



Indbank Online

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MARKETS FOR YOU

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Budget Special!!!

Interim Budget 2019 - Key Highlights

- Current account deficit target for FY19 - 2.5% of GDP.
- Fiscal deficit revised target for FY19 - 3.4%.
- Pradhan Mantri Gram Sadak Yojana allocation is set at Rs 19,000 crore.
- Mahatma Gandhi National Rural Employment Guarantee Act allocation has been set at Rs 60,000 crore for FY 19-20.
- The government is committed to provide electricity to every house. LED will help save Rs 50,000 crore in electricity bills in the next few years.
- 22nd AIIMS hospital is going to be set up in Haryana.
- Direct Benefit Support of Rs 6,000/- to farmers with landholdings below 2 hectares - to be transferred directly into bank account of beneficiary farmers in three installments of Rs 2,000/- each. The total outlay is 0.4% of GDP. The scheme will kick off from 1st December, 2018. "
- Govt proposes to set up a Comprehensive social security coverage Shram Yogi Mandhan, a pension scheme for unorganised sector workers.
- ESI eligibility cover limit has been raised to Rs 21,000/- per month from Rs 15,000/- per month.
- Villages to be converted to digital villages. Target over the next 5 years is to create over 5 lakh digital villages.

Key Income Tax Amendments for FY 19-20:

- Individual tax payers with taxable annual income up to Rs 5 lakh will get full tax REBATE.
- Standard Deduction raised from Rs 40,000 to Rs 50,000 for Salaried / Pensioners
- No NOTIONAL INCOME for Second Self-occupied Property.
- No TDS on interest on FDs from Bank / Post Offices up to Interest income of Rs. 40,000/-.
- TDS on rent, limit increased to Rs 240,000/-.
- LTCG Exemption u/s 54 available on investments in two residential houses (earlier one) for gains upto Rs 2 crore which can be availed once in lifetime.
- 80IB exemption extended for affordable Housing project approved till 31-Mar-2020 from 31st March 2019.
- No NOTIONAL INCOME of rent for unsold Properties upto a period of 2 years from the date of completion.

What's New!!!

Economic & Business Updates

- **Parliament Passes Centre's 10% Quota to Economically Weak:** A landmark bill seeking to provide 10 per cent reservation in jobs and education for the general category poor was passed by the Lok Sabha with most parties backing the measure, described by the government as "historic" and in the country's interest.
- **Several state-owned banks will be profitable by year-end:** All the 21 PSBs recorded operating profits at the end of FY18. At the end of September 2018, the PSBs together recorded an operating profit of Rs. 36,757 crore. Many are expected to be back in the black at the end of this fiscal as per press statement by union FM Piyush Goyal.
- **Tamil Nadu Global Investors Meet 2019:** MoUs worth 3 lakh cr. Signed: Surpassing the 'success' of the first edition of the Global Investors Meet (GIM) held in 2015, the Tamil Nadu government has signed 304 Memoranda of Understanding (MoUs) and agreements entailing investments to the tune of over Rs. 3,00,431 crore in GIM-II, as per press statement by Tamilnadu Chief Minister Edappadi K. Palaniswami.
- **NCLT rejects Ruia's offer for Essar Steel:** The Ahmedabad bench of the National Company Law Tribunal (NCLT) has rejected the settlement offer by Essar Steel's promoters, the Ruia family, paving the way for the acceptance of ArcelorMittal's bid for the takeover of the debt-laden company.
- **Jet Airways seeks investor approval to swap debt for shares:** Jet Airways India Ltd. is seeking the approval of shareholders to convert loans into equity as the ailing carrier saddled with \$1.1 billion of debt negotiates a rescue deal with its lenders and partner Etihad Airways PJSC. India's largest lender State Bank of India (SBI) is set to swap part of its loans into a stake of at least 15 per cent in Jet Airways as lenders to the carrier plan similar conversions of some debt into equity to help keep the carrier alive.
- **Kia Motors to launch first vehicle in India in July:** Kia Motors, the eighth largest automaker, has commenced trial production at its greenfield manufacturing facility in Anantapur in Andhra Pradesh and will be launching first vehicle in India in July this year.
- **Samsung Galaxy M launched in India:** Samsung India launched Galaxy M series phones namely M20 and M10 smartphones at a starting price of Rs. 10,990/- and Rs 7,990/-, respectively, to take on Xiaomi's budget "Redmi" series in the country.
- **DHFL diverted Rs 31,000-crore loans to promoter firms, says Cobrapost:** Media outlet Cobrapost alleged Dewan Housing Finance Corporation (DHFL) had diverted loans worth Rs 31,000 crore. Company termed the charges as "mischievous". According to the Cobrapost expose DHFL which has a net worth of Rs 8,700 crore, raised Rs 96,000 crore through loans and public deposits.
- **LIC offloads 2 per cent in Reliance Industries:** Life Insurance Corporation of India sold 12.74 crore shares or 2.01 per cent in Reliance Industries between 29.2.2015 and 23.01.2019.
- **Gold near 7- month high on hopes of US Fed will keep rates unchanged:** Gold prices near almost seven-month high on hopes the US Federal Reserve will keep interest rates unchanged during its two-day policy meeting later in the week.



