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INSIGHT

ASHIKA
GROWING & SHARING WITH YOU

May **2024**

DABUR INDIA LTD. | AUTOMOTIVE AXLES LTD. | EXPLEO SOLUTIONS LTD.

INSIDE THIS ISSUE

Market OVERVIEW

Geo-political concern in the middle east remains a hangover for the global equity markets. Israel Hamas war which has been continuing for last 7 months, has taken a new direction when Israel bombed on the Iranian embassy earlier this month.

After the Israeli attack on the Iranian Consulate in Damascus on 1st April, Iranian retaliation was expected. The Iranian Supreme Leader in his Eid message likened it to an attack on Iranian soil and said that Israel must be, and will be punished. Then Iran launched a counter attack against Israel by launching drones and missiles directly towards Israel. Though most of them were intercepted, an Israeli airforce base in the south was reportedly hit. However, this conflict has not been extended and as of now it has concluded. If the conflict spreads to the Gulf, this can have a dramatic impact on oil prices as 20% of the world's crude oil supply passes through the Hormuz Strait. As the conflict started, the global crude oil price started to rise, though the momentum didn't last long as there was no further escalation between Israel and Iran. The Gaza war has not involved a direct confrontation between the major players. A war between Israel and Iran has the potential to draw America into the conflict. Iran has

US latest initial applications for unemployment benefits fell to 207,000 last week, which is lowest in 2 months. The unemployment claims are continuously on declining trends thus reflection the resilience of the US labour market.

also shown restraint. The retaliation was not directed against American facilities or bases in the region, despite the fact that the US has overtly committed itself to Israel's defense. The situation remains extremely fraught as no end to the Gaza war seems to be in sight. Continued war in Gaza puts pressure on Arab governments to take sides between Israel and Palestine. If the Israel and Iran conflict continues, they will be under pressure to choose between their neighbour to the east and the US. This has also immensely complicated US President Biden's choices at a time when US is involved in supporting Ukraine and managing increased tensions with China in the Far East. Hence, the geo political tensions across the globe could pose risk to the global equity markets. Prolonged elevated interest rate eventually impacted the economic growth in advanced economies. The US economy grew at slowest pace in nearly 2 years in 1Q of 2024 at 1.6% vs estimate of 2.3%. The slowdown in GDP growth reflected a slower pace of inventory accumulation by businesses and downshift in government spending. However, domestic demand in US remained strong during 1QCY24. This quarter growth was largely supported by consumer spending. Economists polled by Reuters had forecasted the GDP growth rate at a 2.4% during 1QCY24, with estimates ranging from 1% pace to 3%. US economy grew at faster pace during 4QCY23 at 3.4%. The growth pace of the first quarter of 2024 was below what US central bank officials regard as the non-inflationary growth rate of 1.8%. The concern remains on the inflation front, with the personal consumption expenditures (PCE) price index excluding food and energy increased at 3.7% after rising at 2% in 4QCY23. Federal Reserve give lot of importance to PCE as the core PCE price index is one of the inflation measures tracked by the Fed for its 2% target. If the economic growth continues to slowly decelerate, but inflation strongly takes off again in the wrong direction, the expectation of a Fed interest rate cut in 2024 is starting to look increasingly more out of reach. So, the US Federal Reserve on their next policy meet may face renewed pressure to further delay any interest rate cuts and even to consider whether borrowing costs are high enough. US latest initial applications for unemployment benefits fell to 207,000 last week, which is lowest in 2 months. The unemployment claims are continuously on declining trends thus reflection the resilience of the US labour market. Consumption has been more resilient than anticipated last year, even as economists predicted that spending would cool as households depleted their savings from the pandemic period and while borrowing costs stayed high. A key factor has been a robust labor market, fueling job and wage gains. Such robust labour market boosted the optimism that the US is achieving a "soft landing" where inflation moves lower on the back of higher interest rates without triggering a recession.

The growth in China is gradually coming back with 1QCY24 GDP data came ahead of estimates at 5.3%, faster than 5.2% expansion in the fourth quarter of 2023 and 4.6% growth as expected by economists polled by Reuters. The economic growth was primarily driven in part by external demand, as export volume grew by 14% year on year. Better than expected economic growth will make the government comfortable with its current policy stance. The policy push by Chinese government can boost the domestic demand and keep the annual GDP target of around 5% achievable. The better-than-expected Chinese GDP data fueled the rally in global commodity prices. Metal prices across the globe started to rise and the expectation is that the commodity super cycle is yet to come. However, concern regarding its real estate sector still persists, with property investments falling 9.5% year on year in the 1QCY24. Recovery in Chinese economy is important for metal to sustain its ongoing rally.

After volatile session in March, Indian stock market started FY25 in a positive note. However, the conflict between Israel and Iran posed a risk to the market. Iran's attack on Israel could have dire implications for India. The escalation in the middle east can have a significant impact on oil prices. India has excellent

After volatile session in March, Indian stock market started FY25 in a positive note. However, the conflict between Israel and Iran posed a risk to the market.

