



What's New!!!

Economic & Business Updates

- **Number of crorepatis in India has risen by 60% since 2014, says CBDT:** The Central Board of Direct Taxes (CBDT) said there has been a 60 per cent growth in number of taxpayers earning above Rs 1 crore per annum in the last four years.
- **Govt sees space for Indian exporters in US:** The commerce department is sensing an opportunity for exporters in the US due to the trade war with China and has identified close to 180 items where Indian players can take advantage of the opportunity that has opened up due to higher duties on Chinese products.
- **No going back on fuel price deregulation, says oil minister Dharmendra Pradhan:** Oil minister Dharmendra Pradhan on Monday said there was no question of going back on deregulation of fuel pricing despite the government asking state-owned firms to subsidise petrol and diesel by Re 1 per litre.
- **India relaxes some of the restrictions on petcoke imports, Government:** India allowed imports of 500,000 tonnes of petcoke per year by aluminium companies and 1.4 million tonnes of petcoke by calcined petcoke makers, said a trade ministry notification posted by the Directorate General of Foreign Trade (DGFT).
- **Zydus Cadila to buy Heinz's India business for Rs 4,595 crore:** Zydus Wellness announced plans to acquire Heinz India, known for its brands like Complian, Glucon D, Nycil and Sampriti Ghee.
- **SBI targets 2 lakh customers under wealth management service:** State Bank of India (SBI), which offers personalised banking and investment services to its HNI (high net worth individual) customers under 'SBI Wealth' service, is planning to cover 2 lakh customers in this segment in the next two years.
- **Tata Sons shores up stake in Tata Motors to 34.2% as UK biz faces headwinds:** Tata Sons has increased its stake in Tata Motors at a time when its market capitalisation is eroding and valuations dipping amid uncertainties facing Jaguar Land Rover (JLR), its UK subsidiary.
- **India to Export Raw Sugar for the First Time in Three Years as Global Prices Rally:** Indian sugar mills have signed deals to export raw sugar for the first time in three years as a rally in New York prices to seven-month highs along with government subsidies made exports lucrative, as per dealers and industry officials.
- **Xiaomi takes over Samsung to claim the top spot in India's smartphone segment and wishes to foray into finance space:** Chinese phone maker Xiaomi beat rival Samsung to the first place in India's smartphone segment. Smartphone shipments grew 24 percent on quarter-on-quarter and 5 percent year-on-year. Xiaomi also plans to foray into consumer finance and business-to-business lending by floating a non-banking financial company (NBFC) in India, according to its latest regulatory disclosure. The new company, Xiaomi Financial Services India, will soon seek the Reserve Bank of India's approval to operate as an NBFC.
- **US says it could remove India from currency monitoring list:** US could remove India from its currency monitoring list of major trading partners, the Treasury Department has said, citing certain developments and steps being taken by New Delhi which address some of its major concerns.
- **India quickly catching up with China, but still some work left, says emerging market guru Mark Mobius:** India can take advantage of the weak rupee by making it easier for companies to export, as well as import.



Mr. Sesha Sai P L V K

From the President's Desk

Season's Greetings

PRESIDENT DESK

Festive Greetings!!!

We are witnessing intense selling pressure in our capital markets. October month has seen headline index Nifty correct more than 650 points (as on 29.10.2018) from September month close. The intensifying selling pressure in Indian equity markets and brutal price correction in certain individual stocks in the recent past calls for the market regulator, the Securities and Exchange Board of India (SEBI), to take preventive steps to protect the credibility of stock markets. Major global headwinds such as trade war, the Federal Reserve's monetary tightening, crude oil prices moving higher can be termed as broad cause for overall selling that is taking place in market.

Indian indices have been badly hit since August this year. Indices have erased majority of gains made in the earlier part of the year, even after the liquidity support lent by domestic mutual funds aided by steady inflow from SIP contribution. Given the rising risk aversion among investors, foreign institutional investors have been pulling money out of emerging markets including India; net selling by FIIs from the start of October till date (i.e., 25.10.2018) in Indian equity stands more than

twenty thousand crores. While tighter global liquidity can affect FPI flows in the coming quarters, availability of funds have become scarcer domestically too, following the liquidity crunch being faced by NBFCs which we discussed in the last edition of our newsletter.

