WEEKLY WRAP-UP

JUNE 04, 2021

WORLD ENVIRONMENT DAY

Highlights of the Week

DOMESTIC:
- Sun Pharma and Ferring Pharmaceuticals enter into licensing agreement for introducing CARITEC in India
- HUL sets up fully owned subsidiary Unilever India Ltd to save on corporate tax
- Nestle plans to add more healthy options, plans to launch fortified products
- SBI invites bids from ARCs for two accounts for recovering Rs409cr
- Lupin to enter digital healthcare space in India
- ITC's FMCG brands cross Rs22,000cr annual consumer spend in FY21
- NTPC awards 210 MWp of Solar PV projects to Tata Power's subsidiary for Rs686cr
- Rossari Biotech to acquire 100% of Unitop Chemicals for Rs421cr
- Wipro sells stake in Denim Group for USD22.4mn
- NMDC iron ore production climbs 21.83% to 2.79MT in May 2021
- Adani Green arm commissions 150MW wind project at Kutch
- India's IDBI Bank secures USD239mn debt judgement in UK High Court
- RailTel Corporation bags Rs120cr order from Bharat Coking Coal
- Mylab launches self-use Covid test kits at chemists
- ABB Power Products resumes operations at Peenya manufacturing facility
- Glenmark Pharma receives USFDA approval for Theophylline ER Tablets

ECONOMY:
- India's trade deficit jumps 74.69% y-o-y to USD6.32bn in May: Govt data
- Experts pare FY22 growth estimates as pandemic spreads in rural India
- RBI Monetary Policy: MPC maintains Status Quo on rates

INDUSTRY:
- Railways loads highest ever freight of 114.8 MT in May
- Non-banks' NPAs may rise to 4.5-5% by March 2022: Icra
- Automobile sales crash as manufacturers suspend operations to tackle Covid-19 second wave

COVERAGE NEWS:

Snowman Logistics Ltd: Snowman Logistics, in a strategic partnership with Dr. Reddy's, will provide temperature-controlled end-to-end logistics solutions for the delivery of the two-dose Sputnik Covid-19 vaccine across India. It will be the largest 3PL service provider for vaccines in the country offering national reach to Dr. Reddy's Lab.

The Week That Went By:

Extending its strong momentum, Indian bourses started the week on a firm note and Nifty50 set another record level under the leadership of Metal and select heavyweight stocks. Up-move continued on 2nd trading session also but after registering record level, Index erased all its gains and remained range-bound for the rest of the day. In the mid-week, a consolidative move was seen in the Frontline Index and a robust move continued in mid and small-cap stocks. On the last day of the week, Index commenced the day on a cautious note ahead of MPC meet and after the outcome, Index came down lower.

Nifty50=15670.25 **BSE Sensex30=52100.05** **Nifty Midcap 100=26551.60** **Nifty Smallcap100=9475.10**

