

DOMESTIC:

- SBI Capital, SHCI enter race for IDFC Securities
- Varun Beverages Ltd may drink up PepsiCo's bottling operations
- BPCL to raise USD500mn from overseas bond sale
- Essel in talks to sell part of its roads portfolio
- Muthoot Microfin raises Rs562cr via securitisation
- Sun Pharma launches Xelpros in US
- Lupin developing new products to treat cancer, other diseases
- BHEL wins Rs565cr order for solar power plants in Telangana
- Cadila Healthcare gets USFDA nod for skin, blood pressure drugs
- Bharti Airtel in talks to acquire Telkom Kenya
- RBI slaps Rs1cr penalty on Bajaj Finance
- Shriram Transport Finance to raise USD300mn via dollar bonds
- Adani Transmission to raise up to Rs3,000cr via QIP
- Bharti Infratel & Indus Towers seeks Rs4,500cr from Voda Idea as exit penalty
- Danone to re-enter Indian dairy business as part of Rs182cr deal
- Fortis Healthcare completes acquisition of RHT assets
- Indoco in talks to sell part of India operations
- Jet Airways creditors' meet ends without a deal
- IOC to raise USD3bn more in overseas loan
- L&T Infotech acquired Ruletronics of USD7.48mn, including up-front consideration and earn-outs
- Dr Reddy's received Form 483 observations from USFDA for AP plant
- Delhi High Court (HC) stays demand on HUL for profiteering
- Reliance Industries set to raise Rs2,500cr via bonds: Report
- Govt clears Rs4,242cr IT filing project, Infosys selected to develop system
- Lenders considering resolution plan for Jet Airways: SBI
- BHEL to set up Electric Vehicle charging stations on Delhi-Chandigarh Highway
- Aurobindo to buy 7 oncology injectables from Spectrum Pharma

ECONOMY:

- FICCI for cut in corporate tax rate in Budget
- India's WPI inflation in December eases to 8-month low of 3.8%
- RBI to inject Rs10,000cr through open market operations on 17th Jan
- Government to infuse Rs6,000cr in Exim Bank over two years

INDUSTRY:

- India invites Chinese participation in its plans to expand Electric Vehicles
- Roads sector: Toll collections set to surge, but risks loom for developers
- Auto firms cut output as inventories swell
- High drug approvals to keep up pricing pressure for Pharma firms

Price Performance (%)

