

DOMESTIC:

- Karnataka Bank reported a fraud to RBI amounting to Rs13.26cr
- Infosys to enter agreement with The House Fund II, L.P
- DRL's Hyderabad unit receives no observation under form 483
- Shell out up to Rs25,000 more for Tata Motors cars from April 1
- Insecticides (India) inaugurates new factory for commercial production agrochemicals
- JSW to enter steel furniture business
- L&T Construction awarded contracts for its Buildings and Factories & Water and Effluent Treatment businesses
- NTPC commences operation at 750MW power project
- Sun Pharma gets USFDA observation for Baska plant
- Tata Power inks pact to sell EEPL for USD11mn
- Thomas Cook India launches 'Ghar Jao Vote Karo' campaign offering discounts to home bound voters
- Lupin and YL Biologics receives PMDA approval for Etanercept biosimilar in Japan
- KNR Construction bagged an order worth Rs232.83cr to build a flyover in Tamil Nadu
- Laurus Labs entered into a strategic partnership agreement with Global Fund
- Reliance Industries buys ITC's menswear brand John Players
- Aarti Industries raises Rs750cr via QIP
- Uco Bank gets Rs14,000cr windfall from Iran oil payment right
- Unitech sells power transmission biz to Sterling and Wilson for Rs100cr
- Wockhardt in talks with private equity cos to raise USD300mn
- GMR Infra sells USD1.16bn stake in airports arm to Tata Group, GIC and SSG Capital Management
- DRL launched erectile dysfunction treatment drug in US
- Strides Pharma's board approves divestment of Australia business
- PNB to offload its stake in PNB Housing
- Federal Bank entered into a partnership with Ripple Inc. for cross border remittance through its network
- Andhra Bank does preferential share allotment to govt.
- PFC acquired govt. stake in REC and became the holding company and also a promoter of REC
- TTK Prestige approves bonus in the ratio of 1:5

ECONOMY:

- India seeks bids for USD5bn in transmission lines to fuel renewables growth
- Weak exports, rural distress, uncertainty over election outcome to drag down IIP: Report

INDUSTRY:

- PEs invest USD1bn in Indian real estate in January-March: Data
- Public transport permit mandatory for electric 3W, 4W to avail FAME-II sops: Government
- Cement sector witnessed a decent performance in Q3FY19

