

DOMESTIC:

- Jet Airways gets Rs2,050cr loan from PNB
- DRL seeks USD70mn from Indivior for opioid delay
- NBCC bags Rs700cr orders from Raipur Smart City
- Laurus Labs received a final approval from USFDA for Hydroxychloroquine Tablets 200 mg and a tentative approval for an ANDA for ADL Tablets 600 mg/50 mg/300 mg
- Standard Life to sell 4.93% stake in HDFC Life via OFS
- Sun Pharma hikes stake in Russia's PJSC Biosintez to 96.96%
- Kalpataru bags orders worth Rs1,288cr
- DoT to ask Airtel, TTSL to pay over Rs15,000cr
- SPARC enters into a research collaboration with HitGen Limited
- Piramal Pharma Solutions eyes US generics business via partner-led model
- HCL Tech to acquire US-based digital transformation consulting firm
- Unichem Labs gets USFDA nod to market Allopurinol tablets
- Bajaj Consumer Care promoters sell 6.85% stake for Rs320cr
- JMC Projects secures new orders worth Rs547cr
- Reliance Infra signs agreement with Cube Highways
- Zydus Cadila received tentative approval from USFDA for Sitagliptin and Metformin Hydrochloride ER tablets
- PNB to sell its stake in CRIF High Mark
- NTPC and Power Grid to form pan-India power distribution firm in an equal JV
- Tech Mahindra to acquire K-Vision for USD1.5mn to expand 5G business
- Mahindra CIE acquires Aurangabad Electricals for Rs830cr
- Brookfield to acquire RIL's East-West Pipeline for Rs13,000cr
- Glenmark Pharma received a final approval from USFDA for Clindamycin and Benzoyl Peroxide Gel
- NTPC signs pact with Indian Railways for fly ash transportation
- BoI to raise Rs400-500cr from non-core asset sale
- Jio to speed up 5G rollouts to widen technology gap with Airtel, Voda Idea
- Tata Motors' JLR recalls 44,000 cars over CO2 emission levels
- USFDA woes dull Lupin's growth revival allure

ECONOMY:

- India could be a USD3tn digital economy in the next 4-5 years
- January IIP, February retail inflation observed a dip
- India's exports to touch USD330bn this fiscal: As per Commerce Secretary

INDUSTRY:

- Auto industry, organisations can buy bulk vehicle data from next fiscal: Policy
- Telcos ask etailers to stop sale of signal boosters
- Imports of Chinese auto arts set to rise as government pushes for electric cars
- Retail auto sales in February decline 8%, the sharpest fall this fiscal