Lok-Sabha election is very important from India's economic growth perspective as the strong mandate will decide the next phase of economic growth.

relations with the Arab states, Iran and Israel. If the conflict spreads to the Gulf, this could have a dramatic impact on oil prices. Nearly 20% of the world's crude oil supply passes through the Hormuz Strait. For India, the implications are dire. Nearly 60% of Indian crude supply traditionally comes from the Gulf region. There has been a surge in oil purchases from Russia. Despite of that, the Gulf region still remain the most important source of crude supply to India. Indian crude oil basket witnessed a sharp increase of 7.27% during the past month. A dollar increase in the price of a crude oil barrel will increases India's import bill by more than Rs 13,000 crores on an annual basis. There has been an increase of more than 6 dollars in the past month as the Indian crude oil basket went up from USD 84.93 to USD 91.11 per barrel per day. Further, there are nearly 7.5 million Indians in the Gulf region, thus India has to take diplomatic stance in this conflict. India has already issued a travel advisory to Indians not to travel to Israel or Iran. Thus, if the Gaza war continues, or Israel-Iran tensions escalate, this will affect Indians in the wider region. India is in the middle of the election phase which started from 19th April and will continue till 1st June with election result to come on 4th June. Lok-Sabha election is very important from India's economic growth perspective as the strong mandate will decide the next phase of economic growth. Capable government at center could fulfill the dream of achieving the third largest economy by 2030. Though, market has already factored in the NDA government win in 2024 election, any deviation from the expectation could have negative implications on the market.

The prediction of an above normal monsoon in 2024 comes as welcome relief for India's agriculture and allied sectors. Large parts of the South and other regions of India are facing drought-like conditions. Adverse weather conditions have impacted several crops in the recent Rabi season. Weak rain during kharif season would affect overall agricultural output as kharif season is the biggest crop season that is largely rain-fed. Water levels at major reservoirs dropped to 33% of storage capacity and sales of agriculture inputs such as tractors and agrochemicals have slowed. Thus, a good monsoon season can alleviate some of the pressures that industry is facing and lift rural sentiment, even though much also depends on the timely onset and spatial distribution of the rains. For corporate India, 4QFY24 result has just kick started and the expectation is that there will be moderation in earnings growth in March 2024 quarter. The aggregate net earnings of the Sensex and the Nifty are projected to grow at the slowest pace in a year in the March quarter. The moderation in growth rates at information technology services, oil and gas, metals and mining companies is weighing on earnings expectations. While the preliminary 4QFY24 business update has shown mixed performance but some sectors have delivered optimistic business updates like banks, NBFCs and real estate sectors. Further, steady expansion in industrial activity, healthcare, e-commerce and continued focus of the government on infrastructure and defence indigenisation has infused positive momentum in the economy which supports the equity market going ahead.

The prediction of an above normal monsoon in 2024 comes as welcome relief for India's agriculture and allied sectors. Large parts of the South and other regions of India are facing drought-like conditions.

Research Desk
Email - research@ashikagroup.com
Phone: +91 33 4010 2500

ARIJIT MALAKAR Digitally signed by ARIJIT MALAKAR Date: 2024.05.02 08:17:45 +05'30'

PROMINENT HEADLINES
APRIL 2024

We have a challenging relationship with China. But this is a country which is today confident, which is capable of advancing and defending its interests, and in a competitive world, we will compete.....**S. JAISHANKAR,** *External Affairs Minister*

While the base for EV adoption in India is still expanding... figures underscore the accelerating shift towards electric mobility and highlight the market's potential for sustainable transportation solutions....**MANISH RAJ SINGHANIA,** *FADA President*

The rise of AI and machine learning presents both opportunities and challenges in the context of competition law. These technologies can drive efficiency, personalisation and innovation, but also raise concerns related to market concentration... **RAVNEET KAUR,** *CCI Chairperson*

Domestic banks are dealing with market-makers in global markets rather than with end clients and are yet to emerge as market-makers of note globally...**SHAKTIKANTA DAS,** *RBI Governor*

High and uncertain interest rates in the US affect the cost of funding elsewhere in the world. The impact is quite significant....**VITOR GASPAR,** *Director Of FISCAL Affairs at the IMF*

The lack of clarity on what Iran might do next will keep investors nervous and market volatile for now, at a time when investors are faced with significant inflation and interest rate uncertainties....**VASU MENON,** *MD, Investment Strategy, OCBC*

If HDFC Bank had requested, all the FIIs together would have been happy to sell another 5 bps of stock to satisfy MSCI´s bureaucratic requirement. Imagine: if FIIs had sold 5 bps more of HDFC Bank in the first quarter, would have led to billions of dollars of buying in the stock... **SAMIR ARORA,** *Founder, Helios Capital*

