

DOMESTIC:

- ONGC may buy out GAIL in OPaL
- Cipla launches Aloxi AG
- BSNL to invest Rs4,300cr for network Expansion
- Dilip Buildcon Ltd forms SPV for road project in Karnataka
- Sistema bids highest for remaining assets of RCom, offers USD1.5bn
- NTPC commissions 800 MW Lara super thermal power project
- BHEL to make space grade cells for ISRO
- Tata Power to sell stake for land parcel
- Manipal-TPG moots two-step deal for Fortis, wants hospital biz to become new entity
- Punj Lloyd wins contract worth Rs505cr
- Glenmark receives final approval for Clobetasol Propionate Spray, 0.05%
- Kalpataru Power Transmission wins orders worth Rs901cr
- Wipro into partnership expansion with Adobe
- Dilip Buildcon bags Rs4,114cr projects in Karnataka, Maharashtra
- Dolphin Offshore wins contract from ONGC
- Dr Reddy's launches generic nausea drug in US
- BHEL wins 75 MW solar photovoltaic plant in Gujarat
- KEC International wins Rs2,419cr new contracts
- Steel Strips Wheels bags order for 7,000 wheels in UK
- Precision Camshafts buys majority stake in German firm
- Rs8,297.77cr demand notices slapped on Coal India firm
- Zydus Cadila gets USFDA nod for cardiac drug
- Larsen & Toubro wins Rs747cr contract from NPCIL
- Reliance Industries sells Texas shale assets for USD100mn
- MEP Infrastructure wins Rs3,000cr highway projects in Maharashtra
- M&M to form JV with Ideal Motors for vehicle assembly in Sri Lanka
- Fortis sells hospital business to Manipal, TPG Capital

ECONOMY:

- Govt plans to borrow Rs2.88tn in H1FY19; to issue inflation indexed bonds linked to CPI
- Economy to double to USD5tn by 2025; no risk to inflation target: SC Garg
- GST collections in February dip marginally

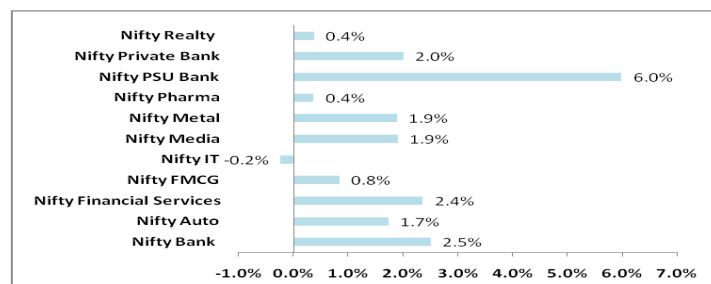
INDUSTRY:

- Telecom industry revenue, license fee shrank in FYQ3 vs FYQ2: as per TRAI

Price Performance (%)