Price Performance

Company	1M	3M	12M
Supreme Petrochem Ltd	11.4%	11.3%	-33.4%
Shanthi Gears Ltd	13.2%	-0.3%	-4.8%
Hind Rectifiers Ltd	15.7%	7.3%	-11.0%
KCP Ltd	13.8%	-7.4%	-24.3%
Hester Biosciences Ltd	5.7%	26.5%	-9.2%
The Hi-Tech Gears Ltd	8.4%	-6.1%	-27.4%
Bharat Bijlee Ltd	14.7%	-3.3%	-30.8%
Triveni Turbines Ltd	8.2%	-9.3%	-1.6%
Siemens Ltd	7.6%	7.4%	-8.6%
Aksh Optifibre Ltd	7.0%	-20.7%	-44.3%
GMM Pfäudler Ltd	17.4%	2.8%	76.7%
Alicon Castalloy Ltd	8.8%	-8.7%	-3.8%
Gufic Biosciences Ltd	12.4%	-18.5%	-33.4%
Excel Industries Ltd	23.3%	-16.4%	36.2%
Vesuvius India Ltd	7.1%	9.2%	-6.5%
Munjal Showa Ltd	9.6%	-3.8%	-20.6%
Bharat Rasayan Ltd	23.4%	-21.7%	-1.2%
Alkyl Amines Chemicals Ltd	6.4%	4.7%	27.5%
Grauer and Weil (India) Ltd	17.5%	2.5%	-16.4%
Texmaco Rails & Engineering Ltd	26.2%	15.4%	-23.7%
Nagarjuna Agrichem Ltd	8.8%	14.5%	-30.6%
Simplex Infrastructures Ltd	18.9%	-9.7%	-66.8%
ITD Cementation India Ltd	27.8%	22.5%	-19.3%
Westlife Development Ltd	24.7%	16.2%	30.8%
Federal Mogul Goetze (India) Ltd	9.3%	8.1%	12.5%
Dynamatic Technologies Ltd	20.3%	3.2%	-9.2%
Hitech Corporation Ltd	-31.2%	-1.8%	-27.6%
NRB Bearings Ltd	6.7%	-10.8%	19.0%
Kokuyo Camlin Ltd	12.6%	-7.7%	-17.0%
Timken India Ltd	5.8%	-1.6%	-23.4%
Morganite Crucible (India) Ltd	8.7%	6.9%	40.6%
Vardhman Special Steels Ltd	28.5%	9.0%	-28.6%
Zen Technologies Ltd	19.0%	24.8%	-36.2%
KSB Ltd	7.9%	-6.6%	-8.7%
Thermax Ltd	2.6%	-8.5%	-13.7%
Transpek Industry Ltd	5.0%	6.8%	21.8%
BASF India Ltd	16.2%	-10.6%	-31.1%
Artson Engineering Ltd	28.7%	-10.9%	-47.6%
Remsons Industries Ltd	18.5%	-17.4%	10.6%
Snowman Logistics Ltd	13.6%	-3.7%	-32.3%
Alembic Pharmaceuticals Ltd	1.1%	-9.2%	0.7%
SKF India Ltd	-0.8%	1.3%	10.3%
HFCL Ltd	5.8%	16.4%	-16.7%
Indian Hume Pipe Co. Ltd	8.2%	-7.0%	64.4%
Engineers India Ltd	5.0%	-3.4%	37.3%
Gulshan Polyols Ltd	8.1%	-19.3%	-24.7%
Nesco Ltd	6.5%	2.7%	-20.2%
Castrol India Ltd	11.3%	11.9%	59.9%
Hikal Ltd	14.1%	7.1%	17.7%

The week that went by:

Following the strong Asian peers, the week started on a firm note. On Day 2 of the trade week, the Indian markets maintained a positive trend. Although the midweek session had a flattish start for the markets; on the sectoral front FMCG and IT indices traded with marginal gains. On the last day of the trade week, the markets opened strong and ended the session on a higher note with IT sector being the outperformer.