An increase in risk aversion continues to build on risky assets which penalises the stock markets while supporting the dollar and gold prices... **DANIEL VARELA,** *Chief Investment Officer, Piguet Galland & Cie SA*

We had a phenomenal rally. If you look at positioning and sentiment indicators, they were elevated. Investors were squeezed bit into the market, so you have a bit of a setback...**CHRISTIAN MUELLERGLISSMANN,** *Head, Asset Allocation, Goldman Sachs*

If you look at the overall price level in India, it is very very competitive, if not low, compared to some other parts of the world. I think you should take it as part of the change in India itself and the diversity of India..... **PIETER ELBERS,** *INDIGO CEO*

The Fed will likely need to reconsider its current stance of three rate cuts this year. But, the reason for this likely change in posture is bullish — the economy is doing well....**GEORGE MATEYO,** *Chief Investment Officer, Key Wealth*

The next step coming into view is of global investors focusing on India as a distinct asset class...It is likely that a Goldilocks economic, investment, and geopolitical factors will continue to propel India´s assets. **VIKTOR SHVETS** *Managing Director & Head of Global Strategy, Macquarie Group*

Leveraging increased access to information and internet penetration, we are witnessing a transformation in rural consumer behaviour, where aspirations are on the rise....**TARUN GARG,** *Hyundai Motor India, COO*

Markets are a bit more vulnerable to the combination of geopolitical shocks in the Middle East and rapid shift in interest rate expectations...We see volatility persisting in the nearterm and remain neutral....**HOMIN LEE,** *Senior Macro Strategist, Lombard Odier*

Markets could remain choppy in the near term as geopolitical risks remain elevated, and markets adjust to a likely delay in the start of US rate cuts. But we would caution against exiting markets.... **SOLITA MARCELLI,** *Chief Investment Officer Americas, UBS Global*

On GDP, I think there is no question... and everyone acknowledges that we (India) are the fastest growing large economy in the world... You look at IMF projections or World Bank projections, I think they make that pretty clear.....**PARAMESWARAN IYER,** *Executive Director, World Bank*

A likely weakness in the dollar should provide room for EM central banks to cut rates, as their inflationary pressures are more subdued. This reflects diverse monetary policies pursued during the pandemic in the emerging world....**CHRISTOPHER WOOD,** *Global Head Equity Strategy, Jefferies*

The Indian capital markets are commanding higher valuations because of foreign investors' optimism and trust in the country. At 22.2, the ratio of price to earning multiple in the Indian market is higher than the average of many indices around the world.... **MADHABI PURI BUCH,** *SEBI Chairperson*

> As per the mantra of the RBI, it should make fast growth its top-most priority, along with focusing on trust and stability. The next decade is as important for attaining the goal of developed India as it is for the RBI, which will complete 100 years of existence in 2035... **Narendra Modi,** *Prime Minister*

> India has been the fastest growing economy in the last three consecutive financial years and this growth can continue in the coming years as well. The next 25 years will be very critical for India... **Nirmala Sitharaman,** *Union Finance Minister*

RESEARCH CALL ON WHATSAPP

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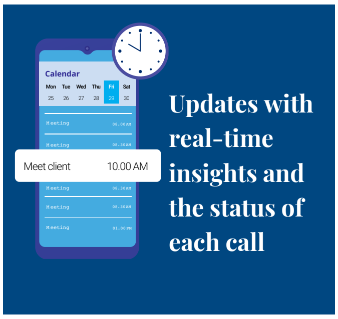

Impressive Success Rates Over the Past Years:

MONTHLY CALLS	82%
WEEKLY CALLS	81%
NTPC	65%

About Ashika Group

Established in 1994 by Mr. Pawan Jain and Mr. Daulat Jain, Ashika Group stands as one of India's leading diversified financial services providers. Our mission is to assist individuals, companies, funds, and institutions in raising, trading, managing, and distributing their wealth and assets.

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Our research team is the cornerstone of what sets Ashika Group apart. Comprising experienced analysts and experts who closely monitor market movements, our team has a proven track record of delivering high-quality research insights. We take pride in our ability to provide you with research calls that are not only timely but also accurate, aiding you in making confident investment choices.

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We are excited to have you on board and look forward to helping you achieve your financial goals.

Warm regards,

Team Ashika

MUTUALFUNDS Sahi Hai

Mutual Fund Overview

QUANT FLEXI CAP FUND

Investment Objective

The primary investment objective of the scheme is to seek to generate consistent returns by investing in a portfolio of Large Cap, Mid Cap and Small Cap companies. However, there can be no assurance that the investment objective of the Scheme will be realized, as actual market movements may be at variance with anticipated trends.

Why Flexi Cap?