| Company | 1M | 3M | 12M |
|----------------------------------|--------|--------|--------|
| Supreme Petrochem Ltd | -10.2% | -14.5% | 6.6% |
| Shanthi Gears Ltd | -8.6% | -20.2% | 21.6% |
| Hind Rectifiers Ltd | -2.9% | -2.0% | 61.6% |
| KCP Ltd | 3.4% | -2.9% | 33.4% |
| Harita Seating System Ltd | 3.0% | 1.6% | 43.6% |
| Hester Biosciences Ltd | 0.3% | -11.4% | 120.0% |
| Rallis India Ltd | 2.4% | -12.2% | -1.9% |
| The Hi-Tech Gears Ltd | -9.0% | -28.8% | 29.7% |
| Bharat Bijlee Ltd | -9.1% | 13.6% | 74.6% |
| Triveni Turbines Ltd | -18.6% | -25.5% | -22.1% |
| Siemens Ltd | -7.7% | -13.2% | -14.2% |
| Hikal Ltd | -18.1% | -13.6% | 0.8% |
| Aksh Optifibre Ltd | -16.3% | -11.7% | 49.3% |
| GMM Pfäudler Ltd | -4.2% | -19.9% | 28.5% |
| Alicon Castalloy Ltd | -8.2% | -19.0% | 31.3% |
| Premier Explosives Ltd | -13.8% | -22.6% | -1.7% |
| Gufic Biosciences Ltd | -9.4% | -15.5% | 54.3% |
| Excel Industries Ltd | -0.9% | 39.0% | 131.4% |
| Vesuvius India Ltd | -3.5% | 9.9% | 9.6% |
| Munjal Showa Ltd | -12.9% | -28.8% | -6.6% |
| Bharat Rasayan Ltd | -6.6% | -1.0% | 49.4% |
| Alkyl Amines Chemicals Ltd | -7.4% | -10.3% | 31.5% |
| Grauer and Weil (India) Ltd | -13.5% | -21.0% | 36.8% |
| Texmaco Rails & Engineering Ltd | -12.2% | -25.4% | -5.7% |
| Nagarjuna Agrichem Ltd | -9.4% | -30.9% | 42.5% |
| Simplex Infrastructures Ltd | -7.2% | -8.0% | 80.3% |
| ITD Cementation India Ltd | -12.4% | -27.6% | -3.3% |
| Westlife Development Ltd | -2.2% | -3.8% | 48.8% |
| Federal Mogul Goetze (India) Ltd | -15.8% | -19.2% | -14.3% |
| Dynamatic Technologies Ltd | -12.6% | -20.9% | -39.4% |
| Hitech Corporation Ltd | -8.7% | -22.3% | -9.3% |
| NRB Bearings Ltd | -3.5% | -11.6% | 46.3% |
| Kokuyo Camlin Ltd | -4.5% | -12.5% | 29.3% |
| Timken India Ltd | -10.7% | -22.1% | 14.1% |
| Bigbloc Construction Ltd | -3.2% | 12.9% | 147.7% |
| Morganite Crucible (India) Ltd | 21.4% | 23.7% | 48.7% |
| Vardhman Special Steels Ltd | -7.2% | -15.0% | 21.5% |
| Indian Hume Pipe Co. Ltd | -21.8% | -30.8% | 68.3% |
| Engineers India Ltd | -9.1% | -20.6% | 116.0% |
| TRIL | -15.3% | -37.5% | -35.5% |
| Gulshan Polyols Ltd | -17.5% | -24.4% | -30.0% |
| Nesco Limited | -7.7% | 3.8% | 17.9% |
| Castrol India Ltd | 1.6% | 112.4% | -1.5% |

Weekly Sectoral Gainers & Losers in (%)



The week that went by:

The trade war fears continued to haunt with the markets opening the week on a flat note. Overall the weakness across the global cues still sustain reflected through our indices as well. With the slight easing of the trade war tensions, the markets opened on a positive note. The markets opened lower on the day of expiry, getting negative leads from global markets.