Result Synopsis

Company	Result This Week
Alkyl Amines Chemical Ltd **CMP: Rs3594** **Target: Rs4000**	The net sales for the quarter came in at Rs3821mn as compared to Rs2348mn in the same quarter last year; growth of 62.8%. The EBITDA margins for the quarter under review stood at 34.9% as compared to 28.8% in Q4FY20. The net profit came in at Rs926mn as compared to Rs492mn in Q4FY20; growth of 88.2%. The EPS for the quarter stands at Rs45.36. The Board of Directors have, subject to approval of the shareholders, recommended a final dividend of Rs6 per equity share of Rs2 each. **Outlook and Recommendations:** The company has reported yet another strong quarter both at the operational and the topline levels. For full year too, the company reported a growth of 25.1% in its revenues whereas the PAT reported a growth of 37% (y-o-y basis). The company has plans in place with regards to setting up of new aliphatic amines plant, which when executed would lead to a decent growth in times to come. Additionally, the company has seen fairly reasonable growth from the Pharma space (contributes about 55-60% of the overall revenues). The management indicated that despite the second wave, none of the plant operations were impacted. Although there was apt clarity from the management in the intends and plans with regard to the business execution and future expansions, there have been delays across the expected capacities onboarding, which could push it by a quarter or two. Overall seeing the performance of the company in such turbulent times as well, adds conviction to our call. **We recommend a HOLD on the stock for a target price of Rs4000.**
NACL Industries Ltd **CMP: Rs62** **Target: Rs70**	The net revenue for the quarter under review grew by 19.4% to Rs3304mn as compared to Rs2766mn in the same quarter last year. The EBITDA margins for the quarter under review stood at 8.69% as compared to 6.93% in the same quarter last year. The net profit came in at Rs171mn as against Rs50mn in the comparative quarter. EPS for the quarter under review stood at Rs0.89 as compared to Rs0.30 in the corresponding period last year. For the full year, the company has reported a growth in turnover by 17.4% with revenues earned at Rs11914mn for FY21 as compared to Rs10149mn in FY20; while recording a net profit of Rs503mn in FY21 as compared to Rs158mn in FY20. The Board of Directors of the company have recommended a dividend of Rs0.15 per equity share of face value of Rs1 for the financial year ended 31st March 2021 which subject to approval of the shareholders at the upcoming AGM. **Outlook and Recommendations:** The gradual growth trajectory of the company continues while reporting good numbers and higher margins for the full year. During the year under review, exports grew by more than 20% while at the same time, the domestic retail witnessed a growth of 11%. Manufacturing of active ingredients (which are scheduled to lose patent protection in the next few years) is a big opportunity for many Indian agrochem players and NACL too can be benefitted from the same. The company is already looking at two capex plans wherein one phase is anticipated to be completed in near term (2-3 quarters) while the second part of the capex is currently at the planning stage. The greenfield project is to be set up for agrochemical & active ingredients, intermediates & formulations at Dahej in Gujarat with an outlay of around Rs2000mn under the wholly owned subsidiary, NACL Spec-Chem Ltd. This capex is intended to be funded through a mix of internal accruals and debt. The new capacity is expected to come on stream by Q1FY23. This capacity augmentation will help serve the growing requirements of increasing customer base. NACL is also working at building a strong pipeline of products for the global and Indian market through development and registrations. NACL is constantly striving to adapt and innovate while making substantial investments in its manufacturing capabilities and working on many new products. With a positive forecast for all the products and good order book, the outlook for FY22 too is encouraging. CARE rating has reaffirmed the existing rating CARE A2+ for short term bank facilities and CARE A- for long term bank facilities. NACL has gradually shown an uptick in the topline, growth in terms of volumes as well as value, uptick in margins, stable credit ratings and the intent of the company of adding new capacities to direct further growth of the technical and formulation business, debottlenecking, new product development and new product registrations etc which are some of the triggers which indicate at gradual growth of the company in a consistent manner, **thus we continue to maintain our target price of Rs70 with a long term vision.**
Excel Industries Ltd **CMP: Rs1114** **Target: Rs1200**	The net revenue for the quarter under review grew by 30.3% to Rs2187mn as compared to Rs1678mn in the same quarter last year. The EBITDA margins for the quarter under review stood at 17.66% as compared to 12.8% in the same quarter last year. The net profit came in at Rs199mn as against Rs119mn in the comparative quarter. EPS for the quarter under review stood at Rs15.84 as compared to Rs9.49 in the corresponding period last year. For the full year, the company has reported a growth in turnover by 6.7% with revenues earned at Rs7495mn for FY21 as compared to Rs7025mn in FY20; while recording a net profit of Rs702mn in FY21 as compared to Rs935 in FY2020. EPS for FY21 came in at Rs55.84 as compared to Rs74.36.The Board of Directors of the company have recommended a dividend of Rs11.25 per equity share of face value of Rs5 for the financial year ended 31st March 2021 which subject to approval of the shareholders at the upcoming AGM. **Outlook and Recommendations:** The company has reported good numbers for the quarter under review with an uptick in the margins; however, for the full year due to loss of operational days during the lockdown, the full year numbers are affected. While the segment related to the chemicals has been showing stellar operation, the segment of Environment Biotech continues to be a laggard. As mentioned in our earlier notes as well, the intent of the Management to move towards fetching higher margins, while at the same reducing the debt burden is evident from the numbers reported over the last 9-12 months. Initiation of developments of NetMatrix crop care will propel the growth in the top line. The company continues to focus on product lines including pharma intermediates, polymer inputs and speciality chemicals which are low volume, but high value products. Any positive development in the segments of Pharma and E&BT will trigger a turnaround in the business and profitability profile of the company. The company may consolidate for some more time, till the operation and work in progress begin to fructify, thus, **we continue to maintain our target price of Rs1200.**
ITD Cementation India Ltd **CMP: Rs81** **Target: Rs100**	The net sales for the quarter grew by 33% to Rs9,389mn as compared to Rs7,396mn in the same quarter last year. The EBITDA margins for the quarter under review remained flat at 11.6% as compared to 11.4% in the same quarter last year. The net profit stood at Rs526mn as against loss of Rs55mn in the comparative quarter last year. The EPS for the quarter under review stands at Rs3.1.The company has recommended dividend of Rs0.12 per share of FV of Rs1 for FY21. **Outlook and Recommendations:** There has been gradual recovery seen throughout the year with FY21 closing on a soft note, reflecting the impact of lockdowns in the H1. However, during the quarter under reference, there has been a profit reported with decent margins and top line growth. The order book obtained in the year is also decent considering the external factors. Additionally, the management was quite candid in stating the fact of being able to maintain the margins barring any uncertainties in the near future. With regard to the oxygen supply issues and other commodity related concerns, the company is working on the same which would be a slow process. Like any other company whose execution would depend highly on the availability of labour, coupled with allocations with recovery in the macro environment, ITD also has been on the same wait and watch radar to see how things get back to normalcy going forward. **We continue to maintain our target price at Rs100 over 12 months horizon.**

