

Nov 10th, 2022

Market Data

Index	Closing	% Chg	% YTD
BSE Sensex	61,034	-0.25	0.67
Nifty 50	18,157	-0.25	0.93
Nifty Midcap 50	8,760	-0.73	-0.34
BSE Smallcap	29,197	-0.33	0.83

World Indices	Closing	% Chg	% YTD
Nikkei	27,419	-1.09	-4.69
Hang Sang	16,066	-1.76	5.02
Dow Jones	32,514	-1.95	-3.44
Nasdaq	10,798	-2.37	-9.89
FTSE 100	7,296	-0.14	1.79

Currency	Closing	% Chg	% YTD
USD/INR	81.5	0.22	0.24
EUR/INR	81.7	0.32	0.95
EUR/USD	1.0	0.11	0.71

Commodity	Closing	% Chg	% YTD
BRENT CRUDE	92.5	1.83	19.29
GOLD/TROY Oz.	1,712	-0.05	-1.21
SILVER/TROY Oz.	21.2	-0.11	-3.73

Indian ADRs	Closing	Net Chg	% Chg
Dr. Reddy's Lab	56.00	-0.41	-0.73
HDFC Bank	64.25	-0.70	-1.08
ICICI Bank	22.62	-0.31	-1.35
Infosys	18.48	-0.26	-1.39
Tata Motors	26.40	-1.00	-3.65
Wipro	4.770	-0.070	-1.45

52 Week High

Script	Closing Price	52 Wk High Price
ADANIANT	3,997	4,047
ASTRAZEN	3,553	3,620
ATGL	3,796	3,894

52 Week Low

Script	Closing Price	52 Wk High Price
DIVISLAB	3,298	3,275
HESTERBIO	1,935	1,913
HIL	2,655	2,606

FII & DII Activities (INR Cr)

Market Segment	Last Trading Session	Year to Date
Index Futures	405	(16,004)
Stock Futures	161	19,282
Net Future Position	566	3,279
Index Options	4,277	5,33,576
Stock Options	(282)	(22)
Net Options Position	3,994	5,33,554
FII In cash Segment	387	(2,78,249)
DII In cash Segment	(1,060)	2,52,575
Net Cash Position	(673)	(25,675)

Stock /Industry Specific News

- Axiscades Technologies Ltd. reported revenue of INR 1,957 Mn (up 6.2% QoQ/44.4% YoY) above our estimate of INR 1,879 Mn. The growth was broad-based led by substantial revenue from strategic technology solutions of 129.8% YoY. EBITDA margin expanded by 728bps QoQ/1166bps YoY at 20.1% against our estimates of 12% helped by operational rigor. Consolidated PAT stood at INR 210.8 Mn, up by 661.8% YoY/ (Not applicable on QoQ due to loss in Q1FY23) against our estimate of INR 82 Mn.
- Lupin Ltd. reported Q2FY23 results, wherein revenue increased by 2.2% YoY/ up 13.5% QoQ to INR 4,091 crores. EBITDA declined by 25.5% YoY/but increased by 96.7% QoQ to INR 468 crores. Net Profit stood at INR 130 crores in Q2FY23 versus loss of INR 89 crores in Q1FY23 and loss of INR 2,098 crores in Q2FY22.
- Tata Motors has posted net loss of INR 944.6 crore for the quarter ended September FY23, narrowing from loss of INR 4,441 crore in same period last year, with strong operating and top line performance. Revenue from operations at Rs 79,611 crore for the quarter grew by 30% and EBITDA increased by 35.4% to INR 5,572 crore compared to same period last year. Jaguar Land Rover's revenue at 5.3 billion pound grew by 36 percent YoY for the quarter with EBITDA margin at 10.3% expanded by 300 bps YoY. Tata Motors to delist its American Depository shares from The New York Stock Exchange.
- Tata Power Renewable Energy has received the 'Letter of Award' from the Maharashtra State Electricity Distribution Corporation (MSEDCL) to set up 150MW solar project in Solapur, Maharashtra. The project will be commissioned within 18 months from the PPA execution date.
- Happiest Minds Technologies announced partnership with Singapore-based ESG (environmental, social and governance) solution provider CredQuant for BFSI (banking, financial services & insurance) customers. This collaboration with CredQuant will help BFSI customers in addressing ESG screening, ESG rating models, sustainability disclosures & reporting, impact reporting and carbon footprint.
- Piramal Enterprises posted a consolidated loss of INR 1,536.4 crore for the quarter ended September FY23, impacted by impairment on financial instruments, net loss on fair value changes, and higher other expenses. It had consolidated profit of INR 426.5 crore in year-ago period. Revenue grew by 20.3% to INR 1,893.7 crore compared to same period last year.
- Pidilite Industries recorded a 11.3% y/y decline in consolidated profit at INR 332.4 crore for the quarter ended September FY23, dented by weak operating performance. Profit and operating income missed analysts' estimates, while revenue was in line with estimates. Revenue at INR 3,011.2 crore for the quarter increased by 14.6% compared to year-ago period. EBITDA fell 9.1% to INR 500 crore and margin declined by 430 bps to 16.6% YoY in Q2FY23.