| 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 | 325 | 500 | 53.8 | 31.4 | 18.6 | 14.9 | 17.5 | 21.7 | 10.2 | 12.8 |
| Shanthy Gears Ltd | BUY | 107 | 130 | 200 | 53.6 | 10.6 | 2.8 | 3.1 | 46.5 | 41.5 | 29.3 | 24.7 |
| Hind Rectifiers Ltd | BUY | 69 | 132 | 175 | 32.3 | 2.0 | -1.1 | 0.3 | -124.7 | 386.0 | 49.3 | 34.7 |
| KCP Limited | BUY | 71 | 132 | 200 | 51.7 | 17.0 | 2.8 | 6.3 | 47.6 | 20.9 | 13.9 | 10.8 |
| Harita Seating System Ltd | BUY | 266 | 991 | 1150 | 16.0 | 7.7 | 32.4 | 34.5 | 30.5 | 28.7 | 27.9 | 24.3 |
| Hester Biosciences Ltd | BUY | 565 | 1605 | 2200 | 37.1 | 13.7 | 29.2 | 34.2 | 54.9 | 54.2 | 34.0 | 28.9 |
| Rallis India Ltd | BUY | 181 | 237 | 300 | 26.8 | 46.0 | 15.3 | 9.4 | 26.6 | 25.2 | 17.6 | 16.0 |
| The Hitech Gears Ltd | BUY | 298 | 405 | 600 | 48.1 | 7.6 | 10.9 | 16.5 | 37.3 | 25.0 | 16.2 | 13.4 |
| Bharat Bijlee Ltd | BUY | 787 | 1495 | 2000 | 33.8 | 8.4 | 34.7 | 41.4 | 43.1 | 36.1 | 55.4 | 28.0 |
| Triveni Turbines Ltd | BUY | 92 | 99 | 175 | 76.3 | 0.3 | 3.5 | 2.4 | 28.2 | 40.7 | 20.0 | 24.6 |
| Siemens Ltd | BUY | 1128 | 1073 | 1500 | 39.8 | 382.0 | 9.1 | 10.0 | 118.1 | 107.5 | 80.6 | 71.3 |
| Hikal Ltd | BUY | 143 | 205 | 325 | 58.2 | 16.9 | 8.1 | 8.7 | 25.3 | 23.7 | 10.7 | 9.8 |
| Aksh Optifibre Ltd | BUY | 15 | 31 | 45 | 43.5 | 5.1 | 13.9 | 1.5 | 1.9 | 17.1 | 6.5 | 9.8 |
| GMM Pfaudler Ltd | BUY | 332 | 685 | 1000 | 46.0 | 10.0 | 19.3 | 20.8 | 35.5 | 33.0 | 24.3 | 22.3 |
| Alicon Castalloy Ltd | BUY | 288 | 570 | 750 | 31.6 | 7.0 | 21.4 | 24.1 | 26.7 | 23.6 | 10.5 | 8.3 |
| Premier Explosives Ltd | BUY | 350 | 335 | 600 | 79.1 | 3.0 | 15.9 | 11.4 | 21.0 | 29.4 | 11.6 | 11.4 |
| Gulfic Biosciences Ltd | BUY | 50 | 108 | 140 | 30.2 | 8.3 | 1.6 | 2.1 | 69.0 | 51.7 | 32.6 | 24.3 |
| Excel Industries Ltd | BUY | 380 | 865 | 800 | -7.5 | 11.2 | 9.8 | 39.7 | 88.6 | 21.8 | 27.4 | 12.9 |
| Vesuvius India Ltd | BUY | 1165 | 1315 | 1500 | 14.1 | 26.3 | 49.0 | 62.7 | 26.8 | 21.0 | 14.6 | 11.8 |
| Munjal Showa Ltd | BUY | 191 | 198 | 350 | 76.8 | 7.9 | 14.2 | 14.6 | 13.9 | 13.6 | 8.3 | 8.0 |
| Bharat Rasayan Ltd | BUY | 2747 | 4280 | 6500 | 51.9 | 18.0 | 128.9 | 189.3 | 33.2 | 22.6 | 17.5 | 12.6 |
| Alkyl Amines Chemicals Ltd | BUY | 391 | 589 | 700 | 18.8 | 12.0 | 24.3 | 27.0 | 24.2 | 21.8 | 14.2 | 14.3 |
| Grauer and Weil (India) Ltd | BUY | 45 | 56 | 100 | 79.9 | 12.6 | 2.3 | 2.3 | 24.6 | 23.7 | 13.8 | 13.5 |
| Texmaco Rails & Engineering Ltd | BUY | 91 | 83 | 170 | 103.7 | 20.2 | 1.5 | 2.7 | 54.5 | 31.0 | 36.7 | 22.7 |
| Nagarjuna Agrichem Ltd | BUY | 29 | 39 | 75 | 90.4 | 6.1 | 1.6 | 0.9 | 24.3 | 45.5 | 13.2 | 12.2 |
| Simplex Infrastructures Ltd | BUY | 540 | 534 | 700 | 31.1 | 20.2 | 24.3 | 29.6 | 22.0 | 18.0 | 8.6 | 7.8 |
| ITD Cementation India Ltd | BUY | 158 | 158 | 225 | 42.5 | 24.5 | 3.1 | 4.8 | 50.9 | 32.9 | 13.4 | 12.0 |
| Westlife Development Ltd | BUY | 266 | 320 | 425 | 32.8 | 49.8 | -0.8 | 0.3 | -410.2 | 937.2 | 109.8 | 66.3 |
| Federal Mogul Goetze (India) Ltd | BUY | 540 | 421 | 750 | 78.1 | 23.4 | 12.9 | 15.7 | 32.5 | 26.7 | 13.5 | 12.3 |
| Dynamatic Technologies Ltd | BUY | 2160 | 1725 | 3000 | 73.9 | 10.9 | 23.0 | -9.3 | 44.3 | -492.8 | 9.9 | 12.6 |
| Hitech Corporation Ltd | BUY | 175 | 142 | 230 | 62.5 | 2.4 | 6.9 | 3.5 | 20.5 | 40.5 | 8.1 | 8.9 |
| NRB Bearings Ltd | BUY | 138 | 153 | 200 | 30.5 | 14.9 | 5.2 | 5.5 | 29.4 | 27.8 | 16.4 | 15.7 |
| Kokuyo Camlin Ltd | BUY | 132 | 116 | 175 | 51.0 | 11.6 | 0.1 | 0.5 | 1224.7 | 221.5 | 57.3 | 42.1 |
| Timken India Ltd | BUY | 883 | 701 | 1200 | 71.2 | 47.7 | 14.3 | 15.1 | 49.0 | 46.3 | 30.1 | 26.2 |
| Bigbloc Construction Ltd | BUY | 120 | 161 | 200 | 24.2 | 2.3 | 2.2 | 2.7 | 74.4 | 58.8 | 24.3 | 21.0 |
| Morganite Crucible (India) Ltd | BUY | 1047 | 1249 | 1500 | 20.1 | 3.5 | 47.2 | 38.2 | 26.5 | 32.7 | 14.0 | 18.7 |
| Vardhman Special Steels Ltd | BUY | 151 | 144 | 225 | 56.3 | 5.1 | 10.3 | 6.4 | 14.6 | 23.4 | 13.2 | 12.6 |