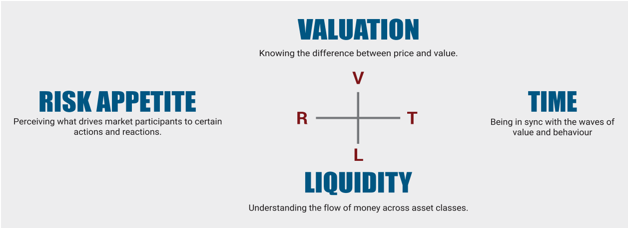
- Flexi cap funds invest in opportunities across the market spectrum, i.e. they have a multi cap focus with an inherent quality of flexibility. Flexibility allows the scheme to manage its overweight/underweight exposure to large/mid/small cap stocks dynamically.
- Investing in a varying combination of large/mid/small cap stocks and sectors can be an attractive and flexible tool to achieve your investment goals.
- Works on the principle of diversification by spreading money across more investment choices.
- Flexi cap funds can mitigate risk more effectively due to wider choices and flexibility to navigate among them Potential to provide competitive total return.

Unique features of 100% fungibility

- No minimum cap limits. The money manager is free to be underweight / overweight across market caps, depending on his perception of risk/reward.
- Due to 100% fungibility, money manager can exclude one cap in favour of the other two, or remain invested in just one market cap until the next turn of the tide.
- Zero sector bias and permits investing in attractively valued high growth /defensive sectors as the need may be.

Fund Strategy

- The scheme invests minimum 65-100% in equity and related instruments, 0-35% in debt and related instruments.
- The scheme has flexibility and 100% fungibility to invest in companies across market caps to optimize risk-return payoffs.
- Money managers construct an unconstrained portfolio and deftly balance market caps and sectors to achieve an optimum investment outcome while minimizing risk.
- The signature VLRT Framework and Predictive Analytics tools dynamically manage known risks and identifies opportunities.



Important Information	
NAV (G) (Rs.)	98.79
IDCW (Rs.)	70.60
Inception Date	Oct 17, 2008
Fund size(Rs.Cr.)	4617
Fund Manager	Sandeep Tandon, Ankit Pande, Sanjeev Sharma, Vasav Sahgal
Entry load	Nil.
Exit Load	1% for 15 days
Benchmark	NIFTY 500 TRI
Min Investment (Rs.)	5000
Min SIP Investment (Rs.)	1000

Key Ratios	
Beta (x)	1.08
Standard deviation (%)	17.59
Sharpe Ratio	1.48
Alpha (%)	11.55
R Squared	0.65
Expense ratio (%)	1.85
Portfolio Turnover ratio	161%
Avg. Market Cap (Rs. Cr.)	1,33,065

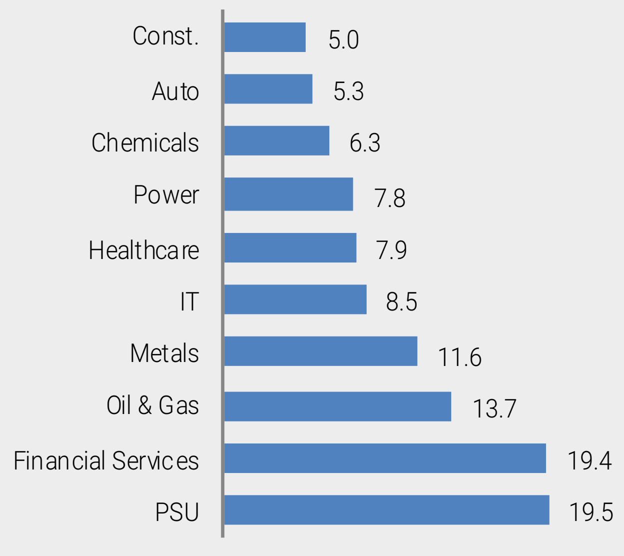
Portfolio as on March 2024

Stocks	% of Net Assets
Reliance Industries	9.8
Tata Consultancy Services	5.8
Jio Financial Services	5.5
Adani Power	5.0
Samvardhana Motherson	4.2
Swan Energy	4.1
Tata Steel	4.0
Larsen & Toubro	3.8
Housing & Urban Development	3.6
Biocon	3.2

Asset Allocation

Equity	Debt
98.44%	1.56%

% SECTOR ALLOCATION



Note: All data are as on March 31, 2024; NAV are as on Apr 26, 2024
Source: Factsheet, Value Research

Performance of the Fund alongwith Benchmark (as on Apr 26, 2024)

	1 month	3 months	6 months	1 year	3 Years	5 Years	Since Inception
Fund (%)	7.61	12.57	45.69	61.70	31.99	30.52	15.55
Benchmark (%)	3.94	7.38	25.83	39.60	20.62	17.94	