Company	1M	3M	12M
Supreme Petrochem Ltd	-6.1%	-22.2%	-49.8%
Shanthi Gears Ltd	-4.9%	11.7%	-18.5%
Hind Rectifiers Ltd	-4.6%	3.1%	-13.9%
KCP Ltd	-9.4%	-4.5%	-40.3%
Harita Seating System Ltd	-3.7%	-11.3%	-49.4%
Hester Biosciences Ltd	1.9%	1.3%	-27.5%
The Hi-Tech Gears Ltd	-7.3%	-15.5%	-38.3%
Bharat Bijlee Ltd	-4.1%	0.8%	-19.7%
Triveni Turbines Ltd	-7.4%	16.8%	-14.4%
Siemens Ltd	7.3%	20.1%	-18.7%
Aksh Optifibre Ltd	-7.1%	-9.3%	-42.1%
GMM Pfaunder Ltd	-5.0%	17.7%	52.6%
Alicon Castalloy Ltd	-8.4%	-2.8%	-9.8%
Gufic Biosciences Ltd	-2.3%	-9.7%	-29.8%
Excel Industries Ltd	-20.5%	-28.0%	56.9%
Vesuvius India Ltd	7.3%	14.0%	-7.6%
Munjal Showa Ltd	-1.6%	-3.1%	-35.9%
Bharat Rasayan Ltd	-15.0%	-18.8%	7.6%
Alkyl Amines Chemicals Ltd	6.1%	32.0%	10.0%
Grauer and Weil (India) Ltd	-11.6%	-5.8%	-31.9%
Texmaco Rails & Engineering Ltd	-0.9%	4.5%	-46.4%
Nagarjuna Agrichem Ltd	0.0%	2.8%	-52.6%
Simplex Infrastructures Ltd	-4.5%	-10.8%	-68.2%
ITD Cementation India Ltd	11.8%	5.4%	-41.7%
Westlife Development Ltd	7.3%	21.1%	14.6%
Federal Mogul Goetze (India) Ltd	5.1%	22.6%	-11.2%
Dynamic Technologies Ltd	1.8%	13.4%	-20.6%
Hitech Corporation Ltd	-25.7%	32.6%	-33.7%
NRB Bearings Ltd	-4.6%	30.5%	26.2%
Kokuyo Camlin Ltd	-0.7%	-9.5%	-24.1%
Timken India Ltd	-1.7%	6.4%	-36.6%
Morganite Crucible (India) Ltd	2.3%	-15.4%	42.4%
Vardhman Special Steels Ltd	-9.8%	-12.6%	-40.1%
Zen Technologies Ltd	-0.9%	26.4%	-38.2%
KSB Ltd	-6.3%	-3.6%	-18.4%
Thermax Ltd	-2.1%	9.2%	-15.8%
Transpek Industry Ltd	1.4%	1.4%	1.4%
BASF India Ltd	-5.4%	-10.7%	-31.4%
Artson Engineering Ltd	-1.6%	-13.7%	-49.3%
Remsons Industries Ltd	4.2%	-5.9%	27.9%
Snowman Logistics Ltd	-1.4%	-2.4%	-43.0%
Alembic Pharmaceuticals Ltd	-1.7%	-4.0%	8.1%
SKF India Ltd	0.1%	12.1%	5.2%
Indian Hume Pipe Co. Ltd	6.7%	38.1%	63.1%
Engineers India Ltd	-0.1%	1.3%	30.7%
Gulshan Polyols Ltd	-0.1%	20.4%	-21.8%
Nesco Ltd	2.8%	-0.1%	-25.1%
Castrol India Ltd	11.7%	17.7%	77.3%
Hikal Ltd	1.3%	4.6%	3.6%

The week that went by:

The markets opened on a lower note with major sectors trading in the red. On Day 2 of the trade, Indian bourses commenced its day with a higher start backed by IT and Energy sectors being the outperformers. In the midweek session, the markets opened on a positive note wherein except pharmaceuticals all the sectoral indices traded in the green. Continuing the uptrend, the Indian markets opened on a positive note wherein the Energy sector maintained the outperformance. On the last day of trade, the markets opened on a positive note.