Price Performance

Company	1M	3M	12M
Supreme Petrochem Ltd	6.1%	6.2%	-33.2%
Shanthi Gears Ltd	16.4%	-0.7%	0.8%
Hind Rectifiers Ltd	3.5%	-2.3%	-14.8%
KCP Ltd	5.5%	-3.1%	-32.6%
Hester Biosciences Ltd	18.3%	34.8%	-5.6%
The Hi-Tech Gears Ltd	-2.7%	-13.5%	-28.3%
Bharat Bijlee Ltd	6.9%	-5.6%	-27.6%
Triveni Turbines Ltd	5.0%	-3.2%	7.1%
Siemens Ltd	12.9%	7.8%	1.7%
Aksh Optifibre Ltd	0.8%	-22.7%	-42.7%
GMM Pfäudler Ltd	6.2%	1.6%	66.4%
Alicon Castalloy Ltd	2.9%	0.9%	-0.5%
Gufic Biosciences Ltd	8.3%	-17.6%	-32.4%
Excel Industries Ltd	8.6%	-23.1%	24.2%
Vesuvius India Ltd	0.7%	-0.9%	-9.8%
Munjal Showa Ltd	-1.8%	-12.0%	-23.2%
Bharat Rasayan Ltd	12.8%	-22.7%	-3.8%
Alkyl Amines Chemicals Ltd	16.8%	2.9%	36.5%
Grauer and Weil (India) Ltd	4.7%	-2.5%	-18.6%
Texmaco Rails & Engineering Ltd	16.9%	16.5%	-19.7%
Nagarjuna Agrichem Ltd	0.2%	7.9%	-26.0%
Simplex Infrastructures Ltd	12.6%	-10.8%	-66.4%
ITD Cementation India Ltd	25.0%	16.4%	-17.8%
Westlife Development Ltd	20.4%	10.2%	27.1%
Federal Mogul Goetze (India) Ltd	17.2%	13.0%	24.7%
Dynamatic Technologies Ltd	13.1%	8.6%	-6.9%
Hitech Corporation Ltd	-31.8%	-4.9%	-29.6%
NRB Bearings Ltd	-10.2%	-7.9%	17.1%
Kokuyo Camlin Ltd	9.9%	-11.5%	-18.9%
Timken India Ltd	3.5%	2.4%	-18.2%
Morganite Crucible (India) Ltd	0.7%	-1.2%	9.2%
Vardhman Special Steels Ltd	-8.1%	0.5%	-33.9%
Zen Technologies Ltd	3.3%	-7.6%	-37.7%
KSB Ltd	5.4%	-11.8%	-14.0%
Thermax Ltd	-0.9%	-14.2%	-13.6%
Transpek Industry Ltd	6.4%	6.1%	22.7%
BASF India Ltd	10.0%	-4.5%	-24.1%
Artson Engineering Ltd	12.9%	-19.4%	-49.5%
Remsons Industries Ltd	0.0%	-21.9%	8.0%
Snowman Logistics Ltd	10.4%	-6.1%	-29.4%
Alembic Pharmaceuticals Ltd	-2.7%	-9.6%	-0.2%
SKF India Ltd	4.8%	6.0%	13.0%
HFCL Ltd	6.8%	6.8%	-16.1%
Indian Hume Pipe Co. Ltd	6.9%	-12.8%	86.3%
Engineers India Ltd	9.3%	-6.7%	45.2%
Gulshan Polyols Ltd	5.1%	-15.7%	-21.5%
Nesco Ltd	11.2%	9.0%	-13.8%
Castrol India Ltd	7.6%	9.9%	63.2%
Hikal Ltd	8.0%	11.9%	26.9%

The week that went by:

Markets on Monday opened on a weak note after witnessing the one way rally continuing into the Day 2 of trade which opened on a higher note. Midweek session witnessed the Indian markets outperform its Asian peers. Despite the weak Asian markets, although with a good start and positive trend; except for Metals, Auto and Pharma, all the other sectoral indices traded with marginal gains. On the last day of the trade, the markets opened strong and wrapped up the session in positive.