Ashika Mutual Fund Recommendation Alpha Generation

Month of Recom	Fund Name	Benchmark	NAV as on 26.04.2024	1 Year Return (%)	3 Year Return (%)	5 Year Return (%)
May-23	Bandhan Sterling Value Fund Reg (G)	S&P BSE 500 TRI	135.7	43.6	26.2	21.4
Jun-23	ICICI Pru Multi Asset Fund (G)	NSE - Nifty 200 TRI	653.2	33.2	24.7	19.5
Jul-23	SBI Magnum Childrens Benefit Fund Invest Plan Reg (G)	CRISIL Hybrid 35+65 Aggressive Index	33.7	38.8	31.6	0.0
Aug-23	Sundaram Balanced Advantage Fund Reg (G)	CRISIL Hybrid 50+50 Moderate Index	31.7	20.2	10.7	8.7
Sep-23	Kotak Balanced Advantage Fund Reg (G)	NSE - NIFTY 50 Hybrid Composite Debt 50:50	18.0	18.0	10.9	11.5
Oct-23	Quant Small Cap Fund (G)	NSE - Nifty Smallcap 250 TRI	251.3	70.1	38.0	38.3
Nov-23	Quant Multi Asset Fund (G)	S&P BSE 200 TRI (65),CRISIL Short Term Bond Fund Index (15),iCOMDEX Composite Index (20)	130.1	47.4	28.1	28.7
Dec-23	Bandhan ELSS Tax saver Fund Reg (G)	S&P BSE 500 TRI	140.1	37.8	21.8	19.9
Jan-24	Quant ELSS Tax Saver Fund (G)	NSE - Nifty 500 TRI	374.4	58.7	30.1	31.9
Feb-24	Kotak ELSS Tax Saver Fund (G)	S&P BSE Sensex TRI	106.3	38.6	20.9	19.1
Mar-24	SBI Long Term Equity Fund Reg (G)	S&P BSE 500 TRI	386.7	59.2	27.8	21.7
Apr-24	Bandhan Multi Asset Allocation Fund Reg (G)	NSE - Nifty 500 TRI	10.6	0.0	0.0	0.0

Note: All data are as on March 31, 2024; NAV are as on Apr 26, 2024
Source: Factsheet, Value Research

Large & Mid Cap Fund

	All Data Belongs To April 26, 2024									
	NAV	AUM (Rs Cr)	3 M	6 M	1 Yr	3 Yr	5 Yr	Since Inception Return	Sharpe Ratio	Exp. Ratio
SBI Large & Midcap Fund Reg (G)	532.4	21270	6.7	21.3	33.4	22.1	19.0	14.6	1.2	1.7
Mirae Asset Large & Midcap Fund Reg (G)	133.3	33619	6.9	22.4	38.3	18.5	20.1	20.4	1.0	1.6
ICICI Pru Large & Mid Cap Fund Reg (G)	857.8	12307	11.2	28.6	46.4	27.2	21.4	18.8	1.6	1.7
LIC Large & Mid Cap Fund Reg (G)	32.9	2551	7.3	23.6	41.0	18.6	17.4	13.9	1.0	1.9
Kotak Emerging Equity (G)	108.3	39685	9.2	20.8	41.3	22.8	23.0	15.0	1.3	1.5

Value Fund

SBI Contra Fund Reg (G)	351.3	25325	10.5	29.2	49.0	31.3	25.7	18.2	1.8	1.6
Bandhan Sterling Value Fund Reg (G)	135.7	8569	8.5	25.3	43.6	26.2	21.4	17.3	1.5	1.8
Nippon India Value Fund (G)	200.3	7107	9.5	33.8	58.5	26.9	22.0	17.2	1.3	1.9
Kotak India EQ Contra Fund (G)	132.5	2672	9.5	31.8	48.9	23.7	20.0	14.8	1.2	1.9
Invesco India Contra Fund (G)	113.8	13903	10.1	28.0	45.0	21.4	18.9	15.3	1.1	1.7

Focus Fund

Axis Focused 25 Fund Reg (G)	49.4	14087	9.2	20.9	28.5	8.6	12.3	14.4	0.3	1.7
Mirae Asset Focused Fund Reg (G)	22.0	8425	1.9	11.6	20.0	11.7	17.1	17.1	0.6	1.8
SBI Focused Equity Fund Reg (G)	302.7	32190	8.6	17.3	31.5	16.5	16.4	18.9	0.9	1.6
DSP Focus Fund Reg Fund (G)	46.0	2189	5.9	21.5	41.1	15.6	14.7	11.5	0.7	2.1
Bandhan Focused Equity Fund Reg (G)	72.8	1508	6.4	24.3	36.9	16.7	14.6	11.6	0.8	2.1