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	191	500	162.3	18.4	6.6	6.4	28.8	29.8	8.7	10.7
Shanthi Gears Ltd	BUY	107	126	200	58.4	10.3	3.5	3.9	36.1	32.4	28.0	23.7
Hind Rectifiers Ltd	BUY	69	112	175	55.7	1.7	0.8	5.3	142.6	21.2	23.9	12.0
KCP Limited	BUY	71	89	200	124.7	11.5	7.0	7.0	12.8	12.7	9.7	8.5
Harita Seating System Ltd	BUY	266	521	1150	120.8	4.0	39.7	40.8	13.1	12.8	10.4	9.5
Hester Biosciences Ltd	BUY	565	1160	1750	50.9	9.9	35.9	39.8	32.3	29.2	9.7	8.7
The Hitech Gears Ltd	BUY	298	315	600	90.3	5.9	17.0	21.2	18.5	14.8	10.8	9.4
Bharat Bijlee Ltd	BUY	787	1112	2000	79.9	6.3	25.1	37.4	44.3	29.7	25.1	20.8
Triveni Turbines Ltd	BUY	92	114	150	31.8	0.4	3.0	3.1	38.2	36.6	23.9	22.9
Siemens Ltd	BUY	1128	1051	1350	28.4	374.3	53.0	53.6	19.8	19.6	26.5	26.1
Aksh Optifibre Ltd	BUY	15	24	45	91.5	3.8	1.4	2.7	16.4	8.6	8.4	5.3
GMM Pfaudler Ltd	BUY	332	1151	1300	12.9	16.8	19.4	26.7	59.3	43.2	36.2	26.5
Alicon Castalloy Ltd	BUY	288	580	1000	72.4	7.1	29.0	46.6	20.0	12.4	9.3	6.8
Gufic Biosciences Ltd	BUY	50	90	175	93.9	6.9	1.9	3.1	48.4	29.0	20.2	15.7
Excel Industries Ltd	BUY	380	1147	2200	91.8	14.8	58.1	112.2	19.7	10.2	11.7	6.2
Vesuvius India Ltd	BUY	1165	1220	1500	23.0	24.4	52.3	56.3	23.3	21.7	11.9	11.5
Munjal Showa Ltd	BUY	191	180	300	66.7	7.2	19.4	21.5	9.3	8.4	6.2	5.5
Bharat Rasayan Ltd	BUY	2747	4800	9000	87.5	20.2	227.3	257.5	21.1	18.6	13.7	12.0
Alkyl Amines Chemicals Ltd	BUY	391	792	850	7.3	16.2	31.5	38.9	25.1	20.4	15.2	11.6
Grauer and Weil (India) Ltd	BUY	45	50	100	100.2	11.3	2.7	3.0	18.7	16.9	11.8	11.1
Texmaco Rails & Engineering Ltd	BUY	91	59	150	156.0	20.2	0.5	1.8	127.8	32.3	57.5	16.8
Nagarjuna Agrichem Ltd	BUY	29	27	60	120.2	4.2	0.7	0.8	39.7	34.5	13.1	12.4
Simplex Infrastructures Ltd	BUY	540	187	700	273.4	20.2	30.5	31.8	6.1	5.9	6.5	6.0
ITD Cementation India Ltd	BUY	158	124	225	82.2	19.2	8.3	9.8	14.8	12.6	8.0	7.0
Westlife Development Ltd	BUY	266	390	425	9.0	60.7	0.8	1.6	470.1	245.8	80.6	56.6
Federal Mogul Goetze (India) Ltd	BUY	540	510	750	47.1	28.4	14.9	18.0	34.2	28.3	15.1	13.8
Dynatomic Technologies Ltd	BUY	2160	1588	3000	88.9	10.1	1.1	51.1	1398.6	31.1	12.2	9.4
Hitech Corporation Ltd	BUY	175	117	230	97.3	2.0	4.5	6.4	25.8	18.3	9.5	7.1
NRB Bearings Ltd	BUY	138	206	240	16.4	20.0	8.5	10.4	24.4	19.8	14.2	11.9
Kokuyo Camlin Ltd	BUY	132	107	175	64.3	10.7	1.0	1.5	108.8	72.4	31.4	25.0
Timken India Ltd	BUY	883	578	1200	107.6	39.3	13.5	19.0	42.7	30.5	24.0	15.3
Morganite Crucible (India) Ltd	BUY	1047	1519	2300	51.4	4.3	49.6	63.9	30.6	23.8	3.1	2.8
Vardhman Special Steels Ltd	BUY	151	92	225	143.9	3.3	7.0	8.7	13.1	10.6	8.7	7.3
Zen Technologies Ltd	BUY	115	79	170	115.2	6.1	-0.1	0.8	-1567.0	98.1	-323.6	58.5
KSB Ltd	BUY	820	726	1100	51.5	25.3	18.8	21.2	38.6	34.2	16.2	14.4
Thermax Ltd	BUY	1019	1081	1230	14	128.8	22.1	26.8	48.9	40.4	34.7	29.7
Transpek Industry Ltd	BUY	1547	1430	2000	39.9	8.0	47.3	76.0	30.3	18.8	18.6	14.0
BASF India Ltd	BUY	1954	1513	2500	65.2	65.5	20.3	43.5	74.5	34.7	21.9	17.2
Artson Engineering Ltd	BUY	64	48	95	97.9	1.8	0.4	2.3	128.1	20.9	74.9	22.8
Remsons Industries Ltd	BUY	104	119	155	30.2	0.7	6.0	7.9	19.7	15.0	11.8	9.2
Snowman Logistics Ltd	BUY	33	34	55	60.1	5.7	-0.2	0.1	-161.2	238.7	15.8	13.0
Alembic Pharmaceuticals Ltd	BUY	605	586	751	28.2	110.5	22.3	26.7	26.2	21.9	18.1	15.4
SKF India Ltd	BUY	1942	1928	2620	35.9	99.0	57.6	60.7	33.7	32.0	22.9	21.3

