

19<sup>th</sup> Edition

28 March 2021

## Major Headlines

- ❖ Foreign ministers from China and Iran, which are both subject to US sanctions, signed a landmark 25 year cooperation agreement
- ❖ Disinvestment target of FY22 achievable; LIC IPO to bring in Rs 1 lakh Crore: CEA
- ❖ Modi-Hasina summit: 5 MoUs; 7 development projects inaugurated
- ❖ Bank's Loans Grew 6.5% In Two Weeks To March 12, Shows RBI Data
- ❖ Centre Can Ask 10% More Profit from farmer Block To Extend Vedanta Contract
- ❖ Banks to Remain Closed For Seven Days Between March 27 And April 4
- ❖ India Files Appeal In \$1.2 Billion Cairn Arbitration Case

# ABSOLUTE FINANCE

## Weekly Newsletter



### Inside This Issue:

- Top Business Headline
- List of Current IPO's
- Bitcoin and Cryptocurrency
- Major Industries News
- Interesting Facts and Keywords

Index	Price	Change	% Change
Nifty 50	14507.30	182	1.27%
Sensex	49008.50	568.38	1.17%
Nifty Bank	33318.20	311.75	0.94%
NIFTY IT	25385.10	148	0.59%
S&P BSE Sensex	49008.50	568	1.17%

Absolute Finance Team  
NSB Academy

## International News

- ❖ Iran and China to sign 25-year cooperation pact Saturday: Tehran
- ❖ Volkswagen to seek diesel gate damages from former CEO Winterkorn and Audi boss Stadler
- ❖ Suez snarl seen halting \$9.6 billion a day of cargo business
- ❖ Caixa bank may cut up to 8,000 jobs after Bankia merger
- ❖ China's cabinet to provide more favorable tax incentives for manufacturing R&D
- ❖ Joe Biden team preparing up to \$3 trillion in new spending for the US economy
- ❖ Saudi Aramco's debt-to-equity ratio more than doubles in 2020
- ❖ Ametek to buy aerospace computing systems maker Abaco for \$1.35 billion
- ❖ America's current account deficit hits 12-year high in 2020 on the back of pandemic
- ❖ Pfizer to develop new vaccines on its own using mRNA technology

## BANKING AND FINANCE INDUSTRY

- ❖ India will have heterogeneous banking sector in a decade with four types of banks: Shaktikanta Das.
- ❖ Parliament passes bill to set up National Bank for Financing Infrastructure and Development the Rajya Sabha passed the (NaBFID) Bill 2021.
- ❖ The country's foreign exchange rose \$233 million to \$582.271 billion in the week.
- ❖ Public sector Bank of India on Friday said it has raised Rs 602 Crore by issuing bonds. The bonds carry a coupon rate of 9.30 percent per annum.
- ❖ Adani Enterprises rises 4% after its entry into copper business through KCL.
- ❖ Uttar Pradesh chief minister Yogi Adityanath launched the UP FPO Shakti Portal as part of the Kisan Kalyan Mission
- ❖ Realty firm DLF raised Rs 500 Crore through the issue of non-convertible debentures (NCD) to investors.
- ❖ Droom aims to list on the NASDAQ in H2 of 2022.
- ❖ Punjab & Sind Bank declares IL&FS account as fraud with Rs 399 Crore outstanding
- ❖ NBFCs want govt to refund interest on deposits

## Pharma Industry

- ❖ Healthcare workers bill will help give dignity to health professionals.
- ❖ India's Gland Pharma to make up to 252 million Sputnik V vaccine Doses.
- ❖ Cabinet approves Rs.15000 Cr PLI Scheme for Pharma Sector.
- ❖ Indian Pharma Market expected to hit USD 130 Billion by 2030.
- ❖ Pharma stocks off lows announces Rs. 61000 Crore.

### Few Pharmaceuticals already in IPO

- ❖ Gland Pharma Limited (Issue Price 1500 – Issue Size 6479.55Cr)
- ❖ Chandra Pharma Limited (Issue Price 51 – Issue Size 10.20Cr)
- ❖ Earum Pharmaceutical Limited (Issue Price 36 – Issue Size 6.65Cr)
- ❖ Cian Healthcare Limited (Issue Price 61 – Issue Size 37.92Cr)
- ❖ Rajnish Wellness Limited (Issue Price 95 – Issue Size 11.98Cr)
- ❖ Shree Ganesh Remedies Limited (Issue Price 36 – Issue Size 8.55Cr)

