25.5	23.4	16.8	42.7	46.3
Engineers India Ltd	BUY	106	194	250	28.9	65.4	4.8	4.7	40.2	41.3	9.4	16.3
Transformers and Rectifiers (India) Ltd	BUY	30	41	55	33.5	0.5	5.5	5.5	4.2	2.8	5.5	5.5
Gulshan Polyols Ltd	BUY	78	96	110	15.2	4.4	5.9	6.4	16.1	14.9	9.4	8.2
Nesco Ltd	BUY	479	601	640	6.5	8.5	120.2	137.5	5.0	4.4	19.8	16.5
Castrol India Ltd	BUY	223	191	275	44.4	94.2	14.4	14.9	13.2	12.9	7.8	7.7

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	-	419%
Shanthi Gears Ltd	107	167	150	200	-	-	-	-	-	58%
Hind Rectifiers Ltd	69	135	110	140	175	-	-	-	-	112%
KCP Limited	71	158	105	150	200	-	-	-	-	120%
Harita Seating System Ltd	266	1011	400	600	750	900	1150	-	-	298%
Hester Biosciences Ltd	565	1785	750	875	1150	1500	1750	2200	-	197%
Rallis India Ltd	181	275	260	300	-	-	-	-	-	47%
The Hitech Gears Ltd	298	535	450	600	-	-	-	-	-	87%
Bharat Bijlee Ltd	787	1431	1100	1500	2000	-	-	-	-	78%
Tamil Nadu Newsprint & Papers Ltd	224	480	350	450	500	-	-	-	-	108%
Triveni Turbines Ltd	92	133	135	175	-	-	-	-	-	46%
Siemens Ltd	1128	1287	1500	-	-	-	-	-	-	17%
Hikal Ltd	143	242	200	250	325	-	-	-	-	66%
Aksh Optifibre Ltd	15	44	24	35	45	-	-	-	-	185%
GMM Pfaudler Ltd	332	803	500	700	800	1000	-	-	-	138%
Alicon Castalloy Ltd	288	683	450	600	750	-	-	-	-	146%
Premier Explosives Ltd	350	447	450	525	-	-	-	-	-	36%
Gufic Biosciences Ltd	50	137	75	100	140	-	-	-	-	158%
Excel Industries Ltd	380	676	550	650	800	-	-	-	-	90%
Vesuvius India Ltd	1165	1372	1500	-	-	-	-	-	-	15%
Munjal Showa Ltd	191	292	250	300	350	-	-	-	-	56%
Bharat Rasayan Ltd	2747	4185	3500	4250	5000	-	-	-	-	75%
Alkyl Amines Chemicals Ltd	391	680	550	700	-	-	-	-	-	78%
Grauer and Weil (India) Ltd	45	81	65	80	100	-	-	-	-	78%
Texmaco Rails & Engineering Ltd	91	114	125	170	-	-	-	-	-	30%
Nagarjuna Agrichem Ltd	29	64	45	60	75	-	-	-	-	114%
Simplex Infrastructures Ltd	540	585	700	-	-	-	-	-	-	13%
ITD Cementation India Ltd	158	216	225	-	-	-	-	-	-	33%
Westlife Development Ltd	266	338	350	425	-	-	-	-	-	35%
Federal Mogul Goetze (India) Ltd	540	527	750	-	-	-	-	-	-	2%
Dynamatic Technologies Ltd	2160	2262	3000	-	-	-	-	-	-	-2%
Hitech Corporation Ltd	175	194	230	-	-	-	-	-	-	5%
NRB Bearings Ltd	138	172	200	-	-	-	-	-	-	27%
Kokuyo Camlin Ltd	132	136	175	-	-	-	-	-	-	9%
Timken India Ltd	883	910	1200	-	-	-	-	-	-	11%

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Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2.	479	640	25%
Castrol India Ltd	447	550	Bonus 1 : 1.	223	275	-15%

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	Sadhana Nitrochem Limited	BUY	67	128
Cupid Limited	BUY	286	351				

*Omkar: Spin off

Electrification by Siemens

Coverage News:

Siemens to electrify Gujarat Metro Link Express

The Indian mass-transit operator Metro Link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited has awarded an order of approximately Rs579cr (Euro 76.04 million) to the consortium of Siemens Limited India and Siemens AG, Germany for electrification of the 39.2-kilometer Metro Express Link in Ahmedabad. Siemens will be responsible for the complete electrification of the new double-track Metro line. In addition, Siemens will also provide a SCADA (supervisory control and data acquisition) system for monitoring and controlling the traction power.

Our comments:

As per the management, in addition of this project, Siemens is executing electrification projects for six Metro cities in India, the other five being, Delhi, Kolkata, Chennai, Nagpur and Greater Noida, matching the pace of urbanization in India.