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	220	275	25.1	21.2	6.6	6.4	33.2	34.4	10.2	12.5
Shanthi Gears Ltd	BUY	107	134	200	49.3	10.9	3.5	3.9	38.3	34.4	29.7	25.2
Hind Rectifiers Ltd	BUY	69	114	175	53.7	1.7	0.8	5.3	144.4	21.5	24.2	12.1
KCP Limited	BUY	71	89	150	67.7	11.5	7.0	7.0	12.8	12.8	9.7	8.6
Hester Biosciences Ltd	BUY	565	1538	1750	13.8	13.1	35.9	39.8	42.8	38.7	12.7	11.4
The Hitech Gears Ltd	BUY	298	288	500	73.6	5.4	17.0	21.2	16.9	13.6	10.1	8.8
Bharat Bijlee Ltd	BUY	787	1094	2000	82.8	6.2	25.1	37.4	43.6	29.2	24.8	20.6
Triveni Turbines Ltd	BUY	92	107	150	40.0	0.4	3.0	3.1	36.0	34.4	22.5	21.5
Siemens Ltd	BUY	1128	1128	1350	19.7	401.6	53.0	53.6	21.3	21.0	28.6	28.1
Aksh Optifibre Ltd	BUY	15	19	30	59.2	3.1	1.4	2.7	13.2	6.9	7.3	4.6
GMM Pfaunder Ltd	BUY	332	1200	1300	8.3	17.5	19.4	26.7	61.8	45.0	37.7	27.6
Alicon Castalloy Ltd	BUY	288	590	850	44.1	7.3	29.0	46.6	20.4	12.7	9.4	6.9
Gufic Biosciences Ltd	BUY	50	77	150	95.7	5.9	1.9	3.1	41.1	24.6	17.5	13.6
Excel Industries Ltd	BUY	380	1146	1800	57.1	14.8	58.1	112.2	19.7	10.2	11.7	6.2
Vesuvius India Ltd	BUY	1165	1154	1500	30.0	23.1	52.3	56.3	22.1	20.5	11.1	10.7
Munjal Showa Ltd	BUY	191	166	250	51.1	6.6	19.4	21.5	8.5	7.7	5.7	5.1
Bharat Rasayan Ltd	BUY	2747	4199	5000	19.1	17.6	227.3	257.5	18.5	16.3	12.1	10.6
Alkyl Amines Chemicals Ltd	BUY	391	826	850	2.9	16.9	31.5	38.9	26.2	21.2	15.8	12.0
Grauer and Weil (India) Ltd	BUY	45	49	65	32.1	11.2	2.7	3.0	18.4	16.6	11.6	10.9
Texmaco Rails & Engineering Ltd	BUY	91	69	150	118.2	20.2	0.5	1.8	150.0	37.9	65.1	18.9
Nagarjuna Agrichem Ltd	BUY	29	30	45	50.5	4.7	0.7	0.8	43.6	37.8	13.9	13.1
Simplex Infrastructures Ltd	BUY	540	178	300	68.6	20.2	30.5	31.8	5.8	5.6	6.4	6.0
ITD Cementation India Ltd	BUY	158	132	180	36.8	20.4	8.3	9.8	15.8	13.4	8.5	7.4
Westlife Development Ltd	BUY	266	425	525	23.5	66.1	0.8	1.6	512.5	267.9	87.7	61.5
Federal Mogul Goetze (India) Ltd	BUY	540	560	750	33.9	31.2	14.9	18.0	37.6	31.0	16.6	15.2
Dynamatic Technologies Ltd	BUY	2160	1620	2750	69.8	10.3	1.1	51.1	1426.8	31.7	12.4	9.5
Hitech Corporation Ltd	BUY	175	107	180	68.2	1.8	4.5	6.4	23.7	16.8	9.0	6.8
NRB Bearings Ltd	BUY	138	191	240	25.7	18.5	8.5	10.4	22.6	18.4	13.2	11.1
Kokuyo Camlin Ltd	BUY	132	97	175	80.8	9.7	1.0	1.5	98.9	65.8	28.8	23.0
Timken India Ltd	BUY	883	595	1000	68.1	40.5	13.5	19.0	44.0	31.4	24.7	15.8
Morganite Crucible (India) Ltd	BUY	1047	1430	2300	60.8	4.0	49.6	63.9	28.8	22.4	2.9	2.5
Vardhman Special Steels Ltd	BUY	151	97	140	44.9	3.4	7.0	8.7	13.8	11.1	9.0	7.5
Zen Technologies Ltd	BUY	115	73	170	134.5	5.6	-0.1	0.8	-1438.1	90.0	-296.6	53.7
KSB Ltd	BUY	820	688	1100	59.9	23.9	18.8	21.2	37.0	32.8	15.5	13.8
Thermax Ltd	BUY	1019	972	1230	27	115.8	22.1	26.8	44.0	36.3	31.2	26.7
Transpek Industry Ltd	BUY	1547	1511	2000	32.4	8.4	47.3	76.0	32.0	19.9	19.5	14.6
BASF India Ltd	BUY	1954	1474	2500	69.6	63.8	20.3	43.5	72.5	33.8	21.4	16.8
Artson Engineering Ltd	BUY	64	40	95	140.5	1.5	0.4	2.3	105.5	17.2	63.3	19.3
Remsons Industries Ltd	BUY	104	82	155	89.0	0.5	6.0	7.9	13.6	10.3	9.2	7.2
Snowman Logistics Ltd	BUY	33	33	55	67.4	5.5	-0.2	0.1	-154.2	228.3	15.2	12.5
Alembic Pharmaceuticals Ltd	BUY	605	540	751	39.1	101.8	22.3	26.7	24.2	20.2	16.8	14.2
SKF India Ltd	BUY	1942	2030	2620	29.1	104.2	57.6	60.7	35.2	33.5	23.9	22.2
HFCL Ltd	BUY	25	23	35	54.5	28.2	1.3	1.7	17.9	13.5	11.7	8.3

