

Nov 17<sup>th</sup>, 2022

**Market Data**

Index	Closing	% Chg	% YTD
BSE Sensex	61,981	0.17	6.40
Nifty 50	18,409	0.03	6.08
Nifty Midcap 50	8,597	-0.90	2.22
BSE Smallcap	28,959	-0.34	-1.69

World Indices	Closing	% Chg	% YTD
Nikkei	27,935	-0.33	-2.98
Hang Sang	17,848	-2.3	-24.01
Dow Jones	33,553	-0.12	-7.66
Nasdaq	11,183	1.58	-28.5
FTSE 100	7,351	-0.25	-0.25

Currency	Closing	% Chg	% YTD
USD/INR	81.4	-0.07	9.34
EUR/INR	84.41	-0.29	-0.29
EUR/USD	1.03	-0.23	-8.81

Commodity	Closing	% Chg	% YTD
BRENT CRUDE	91.97	1.83	18.2
GOLD/TROY Oz.	1,769	-0.40	-3.30
SILVER/TROY Oz.	21.3	-0.80	-8.49

Indian ADRs	Closing	Net Chg	% Chg
Dr. Reddy's Lab	55.05	0.02	0.04
HDFC Bank	68.37	-1.06	-1.53
ICICI Bank	22.76	-0.29	-1.26
Infosys	19.69	-0.07	-0.35
Tata Motors	25.85	-1.18	-4.37
Wipro	4.980	-0.010	-0.20

**52 Week High**

Script	Closing Price	52 Wk High Price
ADANIANT	3,956	4,098
AMBUJACEM	577	594
APARINDS	1,544	1,649

**52 Week Low**

Script	Closing Price	52 Wk High Price
DCMSHRIRAM	912	834
EKC	99	98
MASTEK	1,616	1,607

**FII & DII Activities (INR Cr)**

Market Segment	Last Trading Session	Year to Date
Index Futures	1,845	(13,283)
Stock Futures	(693)	16,610
<b>Net Future Position</b>	<b>1,152</b>	<b>3,327</b>
Index Options	4,967	5,43,014
Stock Options	(18)	(102)
<b>Net Options Position</b>	<b>4,949</b>	<b>5,42,913</b>
FII In cash Segment	(386)	(2,73,773)
DII In cash Segment	1,437	2,53,158
<b>Net Cash Position</b>	<b>1,051</b>	<b>(20,615)</b>

**Stock /Industry Specific News**

- Wipro has reached an agreement with employee representatives on setting up a European Works Council (EWC). Wipro's EWC is the first to be established by an India-headquartered company. The creation of an EWC follows a request by employees under an EU directive establishing the opportunity in companies with more than 1,000 employees across multiple European locations.
- Aurobindo Pharma has received an Establishment Inspection Report (EIR) from the United States Food and Drug Administration (USFDA) for its manufacturing facility at Pydibhimavaram in Andhra Pradesh. The company's Unit XI at Pydibhimavaram is an API non-antibiotic manufacturing facility. The EIR received by the company is classified as Voluntary Action Indicated (VAI), implying that the agency is not prepared to take or recommend regulatory action.
- Tata Power Solar Systems, a subsidiary of Tata Power Renewable Energy, has tied up with Union Bank of India, to help MSME sector switch to solar solutions. The objective of this collaboration is to improve access to green energy and save on the cost of electricity, thus making MSMEs more profitable.
- Timken India will set up a manufacturing facility at Bharuch, Gujarat, to manufacture spherical roller bearings and cylindrical roller bearings and components thereof. It already has manufacturing plant at Bharuch, wherein primarily tapered roller bearings and its components are manufactured.
- Balrampur Chini Mills has commenced commercial production of industrial alcohol in its new distillery at Maizapur unit, with a capacity of 320 KLPD (kilo litre per day). With the said addition, the total distillation capacity of the company now stands at 880 KLPD.
- Housing Development Finance Corporation, on Wednesday said it will invest in 15 startups, which were the part of the real estate tech innovation summit. The company has already invested in three startups Loyalie, HomeExchange and Monsoon Credit, according to a statement. The company had made the investments through its tech platform, Housing and Affordable Real Estate and Technology.
- Coal India is targeting 50 mn tonne sales through the e-auction route in the second half of the current fiscal. The coal behemoth had sold around 30 million tonne via e-auction in the first six months of the 2022-23 financial year. The company is targeting another 50 mn tonne in e-auction sales for the year, Coal India Chairman Pramod Agrawal said on the sidelines of Global Mining Summit 2022, organised by CII.
- Timken India will be setting up new manufacturing facility at Bharuch, Gujarat to manufacture spherical roller bearings and cylindrical roller bearings and components thereof. It already has manufacturing plant at Bharuch, wherein primarily tapered roller bearings and its components are manufactured.