Corrections are a part of the course in stock markets and the stock market regulator should not hinder market-led price discovery. However, if excessive speculative positions are growing in the markets, the regulator can intervene to curtail such positions and take corrective action. Retail investors accounted for around 30 per cent of trading turnover in the derivative segment says a study by SEBI. These investors can get hurt if there is too much volatility in the market. India Volatility Index (VIX) have risen to 20-22 levels currently, from 11-12 levels during August- September this year, clearly indicating we are witnessing heightened volatility in our markets. This volatility could also hinder the sentiment of new investors who have never seen such volatility, price correction and those just begun investing in stocks or equity mutual funds over the last couple of years might get hurt by such steep cuts in stock prices and mutual fund net asset value. This calls for SEBI and the exchanges to carry out investor awareness programmes and educate investors about these passing phases for effective and healthy participation.

Allocation into equity markets and mutual funds must be carried out in a staggered manner over the period of time, by way of systematic investment plan, buying good quality shares of companies with strong fundamentals and business principles. Market corrections are passing phases in long term bull Run. Investors should utilise these corrections as opportunities to accumulate quality shares and units of mutual funds where there has been significant price correction as part of one's long term investment strategy.

Wishing you all in advance a happy and prosperous Diwali!!!



Snap Shots

Inflation (WPI) (%)	5.13%(Sep 2018)	4.53% (Aug 2018)	5.09 (Jul 2018)	5.68 (Jun 2018)
Inflation (CPI) (%)	3.77%(Sep 2018)	3.69 % (Aug 2018)	4.17 (Jul 2018)	4.92 (Jun 2018)
India Industrial Production (IIP) (%)	4.3%(Sep 2018)	6.6% (Aug 2018)	7% (Jul 2018)	3.2% (Jun 2018)
Particulars	26.10.2018	19.10.2018	12.10.2018	05.10.2018
91-Day Cut-off (%)	6.9366	6.9366	6.9366	7.1443
10-yr G-Sec yield (%)	7.877	7.9734	8.0503	8.1721
USD/INR(Rs)	73.460	73.4354	73.7967	73.5809
EUR/INR (Rs)	83.7885	84.4875	85.1150	85.0125

Global Indices

Indices	Country	Index as on 29.10.2018	Index as on 29.09.2018	Variation (%) (Inc/ Dec)
SENSEX	India	34067.40	36,227.14	-5.96
NIFTY 50	India	10250.85	10,930.45	-6.22
NASDAQ	United States	7,050.29	8,046.35	-12.38
DJIA	United States	24,442.92	26,458.31	-7.62
S&P 500	United States	2,641.25	2,913.98	-9.36
Hang Seng	Hong Kong	24,812.04	27,788.52	-10.71
Nikkei 225	Japan	21,149.80	24,120.04	-12.31
Shanghai Composite	China	2,542.10	2,821.35	-9.90
Straits Times	Singapore	2,981.54	3,257.05	-8.46
FTSE 100	United Kingdom	7,026.32	7,510.20	-6.44
CAC 40	France	4,989.35	5,493.49	-9.18
DAX	Germany	11,335.48	12,246.73	-7.44

Institutional Investments

Category	Debt/Equity	Gross Purchases (Rs Crores)	Gross Sales (Rs Crores)	Net Investment (Rs Crores)
FII Investments Oct 2018 (as on 30.10.2018)	Equity	103,994.29	131,216.83	-27,222.54
	Debt	22,668.09	31,977.31	-9,309.22
Mutual Fund Oct 2018 (as on 30.10.2018)	Equity	73,141.47	51,255.80	21,885.67
	Debt	139,497.61	111,165.22	28,332.39
FII Derivative Trades (Rs. in Crores) Oct 2018 (as on 30.10.2018)	INDEX FUTURES	INDEX OPTIONS	STOCK FUTURES	STOCK OPTIONS
- Buy	1,13,401.96	25,70,308.85	4,01,910.09	1,52,089.84
- Sell	1,22,056.55	25,51,378.70	3,94,625.30	1,50,525.25