Result Synopsis	
Company	**Result This Week**
Nesco Ltd **CMP: Rs549** **Target: Rs640**	The net sales for the quarter under review came in at Rs751mn as compared to Rs1,177mn for the same quarter last year, recording a de-growth of 36.2%. The EBITDA margins came in at 63.3% as compared to 60.6% in the same quarter last year. The net profit for the quarter ending came in at Rs397mn as compared to Rs529mn in the same quarter last year, drop of 24.9%. The EPS for the quarter stood at Rs5.64. On the segmental front, the Nesco IT Park revenues de-grew by 4.2% compared to the same quarter last year. The BEC segment reported a significant drop in the revenues by 94.3%. The Indabrator segment grew to Rs94.03mn and Nesco foods segment registered a 78.0% drop y-o-y. The Board of Directors have recommended a payment of dividend of Rs3 per equity share of face value of Rs2 each for FY21. **Outlook and Recommendations:** By the time the company got back on track from the complete lockdown to partial unwinding which built hopes that exhibitions could start happening or physical attendance at work place may resume; there was the second wave of Covid which hit harder than expected and the company goes back to hopes again. The major segments of the company be it BEC or the IT park both have been victims of the lockdowns with no exhibitions happening and major work force being WFH. The impact can be well seen in the numbers of Q4 as well as the wrap to FY21. The Indrabator segment grew 2.5x during the quarter. With regard to what lies ahead, all of it depends on how the pandemic shapes up and how things get back to normalcy. With the ongoing vaccination which is although happening at a slow pace; it does pave way for opening up of offices gradually, booster to the IT park and Nesco foods segment. Fate of BEC totally depends on how the skeptisim amongst the attendees fades off. On the company front, all of its positive of having a reputed clientele, capex plan on the IT tower 2, coupled with a strong balance sheet and diversified business remains intact. **However, as the outlook seems to be clouded in the current situation, we would recommend a HOLD on the stock with the target of Rs640 and see how it unfolds going forward.**
Morganite Crucible (India) Ltd **CMP: Rs802** **Target: Rs1250**	The net revenue for the quarter under review grew by 13.5% to Rs346mn as compared to Rs305mn in the same quarter last year The EBITDA margins for the quarter under review stood at 13.32% as compared to 20.13% in the same quarter last year. The net profit came in at Rs37mn as against Rs43mn in the comparative quarter. EPS for the quarter under review stood at Rs6.56 as compared to Rs7.61 in the corresponding period last year. For the full year, the company has reported a degrowth in turnover by 16.9% with revenues earned at Rs1069mn for FY21 as compared to Rs1286mn in FY20; while recording a net loss of Rs9mn in FY21 as compared to a profit Rs131mn in FY20. **Outlook and Recommendations:** The year under saw a lot of issues related to the auto segment and to top it all were the issues related to Covid-19, however the Management has been able to report decent performance on the margins front. During the year under review, the company has reported a number of exceptional items which are related to the shifting of the plant from Mehsana to Aurangabad facility and also a number of costs related to VRS of employees of Mehsana plant or DCIL. As and when the demand for the auto and industrial sector starts reviving, the same can lead to revenue addition and help absorb the fixed costs for MCIL. Moreover, the international orders seem to be weak as of now. The raw material price and commodity prices too are slightly on the higher side. The new scrappage policy, demand for newer vehicles, industrial demand also and return of the infrastructure sector as a whole can also benefit MCIL. Cost benefits of shifting of the plant of DCIL to Aurangabad will be witnessed in the coming quarters. The company can fetch growth from the non-core business, which is currently a small component of the entire turnover, but if channelized well, can grow quickly. The company has skipped dividend which clearly indicates the intentions to conserve cash. As mentioned in our earlier note, the consolidation and cleaning up of previous liabilities seem to be coming to an end and MCIL will soon be on the right track considering the factors mentioned above. The company seems to be preparing for the future, and it is a matter of demand, when it picks up, MCIL will be benefitted. **We continue to maintain our target price of Rs1250.**