ELSS Fund

Quant ELSS Tax Saver Fund (G)	374.4	8342	13.1	40.4	58.7	30.1	31.9	16.9	1.4	1.8
Kotak ELSS Tax Saver Fund (G)	106.3	5295	13.2	25.3	38.6	20.9	19.1	13.7	1.2	1.8
Mirae Asset ELSS Tax Saver Fund Reg (G)	42.4	21476	7.1	22.4	35.1	18.1	19.1	18.9	0.9	1.6
Bandhan ELSS Tax saver Fund Reg (G)	140.1	6253	7.1	21.0	37.8	21.8	19.9	18.7	1.3	1.8
SBI Long Term Equity Fund Reg (G)	386.7	21976	13.4	35.8	59.2	27.8	21.7	15.4	1.5	1.7

Flexi Cap Fund

Quant Active Fund (G)	667.1	8732	12.4	36.5	51.9	26.9	29.4	19.9	1.2	1.8
SBI Flexi Cap Fund Reg (G)	99.3	20283	5.6	19.0	28.3	16.0	15.2	13.2	0.9	1.7
Kotak Flexi Cap Fund Reg (G)	74.0	45912	9.8	23.7	34.9	17.6	15.7	14.5	0.9	1.5
Motilal Oswal Flexi Cap Fund Reg (G)	50.0	9660	10.6	29.1	53.2	16.5	14.1	17.5	0.8	1.8
Parag Parikh Flexi Cap Fund Reg (G)	71.6	60559	8.5	23.7	37.2	21.6	23.1	19.7	1.4	1.3

Small Cap Fund

Quant Small Cap Fund (G)	251.3	17349	10.5	41.6	70.1	38.0	38.3	12.9	0.0	1.7
SBI Small Cap Fund Reg (G)	159.4	25435	10.4	21.9	40.5	24.7	25.3	20.8	1.4	1.6
Axis Small Cap Fund Reg (G)	90.8	19030	4.6	18.2	41.0	25.8	26.7	23.6	1.5	1.6
Invesco India Smallcap Fund Reg (G)	34.4	3670	8.4	27.0	57.4	30.2	26.6	24.9	1.4	1.9
Kotak Smallcap Fund (G)	231.4	13882	5.3	19.9	41.0	23.6	26.6	17.8	1.2	1.7

Thematic/Sectoral Fund

	All Data Belongs To April 26, 2024									
	NAV	AUM (Rs Cr)	3 M	6 M	1 Yr	3 Yr	5 Yr	Since Inception Return	Sharpe Ratio	Exp. Ratio
Franklin Build India Fund (G)	129.7	2191	15.1	42.8	76.9	37.5	24.8	18.9	1.7	2.1
ICICI Pru Banking and Financial Services Fund Reg (G)	109.2	7490	6.2	11.9	21.0	14.5	10.7	16.5	0.6	1.8
Nippon India Pharma Fund (G)	429.1	7125	5.2	25.6	51.3	16.4	22.7	20.8	0.9	2.7
Sundaram Consumption Fund Reg (G)	83.7	1366	4.8	13.5	35.7	19.4	15.1	12.6	1.0	2.2
Aditya Birla SL Digital India Fund Reg (G)	152.5	4563	(5.2)	11.5	32.8	15.6	23.0	10.0	0.7	1.9

Balanced Advantage Fund

Bandhan Balanced Advantage Fund Reg (G)	21.8	2224	4.8	11.6	20.0	9.8	10.4	8.4	0.6	2.0
Sundaram Balanced Advantage Fund Reg (G)	31.7	1526	4.1	12.8	20.2	10.7	8.7	9.0	0.9	2.1
Edelweiss Balanced Advantage Fund (G)	46.5	10738	7.1	17.0	25.8	13.5	14.6	11.0	1.0	1.7
Kotak Balanced Advantage Fund Reg (G)	18.0	15721	4.3	11.4	18.0	10.9	11.5	10.7	0.9	1.7
Union Balanced Advantage Fund (G)	18.4	1609	3.9	12.7	18.4	9.6	11.6	10.1	0.7	2.2

Equity Savings Fund

Aditya Birla SL Equity Savings Fund Reg (G)	19.9	543	2.4	5.8	13.3	7.0	8.3	7.5	0.4	1.1
DSP Equity Saving Fund Reg (G)	19.4	964	3.5	8.8	14.9	9.2	8.9	8.5	0.8	1.3
Kotak Equity Savings Fund Reg (G)	23.7	4813	4.5	11.8	18.9	12.0	10.7	9.4	1.6	1.9
Nippon India Equity Savings Fund Reg (G)	14.8	407	3.1	7.7	11.8	9.0	3.1	4.5	0.7	1.6
SBI Equity Savings Fund Reg (G)	21.6	4544	3.1	8.5	19.8	10.6	10.6	9.0	1.0	1.2