Mr. Seshu Sai P L V K

From the President's Desk

Warm Greetings!!!

As we all are aware, we are in the corporate earnings season and many large corporates have come out with decent set of numbers so far. The month gone by saw many news flow on various large corporate houses such as Zee Ltd, Sun pharma, Yes bank, DHFL and so on creating volatility in stock prices of these companies. Despite of these noises, one can still say we have weathered past well.

Off late various governance issues are cropping up at the leading Indian corporate houses such as ICICI bank in its ex CEO Chanda Kochhar loan episode, Axis and Yes bank for under-reporting NPAs, Sun pharma on the back of whistle blower complaint, IL&FS, DHFL, Zee Ltd, Vedanta and so on. These whole episode has created a blot on the way corporate governance is handled and fuelled significant volatility in some of these well reputed large companies' stock prices. There is need for SEBI to immediately acknowledge whistle-blower complaints and commit to a specific timeline on establishing their veracity, to avoid prolonged uncertainty for investors.

Recently delivered interim union budget on broad perspective is a positive one for equity markets going forward. This budget gives a push for consumption as a sector by creating surplus liquidity in the hands of general public. Bond and currency market can face pressure going forward on back of decrease in GST collection when compared with the erstwhile budgetary estimate. Another key point bond market and foreign investors could take a note of could be revenue deficit of 2.2 Percentage of GDP.

Direct Benefit Support of Rs 6,000/- to farmers proves to be the right way forward to instil credit discipline and this shows government looks to deal farm sector distress in an alternative approach to debt waiver schemes announced by central and various state governments. Budget has broadly catered to all sections of people like exemption upto 5 lacs of taxable income which is seen as a relief for salaried class, Rs 3,000/month pension for 10 cr unorganised sector workers with contribution of Rs 100/55 per month under PM Shram Yogi Maandhan scheme, digitisation of villages and so on.

With above few words, I am signing off this edition of our company's Newsletter.

Happy Investing!!!

Snap Shots

Inflation (WPI) (%)	3.80% (Dec 2018)	4.64% (Nov 2018)	5.28% (Oct 2018)	5.13% (Sep 2018)
Inflation (CPI) (%)	2.19%(Dec 2018)	2.33%(Nov 2018)	3.31% (Oct 2018)	3.77%(Sep 2018)
India Industrial Production (IIP) (%)	0.5% (Dec 2018)	8.1% (Nov 2018)	4.5% (Oct 2018)	4.3% (Sep 2018)
Particulars	25-Jan-2019	18-Jan-2019	11-Jan-2019	04-Jan-2019
91-Day Cut-off (%)	6.6048	6.6462	6.6462	6.6462
10-yr G-Sec yield (%)	7.5119	7.4871	7.4641	7.5416
USD/INR(Rs)	71.1051	71.1418	70.4737	69.8653
EUR/INR (Rs)	80.8755	80.9160	80.7400	79.2525

Global Indices

Indices	Country	Index as on 31.01.2019	Index as on 30.12.2018	Variation (%) (Inc/ Dec)
SENSEX	India	36,256.69	36068.33	0.52
NIFTY 50	India	10,893.65	10,862.55	0.29
NASDAQ	United States	7,281.74	6,635.28	9.74
DJIA	United States	24,999.67	23,153.94	7.97
S&P 500	United States	2,704.10	2,498.94	8.21
Hang Seng	Hong Kong	27,930.74	25,845.69	8.07
Nikkei 225	Japan	20,788.39	20,014.77	3.87
Shanghai Composite	China	2,618.23	2,493.90	4.99
Straits Times	Singapore	3,188.68	3,068.76	3.91
FTSE 100	United Kingdom	6,993.91	6,728.13	3.95
CAC 40	France	5,002.41	4,730.69	5.74
DAX	Germany	11,198.35	10,558.96	6.06