Order for Simplex Infra

Simplex Infrastructures wins order worth Rs1080cr from MMRDA

Simplex Infrastructures has received an order from Mumbai Metropolitan Region Development Authority (MMRDA) for Rs1080cr for part design and construction of elevated viaduct and 11 elevated stations.

Our comments:

This would be an addition to the order book of the company

McDonalds bearing it all

All 84 McDonald's outlets to re-open by weekend: Vikram Bakshi

Vikram Bakshi said all the 84 outlets in east and north India that were forced to shut down after discontinuation of supplies by the logistics partner will reopen by this weekend. Right now 64 of them have been re-opened and by the end of this week all the 84, which were temporarily hit, will resume operation.

Our comments:

The developments need to be carefully watched for any implications on our recommendation Westlife Development.

Subsidiary floated by Texrail

Texmaco Rail floats subsidiary

Texmaco Rail and Engineering has floated a new subsidiary Texmaco Defence Systems Private Ltd (TDSPL). The subsidiary will have its registered office in Kolkata and Texmaco Rail and Engineering holds 51% stake in it. TDSPL will look to penetrate "in the field of defence products and equipment" on the core strength of the parent company. It will also look at developing its own manufacturing unit in India

Our comments:

It is part of the business strategy of the company.

Target revision

Target Revision: Munjal Showa Limited:

We had initiated Buy on the stock with target price of Rs250 which was revised to Rs300 which also has been achieved. We further revise the target to Rs350 over a 12 months horizon.

Call Closed

Fundamental Call Closed:

Cupid Limited: We had initiated call on Cupid Limited on 9/10/2017 at Rs286 for a target of Rs340, appreciation of 19%. We have achieved the target and thereby close the call on the stock and recommend to book profits on the same.

Sadhana Nitrochem Limited: We had initiated BUY on the stock at the price of Rs67 (coverage initiated on 31st July 2017) for a target of Rs100. The target was achieved and further revised to Rs125. Having achieved our revised target price; we hereby close the call and those invested on our recommendation can book profits.

*India growth estimates by
Crisil*

ECONOMY:

Crisil retains 7.6% growth estimate for FY19 on lower base

Attributing the continuing slowdown to the impacts of the demonetisation, GST implementation and weakness in agriculture, Crisil has maintained its FY19 growth estimate at 7.6% on the low base. The pace of economic growth has slowed down this fiscal year, which is attributable mostly to the lingering impact of the demonetisation, transitory disruptions caused by the implementation of the goods and services tax (GST), and weak agricultural growth.

Our comments:

Given the low base and the expected waning of the GST impacts going ahead, the agency has retained its forecast of 7.6% real GDP growth in fiscal 2019, with private consumption leading the recovery.

INDUSTRY:

NPPA lens on five pharma companies for Hepatitis C drug overcharge

Five pharmaceutical companies namely Cipla, Hetero, Mylan, Natco and Dr Reddy's Laboratories are under the Indian regulator's scanner for allegedly overcharging for a new Hepatitis C combination which they launched without waiting for price approval. The National Pharmaceutical Pricing Authority has sent show-cause notices to these companies alleging overcharging for the combination drug used to treat the potentially fatal Hepatitis C virus that harms the liver.

Our comments:

NPPA sought to know how the companies arrived at the prices of their drug brands without due regulatory submissions and approvals. The notices specify recovery of overcharged amounts, penalties, a charge of 15% interest and prosecution measures as per the Essential Commodities Act. Quantification of overcharging liability with interest and penalty to be calculated after examination of companies' replies a penalty not less than 100% of the principal amount shall be imposed in such cases.

*Pharma cos under lens of
NPPA*

Telecom Commission favours increasing spectrum cap

The Telecom Commission (TC) decided in favour of relaxation of spectrum-holding caps for mobile companies and also approved awarding of category B licences to virtual network operators (VNOs). Any relaxation of spectrum-holding cap will help telcos such as Reliance Jio Infocomm, Vodafone and Idea Cellular. The issue of spectrum cap, as well as that of deferred payment tenure will now go to the Cabinet for final approval

Our comments:

The only way out of the financial stress in the telecom sector is merger and consolidation, for which spectrum caps relaxation is absolutely essential because the other option of surrendering spectrum was not recommended by the IMG, whereas this is a realistic proposition.

*Spectrum relaxation for
Telcos*

COMPANY:

RInfra emerges lowest bidder for NTPC Rs567cr contract

Reliance Infrastructure has emerged as the lowest bidder to bag a Rs567cr turnkey contract from NTPC for carrying out of Flue Gas Desulphurisation (FGD) works of its 1,500-mw power plant at Jhajjar in Haryana. As per sources, the price bid of Reliance Infrastructure was lower than state-run Bharat Heavy Electricals Ltd, Larsen & Toubro and Mitsubishi Hitachi Power systems. The project will be completed in 20 months from the award of the contract for the first unit with subsequent units each at three months gap.