Forthcoming Corporate Action

Company	Symbol	Purpose	Record / Ex Date
Hexaware Technologies Limited	HEXAWARE	Interim Dividend - Rs 2.50 Per Share	05-Nov-18
Colgate Palmolive (India) Limited	COLPAL	Interim Dividend - Rs 8 Per Share	06-Nov-18
Kewal Kiran Clothing Limited	KKCL	Interim Dividend - Rs 10 Per Sh	06-Nov-18
Shalimar Paints Limited	SHALPAINTS	Rights 3:2 @ Premium Rs 62.50/-	09-Nov-18
Monsanto India Limited	MONSANTO	Interim Dividend - Rs 25 Per Share	13-Nov-18
Sakuma Exports Limited	SAKUMA	Face Value Split (Sub-Division) - From Rs 10/- Per Share To Re 1/- Per Share	13-Nov-18
Procter & Gamble Hygiene and Health Care Limited	PGHH	Annual General Meeting/Dividend Rs 40 Per Share	24-Nov-18

New Fund Offers

Fund Name	Open Date	Close Date	Min. Investment (Rs.)	Type
Sundaram Long Term Tax Advantage Fund Series VI	25-Sep-2018	24-Dec-2018	5000	Close Ended

Crude and Rupee check

Rupee continues to depreciate against US dollar. After hitting all time low of Rs 74.49 against US dollar, Rupee closed at Rs73.60 on 29th October, 2018. On the other hand Brent crude after making 52 week high of \$86.74/barrel on 3rd October, 2018 closed at \$76.87/barrel on 29th October, 2018.

Brent crude price movement



USD-INR price movement



Sector-wise month to date performance (up to 29.10.2018)

Sector	Market-Cap (Rs)	% Chg	Advance	Decline
Automotive	9,19,677	-23.62%	4	76
Banking & Financial Services	28,24,488	-14.19%	14	156
Cement & Construction	3,48,397	-29.58%	2	87
Chemicals	4,98,149	-10.74%	12	90
Conglomerates	2,78,029	-18.22%	4	18
Consumer Durables	50,112	-24.71%	0	11
Consumer Non-durables	6,74,082	4.92%	7	21
Engineering & Capital Goods	6,33,909	-20.31%	9	113



Food & Beverages	3,72,448	-3.19%	10	70
Information Technology	15,61,445	9.55%	25	74
Manufacturing	2,99,744	-20.96%	23	167
Media & Entertainment	1,20,945	-32.45%	1	44
Metals & Mining	7,45,308	-17.20%	8	79
Miscellaneous	4,57,095	-21.99%	11	114
Oil & Gas	13,03,023	-11.69%	4	18
Pharmaceuticals	7,40,896	-1.97%	21	62
Retail & Real Estate	2,65,648	-18.07%	5	46
Services	2,35,837	-29.14%	4	75
Telecommunication	2,78,862	-34.04%	5	27
Tobacco	3,53,025	3.02%	1	3
Utilities	3,75,048	-13.20%	1	24

Prince Pipes and Fittings Ltd:

Upcoming IPO's

Prince Pipes and Fittings Ltd have filed DRHP with SEBI for Initial public offer (IPO). IPO size is expected to be Rs 700 crore. The company will issue fresh shares worth Rs 500 crore and its promoters will sell shares worth Rs 200 crore through this offer. Company is recognized as one of the leading polymer pipes and fittings manufacturers in India in terms of production capacity, number of distributors, and number and variety of products manufactured. Company markets their products under two brand names: Prince Piping Systems and Trubore Piping Systems. Company sells under various brand names like DuraFit, Easyfit, Silentfit, Foamfit, Safefit, Rainfit, Novofit, Greenfit, Aquafit and TRUBORE in India. Company has more than 30 years' experience in manufacturing polymer pipes and more than 20 years' experience in manufacturing fittings. Company's products are used for varied applications in plumbing, irrigation, and sewage disposal. Currently they sell their products to distributors who then resell them to wholesalers, retailers and consumers. Company has around 766 distributors spread across India.