*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 | 82% |
| Engineers India Ltd | 211 | 200 | Bonus 1 : 1. | 106 | 250 | 49% |
| Transformers and Rectifiers (India) Ltd | 300 | 450 | Stock Split from Rs.FV 10 to Rs.FV 1. | 30 | 40 | -12% |
| Gulshan Polyols Ltd | 390 | 500 | Stock Split from Rs.FV 5 to Rs.FV 1. | 78 | 110 | -15% |
| 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 | 275 | -8% |

| 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 | 312 | 600 | 92.3 | 15.1 | 20.4 | 14.3 | 15.3 | 21.8 | 8.3 | 11.2 |
| Engineers India Ltd | BUY | 106 | 158 | 250 | 58.1 | 53.3 | 4.8 | 5.0 | 32.8 | 31.6 | 32.5 | 35.2 |
| Transformers and Rectifiers (India) Ltd | BUY | 30 | 26 | 40 | 52.1 | 0.3 | 13.9 | 1.5 | 1.9 | 17.1 | 6.5 | 9.8 |
| Gulshan Polyols Ltd | BUY | 78 | 66 | 110 | 66.7 | 3.1 | 4.6 | 6.4 | 14.4 | 10.3 | 18.3 | 16.1 |
| Nesco Ltd | BUY | 479 | 552 | 640 | 16.0 | 7.8 | 120.2 | 137.5 | 4.6 | 4.0 | 18.2 | 15.1 |
| Castrol India Ltd | BUY | 223 | 205 | 275 | 34.1 | 101.4 | 13.6 | 14.1 | 15.0 | 14.5 | 9.2 | 8.7 |

