

TECHNICAL PICK OF THE WEEK

SH KELKAR & COMPANY LIMITED

MAY 10, 2021

May 10, 2021

TECHNICAL PICK

SH KELKAR & COMPANY LTD

BUY

CMP: Rs152

TARGET PRICE: Rs193 & Rs234

TIME :6-9 months

Overview: S H Kelkar and Company Limited is a Fragrance and Flavour (F&F) manufacturer in India and has established a long standing reputation of more than nine decades of operations. The company has developed a product portfolio basket of over 9000 variants that are supplied to clients in its downstream sectors. The company offers its products under the brand names SHK, Keva and Cobra. Keva caters to a diverse and large client base including a number of leading national and multinational FMCG companies, blenders of fragrances and flavours and producers.

SNAPSHOT	
Market Cap (Cr)	2,147
52 week H / L (Rs)	155.30 / 47.60
BSE Code	539450
NSE Code	SHK



Investment Rationale:

- SH Kelkar & Company Ltd has given a breakout from **Inverted Head & Shoulder pattern (Upper Panel) & Long Term Channel (Lower Panel)**.
- Trend following indicator MACD has given a positive crossover.
- +DMI is well above -DMI. Reading of 29 in ADX, suggesting presence of a strong trend which is an uptrend.
- Price breakout was confirmed with Volume Breakout.

Recommendation: We recommend a BUY at current market price of Rs152 or decline upto Rs141 with a closing stop loss of Rs109 for a target of Rs193-Rs234 with a horizon of 6-9months.

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