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	FY19E	FY18	FY19E	FY18	FY19E
Supreme Petrochem Ltd	BUY	77	227	275	21.4	21.9	6.6	6.4	32.8	33.9	10.0	12.3
Shanthi Gears Ltd	BUY	107	129	200	55.6	10.5	3.5	3.9	36.7	33.0	28.5	24.1
Hind Rectifiers Ltd	BUY	69	123	175	42.7	1.8	0.8	5.3	144.8	21.6	24.2	12.1
KCP Limited	BUY	71	89	150	69.1	11.4	7.0	7.0	13.1	13.1	9.8	8.7
Hester Biosciences Ltd	BUY	565	1455	1750	20.3	12.4	35.9	39.8	41.9	37.8	12.4	11.1
The Hitech Gears Ltd	BUY	298	317	500	57.7	5.9	17.0	21.2	18.7	15.0	10.9	9.5
Bharat Bijlee Ltd	BUY	787	1107	2000	80.7	6.3	25.1	37.4	43.9	29.4	25.0	20.7
Triveni Turbines Ltd	BUY	92	113	150	33.3	0.4	3.0	3.1	37.7	36.0	23.6	22.5
Siemens Ltd	BUY	1128	1034	1350	30.5	368.2	53.0	53.6	19.4	19.1	25.9	25.5
Aksh Optifibre Ltd	BUY	15	20	30	51.9	3.2	1.4	2.7	14.1	7.4	7.6	4.8
GMM Pfaunder Ltd	BUY	332	1274	1300	2.0	18.6	19.4	26.7	62.4	45.4	38.1	27.8
Alicon Castalloy Ltd	BUY	288	580	850	46.6	7.1	29.0	46.6	20.2	12.5	9.4	6.9
Gufic Biosciences Ltd	BUY	50	76	150	96.9	5.9	1.9	3.1	42.2	25.3	17.9	13.9
Excel Industries Ltd	BUY	380	1221	1800	47.4	15.8	58.1	112.2	20.7	10.7	12.3	6.5
Vesuvius India Ltd	BUY	1165	1242	1500	20.8	24.8	52.3	56.3	22.6	21.0	11.4	11.0
Munjal Showa Ltd	BUY	191	173	250	44.5	6.9	19.4	21.5	9.1	8.2	6.1	5.4
Bharat Rasayan Ltd	BUY	2747	4442	5000	12.6	18.7	227.3	257.5	19.2	16.9	12.5	10.9
Alkyl Amines Chemicals Ltd	BUY	391	769	850	10.5	15.7	31.5	38.9	25.3	20.5	15.3	11.6
Grauer and Weil (India) Ltd	BUY	45	52	65	24.8	11.8	2.7	3.0	18.9	17.1	11.9	11.2
Texmaco Rails & Engineering Ltd	BUY	91	68	150	120.9	20.2	0.5	1.8	141.0	35.7	62.0	18.1
Nagarjuna Agrichem Ltd	BUY	29	31	45	46.1	4.8	0.7	0.8	44.3	38.5	14.1	13.3
Simplex Infrastructures Ltd	BUY	540	174	300	72.2	20.2	30.5	31.8	6.1	5.8	6.4	6.0
ITD Cementation India Ltd	BUY	158	132	180	36.7	20.4	8.3	9.8	14.8	12.6	8.0	7.0
Westlife Development Ltd	BUY	266	432	425	-1.6	67.2	0.8	1.6	446.0	233.2	76.6	53.8
Federal Mogul Goetze (India) Ltd	BUY	540	525	750	42.8	29.2	14.9	18.0	35.2	29.1	15.6	14.2
Dynamatic Technologies Ltd	BUY	2160	1600	2750	71.9	10.1	1.1	51.1	1286.6	28.6	11.6	8.9
Hitech Corporation Ltd	BUY	175	108	180	66.7	1.9	4.5	6.4	23.7	16.8	9.0	6.8
NRB Bearings Ltd	BUY	138	194	240	23.7	18.8	8.5	10.4	23.6	19.2	13.8	11.6
Kokuyo Camlin Ltd	BUY	132	99	175	76.5	9.9	1.0	1.5	101.1	67.3	29.4	23.4
Timken India Ltd	BUY	883	571	1000	75.1	38.8	13.5	19.0	42.3	30.2	23.8	15.2
Morganite Crucible (India) Ltd	BUY	1047	1498	2300	53.6	4.2	49.6	63.9	30.3	23.5	3.1	2.8
Vardhman Special Steels Ltd	BUY	151	109	140	28.2	3.9	7.0	8.7	14.3	11.5	9.2	7.7
Zen Technologies Ltd	BUY	115	83	170	105.8	6.4	-0.1	0.8	-1511.5	94.6	-312.0	56.4
KSB Ltd	BUY	820	712	1100	54.5	24.8	18.8	21.2	37.0	32.8	15.5	13.8
Thermax Ltd	BUY	1019	1016	1230	21	121.0	22.1	26.8	46.0	37.9	32.6	27.9
Transpek Industry Ltd	BUY	1547	1523	2000	31.4	8.5	47.3	76.0	33.8	21.0	20.4	15.3
BASF India Ltd	BUY	1954	1405	2500	78.0	60.8	20.3	43.5	69.1	32.3	20.5	16.1
Artson Engineering Ltd	BUY	64	43	95	119.7	1.6	0.4	2.3	117.5	19.2	69.4	21.2
Remsons Industries Ltd	BUY	104	87	155	77.3	0.5	6.0	7.9	14.9	11.3	9.8	7.7
Snowman Logistics Ltd	BUY	33	34	55	64.2	5.6	-0.2	0.1	-157.2	232.8	15.5	12.7
Alembic Pharmaceuticals Ltd	BUY	605	547	751	37.4	103.1	22.3	26.7	24.4	20.4	16.9	14.3
SKF India Ltd	BUY	1942	1935	2620	35.4	99.3	57.6	60.7	34.0	32.3	23.1	21.5
HFCL Ltd	BUY	25	23	35	53.8	28.4	1.3	1.7	18.0	13.5	11.7	8.4