*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	104%
Engineers India Ltd	211	200	Bonus 1 : 1.		105	250	11%
Gulshan Polyols Ltd	390	500	Stock Split from Rs.FV 5 to Rs.FV 1.		78	110	-14%
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2.		479	640	-5%
Castrol India Ltd	447	550	Bonus 1 : 1		223	200	-26%
Hikal Ltd	143	325	Bonus 1 : 2		95	216	66%

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	349	500	43.3	16.9	13.6	20.1	0.0	0.0	2.2	1.8
Engineers India Ltd	211	105	117	250	114.1	39.3	6.0	7.0	58.4	49.9	53.3	42.4
Gulshan Polyols Ltd	390	78	67	110	64.3	3.1	3.9	5.1	3.5	2.7	3.0	2.4
Nesco Ltd	2397	479	454	640	41.0	6.4	25.1	23.7	2.7	2.8	2.2	2.2
Castrol India Ltd	447	223	165	200	21.0	81.8	7.1	15.6	64.2	29.2	42.5	38.5
Hikal Ltd	143	95	158	216	36.8	13.0	9.4	10.1	17.6	16.4	10.7	9.6

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	(%)
Supreme Petrochem Ltd	77	191	120	150	200	275	350	500	-	148%
Shanthi Gears Ltd	107	126	150	200	-	-	-	-	-	18%
Hind Rectifiers Ltd	69	112	110	140	175	-	-	-	-	63%
KCP Limited	71	89	105	150	200	-	-	-	-	25%
Harita Seating System Ltd	266	521	400	600	750	900	1150	-	-	96%
Hester Biosciences Ltd	565	1160	750	875	1150	1500	2200	1750	-	105%
The Hitech Gears Ltd	298	315	450	600	-	-	-	-	-	6%
Bharat Bijlee Ltd	787	1112	1100	1500	2000	-	-	-	-	41%
Triveni Turbines Ltd	92	114	135	150	-	-	-	-	-	24%
Siemens Ltd	1128	1051	1350	-	-	-	-	-	-	-7%
Aksh Optifibre Ltd	15	24	24	35	45	-	-	-	-	57%
GMM Pfaudler Ltd	332	1151	500	700	800	1000	1300	-	-	247%
Alicon Castalloy Ltd	288	580	450	600	750	1000	-	-	-	101%
Gufic Biosciences Ltd	50	90	75	100	140	175	-	-	-	81%
Excel Industries Ltd	380	1147	550	650	800	1100	1400	1800	2200	202%
Vesuvius India Ltd	1165	1220	1500	-	-	-	-	-	-	5%
Munjil Showa Ltd	191	180	250	300	350	300	-	-	-	-6%
Bharat Rasayan Ltd	2747	4800	3500	4250	5000	6500	9000	-	-	75%
Alkyl Amines Chemicals Ltd	391	792	550	700	850	-	-	-	-	103%
Grauer and Weil (India) Ltd	45	50	65	80	100	-	-	-	-	11%
Texmaco Rails & Engineering Ltd	91	59	125	150	-	-	-	-	-	-36%
Nagarjuna Agrichem Ltd	29	27	45	60	75	60	-	-	-	-6%
Simplex Infrastructures Ltd	540	187	700	540	-	-	-	-	-	-65%
ITD Cementation India Ltd	158	124	225	-	-	-	-	-	-	-22%
Westlife Development Ltd	266	390	350	425	-	-	-	-	-	47%
Federal Mogul Goetze (India) Ltd	540	510	750	-	-	-	-	-	-	-6%
Dynamatic Technologies Ltd	2160	1588	3000	-	-	-	-	-	-	-26%
Hitech Corporation Ltd	175	117	230	-	-	-	-	-	-	-33%
NRB Bearings Ltd	138	206	200	240	-	-	-	-	-	49%
Kokuyo Camlin Ltd	132	107	175	-	-	-	-	-	-	-19%
Timken India Ltd	883	578	1200	-	-	-	-	-	-	-35%
Morganite Crucible (India) Ltd	1047	1519	1500	1750	2300	-	-	-	-	45%
Vardhman Special Steels Ltd	151	92	225	-	-	-	-	-	-	-39%
Zen Technologies Ltd	115	79	170	-	-	-	-	-	-	-31%
KSB Ltd	820	726	1100	-	-	-	-	-	-	-11%
Thermax Ltd	1019	1081	1230	-	-	-	-	-	-	6%
Transpek Industry Ltd	1547	1430	2000	-	-	-	-	-	-	-8%
BASF India Ltd	1954	1513	2500	-	-	-	-	-	-	-22.6%
Artson Engineering Ltd	64	48	95	-	-	-	-	-	-	-25%
Remsons Industries Ltd	104	119	155	-	-	-	-	-	-	14%
Snowman Logistics Ltd	33	34	55	-	-	-	-	-	-	4%
Alembic Pharmaceuticals Ltd	605	586	751	-	-	-	-	-	-	-3%
SKF India Ltd	1942	1928	2620	-	-	-	-	-	-	-1%