Arbitrage Fund

Aditya Birla SL Arbitrage Fund Reg (G)	24.5	10549	1.8	3.7	7.5	5.4	5.2	6.3	0.2	1.0
ICICI Pru Equity Arbitrage Fund Reg (G)	31.6	17729	1.8	3.6	7.5	5.5	5.2	6.9	0.3	0.9
Kotak Equity Arbitrage Fund (G)	34.5	40051	1.9	3.8	7.8	5.8	5.4	6.9	0.6	1.0
Nippon India Arbitrage Fund (G)	24.5	13896	1.8	3.7	7.4	5.5	5.2	6.8	0.3	1.1
SBI Arbitrage Opp Fund Reg (G)	31.2	27586	1.8	3.7	7.7	5.8	5.2	6.7	0.7	1.0

Index Fund

HDFC Index Fund-NIFTY 50 Plan (G) (Post Addendum)	209.8	12764	5.1	17.8	25.0	15.5	14.5	11.5	0.8	0.3
ICICI Pru Nifty Next 50 Index Fund Reg (G)	56.4	4444	18.2	46.3	62.2	22.5	17.9	13.3	0.9	0.7
HDFC Index Fund - S&P BSE SENSEX Plan (Post Addendum)	673.5	6620	4.3	15.7	21.7	14.9	14.3	14.9	0.8	0.3
Motilal Oswal Nasdaq 100 FOF (G)	30.2	4786	1.9	24.0	38.5	11.4	21.0	22.4	0.6	0.6
Motilal Oswal S&P 500 Index Fund Reg (G)	19.1	3290	4.5	23.9	25.7	10.8	0.0	17.4	0.7	1.1

Solutions

	All Data Belongs To April 26, 2024									
	NAV	AUM	Mod Duration (in Yrs)	AMP (IN Yrs)	3 M	6 M	1 Yr	2 Yr	Sharpe Ratio	Exp. Ratio
ICICI Pru Retirement Fund Pure Debt Plan (G)	13.8	127	(0.6)	12.9943 (02/05/2023)	1.8	3.4	6.2	5.4	(0.5)	2.1
Aditya Birla SL Retirement Fund 30s Plan (G)	17.3	356	1.1	12.989 (05/05/2023)	7.3	19.9	32.7	16.2	0.5	2.4
HDFC Retirement Savings Fund Hybrid Equity Reg (G)	34.7	1352	2.4	27.213 (05/05/2023)	4.7	16.1	28.0	19.1	1.3	2.1
Aditya Birla SL Bal Bhavishya Yojna Reg (G)	17.9	931	0.9	13.43 (03/05/2023)	7.1	18.1	34.0	16.1	0.5	2.2
ICICI Pru Child Care Gift Plan Reg	290.3	1205	2.1	203.11 (02/05/2023)	10.2	29.5	43.7	23.5	1.2	2.2
SBI Magnum Childrens Benefit Fund Invest Plan Reg (G)	33.7	1732	3.2	24.2855 (03/05/2023)	9.4	18.5	38.8	21.4	1.5	2.0

Multi Assets

HDFC Multi Asset Fund (G)	62.6	2642	2.5	51.173 (02/05/2023)	6.0	15.3	22.6	15.0	1.3	2.0
SBI Multi Asset Allocation Fund Reg (G)	52.2	4230	2.3	40.4291 (02/05/2023)	6.8	17.2	29.4	17.5	1.3	1.6
ICICI Pru Multi Asset Fund (G)	653.2	36843	3.6	492.6187 (03/05/2023)	8.9	19.6	33.2	21.6	2.1	1.5
Axis Multi Asset Allocation Fund Reg (G)	34.8	1174	0.9	29.2954 (02/05/2023)	7.2	14.1	19.1	8.7	0.5	2.1
Nippon India Multi-Asset Fund Reg (G)	18.4	2905	2.4	13.9042 (02/05/2023)	8.7	22.4	32.2	18.6	1.3	1.6

Disclaimer: Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

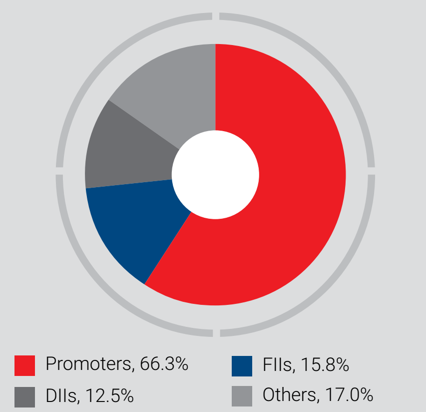
Dabur India Ltd.

CMP: Rs 507	Rating: BUY	Target: Rs 580

Company Information

BSE Code	500096
NSE Code	DABUR
Bloomberg Code	DABUR IN
ISIN	INE016A01026
Market Cap (Rs. Cr)	90,560
Outstanding shares (Cr)	177.2
52-wk Hi/Lo (Rs.)	597.1 / 489.2
Avg. daily volume (1yr. on NSE)	1945543
Face Value (Rs.)	1
Book Value	56.4

Share holding pattern as on March 2024



Company overview

Dabur India Ltd. is prominent FMCG company which is well known for having the largest herbal and natural product portfolio in the world, having over 250 Herbal and Ayurvedic products across various segment of Hair Care, Oral Care, Health Care, Skin Care, Home Care and Food.