*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	72%	
Engineers India Ltd	211	200	Bonus 1 : 1.	105	250	9%	
Gulshan Polyols Ltd	390	500	Stock Split from Rs.FV 5 to Rs.FV 1.	78	110	-31%	
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2.	479	640	-4%	
Castrol India Ltd	447	550	Bonus 1 : 1	223	200	-27%	
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	FY19E	FY18	FY19E	FY18	FY19E
IHP Ltd	341	171	294	500	70.0	14.3	13.6	20.1	21.4	14.5	11.5	8.9
Engineers India Ltd	211	105	114	200	75.5	38.4	6.0	7.0	18.4	15.8	16.8	13.3
Gulshan Polyols Ltd	390	78	54	78	44.3	2.5	3.9	5.1	114.7	87.8	32.4	26.0
Nesco Ltd	2397	479	459	640	39.4	6.5	25.1	23.7	17.8	18.9	14.6	15.1
Castrol India Ltd	447	223	164	200	22.1	81.0	7.1	15.6	22.9	10.4	15.1	13.6
Hikal Ltd	143	95	168	216	28.3	13.8	9.4	10.1	17.9	16.7	10.8	9.8

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	227	120	150	200	275	350	500	275	-	194%
Shanthi Gears Ltd	107	129	150	200	-	-	-	-	-	-	20%
Hind Rectifiers Ltd	69	123	110	140	175	-	-	-	-	-	78%
KCP Limited	71	89	105	150	200	150	-	-	-	-	25%
Hester Biosciences Ltd	565	1455	750	875	1150	1500	2200	1750	-	-	158%
The Hitech Gears Ltd	298	317	450	600	500	-	-	-	-	-	6%
Bharat Bijlee Ltd	787	1107	1100	1500	2000	-	-	-	-	-	41%
Triveni Turbines Ltd	92	113	135	150	-	-	-	-	-	-	22%
Siemens Ltd	1128	1034	1350	-	-	-	-	-	-	-	-8%
Aksh Optifibre Ltd	15	20	24	35	45	30	-	-	-	-	32%
GMM Pfaudler Ltd	332	1274	500	700	800	1000	1300	-	-	-	284%
Alicon Castalloy Ltd	288	580	450	600	750	1000	850	-	-	-	101%
Gulfic Biosciences Ltd	50	76	75	100	140	175	150	-	-	-	52%
Excel Industries Ltd	380	1221	550	650	800	1100	1400	1800	2200	1800	221%
Vesuvius India Ltd	1165	1242	1500	-	-	-	-	-	-	-	7%
Munjal Showa Ltd	191	173	250	300	350	300	250	-	-	-	-9%
Bharat Rasayan Ltd	2747	4442	3500	4250	5000	6500	9000	5000	-	-	62%
Alkyl Amines Chemicals Ltd	391	769	550	700	850	-	-	-	-	-	97%
Grauer and Weil (India) Ltd	45	52	65	80	100	65	-	-	-	-	16%
Texmaco Rails & Engineering Ltd	91	68	125	150	-	-	-	-	-	-	-25%
Nagarjuna Agrichem Ltd	29	31	45	60	75	60	45	-	-	-	6%
Simplex Infrastructures Ltd	540	174	700	540	300	-	-	-	-	-	-68%
ITD Cementation India Ltd	158	132	225	180	-	-	-	-	-	-	-17%
Westlife Development Ltd	266	432	350	425	-	-	-	-	-	-	62%
Federal Mogul Goetze (India) Ltd	540	525	750	-	-	-	-	-	-	-	-3%
Dynamatic Technologies Ltd	2160	1600	3000	2750	-	-	-	-	-	-	-26%
Hitech Corporation Ltd	175	108	230	180	-	-	-	-	-	-	-38%
NRB Bearings Ltd	138	194	200	240	-	-	-	-	-	-	41%
Kokuyo Camlin Ltd	132	99	175	-	-	-	-	-	-	-	-25%
Timken India Ltd	883	571	1200	1000	-	-	-	-	-	-	-35%
Morganite Crucible (India) Ltd	1047	1498	1500	1750	2300	-	-	-	-	-	43%
Vardhman Special Steels Ltd	151	109	225	140	-	-	-	-	-	-	-28%
Zen Technologies Ltd	115	83	170	-	-	-	-	-	-	-	-28%
KSB Ltd	820	712	1100	-	-	-	-	-	-	-	-13%
Thermax Ltd	1019	1016	1230	-	-	-	-	-	-	-	-0.3%
Transpek Industry Ltd	1547	1523	2000	-	-	-	-	-	-	-	-2%
BASF India Ltd	1954	1405	2500	-	-	-	-	-	-	-	-28.1%
Artson Engineering Ltd	64	43	95	-	-	-	-	-	-	-	-32%
Remsons Industries Ltd	104	87	155	-	-	-	-	-	-	-	-16%
Snowman Logistics Ltd	33	34	55	-	-	-	-	-	-	-	2%
Alembic Pharmaceuticals Ltd	605	547	751	-	-	-	-	-	-	-	-10%
SKF India Ltd	1942	1935	2620	-	-	-	-	-	-	-	-0.4%
HFCL Ltd	25	23	35	-	-	-	-	-	-	-	-9%