*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	71%	
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	-30%	
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2.	479	640	1%	
Castrol India Ltd	447	550	Bonus 1 : 1	223	200	-25%	
Hikal Ltd	143	325	Bonus 1 : 2	95	216	84%	

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	293	500	70.6	14.2	13.6	20.1	21.5	14.6	11.6	8.9
Engineers India Ltd	211	105	117	200	70.9	39.4	6.0	7.0	19.6	16.7	17.8	14.2
Gulshan Polyols Ltd	390	78	55	78	42.3	2.5	3.9	5.1	14.1	10.8	5.8	4.7
Nesco Ltd	2397	479	482	640	32.8	6.8	25.1	23.7	19.2	20.4	15.7	16.4
Castrol India Ltd	447	223	167	200	20.1	82.4	7.1	15.6	23.5	10.7	15.5	14.0
Hikal Ltd	143	95	175	216	23.5	14.4	9.4	10.1	18.6	17.4	11.2	10.1

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	220	120	150	200	275	350	500	275	-	186%
Shanthi Gears Ltd	107	134	150	200	-	-	-	-	-	-	25%
Hind Rectifiers Ltd	69	114	110	140	175	-	-	-	-	-	65%
KCP Limited	71	89	105	150	200	150	-	-	-	-	26%
Hester Biosciences Ltd	565	1538	750	875	1150	1500	2200	1750	-	-	172%
The Hitech Gears Ltd	298	288	450	600	500	-	-	-	-	-	-3%
Bharat Bijlee Ltd	787	1094	1100	1500	2000	-	-	-	-	-	39%
Triveni Turbines Ltd	92	107	135	150	-	-	-	-	-	-	16%
Siemens Ltd	1128	1128	1350	-	-	-	-	-	-	-	-0.004%
Aksh Optifibre Ltd	15	19	24	35	45	30	-	-	-	-	26%
GMM Pfaudler Ltd	332	1200	500	700	800	1000	1300	-	-	-	261%
Alicon Castalloy Ltd	288	590	450	600	750	1000	850	-	-	-	105%
Gufic Biosciences Ltd	50	77	75	100	140	175	150	-	-	-	53%
Excel Industries Ltd	380	1146	550	650	800	1100	1400	1800	2200	1800	202%
Vesuvius India Ltd	1165	1154	1500	-	-	-	-	-	-	-	-1%
Munjali Showa Ltd	191	166	250	300	350	300	250	-	-	-	-13%
Bharat Rasayan Ltd	2747	4199	3500	4250	5000	6500	9000	5000	-	-	53%
Alkyl Amines Chemicals Ltd	391	826	550	700	850	-	-	-	-	-	111%
Grauer and Weil (India) Ltd	45	49	65	80	100	65	-	-	-	-	9%
Texmaco Rails & Engineering Ltd	91	69	125	150	-	-	-	-	-	-	-24%
Nagarjuna Agrichem Ltd	29	30	45	60	75	60	45	-	-	-	3%
Simplex Infrastructures Ltd	540	178	700	540	300	-	-	-	-	-	-67%
ITD Cementation India Ltd	158	132	225	180	-	-	-	-	-	-	-17%
Westlife Development Ltd	266	425	350	425	525	-	-	-	-	-	60%
Federal Mogul Goetze (India) Ltd	540	560	750	-	-	-	-	-	-	-	4%
Dynamatic Technologies Ltd	2160	1620	3000	2750	-	-	-	-	-	-	-25%
Hitech Corporation Ltd	175	107	230	180	-	-	-	-	-	-	-39%
NRB Bearings Ltd	138	191	200	240	-	-	-	-	-	-	38%
Kokuyo Camlin Ltd	132	97	175	-	-	-	-	-	-	-	-27%
Timken India Ltd	883	595	1200	1000	-	-	-	-	-	-	-33%
Morganite Crucible (India) Ltd	1047	1430	1500	1750	2300	-	-	-	-	-	37%
Vardhman Special Steels Ltd	151	97	225	140	-	-	-	-	-	-	-36%
Zen Technologies Ltd	115	73	170	-	-	-	-	-	-	-	-37%
KSB Ltd	820	688	1100	-	-	-	-	-	-	-	-16%
Thermax Ltd	1019	972	1230	-	-	-	-	-	-	-	-4.6%
Transpek Industry Ltd	1547	1511	2000	-	-	-	-	-	-	-	-2%
BASF India Ltd	1954	1474	2500	-	-	-	-	-	-	-	-24.6%
Artson Engineering Ltd	64	40	95	-	-	-	-	-	-	-	-38%
Remsons Industries Ltd	104	82	155	-	-	-	-	-	-	-	-21%
Snowman Logistics Ltd	33	33	55	-	-	-	-	-	-	-	-0.5%
Alembic Pharmaceuticals Ltd	605	540	751	-	-	-	-	-	-	-	-11%
SKF India Ltd	1942	2030	2620	-	-	-	-	-	-	-	4.5%
HFCL Ltd	25	23	35	-	-	-	-	-	-	-	-9%