Our comments:

The system will help NTPC meet the revised emissions

*RInfra leads in NTPC
contract bid*

Order for NBCC

COMPANY:

NBCC receives order of Rs2,200cr

NBCC has received an order for construction of Kotdwar-Ramnagar Kandi road under green infrastructure/ green road project as a project management consultant. The order size is Rs2,000cr. NBCC is also focusing on re-development as a new sector with unique financial modalities. NBCC has an order book of over Rs75,000cr.

Our comments:

These orders would be a boost to the overall orderbook of the company.

Sun pharma's halol plant to be inspected

USFDA may inspect Sun Pharma's Halol site in February

The USFDA is expected to begin inspection of Sun Pharma's manufacturing facility at Halol in the second week of February as per sources. The much-awaited inspection is critical as the facility produces multiple medicines from tablets to ointments and injectables. Following an inspection in the last week of November 2016, the Halol site was issued nine observations for deviations from standard manufacturing quality and procedure norms as spelled out by the US agency.

Our comments:

One needs to wait and watch the observations if any by the USFDA and accordingly the game plan of the company.

Fund raising for Jindal Steel & Power

Jindal Steel & Power to raise Rs1,000cr through QIP route

The management of Jindal Steel and Power Ltd (JSPL) has announced that it is planning to raise up to Rs1,000cr through qualified institutional placement (QIP) route in February 2018. The management stated that the purpose of the QIP was to repay debt as well as clear dues relating to working capital and capacity expansion. The company is also planning to raise Rs1,500-2,000cr by listing its Oman subsidiary, Jindal Shadeed, on a foreign exchange.

Our comments:

These developments are positive for the company going forward.

HCC bags order for Pune Metro

HCC bags Rs484cr contract for Pune Metro

Hindustan Construction Company Ltd. (HCC) has been awarded a Rs484cr contract by the Maharashtra Metro Rail Corporation Ltd. (MMRCL) for the Pune Metro Rail Project. HCC is the lead partner with a 51% stake in the joint venture with AL FARA'A. The work involves general and structural civil works of the station buildings, and architectural and site development. It is expected to be completed by 2019-end. The 14.66-km Line II will be completely elevated, and will have 16 stations.

Our comments:

This is the second order HCC has received from MMRCL for the Pune Metro, adding to the conviction in the working of the company.

Orders for L&T

L&T Construction bags orders worth Rs2,265cr

The transportation infrastructure and water and effluent treatment businesses of L&T Construction have jointly bagged three EPC orders worth Rs2,265cr from Andhra Pradesh Capital Region Development Authority (APCRDA). The scope of work includes investigation, design and construction of roads, drains, culverts, water supply, sewerage, sewerage treatment plants, utility ducts for power and ICT, reuse waterline and avenue plantation for land pooling schemes in Zones - 6, 7 and 10 areas of Amravati Capital City.

Our comments:

This would be an addition to the order book of the company.

EIR for Orchid Pharma

COMPANY:

Orchid Pharma gets EIR from USFDA for its Chennai facility

Orchid Pharma Ltd has received establishment inspection report (EIR) from the USFDA for its Chennai facility. The company has received the EIR from the US regulator on successful inspection closure for the post-marketing adverse drug experience reporting inspection (PADE) conducted at Nungambakkam, Chennai facility. The facility was inspected by USFDA in the month of June, 2017.

Our comments:

As per the USFDA, after the completion of an inspection of a facility, an EIR is issued to a company detailing inspectional findings. This is a positive development for the company.

IDFC bank and Capital First explore merger

IDFC bank, Capital First explore merger worth Rs29,000cr

IDFC Bank, which scrapped a deal to merge with Shriram City Union, is said to be exploring a similar deal with the Capital First, which has more than 5 million customers in retail and small and medium enterprises. Although the matter has not been taken to board level yet, proposals from investment bankers have reached some top executives of the two companies as per sources.

Our comments:

It will help Capital First to enter into banking while IDFC Bank will get a retail franchise.

Dredging Corp sell off shelved

Shipping ministry builds case against Dredging Corporation selloff

The government may shelve its plan to sell Dredging Corporation of India to private players, after the shipping ministry made a case against privatisation of this company. The ministry is of the view that given the massive projects that the government is undertaking to make inland waterways navigable and build and modernise ports, a state-run company could provide it more cost-effective dredging solutions than a private player. The ministry has proposed that the company be merged with a government port or any other public sector unit under its administrative control.

Our comments:

As per officials, engaging private companies for dredging is a time-taking and costly affair. Dredging Corporation with experience in deep-sea dredging could find opportunities in river dredging as well.

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