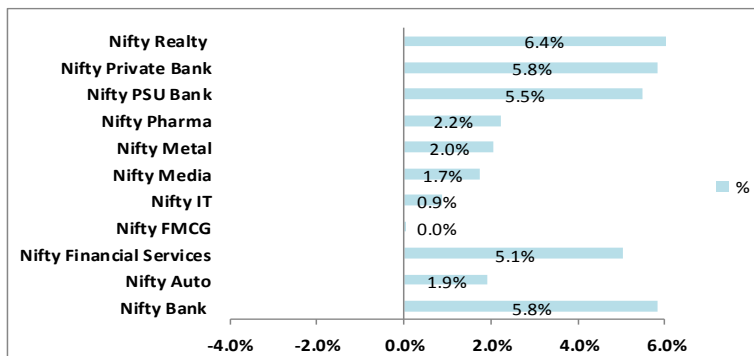
*Castrol, Vesuvius, ITD Cementation- Dec Ending | Siemens-Sept ending |

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	72%
Engineers India Ltd	211	325	Bonus 1 : 1	105	250	9%
Gulshan Polyols Ltd	390	500	Stock Split from Rs.FV 5 to Rs.FV 1	78	110	-31%
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2	479	640	-4%
Castrol India Ltd	447	550	Bonus 1 : 1	223	200	-27%
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	294	500	600	500	-	-	-	-	-	72%
Engineers India Ltd	211	114	200	250	200	-	-	-	-	-	9%
Gulshan Polyols Ltd	390	54	110	78	-	-	-	-	-	-	-31%
Nesco Ltd	2397	459	640	-	-	-	-	-	-	-	-4%
Castrol India Ltd	223	164	275	250	200	-	-	-	-	-	-27%
Hikal Ltd	143	168	200	250	325	216	-	-	-	-	77%

Please Turn Over

Weekly Sectoral Gainers & Losers in (%)



TERM OF THE WEEK:

Call Option:

A strategy wherein the owner of the contract has a right but not an obligation to buy a stock, bond or other instrument (termed as the underlying asset) at a specified price (*Strike price*) within a specified time period. The buyer of the call option has a right but is not obligated to buy the underlying and is said to have a *long position* when he/she is of the opinion that the underlying assets price would increase. The *seller/short party* on the other hand is obligated to sell the underlying once the long party exercises the option.

COVERAGE NEWS:

Fundamental Pick: Himachal Futuristic Communications Limited

Himachal Futuristic Communications Limited (HFCL) is a diverse telecom infrastructure enabler and delivers innovative, customized and competitively priced end-to-end telecom solutions. It specializes in manufacture of Telecommunication Equipments, Optical Fiber Cables (OFC) and Intelligent Power Systems. HFCL provides single window solution for telecom projects; offering design, equipment supply, installation, operation and maintenance services. It has plants located at Solan (Himachal Pradesh) and Salcete (Goa) whereas the turnkey contracts and services has pan India presence. The company is chaired by Mr. Mahendra Pratap Shukla and Mr. Mahendra Nahata as the promoter and Managing Director.