Emami Cement Ltd:

Emami Cement Ltd have filed DRHP with SEBI for Initial public offer (IPO). IPO size is expected to be up to Rs 1000 Crores. The offer consists of a fresh issue aggregating up to Rs 500 crores and an offer for sale of up to Rs 500 crores by Dr Radhe Shyam Aggarwal, Dr Radhe Shyam Goenka, Aditya Vardhan Agarwal, Harsh Vardhan Agarwal, Bhanu Vyapaar Private Limited, Diwakar Viniyog Private Limited, Suntrack Commerce Private Limited and other selling shareholders. Company is a part of well-known Emami group makes cement under the 'Double Bull' brand. The company has three facilities and in the process of setting up another plant, which would take its total installed cement capacity to 9.3 million tonnes per annum (MTPA) and 3.2 MTPA of clinker by April 2019. It is setting up a 2.5 MTPA unit in Odisha. The company primarily sells its cement to retail and institutional customers in West Bengal, Chhattisgarh, Odisha, Jharkhand, Bihar, Maharashtra and Madhya Pradesh. Emami Cement has a distribution network of more than 2,200 dealers and over 5,000 retailers in 160 districts in India as on June 2018. Besides, the company has set up 110 warehouses-cum-sale depots at various locations to ensure the efficient distribution of its products. Besides the cement units, it also has a 10 megawatt solar power plant in Gujarat and a 3 MW solar power plant in Tamil Nadu, for which it has 25-year power purchase agreements with state utilities. In all, it has around 70 MW projects under it.

Metropolis Healthcare Limited:

Metropolis Healthcare Limited have filed DRHP with SEBI for Initial public offer (IPO). The IPO size will be of 1,52,69,684 Equity shares and the face value of each share will be Rs 2. The issue consists of an offer for sale of shares up to 50,17,868 equity shares are being offered by Dr Sushil Kanubhai Shah, promoter of the company and up to 1,02,51,816 equity shares by CA Lotus Investments. Company have a widespread network in 773 cities all over the country and provide a detailed range of around 3480 clinical laboratory tests and 524 profiles used in predicting, detection, screening, confirmation and monitoring the diseases. The company has a total of 126 laboratories which are categorised into four groups: a) Global Reference Laboratory - This is the major laboratory where the majority of the tests are conducted and is located in Mumbai. b) Regional Reference Laboratories - These are 12 in number, 10 in India and 2 abroad. Routine, semi specialised and a few specialised tests are conducted here. c) Satellite Laboratories - These are 50 in number, 46 in India and 4 abroad. These conduct routine and semi specialised tests. d) Express Laboratories - These are 43 in number, 32 in India and 11 abroad. They conduct routine tests. The company caters to both individual as well as institutional customers. It has been awarded the tender by the National Aids Control Organisation. The company reported 7.7 million patient visits and conducted 16 million tests in the year 2018.

Mutual Fund Corner

Scheme for the Month : Reliance Small Cap Fund

Level of Risk : Moderately High

Objective:

The scheme seeks to generate long term capital appreciation by investing predominantly in equity and equity related instruments of small cap companies.

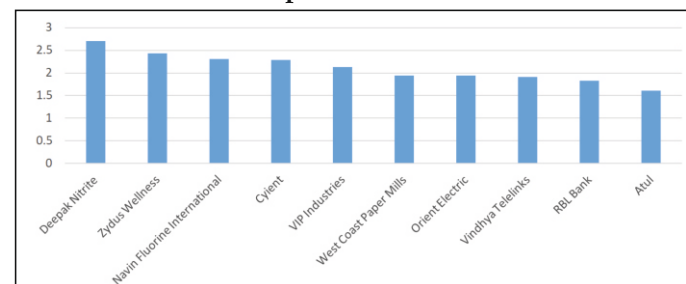
Current Statistics & Profile	
Latest NAV	Rs. 38.06 (Growth) Rs. 27.16 (Dividend) as on 29.10.2018
Fund Category	Equity: Small Cap
Type	Open Ended
Launch Date	Sep 16, 2010
Net Assets (Cr)	Rs 6,812 crore (As on Sep 30, 2018)
Benchmark	S&P BSE Small Cap

Fund Style			Concentration & Valuation	
Investment Style			Number of Stocks	104
Growth	Blend	Value	Top 10 Stocks (%)	21.09
			Top 5 Stocks (%)	11.86
			Top 3 Sectors (%)	39.91
			Portfolio P/B Ratio	2.23
			Portfolio P/E Ratio	20.56