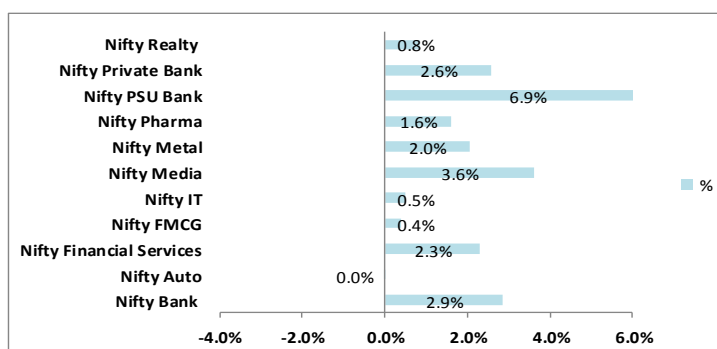
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Company	Reco	Target	Corp Action	Adj Price	Adj Tgt Price	Appreciation
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Gulshan Polyols Ltd	390	500	Stock Split from Rs.FV 5 to Rs.FV 1	78	110	-30%
Nesco Ltd	2397	3200	Stock Split from Rs.FV 10 to Rs.FV 2	479	640	1%
Castrol India Ltd	447	550	Bonus 1 : 1	223	200	-25%
Hikal Ltd	143	325	Bonus 1 : 2	95	216	84%

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	293	500	600	500	-	-	-	-	-	71%
Engineers India Ltd	211	117	200	250	200	-	-	-	-	-	11%
Gulshan Polyols Ltd	390	55	110	78	-	-	-	-	-	-	-30%
Nesco Ltd	2397	482	640	-	-	-	-	-	-	-	1%
Castrol India Ltd	223	167	275	250	200	-	-	-	-	-	-25%
Hikal Ltd	143	175	200	250	325	216	-	-	-	-	84%

Please Turn Over

Weekly Sectoral Gainers & Losers in (%)



TERM OF THE WEEK:

Callable bond:

A callable bond is a bond that can be redeemed by the issuer/borrower prior to its maturity. When the interest rate declines after the company first issues the bond, it has the option to *call back the bond* and reissue the same at a lower interest rate. Such type of bonds pays the bondholder/lender a higher coupon than a non-callable bond.