Outlook and recommendation:

With the government giving impetus to all of the sectors that need the OFC; HFCL is all set to grab the opportunities. With regard to its own spade work there is no doubt seeing the chalked plans. Standing strong in the competitive scenario, we feel one of the safest bets on the right execution track should be a part of any long term portfolio. We recommend a Buy on the stock with a target price of Rs35 over a 12 months horizon.

The Indian Hume Pipe Co. Ltd: Order update:

The company has received two Letters of Acceptance aggregating to Rs551.40cr (including GST) from Water Resources Investigation Division, Palanpur, Gujarat.

Our comments:

The project is to be completed within 24months and the agreements for the same would be signed in due course of time.

GMM Pfaudler Ltd: Share update:

The company has sold 14,06,000 equity shares of Rs1 each held in Skyline Millars Limited constituting 3.50% of the paid up share capital of the said company, through inter-se transfer. The transaction was completed on 12th March, 2019. After the said transaction GMM Pfaudler is not holding any shares in the said company.

Fundamental Pick Of The Month

IHP Bags Orders

Sale Of Share

*IIP, Retail Inflation
Observed A Dip*

ECONOMY:

January IIP, February retail inflation observed a dip

Lower food prices halved the retail inflation in February, 2019 to 2.57% from the earlier 4.44% in the year ago month. On a product basis, the prices of milk-based items, egg, fish and meat increased in February on a y-o-y basis. In contrast, deflation in the cost of vegetables and pulses kept the food prices subdued. Additionally, as per the CSO, the macro-data reported that there was a massive slowdown in the manufacturing output that led to a drop in the factory's production to 1.7% from 7.5% in the year ago month.

Our comments:

As per the Chief Economist, with inflation remaining below RBI's target, inflationary expectations declining and growth profile weakening, the central bank may front load its monetary easing in the beginning of FY20.

INDUSTRY:

Auto industry, organisations can buy bulk vehicle data from next fiscal: as per the Policy

In order to give an aid to the Auto industry, the government has rolled out a policy where organisations and researchers can buy bulk data pertaining to the vehicle registrations on an annual basis. Eligible bodies can purchase the data for Rs3cr from the next fiscal and in turn would be required to ensure strict security steps in order to prevent any loss or transfer of data and any violation of the same would result in action under the IT Act and other applicable laws besides debarring the agency from getting an access to the data for a span of 3 years.

Our comments:

The prime focus is on delivering simpler, better and safer services to citizens and sharing of data will also benefit the economy.

*Bulk Vehicle Data To Be
Available*

Telcos ask etailers to stop sale of signal boosters

Telecom companies have advised the country's big online ecommerce platforms Amazon, Flipkart, Snapdeal, ShopClues and Rediff.com to stop the sale of mobile signal boosters and repeaters on their web stores, as the possession and sale of these wireless gear is illegal and a punishable offence under the Indian Wireless Telegraph Act, 1933. Additionally, under the Indian Wireless Telegraphy (Possession) Rules, 1965, no person/dealer shall sell or hire a wireless set/equipment to any other person unless they have a valid Dealer Possession Licence (DPL). According to Cellular Operators Association of India (COAI), the usage of such boosters by the end customers would create severe interference in the licensed frequency bands which are being assigned to the companies thereby impacting the overall quality of the mobile phones.

Our comments:

As per the COAI, any licensing/statutory requirement on the telecom gear which is being either sold or purchased, the responsibility would be in the hands of those selling/purchasing it along with the online ecommerce agencies who facilitates such a transaction.

Etailers In A Clutch

COMPANY:

DRL seeks USD70mn from Indivior for opioid delay

The company is seeking more than USD70mn from Indivior Plc. as a part of compensation for the loss in US sales of DRL's generic version of a leading opioid addiction treatment; Suboxone Film which was delayed in a patent dispute with the UK-based drug maker. Indivior has posted a bond of USD72mn in order to cover DRL's potential claim of the lost profit while the injunction was contested; whereas DRL is of the belief that it owed more than what the bond returns could offer them.

Our comments:

Since the injunction and thereby considering the legal costs and other three entrants in the generic space of Suboxone Film, Dr Reddy is of the opinion that it could still get about a quarter of the market share, making it a profitable product.