| 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 | 325 | 120 | 150 | 200 | 275 | 350 | 500 | - | 322% |
| Shanthi Gears Ltd | 107 | 130 | 150 | 200 | - | - | - | - | - | 22% |
| Hind Rectifiers Ltd | 69 | 132 | 110 | 140 | 175 | - | - | - | - | 92% |
| KCP Limited | 71 | 132 | 105 | 150 | 200 | - | - | - | - | 86% |
| Harita Seating System Ltd | 266 | 991 | 400 | 600 | 750 | 900 | 1150 | - | - | 273% |
| Hester Biosciences Ltd | 565 | 1605 | 750 | 875 | 1150 | 1500 | 1750 | 2200 | - | 184% |
| Rallis India Ltd | 181 | 237 | 260 | 300 | - | - | - | - | - | 31% |
| The Hitech Gears Ltd | 298 | 405 | 450 | 600 | - | - | - | - | - | 36% |
| Bharat Bijlee Ltd | 787 | 1495 | 1100 | 1500 | 2000 | - | - | - | - | 90% |
| Triveni Turbines Ltd | 92 | 99 | 135 | 175 | - | - | - | - | - | 8% |
| Siemens Ltd | 1128 | 1073 | 1500 | - | - | - | - | - | - | -5% |
| Hikal Ltd | 143 | 205 | 200 | 250 | 325 | - | - | - | - | 44% |
| Aksh Optifibre Ltd | 15 | 31 | 24 | 35 | 45 | - | - | - | - | 109% |
| GMM Pfäudler Ltd | 332 | 685 | 500 | 700 | 800 | 1000 | - | - | - | 106% |
| Alicon Castalloy Ltd | 288 | 570 | 450 | 600 | 750 | - | - | - | - | 98% |
| Premier Explosives Ltd | 350 | 335 | 450 | 525 | - | - | - | - | - | -4% |
| Gufic Biosciences Ltd | 50 | 108 | 75 | 100 | 140 | - | - | - | - | 115% |
| Excel Industries Ltd | 380 | 865 | 550 | 650 | 800 | - | - | - | - | 128% |
| Vesuvius India Ltd | 1165 | 1315 | 1500 | - | - | - | - | - | - | 13% |
| Munjal Showa Ltd | 191 | 198 | 250 | 300 | 350 | - | - | - | - | 4% |
| Bharat Rasayan Ltd | 2747 | 4280 | 3500 | 4250 | 5000 | 6500 | - | - | - | 56% |
| Alkyl Amines Chemicals Ltd | 391 | 589 | 550 | 700 | - | - | - | - | - | 51% |
| Grauer and Weil (India) Ltd | 45 | 56 | 65 | 80 | 100 | - | - | - | - | 24% |
| Texmaco Rails & Engineering Ltd | 91 | 83 | 125 | 170 | - | - | - | - | - | -8% |
| Nagarjuna Agrichem Ltd | 29 | 39 | 45 | 60 | 75 | - | - | - | - | 36% |
| Simplex Infrastructures Ltd | 540 | 534 | 700 | - | - | - | - | - | - | -1% |
| ITD Cementation India Ltd | 158 | 158 | 225 | - | - | - | - | - | - | 0% |
| Westlife Development Ltd | 266 | 320 | 350 | 425 | - | - | - | - | - | 20% |
| Federal Mogul Goetze (India) Ltd | 540 | 421 | 750 | - | - | - | - | - | - | -22% |
| Dynamatic Technologies Ltd | 2160 | 1725 | 3000 | - | - | - | - | - | - | -20% |
| Hitech Corporation Ltd | 175 | 142 | 230 | - | - | - | - | - | - | -19% |
| NRB Bearings Ltd | 138 | 153 | 200 | - | - | - | - | - | - | 11% |
| Kokuyo Camlin Ltd | 132 | 116 | 175 | - | - | - | - | - | - | -12% |
| Timken India Ltd | 883 | 701 | 1200 | - | - | - | - | - | - | -21% |
| Bigbloc Construction Ltd | 120 | 161 | 160 | 200 | - | - | - | - | - | 34% |
| Morganite Crucible (India) Ltd | 1047 | 1249 | 1500 | - | - | - | - | - | - | 19% |
| Vardhman Special Steels Ltd | 151 | 144 | 225 | - | - | - | - | - | - | -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 | 82% |
| Engineers India Ltd | 211 | 200 | Bonus 1 : 1. | 106 | 250 | 49% |
| Transformers and Rectifiers (India) Ltd | 300 | 450 | Stock Split from Rs.FV 10 to Rs.FV 1. | 30 | 55 | -12% |
| Gulshan Polyols Ltd | 390 | 500 | Stock Split from Rs.FV 5 to Rs.FV 1. | 78 | 110 | -15% |
| 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 | 275 | -8% |

| 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 | Tamil Nadu Newsprint & Papers Ltd | BUY | 224 | 421 |

*Omkar: Spin off

*New Plant commenced for
Alkyl Amines*

Corporate development

*Economy growth targets
intact*

Telecom sector slowdown

*Multiple orders for
Kalpataru Power*

Coverage News:

Alkyl Amines Chemicals Ltd commissions Methylamines plant at Dahej

Alkyl Amines Chemicals Ltd has announced the commencement of production at its newly set up Methylamines plant at Dahej, Gujarat w.e.f. March 24, 2018.