PORTFOLIO – Top 10 Holdings as on 31.08.2018

Sl. No.	Name of Holding	Instrument	% Net Assets
1)	HDFC Bank	Financial	6.88
2)	Reliance Industries	Energy	6.51
3)	ICICI Bank	Financial	4.81
4)	Larsen & Toubro	Construction	4.75
5)	HDFC	Financial	4.33
6)	Infosys	Technology	4.27
7)	State Bank of India	Financial	2.89
8)	RBL Bank	Financial	2.86
9)	ITC	FMCG	2.84
10)	Tata Consultancy Services	Technology	2.65

Top 10 stock constituents of fund in percentage as on 30.09.2018





Knowledge Corner!!!

Mutual fund investments and its advantages:

Mutual fund is an investment vehicle made up of a pool of money collected from many investors for the purpose of investing in securities such as stocks, bonds, money market instruments and other assets. Mutual funds are operated by professional fund managers, who allocate the fund's investments and attempt to produce long term wealth creation for the investors.

Mutual funds are a popular choice among investors because they generally offer the following features:

Professional Management: The fund managers do the research for you. They select the securities and monitor the performance.

Diversification: Mutual funds typically invest in a range of companies and industries. This helps to lower your risk if one company fails.

Smaller capital outlay: since mutual funds work on the basis of pooling of money, mutual fund investors can have the beneficial ownership of a diversified portfolio of stocks with a much smaller capital outlay.

Variety of products: Mutual funds offer investors a variety of products to suit their risk profile and investment objectives. Apart from equity funds, there are also balanced funds, monthly income plans, income funds and liquid funds to suit different investment requirements.

Affordability: Investment in certain mutual fund schemes can be commenced with a minimum of even Rs 500.

Variety of modes of investments: Mutual funds also offer investors flexibility in terms of modes of investment and withdrawal. Investors can opt for different investment modes like lump sum (or one time), systematic investment plans (SIP) etc. One can invest in growth option of mutual funds if he/she wishes to take advantage of compounded return over a long investment period. One can invest in dividend option if the need is of a regular income out of your investment. No other investment product offers such wide array of investment modes.

Liquidity: Mutual fund investors can easily redeem their units at any time, at the current net asset value (NAV).

Disciplined investing: Mutual funds encourage investors to invest over a long time horizon, which is essential for creating wealth. Furthermore, SIP encourages investors to invest in a disciplined manner to meet their long term financial objectives. Many investors fail to build a substantial investment corpus because they are unable to invest in a disciplined manner. Savings not invested regularly often gets spent on discretionary lifestyle related expenses. SIP in mutual funds help investors to maintain a disciplined approach to savings and investment. SIP also helps investors take emotions out of the investment process. Very often investors get enthusiastic in bull market conditions, but get nervous in bear markets. By investing through SIP in a structural way, investors can stay disciplined, which is critical to achieving their financial objectives. It is an established fact that investments made in bear markets help investors get high returns in the long term.

Attention!!!

Transfer of shares only in dematerialised form!!!

Still holding shares of listed companies in physical form? They can be transferred only in dematerialised form after December 5.

Demat your physical holding at the earliest and retain the easy liquidity feature of your shares!!!

Deadline is fast approaching. Utilise the opportunity as many of our other customers have grabbed it already.

Hurry!!!





Procedure to convert Physical share to demat form:

- Open a demat account with a Depository Participant (DP) and submit Dematerialisation Request Form (DRF) to the DP, along with the certificates of shares to be dematerialised.
- The DP will scrutinize the DRF and certificates and if it's in order, details mentioned in the DRF and certificates will be intimated to the company/Registrars and Transfer Agents of the company (RTA) as an Electronic request, through the software system of Depository and the certificates along with the DRF will be despatched to the company/RTA for verification and approval.
- The company/RTA will, after due verification of DRF and certificates, confirm acceptance of the electronic request for dematerialization from DP through Depository's software system and will then electronically create and credit appropriate number of shares in the shareholder's demat account.
- The process of dematerialisation is completed generally within 21 days from the date of submission of a valid dematerialisation request.
- Share are then credited in the investor's demat account held Depository Participant.

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