Institutional Investments

Category	Debt/Equity	Gross Purchases (Rs Crores)	Gross Sales (Rs Crores)	Net Investment (Rs Crores)
FII Investments Jan 2019 (as on 30.01.2019)	Equity	92,150.86	95,411.03	-3,260.17
	Debt	27,593.80	30,098.12	-2,504.32
Mutual Fund Jan 2019 (as on 30.01.2019)	Equity	50,136.44	42,394.09	7,742.35
	Debt	213,868.32	158,208.00	55,660.32
FII Derivative Trades (Rs. in Crores) Jan 2019 (as on 30.01.2019)	INDEX FUTURES	INDEX OPTIONS	STOCK FUTURES	STOCK OPTIONS
- Buy	72,675.95	20,68,143.02	3,18,249.78	1,60,209.14
- Sell	77,419.23	20,60,141.90	3,15,750.46	1,60,738.20

Forthcoming Corporate Action

Company Name	Symbol	Purpose	Record / Ex Date
Container Corporation of (I) Ltd	CONCOR	Bonus 1:4	05-Feb-19
Persistent Systems Limited	PERSISTENT	Interim Dividend - Rs 8 Per Share	05-Feb-19
HCL Technologies Limited	HCLTECH	Interim Dividend - Rs 2 Per Share	06-Feb-19
Kirloskar Oil Engines Limited	KIRLOSENG	Interim Dividend - Rs 2.50 Per Share	07-Feb-19
DCM Shriram Limited	DCMSHRIRAM	Interim Dividend - Rs 4.20 Per Share	08-Feb-19
Shanthi Gears Limited	SHANTIGEAR	Buy Back	08-Feb-19

New Fund Offers

Fund Name	Open Date	Close Date	Min. Investment (Rs.)	Type
ADITYA BIRLA SUN LIFE BAL BHAVISHYA YOJNA SAVINGS PLAN/ WEALTH PLAN	22-Jan-2019	05-Feb-2019	1000	Open Ended
Canara Robeco Small Cap Fund	25-Jan-2019	08-Feb-2019	5000	Open Ended
Union Arbitrage Fund	30-Jan-2019	13-Feb-2019	5000	Open Ended
ICICI Prudential Fixed Maturity Plan - Series 85 - 1185 Days Plan C	30-Jan-2019	13-Feb-2019	5000	Close Ended

Crude and Rupee check

After a volatile second part of the year 2018, Crude opened at \$54.27 in January. Crude saw almost seven dollar upmove and closed at \$61.65 on 30th January, 2019. Rupee closed at Rs 71.34 on 30th January, 2019.

Brent crude price movement



USD-INR price movement



Sector-wise month to date performance (up to 30.01.2019)

Sector	Market-Cap (Rs)	% Chg	Advance	Decline
Automotive	8,59,267	-28.22%	4	75
Banking & Financial Services	30,74,211	-7.84%	31	147
Cement & Construction	3,41,977	-27.43%	2	88
Chemicals	5,46,223	-2.24%	16	86
Conglomerates	2,65,192	-22.05%	5	20
Consumer Durables	55,329	-16.54%	2	8
Consumer Non-durables	7,45,349	15.99%	9	20
Engineering & Capital Goods	6,46,680	-19.33%	10	114
Food & Beverages	4,07,617	5.91%	8	71
Information Technology	16,67,008	17.22%	28	77
Manufacturing	2,79,837	-26.40%	20	176
Media & Entertainment	1,05,593	-41.10%	3	43
Metals & Mining	6,35,668	-29.24%	8	79
Miscellaneous	4,99,145	-24.39%	17	127
Oil & Gas	13,96,915	-5.32%	1	21
Pharmaceuticals	7,04,698	-6.92%	21	63
Retail & Real Estate	2,79,044	-13.90%	6	46
Services	2,53,485	-24.67%	9	71
Telecommunication	2,78,259	-34.19%	5	27
Tobacco	3,51,462	2.48%	2	3
Utilities	3,52,369	-18.19%	1	26

Mutual Fund Corner

Scheme for the Month : DSP Tax Saver Fund

Level of Risk : Moderately High

Objective:

The scheme seeks to generate medium to long-term capital appreciation from a diversified portfolio that is substantially constituted of equity and equity related securities of corporates, and to enable investors avail of deduction from total income, as permitted under the income tax act.

Investment Details	
Minimum Investment Amount (Rs)	Rs 500
Additional Investment (Rs)	Rs 500
SIP(Rs)	Rs 500
Minimum Cheque	6
Options	Growth/Dividend
Expense Ratio (%)	2.26%
Lock-in period	3 Years as regular ELSS
Exit Load (%)	Nil

Trailing Returns

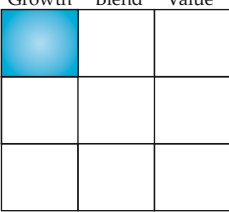
As on 30.01.2019	Fund Return	NIFTY 500	Category Return
Year to Date	-4.18	-2.32	-5.64
Year to Date	-2.81	-3.07	-3.39
1-Month	-2.55	-2.89	-3.13
3-Month	4.27	3.44	2.79
1-Year	-10.38	-7.62	-10.12
3-Year	12.57	13.31	11.52