**Inside Arihant's Morning Daily**

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## Global demand, low inventories push Basmati paddy prices

Mandi prices of Basmati paddy at Karnal (Haryana) and Rajpura (Punjab) are currently ruling around INR 3,800 – INR 4,000/quintal, INR 400 – INR 500/quintal more than the prices prevailed a year ago.

Robust global demand and negligible inventories have pushed up mandi prices of Basmati paddy this season sharply across the key rice growing regions in Punjab, Haryana and western Uttar Pradesh.

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“Negligible carry forward stock from the previous year, large number of pending exports orders have pushed up the mandi prices of new crop this year,” Vijay Setia, a leading exporter of aromatic rice, told FE.

Setia said that rice prices are expected to rise in the domestic market while realisation from the exports of the aromatic long grain rice has seen a sharp spike in the first half of the current fiscal.

Currently, the procurement of Basmati paddy by traders from the farmers is going at a brisk pace and will continue till next month.

According to the Directorate General of Commercial Intelligence and Statistics data, the value of Basmati rice exports rose by more than 37% during April-September 2022 to \$2.2 billion from \$1.6 billion in the same period last fiscal.

The per tonne export realisation of aromatic rice rose by 24% to \$1057/tonne in April-September 2022 from \$853/tonne a year ago period.

“The prospects of the Basmati rice exports in the second of the current fiscal year are bright as demand has been rising steadily,” Vinod Kaul, senior executive director, All India Rice Exporters’ Association, said. He said besides the demand from traditional markets in the middle countries, there has been encouraging demand for aromatic rice from the European Union this season.

M Angamuthu, Chairman, Agricultural Processed Food Products Exports Development Authority, said that Basmati rice exports prospects are encouraging as there are several countries in the middle east that need rice to meet their domestic demand.

To boost exports, APEDA has set up Basmati Export Development Foundation in collaboration with the industry, through which the farmers in key growing states are informed about the usage of certified seeds, good agriculture practices and judicious use of pesticides to meet the international standards.

In September, the government banned exports of broken rice and put a 20% export duty on non-Basmati ‘white’ rice varieties. However, Basmati rice export was put outside the export restrictions.

Out of the total annual production of 9 million tonne (mt) of Basmati rice, 4.5 mt is exported. In 2021-22, Iran, Saudi Arabia, Iraq, United Arab Emirates and Yemen had a share of 65% in value of aromatic rice export of \$ 3.5 billion.

Pakistan exports around 0.9 – 1 mt of Basmati rice annually and harvesting this year has been disrupted because of flooding in the many parts of the key growing region.