Compensation For DRL

*Agreement With Cube
Highways***COMPANY:****Reliance Infra signs agreement with Cube Highways**

The company has signed a definitive agreement with Cube Highways and Infrastructure III Pte Ltd for the sale of its 100% stake in Delhi-Agra (DA) Toll Road Private Ltd; having a total deal enterprise value over Rs3,600cr. Additionally, NHA claims of Rs1,200cr to be filed by DA Toll Road Pvt Ltd. will flow directly to Reliance Infrastructure. Reliance Infrastructure will utilize the proceeds of this transaction entirely to reduce its debt. After the completion of the transaction for Delhi-Agra Toll Road, the debt of Reliance Infrastructure will reduce by 25% to only less than Rs5,000cr.

Our comments:

The transaction is in line with Reliance Infrastructure's strategic plan of monetizing non-core business and focus on major growth areas like Engineering & Construction (E&C) business. The transaction is subject to all requisite permissions and approvals.

*Tech & K-Vision
Acquisition***Tech Mahindra to acquire K-Vision for USD1.5mn to expand 5G business**

Tech Mahindra will acquire K-Vision; a Japan based mobile network solution provider in the form of an all-cash deal at a value of USD1.5mn. The proposal to acquire 100% of K-Vision through its wholly owned subsidiary Mahindra Engineering Services (Europe) Ltd would support 4G and 5G telecom networks roll out in Japan. The said deal between the two companies was signed on 14th March, 2019 and is expected to close by the end of March.

Our comments:

Tech Mahindra via its subsidiary would try to explore maximum advantage locally and along with the expertise of K-Vision in order to build its network service business in Japan.

*Lupin In Limelight***USFDA woes dull Lupin's growth revival allure**

The US drug regulator classified the inspection of the company's Mandideep (Unit 1) plant in Madhya Pradesh as "official action indicated". This is indicated as a possible freeze on new product approvals from the plant. As no new filings from this plant are pending, the observation will not have a noticeable impact in the immediate future. Even though the company's management doesn't expect any supply disruption but there could be some one of which being a larger impact of the remediation costs as the company hires consultants.

Our comments:

Since the company is already struggling with its two existing warning letters for Indore and Goa plants, this development would seem to be sentimentally negative.

*JLR's Recall***Tata Motors' JLR recalls 44,000 cars over CO2 emission levels**

Tata Motors owned Jaguar Land Rover (JLR) has initiated a voluntary recall of over 44,000 cars in the UK on account of higher than certified levels of CO2 emissions. They would in turn contact the owners of the affected vehicles and arrange a free of charge repair mechanism after the regulators found 10 models had emitted more of the greenhouse gas than they had been certified to emit. The repairs could include software updates as well as physical alterations, with some Range Rover Evoque models possibly requiring new tyres.

Our comments:

The recall will affect versions of the Land Rover Discovery, Discovery Sport, Range Rover Sport, Velar and Evoque made between 2016 and 2019. Jaguar models affected include the E-Pace, F-Pace, F-Type, XE and XF. While most affected models run on petrol, some diesel models are also part of the recall.

*Mahindra CIE
Acquisition***Mahindra CIE acquires Aurangabad Electricals for Rs830cr**

Mahindra CIE Automotive Ltd acquired Aurangabad Electricals Ltd for Rs830cr, thereby marking its entry into the aluminium die-casting industry. This industry caters to manufacturing of smooth, defined metal parts by forcing molten metal under high pressure into a mould. Aurangabad Electricals produces a range of body, brake and engine parts and supplies the same to local and international two-wheeler and passenger vehicle companies and Tier-I auto makers.

Our comments:

The acquisition would strengthen the presence of Mahindra CIE in the two-wheeler space. The transaction is expected to be completed by 10th April, 2019.

WEEKLY REPORT

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. INH00000859. 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 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 Indl Estate,
New Link Rd, Andheri West,
Mumbai-400053;
www.progressiveshares.com
Contact No.:022-4077500.

Compliance Officer:
Mr. Shyam Agrawal,
Email Id: compliance@progressiveshares.com,
Contact No.:022-4077500.