Aurobindo Pharma Ltd **CMP: Rs959** **Target: Rs1250**	On consolidated basis, the total revenue for the quarter de-grew by 2.5% to Rs60,015mn as compared to Rs61,584mn in the same quarter last year. The EBITDA margin for the quarter under review stood at 21.2% as against 21.4% in the corresponding quarter of last year. The company reported a net profit of Rs8,012mn as against Rs8,632mn in the comparative quarter. The EPS for the quarter under review stood at Rs13.67. For full year, the company reported a growth of 7.3% in its topline at Rs248bn as against Rs231bn in FY20. The PAT came in at Rs53bn in FY21 as against Rs28bn in FY20. **Outlook and Recommendations:** The company reported weak Q4 performance largely due to Covid led disruption in the US and EU impacting the earnings. The near-term growth could be challenged led by Covid, staggered margin expansion in EU and deferred vaccine opportunity to FY23E. However, going ahead, there should be earnings growth on the back of new drug launches both in US & EU, improved balance sheet and strong visibility on specialty efforts in vaccines, transdermal, inhalers, nasal spray and biosimilars. Thereby, the positives going forward include the robust ANDA pipeline and ongoing effort towards building niche and differentiated product portfolio in the areas of complex injectables, biologics, transdermals, depot injections and inhalers. The company has been putting efforts towards integration in the manufacturing chain catering to a wide product portfolio. In the EU market, the company continues to shift manufacturing to India, enter new geographies and expand its product offerings including injectables and Euglia's oncology product portfolio. This should lead to improving margins in the EU business going forward. Aurobindo has improved its net debt position by calling off the Sandoz deal and sale of Natrol business. The PLI scheme should help enhance backward integration to support future growth. We strongly bet on the vertically integrated business model and lower product concentration. **We maintain our Buy recommendation on the stock with a target of Rs1250 over a 12 months horizon.**
NRB Bearings Limited **CMP: Rs134** **Target: Rs138**	The net revenues for the quarter grew by 40.8% to Rs2,508mn as compared to Rs1,781mn in the same quarter last year. The EBITDA margin for the quarter under review stood at 16.4% as compared to 6.7% in the same quarter last year. The net profit came in at Rs293mn as against Rs50mn in the same quarter last year. EPS for the quarter stands at Rs3.02 as compared to Rs0.51 in the corresponding period last year. For the full year, the revenues came in at Rs7,359mn in FY21 as against Rs7,520mn in FY20; drop of 2.1%. PAT came in at Rs437mn as against Rs295mn in FY20. The Board has recommended a final dividend of Rs0.50 per share of FV of Rs2 each for FY21. **Outlook and Recommendations:** Post Q1FY21 total washout, there has been gradual improvement seen both at the topline as well as at the operational levels. For the quarter under reference too, the company has reported reasonable results when compared on a y-o-y as well as sequential basis. There was pick-up in demand seen with the gradual reopening that had started before the second wave struck in. However, manufacturing and supply has been stalled due to the State lockdowns again and does present a bleak view on how demand will shape up going forward. Revival of the Auto sector would also be the key, as negotiations with OEMs has been happening across the sector. One needs to wait for better clarity with regard to demand setting in and the overall consumer sentiment. **We maintain our Buy call on the stock for the target of Rs138 over a 12 months horizon.**