Inside Arihant's Morning Daily

- [DGFT notifies norms for export incentives on rupee receipts](#)
- [Arihant Capital Coverage Universe](#)

DGFT notifies norms for export incentives on rupee receipts

The DGFT, under the commerce ministry, has already allowed invoicing, payment and settlement of exports and imports in Indian rupee, a move aimed at facilitating trade in the domestic currency.

The Directorate General of Foreign Trade (DGFT) on Wednesday notified norms for permitting exporters to avail incentives under the foreign trade policy, even on realisation in rupee.

The DGFT, under the commerce ministry, has already allowed invoicing, payment and settlement of exports and imports in Indian rupee, a move aimed at facilitating trade in the domestic currency.

In July, the Reserve Bank of India had asked banks to put in place additional arrangements for export and import transactions in Indian rupees in view of increasing interest of the global trading community in the domestic currency.

The notification said that changes have been introduced in the FTP for grant of export benefits, incentives, fulfilment of export obligation, and for export realisations in Indian rupees as per the RBI guidelines released in July.

“Accordingly benefits/incentives/fulfilment of export obligation under the Foreign Trade Policy has been extended for realisations in Indian rupees as per the RBI guidelines dated July 11, 2022,” it said.

Given the rise in interest in internationalisation of INR, it said, this decision would facilitate and bring ease in international trade transactions in rupees.

“The updated provisions for export realisation in Indian rupees have been notified for imports, for exports, export performance for recognition as status holders, realisation of export proceeds under Advance Authorisation (AA) and Duty Free Import Authorisation (DFIA) schemes and realisation of export proceeds under Export Promotion Capital Goods (EPCG) scheme,” it added.