COVERAGE NEWS:

Alembic Pharma receives USFDA approval for Tadalafil Tablets

Alembic Pharma received approval from the USFDA for Tadalafil Tablets USP, 2.5mg, 5mg, 10mg and 20mg, indicated for the treatment of erectile dysfunction. The approved ANDA is therapeutically equivalent to the reference listed drug, Cialis Tablets of Eli Lilly and Company.

Our comments:

Tadalafil Tablets have an estimated market size of USD1.8bn for twelve months ending December 2018 according to IQVIA.

Dynamatic Technologies Ltd: H-47 Chinook update:

Indian Air Force inducts first unit of Chinook helicopters. Dynamatic Technologies manufactures critical components for H-47 Chinook, one of the world's most advanced multi-mission, heavy-lift transport helicopters. India is procuring 15 Chinook heavy-lift helicopters from Boeing. The company had delivered the first set of aft pylon and cargo ramp assemblies for the Chinook in February 2015.

Our comments:

This will be a remarkable milestone for the company considering its partnership with Boeing. Dynamatic manufactures complex assemblies for global OEMs and have become an integral part of the worldwide supply chain, incorporating globally accepted standards of aerospace manufacturing in their facilities.

ECONOMY:

Weak exports, rural distress, uncertainty over election outcome to drag down IIP: Report

India's industrial production is expected to stay muted in the near term, owing to weak exports, rural distress, credit constraints and uncertainty over the election outcome, according to a report. According to Dun and Bradstreet's latest economy forecast, the IIP is likely to have grown by 3-3.2% during February 2019. As per the IIP data in January released by the Central Statistics Office, the growth in industrial production declined to 1.7% as against 7.5% a year ago, owing to subdued performance of the manufacturing sector, especially capital and consumer goods.

Our comments:

Some of the key risk factors for the Indian economy are stressed assets in the banking sector, decline in tax mobilisation through GST, ailing rural economy and concerns in key sectors such as telecom, power and real estate. The recent efforts to strengthen the balance sheet of the banking sector and corporates can turn the wheels of the domestic investment activity. Further, the business and consumer confidence could get an impetus once the uncertainty over the elections outcomes gets over.

USFDA Approval

Dynamatic Update

Muted IIP In Near Term

Investment In Real Estate

INDUSTRY:

PEs invest USD1bn in Indian real estate in January-March: Data

Institutional investors' appetite for Indian real estate, particularly the commercial segment, has maintained its robust momentum since one year. As per Anarock data, Private equity investment in the sector has touched nearly USD1bn during January-March. It was further indicated that currently, funding is a major hurdle for Indian real estate's growth prospects, especially post the crisis with NBFC. PE is the best alternative for developers that qualify for it. 2019 will bring a marked increase in PE funding because of the listing of India's first REIT.

Our comments:

PE investors are more cautious now about selecting and associating with developers; however, once convinced, they are investing big.

Decent Performance

Cement sector witnessed a decent performance in Q3FY19

The cement industry witnessed a decent performance in terms of volumes and softening of input costs which aided the earnings on a sequential basis in Q3FY19; with majority of the companies in this sector having reported 8-10% volume growth. While the volume growth trajectory has been maintained for the past 12-18 months, the price action remains muted despite the sustained increase in cost pressure. On a regional basis, the central region appears to be in a sweet spot as the companies in these regions are witnessing higher volumes along with improvement in their capacity utilization (approximately 75% in FY19) thereby leading to better realisations.

Our comments:

The muted industrial activity on account of upcoming elections along with a slowdown in the economy (largely macro driven) could pose a near term risk to the earnings of the companies operating in this industry.

Price Hike By Tata Motors

COMPANY:

Shell out up to Rs25,000 more for Tata Motors cars from April 1

All the Tata Motors cars will be costlier by up to Rs25,000 from April 1, as indicated by the company. It was further mentioned that the changing market conditions, rising input costs and various external economic factors had compelled it to consider the price hike. The management further added that, the increase comes at a time when automakers are feeling the heat due to poor sales, but the company is confident of maintaining the growth trajectory in the coming months on the back of their robust portfolio, comprising segment-leading products such as the Tiago, the Hexa, the Tigor, the Nexon, and the Harrier.