Our comments:

This is the much awaited plant to go on-stream and help the company ramp up on its offerings.

Bigbloc Construction Ltd to consider fund raising on Apr 3, 2018

A Meeting of the Board of Directors of Bigbloc Construction Ltd will be held on Tuesday, April 03, 2018 at registered office of the company, to consider proposal to raise fund through issue of warrants convertible into equity shares / equity shares on preferential basis to Promoter Group. The Board will consider proposal to increase the Authorized Share Capital and alteration of the capital clause in the Memorandum of Association of the company, if required. The Board will also conduct Postal Ballot for seeking shareholders' Approval for the above-mentioned businesses, if approved.

ECONOMY:

Economy to double to USD5trn by 2025; no risk to inflation target: SC Garg

As indicated by the finance ministry, India is on track to double the size of its economy to USD5trn by 2025. The country is well poised to click a growth rate of 7-8% and with focus on start-ups, MSMEs and infrastructure investment it can step on to higher growth pedestal, Economic Affairs Secretary Subhash Chandra Garg said. India's GDP in value terms currently stands at USD2.5trn making it the sixth largest economy in the world.

Our comments:

With a stable inflation, there is no a major risk to achieving the economy target.

INDUSTRY:

Telecom industry revenue, license fee shrank in FYQ3 vs FYQ2: TRAI

Licence fee collections from the telecom industry shrank almost 5% sequentially in the third quarter, while adjusted gross revenue (AGR) of the sector fell 7.5%, reflecting continuing financial stress in the debt-laden sector. The government received Rs3,104cr in licence fees from telcos in the three months ended December, a decline of 4.46% from Rs3,249cr in the September quarter. AGR slumped to Rs38,536cr in the quarter from Rs41,669cr, while monthly average revenue per user from GSM services (including 4G LTE) dipped 5.37% on-quarter to Rs79. Telcos pay 8% of AGR as licence fee and about 5% as spectrum usage charges, which are two key revenue streams for the government.

Our comments:

Easing of spectrum holding caps is expected to boost sector consolidation and spectrum sales, especially as telcos try to sell wireless business assets, including airwaves, to reduce debt.

COMPANY:

Kalpataru Power Transmission bags Rs901cr orders

The company has won a turnkey order of Rs643cr for construction of 765 kV D/C transmission lines in Tamil Nadu from the state's power transmission utility. Another order worth Rs195cr for design, supply, erection, testing and commissioning for railway electrification works has been received from CORE. PowerGrid and other state utilities have placed transmission line contract worth Rs64cr.

Our comments:

As per the company, the current year order inflow has been consistent across all sectors namely transmission and substation, pipeline and railways. It continues to focus on achieving profitable growth for 2018-19 with the current visibility of order book.

Launch by Cipla

COMPANY:

Cipla launches Aloxi AG

Cipla has announced that it has launched authorized generic (AG) version of Aloxi in the US. This has come as a response to the at-risk launch of gAloxi by Teva in the US market. Helsinn Healthcare SA currently manufactures and markets Aloxi and Cipla is an authorized generic manufacturer for this drug. The drug is used in adults to prevent nausea and vomiting that may occur as a result of receiving cancer chemotherapy with a moderate or high risk of causing nausea and vomiting. The US appeals court has ruled against Helsinn Healthcare pertaining to the Aloxi patent infringement by Teva. However, Helsinn, in January 2018, has indicated that it will move to the US Supreme Court. Teva, however, has gone ahead and launched the drug, while the case is still subjudice.

Our comments:

According to the IMS Health, Aloxi brand had US sales of ~USD460mn for the 12-month period ending November 2017. Cipla's Authorized Generic of Aloxi is available for shipping immediately. Cipla is likely to benefit from this launch.

BHEL and ISRO in pact

BHEL to make space grade cells for ISRO

Bharat Heavy Electricals Ltd (BHEL) would make space grade lithium-ion (Li-Ion) cells for the Indian Space Research Organisation (ISRO) under technology transfer. The Li-Ion batteries are used as power sources for our satellite and launch vehicle applications due to their high energy density, reliability and long cycle life.