Source: Financial Express

Arihant Capital Markets Limited												
Company	Reco	Reco	Current	Target	Research	Potential	Absolute	Valuation (*P/BV, P/E)				
09-Nov-22	Date	Price	Price	Price	Call	Upside %	Return %	FY21	FY22	FY23E	FY24E	FY25E
Banking*												
Axis Bank	26-Jul-22	780	874	940	Buy	21%	12%	2.63	2.33	2.03	1.77	-
Bandhan Bank	25-Jul-22	285	229	338	Accumulate	19%	-20%	2.12	2.12	1.82	1.45	-
City Union Bank	10-Aug-22	162	193	182	Accumulate	12%	19%	2.45	2.17	1.88	1.60	-
DCB	10-May-22	81	119	91	Accumulate	12%	46%	0.98	0.91	0.83	0.75	-
HDFC Bank	18-Jul-22	1362	1508	1847	Buy	36%	11%	4.08	3.48	3.09	2.72	-
ICICI Bank	25-Jul-22	800	911	971	Buy	21%	14%	4.27	3.72	3.18	2.74	-
IDFC First Bank	01-Aug-22	38	57	59	Buy	55%	51%	1.85	1.55	1.44	1.30	-
IndusInd Bank	21-Jul-22	879	1149	1236	Buy	41%	31%	2.05	1.86	1.64	1.44	-
State Bank of India	06-Aug-22	531	616	667	Buy	26%	16%	2.16	1.96	1.71	1.46	-
CSB Bank	22-Jul-22	209	224	292	Buy	40%	7%	1.78	1.46	1.28	1.10	-
Indian Bank	03-Aug-22	177	267	216	Buy	22%	51%	0.79	0.76	0.68	0.58	-
NBFC*												
Manappuram Finance	05-Aug-22	102	109	131	Buy	28%	7%	1.26	1.10	0.93	0.81	-
Sundaram Finance	27-May-22	1655	2353	1927	Accumulate	16%	42%	4.23	3.79	3.38	3.03	-
Home First Finance	29-Jul-22	828	700	960	Accumulate	16%	-15%	4.43	3.89	3.40	2.93	-
IT												
Infosys	25-Jul-22	1506	1511	1728	Accumulate	15%	0%	33.14	28.68	25.06	21.87	-
TCS	11-Jul-22	3265	3216	3720	Accumulate	14%	-1%	36.97	30.92	27.97	24.18	-
Mindtree	14-Jul-22	2911	3484	3461	Accumulate	19%	20%	51.69	34.74	28.91	25.17	-
Coforge (NIIT Tech)	25-Jul-22	3726	3681	4133	Hold	11%	-1%	48.95	33.71	27.49	22.27	-
Persistent Systems	27-Oct-22	3829	3711	3845	Neutral	0%	-3%	62.90	41.10	29.38	24.13	22.10
L&T Technology Services	25-Oct-22	3511	3621	3420	Neutral	-3%	3%	57.56	39.92	34.12	29.75	26.47
Firstsource Solutions	04-Aug-22	104	104	110	Hold	6%	0%	19.63	13.17	17.64	14.25	12.39
Birlasoft	04-Aug-22	342	274	429	Buy	25%	-20%	23.65	16.43	14.99	12.82	-
RPSG Ventures	03-Nov-22	527	485	2714	Buy	415%	-8%	(13.44)	9.78	7.39	5.24	-
Cement												
Ultratech Cement	25-Jul-22	6454	6904	7400	Accumulate	15%	7%	36.53	27.18	-	-	-
ACC	15-Jul-22	2156	2438	2435	Accumulate	13%	13%	24.88	22.58	19.20	-	-
Ambuja Cement	20-Jul-22	371	565	420	Accumulate	13%	52%	53.76	49.09	42.77	-	-
Ramco Cement	02-Aug-22	752	704	856	Accumulate	14%	-6%	21.15	18.84	17.92	15.45	-
Shree Digvijay Cement	02-Aug-22	63	67	73	Accumulate	16%	7%	17.66	17.66	9.72	9.19	-
Orient Cement	01-Aug-22	116	132	136	Accumulate	17%	13%	12.66	10.29	6.24	4.75	-
Automobile												
M&M	06-Aug-22	1236	1338	1391	Accumulate	13%	8%	39.22	31.11	20.83	15.52	-
Mahindra CIE Automotive	19-Oct-22	312	293	397	Buy	27%	-6%	26.85	16.92	14.71	12.51	-
Maruti Suzuki	29-Oct-22	9493	9254	10872	Accumulate	15%	-3%	66.10	74.21	36.39	23.61	17.87
Ashok Leyland	01-Jul-22	154	148	190	Buy	23%	-4%	(134.36)	82.11	32.84	20.25	-
Bajaj Auto	27-Jul-22	3884	3740	4523	Accumulate	16%	-4%	23.76	21.54	19.60	17.66	-
TVS Motors	07-Nov-22	1114	1145	1119	Neutral	0%	3%	88.74	60.89	39.34	28.84	24.72
Hero MotoCorp	04-Nov-22	2762	2652	3405	Buy	23%	-4%	17.87	21.42	18.11	15.42	13.05
Industrial Machinery												
Pitti Engineering	26-May-22	244	289	436	Buy	79%	18%	32.06	18.03	10.31	7.21	-
Greaves Cotton	16-Aug-22	172	155	215	Buy	25%	-10%	387.00	129.00	48.38	39.69	-
FMCG												
Dabur India	06-Nov-22	539	554	583	Hold	8%	3%	59.59	55.97	51.79	48.61	42.63
Marico	06-May-22	520	502	557	Hold	7%	-3%	54.01	50.73	45.66	-	-
Prataap Snacks	09-Nov-22	915	945	1401	Buy	53%	3%	157.57	72.17	56.95	22.51	15.10
Hindustan Unilever	25-Oct-22	2655	2509	2962	Hold	12%	-6%	74.22	66.90	55.88	48.25	152.05
Britannia Industries	09-Nov-22	4142	4175	4468	Hold	8%	1%	54.37	66.38	57.43	49.53	42.26
Textile												
Gokaldas Exports	28-Oct-22	378	368	419	Hold	11%	-3%	59.56	18.54	16.36	14.96	11.99
Indo Count Industries	01-Jun-22	149	134	208	Buy	40%	-10%	10.63	7.38	7.11	6.46	-
Gems & Jewellery												
D P Abhushan	21-Jan-22	397	357	446	Accumulate	12%	-10%	29.02	19.19	14.51	12.02	-
Chemicals												
Ultramarine & Pigments	16-Nov-21	372	324	426	Accumulate	14%	-13%	16.97	15.29	14.10	-	-
India Glycols	16-Aug-22	799	809	1056	Buy	32%	1%	18.59	7.38	16.57	11.02	-
Heranba Industries	16-Aug-22	596	530	1073	Buy	80%	-11%	13.45	11.20	9.01	7.40	-
Gujarat Heavy Chemicals	01-Nov-22	647	604	898	Buy	39%	-7%	18.57	9.61	4.60	4.93	-
Diversified												
Arihant Superstructures	28-Jul-22	170	225	296	Buy	74%	33%	75.08	22.53	15.02	6.09	-
Hariom Pipe Industries	12-Aug-22	230	275	403	Buy	75%	20%	30.89	14.63	12.44	6.79	-
Route Mobile	01-Aug-22	1401	1301	1631	Accumulate	16%	-7%	52.47	46.81	27.87	21.55	-
Raymond	09-Nov-22	1286	1227	1539	Accumulate	20%	-5%	(27.51)	31.38	11.37	10.29	8.05
Pharma												
Cipla	01-Aug-22	977	1129	1080	Hold	11%	16%	37.65	34.22	30.52	26.27	-
Marksans Pharma	06-Jun-22	46	51	80	Buy	74%	10%	8.74	11.27	8.18	6.85	-
Rating scale												
BUY >20%, ACCUMULATE 12-20%, HOLD 5-12%, NEUTRAL 5% -5%, REDUCE -5% -12%, SELL < -12%												
Note: For ACC and Ambuja Cement, FY20, FY21E and FY22E corresponds to CY19, CY20E & CY21E.												

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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