## Mergers and Acquisitions

- ❑ JSW Steel has closed the acquisition of Bhushan Power & Steel Ltd, in a move that makes it the largest steelmaker in the country.
- ❖ IndiGrid completed the largest transmission project deal by acquiring NER-II Transmission Ltd at an enterprise value of Rs 4,625 Crore.
- ❖ Adani Transmission to acquire Warora-Kurnool transmission line from Essel for enterprise value of Rs3,370 Cr
- ❖ Edelweiss Infra Fund acquires 74% in French co Engie's solar assets in India
- ❖ IMPAL to buy ZF UK's stake in Brakes India for ₹70 Crore

## UPCOMING IPOs

Company Name	Offer price	Issue size	Lot Size
V-Marc India Ltd.	37.00- 39.00	23.40 Cr	3000
Jetmall Spices and Masala Ltd	20.00	4.98 Cr	6000
Rajeshwari Cans Ltd	20.00	4.03 Cr	6000
Siddhika Coating Limited	57.00	4.07 Cr	2000

## Telecom industry

- ❖ After just 38% sale in telecom auctions, 5G spectrum prices likely to be reduced
- ❖ Analog Devices' \$21 billion Maxim buy set for EU approval
- ❖ Samsung, Marvell develop SoC for 5G radios
- ❖ Xiaomi fourth-quarter profit rises 36.7% on handset demand
- ❖ Huawei working on long-range wireless charging tech
- ❖ Safaricom launches East Africa's first 5G network, Huawei a vendor
- ❖ BSNL, MTNL to get spectrum for 5G services without participating in auction
- ❖ Jio Content Distribution, other promoter companies to offload 19% stake in Hathway Cable and Datacom
- ❖ India 'wristables' market crosses over Rs 3,800 Cr in 2020
- ❖ Airtel panel approves preferential allotment of 36.4 million shares to LMIL

## AUTOMOBILE INDUSTRY

- ❖ Toyota Kirloskar to hike vehicle prices from April
- ❖ VW's Skoda to invest € 2.5 bn in new technologies over next five year
- ❖ Tata Motors signs MOU with SBI for financing light commercial vehicles
- ❖ Bajaj Auto, Pierer Mobility to strengthen e-mobility cooperation
- ❖ India will not extend 2022 deadline for tighter fuel efficiency rules for carmakers
- ❖ Ashok Leyland launches 4-axle, 14-wheeler truck AVTR 4120
- ❖ Ford India to drop Mahindra engines from its future products, to rely on own engines and products

## OIL AND GAS INDUSTRY

- ❖ Africa can play central role in India's oil diversification
- ❖ HPCL-Mittal first Indian company to buy Guyanese crude Liza
- ❖ ONGC for equity partnerships with 10 global companies.
- ❖ Gas transportation utility Gail India is expected to set up the first InvIT in the oil sector in the next financial year.

## CONCEPT OF THE MONTH

### Mezzanine Capital:

Mezzanine financing is a mixture of obligation and value financing that gives the loan specialist the option to change over to a value interest in the organization if there should arise an occurrence of default, for the most part, after investment organizations and other senior banks are paid.

#### Key takeaways:

- Mezzanine financing is a route for organizations to raise assets for explicit activities or to assist with a procurement through a half breed of obligation and value financing.
- This sort of financing can give more liberal returns contrasted with common corporate obligation, regularly paying somewhere in the range of 12% and 20% per year.
- Mezzanine advances are most regularly used in the extension of set up organizations instead of as start-up or beginning stage financing.

#### Interesting facts:

- Tech giant TCS has a market cap of more than stocks listed on the Pakistan Stock Exchange.
- The Dutch East India Company was the first Multinational Corporation and first company to issue stocks.
- 2020 saw highest ever public equity fundraising at Rs 1,77,68 Crore.
- The global bond market is valued at more than \$100 trillion and global stock market at around \$ 90 trillion.

#### KEY

#### WORDS

InvIT

Infrastructure Investment Trust

NaBFID

National Bank for Financing Infrastructure and Development

MOU

Memorandum of Understanding

## Latest Appointments

- ❖ Anish Shah to take over as M&M's Managing Director, CEO
- ❖ Saurabh Garg appointed as new CEO of UIDAI
- ❖ Atish Chandra appointed as CMD of Food Corporation of India
- ❖ Sanjeev Kumar appointed as Chairman of Airports Authority of India
- ❖ Ralf Speth, ex-CEO of JLR to be Chairman of TVS from January 2023

## Bitcoin & Cryptocurrency

- ❖ Tesla vehicles can now be bought using Bitcoin, says Elon Musk
- ❖ Cryptocurrency ban may have collateral impact on other block chain firms in India
- ❖ Government makes first move to regulate Bitcoin, asks companies to disclose a crypto currency dealings