Return Since Launch 13.03%

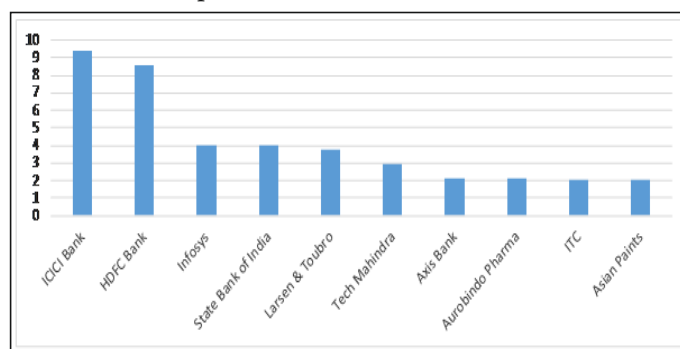
Note : Return up to 1 year are absolute and over 1 year are annualized.

Asset Allocation as on 31.12.2018	
As on 28.12.2018	% Net Assets
Equity	95.5
Debt	4.5

Current Statistics & Profile	
Latest NAV	Rs. 43.69(Growth) Rs. 14.43(Dividend) as on 30.01.2018
Fund Category	Equity: ELSS
Type	Open Ended
Launch Date	Jan 18, 2007
Net Assets (Cr)	Rs 4,675 crore
Benchmark	NIFTY 500

Fund Style	Concentration & Valuation	
Investment Style Growth Blend Value 	Number of Stocks	67
	Top 10 Stocks (%)	41.05
	Top 5 Stocks (%)	29.77
	Top 3 Sectors (%)	61.43
	Portfolio P/B Ratio	2.68
	Portfolio P/E Ratio	21.71

Top 10 stock constituents of Fund



Top 10 stock constituents of fund in percentage as on 30.11.2018

Sl. No.	Credit Instrument	Credit Rating	% Assets
1)	ICICI Bank	Financial	9.37
2)	HDFC Bank	Financial	8.55
3)	Infosys	Technology	4.04
4)	State Bank of India	Financial	4.03
5)	Larsen & Toubro	Construction	3.78
6)	Tech Mahindra	Technology	2.93
7)	Axis Bank	Financial	2.12
8)	Aurobindo Pharma	Healthcare	2.11
9)	ITC	FMCG	2.08
10)	Asian Paints	Chemicals	2.04

Draft Red Herring Prospectus filed with SEBI

Antony Waste Handling Cell Limited:

Thane-based Antony Waste Handling Cell has filed draft red herring prospectus (DRHP) with SEBI. Antony Waste Handling Cell issue involves both fresh issue as well as sale by existing investors. Promoted by Jose Jacob Kallarakal, Shiju Jacob Kallarakal and Shiju Antony Kallarakal, the company is a leading player in solid waste management services in the country. Company plans to raise Rs 43.5 crore via this issue.

Kranti Industries Limited:

Pune based Kranti Industries Limited, a company engaged in the business of manufacturing and supplying of precision machined components has filed DRHP with SEBI. The company proposes to issue 2,388,000 Equity Shares of Rs 10 each. The company's client base includes Graziano Transmission India Pvt. Ltd, John Deere India Pvt. Ltd, CNH Industrial (India) Private Limited formerly known as (New Holland Fiat (I) Pvt. Ltd), Carraro India Pvt. Ltd, Jaya Hind Industries Limited, Endurance Technologies limited, Neosym Industry Limited (Sanaswadi) and Meltwel Scrap Traders, etc. The promoters of the company are Mrs Indubala Subhash Vora, Mr Sachin Subhash Vora, and Mr Sumit Subhash Vora.

Northern Spirits Limited:

Northern Spirits Limited is engaged in the liquor business. Company proposes to issue up to 43,02,000 Equity Shares of Face Value of Rs. 10/- each. Northern Spirits is engaged in the business of importing and distribution of Whisky, Vodka, GIN, Red and white wine, Beer, tequila etc. The Promoters of this company are Mr. Kulbir Bakshi, Mr. Anuj Bakshi and Mr. Ankush Bakshi.

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Registered Office Address:

No 480, First Floor, Khivraj Complex – 1, Anna Salai, Nandanam, Chennai - 600 035.

Phone : 044 - 24313094 - 97, Email : indbank@indbankonline.com

Our Website: www.indbankonline.com

Editorial Team

Mr. Sesha Sai P L V K
President & Whole Time Director

Sujay K S
Vice President & CFO

Sreeram R
Research Analyst