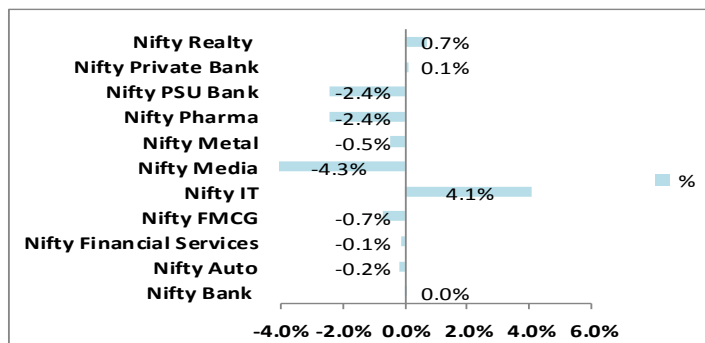
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Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2	479	640	-5%
Castrol India Ltd	447	550	Bonus 1 : 1	223	200	-26%
Hikal Ltd	143	325	Bonus 1 : 2	95	216	66%

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	(%)
IHP Ltd	341	349	500	600	500	-	-	-	-	104%
Engineers India Ltd	211	117	200	250	-	-	-	-	-	11%
Gulshan Polyols Ltd	390	67	110	-	-	-	-	-	-	-14%
Nesco Ltd	2397	454	640	-	-	-	-	-	-	-5%
Castrol India Ltd	223	165	275	250	200	-	-	-	-	-26%
Hikal Ltd	143	158	200	250	325	216	-	-	-	66%

Please Turn Over

Weekly Sectoral Gainers & Losers in (%)



TERM OF THE WEEK:

Straddle: A trading strategy wherein Options are involved. A trader can buy/sell Call as well as Put Options simultaneously for the same underlying asset at a certain point, having the same expiry date and the same strike price. A straddle strategy works well when an investor believes that a stock's price will move significantly but is unsure as to which direction. This is a neutral strategy. There are two types of Straddle: *Long* (purchase one call option and one put option, both having the same strike price and expiration date; premiums being paid on this strategy) and *Short* (sell both call and put options having the same strike price and expiration date; premiums being received on this strategy).

COVERAGE NEWS:

Fundamental Pick: SKF India Ltd:

SKF India Limited (SKF) was incorporated in 1961, as an associated bearing company of Swedish SKF Group. It has a wide range of product portfolio consisting of bearings, linear motion products, seals, mechatronics, lubrication systems, special steel, high-tech industrial components and services like technical support, maintenance and reliability services, engineering consulting, etc. These products find applications in automotive, industrial, electrical, service and textile machinery, etc. SKF is the market leader, with 40% share in ball bearings and overall 27% market share in the Indian Bearing market. SKF offers the unique service of Rotating Equipment Performance (REP) based solution, thus achieving its innovation based growth led by customer centricity, coming a long way from being only a pioneer bearing based company. SKF has three manufacturing facilities in Pune, Bengaluru and Haridwar. Each of the facilities is dedicated for a specified purpose; Pune factory only caters to Automotive and Industrial Electrical segments where bearings are manufactured. Bengaluru also caters to Automotive and Industrial segments where Deep Groove Ball Bearings (DGBB), customized products and assemblies are manufactured and other value-added services are provided. The third factory in Haridwar manufactures DGBB for two wheelers only. The company has Mr. Carl Orstadius as the Managing Director and Mr. Rakesh Makhija as the Chairman.