**Source: Financial Express**

Arihant Capital Markets Limited

Company	Reco	Reco	Current	Target	Research	Potential	Absolute	Valuation (*P/BV, P/E)			
16-Nov-22	Date	Price	Price	Price	Call	Upside %	Return %	FY22	FY23E	FY24E	FY25E
<b>Banking*</b>											
Axis Bank	26-Jul-22	780	855	980	Hold	26%	10%	2.3	2.0	1.7	-
Bandhan Bank	25-Jul-22	285	225	338	Accumulate	19%	-21%	2.1	1.8	1.4	-
City Union Bank	10-Aug-22	162	190	182	Accumulate	12%	17%	2.1	1.8	1.6	-
DCB	10-May-22	81	122	132	Accumulate	63%	51%	0.9	0.9	0.8	-
HDFC Bank	18-Jul-22	1362	1633	1847	Hold	36%	20%	3.8	3.4	2.9	-
ICICI Bank	25-Jul-22	800	914	971	Accumulate	21%	14%	3.7	3.2	2.8	-
IDFC First Bank	01-Aug-22	38	57	59	Hold	55%	50%	1.5	1.4	1.3	-
IndusInd Bank	21-Jul-22	879	1144	1236	Accumulate	41%	30%	1.9	1.6	1.4	-
State Bank of India	06-Aug-22	531	600	667	Accumulate	26%	13%	1.9	1.7	1.4	-
CSB Bank	22-Jul-22	209	218	292	Accumulate	40%	4%	1.4	1.2	1.1	-
Indian Bank	03-Aug-22	177	269	216	Hold	22%	52%	0.8	0.7	0.6	-
<b>NBFC*</b>											
Manappuram Finance	05-Aug-22	102	116	131	Buy	28%	14%	1.2	1.0	0.9	-
Sundaram Finance	27-May-22	1655	2237	1927	Accumulate	16%	35%	3.6	3.2	2.9	-
Home First Finance	29-Jul-22	828	717	960	Accumulate	16%	-13%	4.0	3.5	3.0	-
<b>IT</b>											
Infosys	14-Oct-22	1420	1603	1619	Accumulate	14%	13%	30.4	26.0	22.9	20.8
TCS	11-Oct-22	3119	3355	3609	Accumulate	16%	8%	32.3	29.7	25.6	22.4
Mindtree	14-Oct-22	3324	3633	3826	Accumulate	15%	9%	35.2	30.0	27.3	23.7
Persistent Systems	27-Oct-22	3829	3812	3845	Neutral	3%	0%	42.2	30.2	24.8	22.7
L&T Technology Services	25-Oct-22	3511	3780	3420	Neutral	-3%	8%	41.7	35.6	31.1	27.6
AxisCades Technologies	11-Nov-21	351	355	394	Accumulate	12%	1%	19.0	14.3	11.8	-
Firstsource Solutions	03-Nov-22	105	109	93	Reduce	-11%	4%	13.8	18.5	15.0	13.00
<b>Cement</b>											
Ultratech Cement	25-Jul-22	6454	6912	7400	Accumulate	15%	7%	27.2	-	-	-
Ambuja Cement	20-Jul-22	371	577	420	Accumulate	13%	56%	50.2	43.7	-	-
Ramco Cement	02-Aug-22	752	657	856	Accumulate	14%	-13%	17.6	16.7	14.4	-
Shree Digvijay Cement	02-Aug-22	63	67	73	Accumulate	16%	7%	17.7	9.8	9.22	-
Orient Cement	01-Aug-22	116	129	136	Accumulate	17%	11%	10.1	6.1	4.66	-
<b>Automobile</b>											
M&M	12-Nov-22	1287	1287	1391	Hold	8%	0%	29.9	21.4	16.0	12.88
Maruti Suzuki	29-Oct-22	9493	9135	10872	Accumulate	15%	-4%	73.3	35.9	23.3	17.65
Ashok Leyland	12-Nov-22	148	148	172	Accumulate	16%	0%	82.2	54.8	23.5	17.01
Bajaj Auto	17-Oct-22	3571	3747	4155	Accumulate	16%	5%	21.7	18.6	16.6	14.7
TVS Motors	07-Nov-22	1114	1119	1197	Hold	7%	0%	59.5	38.4	28.2	24.16
Mahindra CIE	19-Oct-22	312	292	397	Buy	27%	-6%	16.9	14.7	12.5	-
Hero MotoCorp	04-Nov-22	2589	2739	3437	Buy	33%	6%	22.1	18.7	15.9	13.48
<b>Industrial Machinery</b>											
Pitti Engineering	15-Nov-22	299	286	446	Buy	49%	-4%	17.9	14.3	9.8	5.99
Greaves Cotton	16-Nov-22	153	153	189	Buy	24%	0%	127.6	46.4	38.3	33.28
<b>FMCG</b>											
Dabur India	27-Nov-22	532	550	598	Accumulate	12%	3%	55.6	49.6	45.09	41.05
Marico	06-Nov-22	539	493	583	Hold	8%	-8%	49.8	46.1	43.28	37.95
Prataap Snacks	09-Nov-22	915	961	1401	Buy	53%	5%	73.4	57.9	22.88	15.35
Hindustan Unilever	25-Oct-22	2655	2478	2962	Hold	12%	-7%	66.1	55.2	47.7	41.0
Britannia Industries	09-Nov-22	4142	4132	4468	Hold	8%	0%	61.8	56.8	49.01	41.82
<b>Textile</b>											
Gokaldas Exports	23-Oct-22	378	373	419	Hold	11%	-1%	18.8	16.6	15.2	12.1
Dollar Industries	15-Nov-22	439	432	498	Accumulate	13%	-2%	16.5	20.4	16.5	13.71
<b>Gems &amp; Jewellery</b>											
D P Abhushan	21-Jan-22	397	319	446	Accumulate	12%	-20%	17.1	12.9	10.7	-
<b>Chemicals</b>											
India Glycols	15-Nov-22	800	805	1056	Buy	32%	1%	7.3	23.0	14.6	10.32
Heranba Industries	10-Nov-22	530	507	1073	Buy	102%	-4%	10.7	10.4	7.1	-
Gujarat Heavy Chemicals	01-Nov-22	647	581	898	Buy	39%	-10%	9.3	4.4	4.7	-
<b>Diversified</b>											
Arihant Superstructures	16-Nov-22	236	230	316	Buy	34%	-3%	23.0	15.3	6.2	-
Hariom Pipe Industries	12-Aug-22	230	264	403	Buy	75%	15%	14.1	12.0	6.5	-
Route Mobile	01-Aug-22	1401	1324	1631	Accumulate	16%	-5%	47.6	28.4	21.9	-
Raymond	09-Nov-22	1286	1300	1539	Accumulate	20%	1%	33.2	12.0	10.9	8.53
Orient Electric	07-Nov-22	263	265	285	Hold	8%	1%	44.2	53.0	37.9	33.14
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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