Our comments:

Many other manufacturers have announced price hikes, which will be implemented in April. These will partially offset the impact of frequent variations in the input costs, including commodity prices and even freight charges.

Acquisition Of John Players Brand

Reliance Industries buys ITC's menswear brand John Players

Reliance Retail Ltd (RRL), a unit of Reliance Industries Ltd, has acquired the menswear brand John Players of ITC; a consumer goods company. ITC sold the its brand and the related trademarks and intellectual property to RRL as a part of its restructuring plan. Reliance has undertaken the brand and distribution rights through 750 stores, in addition to 65 exclusive franchise outlets, for an estimated Rs1.50bn.

Our comments:

The acquisition would strengthen RRL's readymade garments and accessories portfolio in the fashion and retail space and the company further plans to diversify into e-commerce and intends to grab a dominant share in the Indian consumer space.

Default On Payments

Jet Airways defaults on USD140mn loan; cites temporary liquidity constraints

Jet Airways defaulted in repayment of USD140mn loan to HSBC Bank. The payment on ECB borrowing was delayed on account of temporary liquidity constraints. The first tranche of USD31mn was due on 11th March, 2019; while the second instalment of USD109mn was due on 28th March, 2019. The loan deal between Jet Airways and HSBC was signed in January, 2014 and the loan amount was drawn for a period of 5 years with bullet repayment obligations at the end of the fifth year.

Our comments:

The airline has failed to pay both the tranches as it is going through a liquidity crunch and for the same is also working on a bank-led resolution plan for its revival. The airline is in its final stage of seeking the required regulatory, corporate approvals and due to the pendency of the same, it failed to repay the first tranche of USD31mn.

COMPANY:

Lupin and YL Biologics receives PMDA approval for Etanercept biosimilar in Japan

YL Biologics (YLB), a joint venture between Lupin's subsidiary Lupin Atlantis Holdings SA (LAHSA) and Yoshindo Inc. in Japan, and Lupin (through its Japanese subsidiary, Kyowa Pharmaceutical Industry Co. Ltd) have received an approval to manufacture and sell their biosimilar Etanercept in Japan. The approval to treat moderate to severe Rheumatoid Arthritis (RA) and Juvenile Idiopathic Arthritis was received on 26th March, 2019.

Our comments:

According to the management of YLB, the company will continue to offer high quality yet cost-effective medical solutions to the Japanese patients. YLB113 is one such product that reduces the healthcare burden of patients suffering from Rheumatoid Arthritis (RA) and Juvenile Idiopathic Arthritis.

Unitech sells power transmission business to Sterling and Wilson for Rs100cr

Unitech Ltd has sold its power transmission business to Sterling and Wilson. Unitech Power Transmission is engaged in the business of manufacturing and installation of power transmission lines. The company has entered into a purchase agreement with Sterling and Wilson to sell the entire issued and paid up capital of Unitech Power Transmission Ltd. The value of the deal is around Rs100cr and the amount would be deposited with the registry of the Supreme Court. It had also allowed Unitech to sell the stake in its wholly owned subsidiary Unitech Power Transmission Ltd.

Our comments:

Once the transaction is completed, Unitech Power Transmission Ltd would become a wholly owned subsidiary of Sterling and Wilson Pvt Ltd.

Sun Pharma receives 483 for Baska facility, co says responded to USFDA

Sun Pharma has received letter 483 (an observation of deviation in manufacturing practice) from the USFDA for its manufacturing plant in Baska Gujarat. Sun said it has received 1 observation for this facility and the company has subsequently submitted its response to the regulators.

Our comments:

There is no material impact as indicated by the company.

*Approval For Etanercept
Biosimilar*

*Sale Of Power
Transmission Business*

*Observation For Baska
Facility*

WEEKLY REPORT

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