Outlook and Valuations:

The various opportunities arising from the railways, increasing demand in both automotive and industrial, led by strong capex plans in the near future due to potential revival in industrial capex cycle, has aptly placed the company to capitalize from the same. Also, it caters to wide range of industries with good clientele, thus positioned itself strongly across all segments. Considering all these positive factors, the company is poised for growth. We recommend a BUY on the stock with a target price of Rs2620 over a 12 months horizon.

NRB Bearings Ltd: Pledge Update:

As per the Regulation 31(2) of SEBI, the company has undertaken creation of pledge of 5,75,000 shares on 7th January, 2019.

*Fundamental Pick Of
The Month*

Creation Of Pledge

Orders For Texmaco

COVERAGE NEWS:

Texmaco Rail & Engineering Ltd: Order Update:

The company has received an order valuing Rs110cr approx. for design, manufacture, supply, installation, testing and commissioning of Automatic Fare Collection System (AFC) from Mumbai Metro Rail Corporation Limited. Further, the company has received LOI for 12 rakes of BLC type wagons valuing Rs152cr.

Rate Cut: Corporate Tax

ECONOMY:

FICCI for cut in corporate tax rate in Budget

The industry chamber, FICCI has recommended the government to cut the corporate tax rates across the board to 25% irrespective of the turnover in the forthcoming budget in order to spur the economic growth and increase the overall tax collections. It has also suggested revision in the tax slabs for the individual taxpayers with the top 30% rate to be applied beyond Rs20lk annual income.

Our comments:

As part of its pre-Budget recommendations for 2019-20, FICCI said with many key global economies going for significant rate cuts, there is a need for India to consider across-the-board rate cuts for businesses.

Reduction In Production

INDUSTRY:

Auto firms cut output as inventories swell

Auto makers in India cut production and dispatches of passenger vehicles in December to adjust rising unsold stocks at dealerships. As per Society of Indian Automobile Manufacturers (SIAM), wholesales or factory dispatches to dealerships, fell 0.43% from the year earlier to 238,692 units last month. Automobile sales are termed as factory dispatches and not retail sales. The sales were weak as the companies made slower supplies to dealers, who were already struggling with rising inventory after a subdued festival season backed by higher fuel prices and a credit squeeze in NBFCs space.

Our comments:

As per SIAM, sales are expected to remain subdued in the fourth quarter.

*Pricing Pressure For
Pharma Firms*

High drug approvals to keep up pricing pressure for Pharma firms

December quarter earnings of pharmaceutical companies may see incremental improvement helped by a favourable base and steady domestic business. But if the drug approvals trend in the US is anything to go by, pricing pressure in the key market is unlikely to abate anytime soon. With large number of pending applications, the pace of approvals is likely to remain high. On a positive note, competition and price erosion have triggered a rethink among the firms. Filings for drug approvals have slowed in October and November.

Our comments:

The high number of sellers and fast approval rates can continue to weigh on prices.

*Entry Into International
Bond Market*

COMPANY:

BPCL to raise USD500mn from overseas bond sale

BPCL, the second largest refiner and fuel retailer, entered the international bond market in order to raise as much as USD500mn via sale of Foreign Currency Convertible Bonds (FCCBs). The company is expanding its refining and petrochemicals operations. The bonds have been issued Baa2 rating by Moody's. The tenure of the issue could, however, not be ascertained immediately. The ratings affirmation invariably reflects that the credit profile of the company will remain constrained by high shareholder returns despite its improving operating profile.