Result Synopsis	
Company	**Result This Week**
Sudarshan Chemical Industries Ltd **CMP: Rs701** **Target: Rs750**	The net revenue for the quarter under review grew by 28.4% to Rs5765mn as compared to Rs4491mn in the same quarter last year. The EBITDA margins for the quarter under review stood at 15.17% as compared to 12.02% in the same quarter last year. The net profit came in at Rs534mn as against Rs273mn in the comparative quarter. EPS for the quarter under review stood at Rs7.7 as compared to Rs3.9 in the corresponding period last year. For the full year, the company has reported a growth in turnover by 8.8% with revenues earned at Rs18641mn for FY21 as compared to Rs17082mn in FY20; while recording a net profit of Rs1411mn in FY21 as compared to Rs1451mn in FY20. **Outlook and Recommendations:** Sudarshan is a pure play with focus on the pigments; the company is the 3rd largest pigment producer globally and on the domestic front enjoys an estimated market share of ~35%. The company is expecting strong growth to come from all the segments including the coatings, inks, plastics and cosmetics. Sudarshan has been investing for growth in the last three years while looking at capability building for the future long-term sustainable benefit and the result of many of these capital expenditures are already gradually surfacing. Sudarshan aims at expanding its global footprint and gaining market shares in US, Europe and China. The key initiative as per the Management commentary is to focus on improving the RoCE. Some of the plans chalked out by Sudarshan for further growth include the commissioning of the capex projects for existing and new products; focus on new businesses in a phased manner; starting cost improvement and value chain integration projects, expanding product portfolio, building globally competitive, comprehensive range and deeper penetration in select international geographies, concentration and continuous improving the net working capital, inventories and cash conversion cycle. The long-term prospects of the company stay intact and the Management is confident of growth via the on-going expansions, de-bottlenecking, backward integrations, optimization of processes, better price management, launch of new products and growth across all the segments. **The stock is inching closer to breaching our second target price of Rs675; we continue to maintain a positive stance on the company and we upgrade the same to Rs750.**
GMM Pfaudler Ltd **CMP: Rs4840** **Target: Rs6200**	**On a standalone basis**, Net sales of Rs1900mn as compared to Rs1134mn in the same quarter last year, growth of 67.6%; Ebitda margins for the quarter under review stood at 27.53% as compared to 17.77% in the corresponding quarter last year; net profit came in at Rs315mn as against Rs100mn in the same quarter last year while the EPS for the quarter under review stood at Rs21.54 as compared to Rs6.86 in the corresponding quarter last year. For the full year (standalone), the company has reported a growth in turnover by 24.1% with revenues earned at Rs6408mn for FY21 as compared to Rs5164mn in FY20; while recording a net profit of Rs951mn in FY21 as compared to Rs621mn in FY20. **On a consolidated level**, Net sales of Rs4586mn as compared to Rs1318mn in the same quarter last year; Ebitda margins for the quarter under review stood at 6.49% as compared to 17.05% in the corresponding quarter last year; due to an exceptional item to the tune of Rs335mn which relates to the acquisition cost, where Rs201mn was incurred by parent company in India and Rs133.35mn was incurred by its overseas subsidiary; net loss came in at Rs57mn as against Rs116mn in the same quarter last year while the EPS for the quarter under review stood at Rs(3.93) as compared to Rs7.94 in the corresponding quarter last year. For the full year (consolidated), the company has reported a growth in turnover by 69.4% with revenues earned at Rs10,011mn in FY21 as compared to Rs5911mn in FY20; while recording a net profit of Rs634mn in FY21 as compared to Rs711mn in FY20. The Board has announced a final dividend of Rs2 per equity share of face value of Rs2 per equity share **Outlook and Recommendations:** The order intake across all our product lines and geographies which GMM caters to continue to remain strong with a promising business environment. Some of the bulk, speciality, agrochemical and pharma players are looking at expansion plans (including the mid and small size Pharma players as well); thus, the company is seeing good traction from customers for the next 3-5 years. The company has mitigated the risk of being a single country company and the focus of the Management is to capture the post-merger synergies and create value for our stakeholders. Management continues to maintain the guidance of Rs2800mn and 16% Ebitda margins by FY24-25, which are subject to revision post the recent transformative acquisitions (during the pandemic); Management will review the scenario and may revise the revenue guidance on the upside. GMMP continues to have a strong order book and a strong order backlog via the up thrust in the chemical and pharma segment; with focus on bringing in more cost-efficiencies and trying to further reap the benefits of the synergies via Pfaudler International, the company has the ability to become a one stop solution for all the requirement related to the setting up of a state-of-the-art chemical plant while providing best quality products and equipment. With the on-going consolidation phase, there have been certain exceptional items which were bound to surface; however, the long-term prospects continue to look good. **The stock has breached our recent target price of Rs4500 and we cautiously increase the same to Rs6200.**
Sumitomo Chemical India Ltd **CMP: Rs357** **Target: Rs425**	Favourable weather conditions across all products and improved price realizations led to an increase in the turnover as well as profitability; revenues for the quarter under review came in at Rs5,343mn in Q4FY21 as compared to Rs4,467mn in the same quarter last year, growth of 19.6%. The EBITDA margins came in at 13.4% as compared to 9.3% in the same quarter last year. This was on account of better product mix and optimal utilization of available capacities. The net profit for the quarter ending came in at Rs541mn as compared to Rs229mn in the same quarter last year. The EPS for the quarter stood at Rs1.08. On segmental front, the company reported a growth of 19.6% in the Agrochemicals division and 19.7% in Others division. For the full year, the company reported a growth of 9.1% at Rs26,449mn in FY21 as compared to Rs24,247mn in FY20. PAT came in at Rs3454mn in FY21 as compared to Rs2047mn in FY20. The Board has recommended a dividend of Rs0.80 per equity share of Rs10 each for FY21. **Outlook and Recommendations:** The results for the quarter under reference were quite satisfactory on the top line as well as on the operational efficiency levels. The year did end on a good note for SCIL. As reiterated earlier, better product mix coupled with price realizations undertaken in few products did aid well for the margins to improve both in the quarterly as well as the full year performance numbers. The management was quite candid in stating to either maintain/increase the Ebitda margins from here on while retaining their focus on high margin products such as PGR and Herbicides. Additionally, as and when the capex plan fructifies in the near term, the company would benefit from the same and has strategies in place to further add capacities and additional products in medium to long term. Anticipation of good monsoon and demand for better food quality should drive the demand for agrochemical industry in the near future. SCIL has to its credit a diversified portfolio, brand recall recognition, access to SCC's global supply chain and R&D activities and a zero leverage status. **After achieving our first target of Rs350, we revise it upwards to Rs425 over a 12 months horizon.**