Our comments:

The technology transfer will enable BHEL to produce space grade Li-Ion cells to meet the country's space programme requirements.

Contract for Punj Lloyd

Punj Lloyd wins contract worth Rs505cr

The company has been awarded a contract worth Rs505.22cr for six/four lanning of NH 5 (New NH 16) from Puintola to Tangi in the state of Odisha. The project is on EPC basis awarded by National Highway Authority of India (NHAI). The construction period is 730 days from the appointed date, to be notified by NHAI after fulfillment of certain conditions precedent.

Our comments:

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

Wipro extends with Adobe

Wipro into partnership expansion with Adobe

The company has expanded global relationship with Adobe to create, build and run digital marketing solutions and campaigns for their clients, across the globe. As a part of this alliance, Wipro will embed Adobe's design and prototyping software, Adobe XD CC, the all-in-one UX/UI solution for designing and prototyping mobile apps and websites, into its digital experience platform.

Our comments:

Through this partnership, Wipro aims to offer more effective and robust digital solutions to our joint customers, globally. The Digital Experience Platform used in tandem with Adobe XD is a significant advancement in the digital experience solutions space.

Orders for Dilip Buildcon

Dilip Buildcon bags Rs4,114cr projects in Karnataka, Maharashtra

Dilip Buildcon (DBL) has bagged projects worth a total Rs4,114cr from state-run NHAI in Karnataka and Maharashtra. The projects are to be built on 'Hybrid Annuity Mode. In Karnataka, the work is to four-lane Byrapura to Challakere section of NH-150 A. In Maharashtra, the task is four-laning of three road sections of National Highway 166.

Our comments:

This would add to the conviction in the operational efficiency of the company.

KEC wins new contracts

COMPANY:

KEC International wins Rs2,419cr new contracts

KEC International Ltd has secured new orders of Rs2,419cr across its businesses. Transmission & Distribution business has secured orders of Rs1,650cr across India, SAARC and the Americas. With the new order wins, total order intake for 2017-18 has crossed Rs15,000cr, a growth of more than 20% over the previous financial year.

Our comments:

The robust and well diversified order book gives the confidence to deliver on growth targets for the next year.

L&T gets orders from NPCIL

Larsen & Toubro wins Rs747cr contract from NPCIL

The heavy engineering arm of Larsen & Toubro has received orders worth Rs747cr from NPCIL to supply steam generators and end shields for its indigenously designed 700 MWe Pressurised Heavy Water Reactors (PHWR) to be set up at Gorakhpur Haryana Anu Vidyut Pariyojana (GHAVP) in Fatehabad district of Haryana. These steam generators and end shields will be manufactured at L&T's integrated, state-of-the-art Hazira manufacturing complex in Gujarat.

Our comments:

L&T is committed to contributing to the accelerated development of Indian nuclear power programme.

Sale of Fortis to Manipal

Fortis sells hospital business to Manipal, TPG Capital

Fortis Healthcare Ltd announced the sale of its hospital assets to Manipal Health Enterprises Pvt. Ltd and buyout firm TPG Capital. The Fortis Healthcare board has also approved the sale of its 20% stake in SRL Diagnostics to Manipal Hospitals. The resultant entity, Manipal Hospitals, will be a publicly traded company listed on NSE and BSE. Fortis Healthcare will become an investment holding company with a 36.6% stake in SRL Diagnostics. As part of the proposed transaction, Manipal promoter Dr Ranjan Pai and TPG Capital will invest Rs3,900cr into Manipal Hospitals. The funds will be utilized by Manipal Hospitals to finance the acquisition of 50.9% stake in SRL, 20.0% from Fortis Healthcare and 30.9% from investors Avigo Capital, Jacob Ballas and International Finance Corp. (IFC), for which discussions are currently underway. The investment will support the proposed acquisition of hospital assets owned by RHT Health Trust and the growth of the hospitals and the diagnostics businesses.

Our comments:

As per Fortis, as an organization, it is thrilled with this transaction as it enables it to take the next bold step into future. Manipal has built a terrific franchise and team and the coming together of the two organizations will be transformational for the healthcare industry.

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