Our comments:

The fundraise will help the firm meet the capex requirements for its expansion plans.

*Set Up Of EV Stations:
BHEL*

BHEL to set up Electric Vehicle charging stations on Delhi-Chandigarh Highway

In order to curb vehicular pollution and cut dependence on oil imports, BHEL would design, engineer, manufacture, supply and install the EV charging stations along with a central monitoring system. Each Solar-based Electric Vehicle Charger (SEVC) charging station will be equipped with a rooftop solar power plant to supply green energy to fast & slow chargers planned to be installed at the location.

Our comments:

The project is covered under the FAME scheme {Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India} of the Department of Heavy Industry, GoI.

*New Pipeline Products
For Lupin*

COMPANY:

Lupin developing new products to treat cancer, other diseases

The company is in the process of developing a pipeline of products under its new drug discovery programme in order to treat various diseases like cancer and metabolic disorders. After its partnership with AbbVie for the development and commercialization of its novel oncology drug to treat haematological cancers, the company is focusing on first-to-market kind of opportunities with its new products.

Our comments:

The Novel Drug Discovery and Development (NDDD) is focused & committed on developing a pipeline of highly differentiated & innovative new chemical entities in various therapeutic areas like oncology, immunology & metabolic disorders. Emphasis will be stressed on designing compounds that are differentiated in their respective class. This in turn will create attractive partnering opportunities.

Airtel To Acquire Telkom

Bharti Airtel in talks to acquire Telkom Kenya

Bharti Airtel is in talks to acquire Telkom Kenya, which would help the former telco emerge a stronger position in the east African market and improve the overall valuation of Airtel Africa in the run-up to its IPO which is likely to happen in May-June. Telkom Kenya is the third largest telco in Kenya with over 5mn users, behind its market leader Safaricom with over 30mn and Airtel Kenya, with 10mn plus customers. It is 60% owned by UK private equity firm Helios Investment Partners and the rest by Kenya's government.

Our comments:

The degree of improvement in Airtel Africa's overall valuation would depend upon a number of factors including the quantum of premium Airtel will actually pay to buy Telkom Kenya, synergy benefits arising out of such consolidation and the level of pricing power gained in the Kenyan telecom market.

IOC Raise Funds

IOC to raise USD3bn more in overseas loan

IOC intends to raise about USD3bn more via US dollar bonds issue after RBI gave a nod for the fuel retailers to raise an overseas loan to check fall in rupee value. The company is already in the US markets to raise USD900mn (coupon of 4.75%) through bonds and is also raising an equivalent sum through a syndicated loan in order to meet its working capital needs.

Our comments:

As per the company, these bonds would be listed on Singapore exchange.

Setback For HUL

Delhi High Court (HC) stays demand on HUL for profiteering

The Delhi HC has stayed the penalty of Rs462cr made on the FMCG company HUL by the National Anti-profiteering Authority (NAA). The HC has directed NAA that no coercive action to be taken, no penalty proceedings to be continued against the company until the authority receives a final determination of the matter in the court from the company. The NAA in its order dated 24th December, 2018 had concluded that HUL did not pass on the entire benefit of reduction in GST from 28% to 18% (on home and personal care products in November, 2017) to its consumers. According to the estimation of NAA, the company had profited around Rs535cr, of which Rs455cr was denial of benefit to consumers.

Our comments:

As per the company's statement, as the matter involves certain issues which requires detailed examination of contentions pertaining to both the parties, the HC has asked the FMCG major to deposit Rs90cr in two instalments (Rs50cr by March 15 and Rs40cr by May 15) in the Consumer Welfare Fund.

*Sun Pharma's Xelpros
Launch*

Sun Pharma launches Xelpros in US

The company has launched Xelpros in the US markets. In September 2018, Sun & its research arm Sun Pharma Advanced Research Company Ltd (SPARC) had received USFDA approval for their novel drug Xelpros, (Latanoprost ophthalmic emulsion).

Our comments:

This is the second NDA approval for SPARC's R&D pipeline. Sun is trying to build up its specialty products in dermatology, oncology, & ophthalmology in the US & has several products lined up for launches going ahead.

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