Coverage Universe Valuations

Company	Reco	Reco at (Rs)	CMP (Rs)	Tgt price (Rs)	Upside	1M Var	3M Var	12M Var
Supreme Petrochem Ltd	BUY	77	769	900	17.0%	11.5%	82.6%	380.8%
Shanthi Gears Ltd	BUY	107	149	200	34%	7.5%	12.1%	77.5%
Hind Rectifiers Ltd	BUY	69	148	200	35%	22.1%	5.4%	18.5%
KCP Ltd	BUY	71	107	105	-	5.0%	26.6%	158.2%
The Hitech Gears Ltd	BUY	298	237	200	-	31.8%	33.2%	173.3%
Bharat Bijlee Ltd	BUY	787	1270	1300	2%	12.1%	11.9%	88.4%
Triveni Turbines Ltd	BUY	92	113	110	-	12.9%	2.9%	70.8%
GMM Pfaudler Ltd	BUY	332	4840	6200	28%	16.8%	12.8%	15.6%
Alicon Castalloy Ltd	BUY	288	556	750	35%	2.0%	18.7%	138.6%
Gufic Biosciences Ltd	BUY	50	190	150	-	40.9%	60.8%	201.5%
Excel Industries Ltd	BUY	380	1114	1200	8%	3.8%	26.1%	76.8%
Vesuvius India Ltd	BUY	1165	1110	1165	5%	6.9%	6.0%	28.4%
Munjal Showa Ltd	BUY	191	154	191	24%	12.6%	-4.5%	74.9%
Bharat Rasayan Ltd	BUY	2747	12997	12500	-	12.4%	28.6%	89.9%
Grauer and Weil (India) Ltd	BUY	45	52	55	6%	18.6%	18.7%	44.8%
Texmaco Rail & Engineering Ltd	BUY	91	33	50	53%	29.4%	-1.7%	38.4%
Nagarjuna Agrichem Ltd	BUY	29	62	70	13%	53.5%	55.2%	142.8%
ITD Cementation India Ltd	BUY	158	81	100	23%	12.3%	-10.8%	110.7%
Westlife Development Ltd	BUY	266	483	525	9%	12.7%	-6.0%	58.2%
Dynamatic Technologies Ltd	BUY	2160	1489	1000	-	45.5%	60.2%	187.9%
Hitech Corporation Ltd	BUY	175	176	225	28%	24.1%	24.1%	156.1%
NRB Bearings Ltd	BUY	138	134	138	3%	26.6%	10.4%	102.9%
Timken India Ltd	BUY	883	1316	1500	14%	-5.1%	2.0%	46.2%
Vardhman Special Steels Ltd	BUY	151	204	250	23%	6.2%	20.8%	272.7%
Zen Technologies Ltd	BUY	115	71	100	40%	-2.8%	-18.5%	78.3%
KSB Ltd	BUY	820	1019	980	-	16.9%	27.9%	101.7%
Thermax Ltd	BUY	1019	1502	1450	-	-0.2%	7.0%	106.0%
Transpek Industry Ltd	BUY	1547	1503	2000	33%	12.2%	8.0%	-13.9%
BASF India Ltd	BUY	1954	2498	3000	20%	9.7%	11.1%	124.4%
Artson Engineering Ltd	BUY	64	49	55	12%	6.1%	-10.3%	107.6%
Remsons Industries Ltd	BUY	104	180	200	11%	15.4%	26.1%	215.9%
Snowman Logistics Ltd	BUY	33	56	80	43%	14.3%	7.2%	95.0%
Alembic Pharmaceuticals Ltd	BUY	605	949	1256	32%	-5.7%	3.0%	13.2%
SKF India Ltd	BUY	1942	2380	2620	10%	6.1%	0.7%	62.5%
HFCL Ltd	BUY	25	46	45	-	47.8%	53.9%	317.8%
Sudarshan Chemical Industries Ltd	BUY	372	701	750	7%	8.9%	23.0%	80.1%
Huhtamaki India Ltd	BUY	254	302	320	6%	5.8%	5.3%	42.8%
Mishra Dhatu Nigam Ltd	BUY	123	193	240	25%	4.5%	-3.5%	-3.8%
Kirloskar Pneumatic Co. Ltd	BUY	134	398	375	-	11.7%	67.4%	283.8%
Integra Engineering India Ltd	BUY	37	33	40	20%	12.7%	9.3%	53.3%
ICICI Bank Ltd	BUY	535	643	725	13%	8.7%	3.5%	84.8%
Srikalahasthi Pipes Ltd	BUY	205	188	250	33%	-3.5%	4.7%	15.4%
Acrysil Ltd	BUY	115	559	483	-	71.2%	65.4%	698.6%
Paushak Ltd	BUY	2210	7642	10000	31%	6.3%	-2.1%	260.1%
FDC Ltd	BUY	240	337	456	35%	7.4%	16.9%	36.5%
Cipla Ltd	BUY	612	947	1055	11%	7.7%	17.4%	43.2%
S H Kelkar and Company Ltd	BUY	51	157	200	27%	6.9%	32.2%	139.7%
Revathi Equipment Ltd	BUY	291	574	650	13%	4.9%	4.2%	77.3%
Ajanta Pharma Ltd	BUY	1478	1954	2250	15%	4.8%	12.4%	34.9%
Container Corporation of India Ltd	BUY	448	711	750	5%	24.9%	15.5%	82.2%
Chambal Fertilisers & Chemicals Ltd	BUY	148	289	350	21%	35.3%	19.6%	113.5%
Punjab Chemicals and Crop Protection Ltd	BUY	602	1170	1500	28%	13.6%	17.6%	163.5%
La Opala RG Ltd	BUY	209	284	325	14%	28.2%	23.4%	69.3%
Axtel Industries Ltd	BUY	232	314	375	20%	5.6%	-6.7%	211.5%
Sterlite Technologies Ltd	BUY	151	264	300	14%	12.1%	22.6%	151.2%
Salzer Electronics Ltd	BUY	101	147	155	5%	20.5%	20.4%	122.9%
Amrutanjan Health Care Ltd	BUY	435	704	900	28%	12.7%	24.7%	101.1%
Century Enka Ltd	BUY	217	400	350	-	55.0%	51.6%	179.9%
Ultramarine & Pigments Ltd	BUY	241	333	400	20%	-12.6%	4.0%	78.9%
J.B. Chemicals & Pharmaceuticals Ltd	BUY	1033	1512	1400	-	7.6%	27.0%	116.0%
Sumitomo Chemical India Ltd	BUY	275	357	425	19%	19.2%	20.7%	33.3%
Oriental Aromatics Ltd	BUY	864	804	1200	49%	-11.9%	31.8%	366.1%
Vimta Labs Ltd	BUY	240	243	325	34%	2.1%	47.9%	197.5%
Aurobindo Pharma Ltd	BUY	1018	959	1250	30%	0.3%	9.7%	26.4%
Gland Pharma Ltd	BUY	2882	3136	3305	5%	18.3%	17.4%	-
IHP Ltd	BUY	171	222	225	1%	27.6%	15.6%	44.6%
Engineers India Ltd	BUY	105	85	150	78%	14.3%	-1.9%	18.3%
Gulshan Polyols Ltd	BUY	78	165	200	22%	8.1%	68.7%	450.5%
Nesco Ltd	BUY	479	549	640	-	10.9%	-8.8%	21.2%
Castrol India Ltd	BUY	223	141	200	42%	12.7%	3.7%	15.0%
Hikal Ltd	BUY	95	443	350	-	55.4%	167.8%	270.9%
Morganite Crucible (India) Ltd	BUY	524	802	1250	56%	90.3%	90.7%	-2.2%
Laurus Labs Ltd	BUY	120	547	520	-	11.3%	642.1%	481.8%
Alkyl Amines Chemicals Ltd	BUY	156	3594	4000	-	-55.1%	248.3%	776.4%

**Castrol, Vesuvius– Dec Ending*

NIFTY (WEEKLY)

BANK NIFTY (WEEKLY)

MARKET OUTLOOK

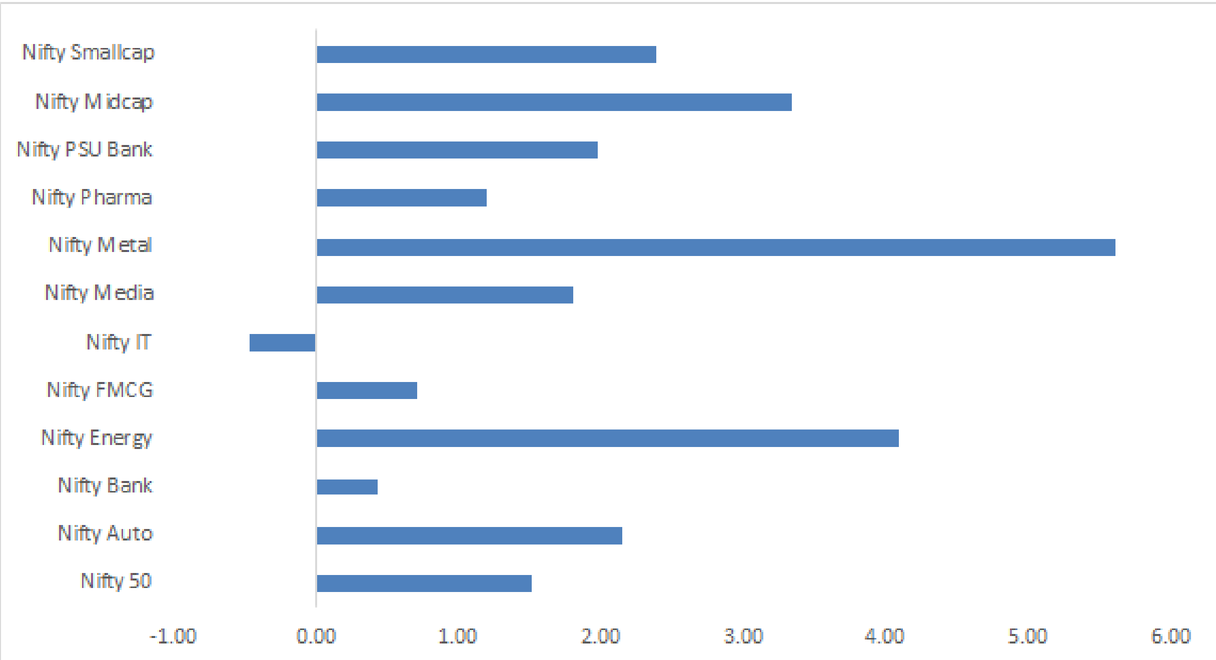
MACD is about to give positive crossover in **Nifty**, to confirm price breakout. As mentioned in our previous notes, **Auto sector** has performed as per our expectations and we continue to remain positive on this sector **(Bajaj Auto, Escorts, Eicher Motors, Hero MotoCorp, Tata Motors)**. During the week under review some resistance was seen in **BankNifty**; strong close above 35,700 will open the gate for 36,500. In the last edition, we have anticipated a strong rally in **Energy and Reliance**; the rally is likely to extend further. **FMCG sector** has come out from its consolidation zone but for confirmation need to wait for a week. Post the range breakout, upmove was seen in the **Media sector** which is likely to continue **(Network18, PVR, Zee).** After a minor pause, **Metal sector** once again outperformed, and is forming a continuation pattern i.e., Rounding Bottom. Breakout from the same will lead to a sharp rally in the sector. **Pharma sector** is oscillating in a triangle formation and strong up-move can be anticipated anytime.

NIFTY 50 COMPONENTS (WEEKLY PERFORMANCE)

Adani Ports	7.42
Asian Paints	-0.55
Axis Bank	-0.09
Bajaj Auto	0.88
Bajaj Finserv	6.52
Bajaj Finance	3.41
Bharti Airtel	1.54
BPCL	1.30
Britannia	1.85
Cipla	1.44
Coal India	4.15
Divis Labs	3.27
DR Reddy's Labs	1.00
Eicher Motors	3.98
Grasim	2.87
HCL Tech	-0.91
HDFC	2.75
HDFC Bank	-0.27
HDFC Life	1.75
Hero Motocorp	1.77
Hindalco	1.67
HUL	0.68
ICICI Bank	-0.31
Indusind Bank	-1.02
INFY	-1.60
IOC	4.23
ITC	-1.57
Jsw Steel	4.28
Kotak Bank	0.78
LT	4.08
M&M	-5.05
Maruti	3.65
Nestle India	-0.58
NTPC	2.29
ONGC	11.00
PowerGrid	0.04
Reliance	4.41
SBI Life	0.78
SBIN	2.91
Shree Cement	1.82
Sun Pharma	0.14
Tata Consumer	5.02
Tata Motors	5.32
Tata Steel	1.45
TCS	-0.25
Tech Mahindra	-0.58
TITAN	6.70
Ultratech	0.95
UPL	2.97
Wipro	0.67

*** Gain/ Loss in %**

SECTORAL PERFORMANCE



SECTORAL GAINER

After a minor pause, **Metal sector** once again outperformed the frontline Index and ended the week with gains of 5.61%. Components like Adani Enterprise (+31.03%), NMDC (+7.58%), MOIL (+5.32%) were the top gainers while Welspun corp was the only laggard. Metal sector bounced from 38.2% retracement of the previous up-move and forming continuation pattern i.e., Rounding Bottom, breakout from the same will lead to a sharp rally in the sector.

SECTORAL LOSER

IT sector (0.46%) was the only underperformer of the week. Stocks like Coforge, Wipro, and Mindtree are on the list of gainers while L&T Info, Mphasis, and Infosys were the top losers. After the consolidation breakout, pullback move was witnessed during the week which provides a good opportunity to enter at lower levels.

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Registered Office Address:
Progressive Share Brokers Pvt. Ltd,
122-124, Laxmi Plaza, Laxmi Indl Estate,
New Link Rd, Andheri West,
Mumbai-400053;
www.progressiveshares.com
Contact No.:022-40777500.

Compliance Officer:
Mr. Shyam Agrawal,
Email Id: compliance@progressiveshares.com,
Contact No.:022-40777500.