The Subsidiaries of Dabur include Dabur (UK) Ltd., Dabur Consumer Care Pvt. Ltd., Dabur International Ltd. and many more. The companies Power Brands in India include Dabur Chyawanprash, Dabur Honey, Dabur Honitus, Dabur Pudin Hara, and Dabur Lal Tail in the Healthcare space, Dabur Amla and Dabur Red Paste in the Personal Care category, and Real in the Food & Beverages category. It also operates internationally with its Power Brand- Vatika. The company has a wide distribution network, covering 7.7 million retail outlets with a strong presence in urban and rural markets. Dabur's products are popular in over 120 countries worldwide, with a significant presence in the Middle East, SAARC countries, Africa, US, Europe, and Russia. The company's overseas revenue accounts for over 25% of its total turnover.

Investment Rationale

Rural Demand to Improve

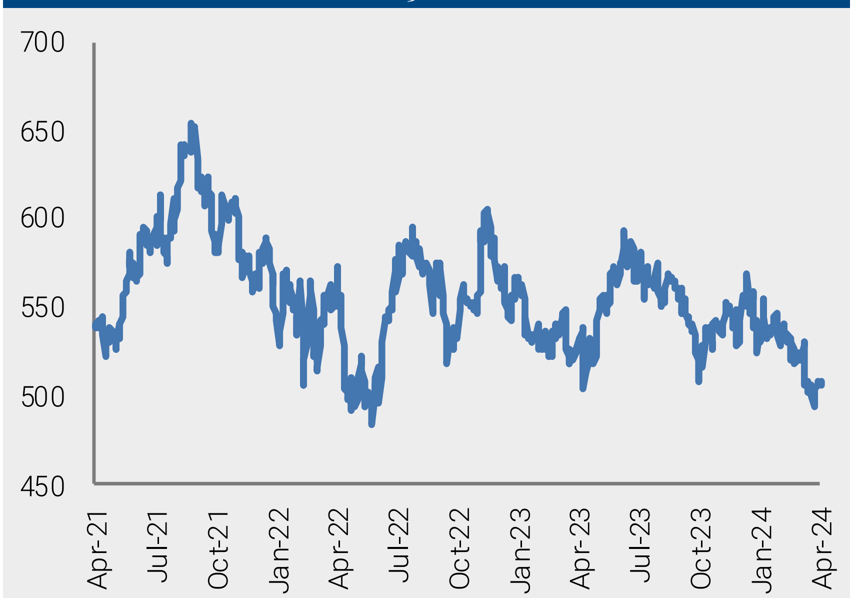
Rural markets reported a growth of 6-6.5% in Q3FY24, while urban markets grew 3.8% year on year. The company has given very contrarian results compared to peers in terms of rural demand because of its focus on village expansion, rural outlet expansion, and curation of a rural portfolio. The company has expanded its rural footprint to 1.17 lakh villages from 1 lakh villages and expects to end this fiscal with rural coverage of 1.2 lakh villages. Rural demand has been impacted because of food inflation in the range of around double-digit and in rural, where per capita incomes are lower, their incomes are skewed towards consumption of essentials, and therefore, discretionary gets impacted. Now as elections is going on and a new government will be in place, it is expected that there will be a lot of government investments which will happen on infrastructure, which will help rural and also some dole-outs will be given by the government in rural which will only increase their disposable income. One very positive sign is that the gap between urban and rural growth is reducing over the past three quarters. So as the gap narrows between urban and rural, rural recovery for industry is imminent.

> **Dabur India has identified a significant surge in demand for its products in South India and has approved an investment of Rs. 135 crore for setting up a greenfield manufacturing facility in South India.**

Set up new facility in South India

Dabur India has identified a significant surge in demand for its products in South India, which accounts for approximately 18-20% of its domestic business. Dabur India has approved an investment of Rs. 135 crore for setting up a manufacturing facility in South India. This marks Dabur's first investment in South India. The greenfield factory will manufacture a range of products including Dabur Honey, Red Paste and Odonil air fresheners. The decision to invest in a new manufacturing facility is driven by the need to better cater to this growing market demand, with this being Dabur's 14th domestic manufacturing location. This is an opportunity to expand manufacturing capabilities further and meet the growing need for Dabur products in South India for sustainable growth.

Dabur India 3Yr. Price Chart



Overseas Performance

Having a strong brand image of being a brand that focuses on ayurveda and natural healthcare, Dabur has successfully been able to capture the international market along with the growth in the domestic markets. The international business covers Dabur's operations across the Middle East, Africa, South Asia, USA, and Europe, with the middle east being the company's largest international market, contributing to about 25% of their international business. Of their total business revenue, 25% is contributed by International Business. Dabur also has manufacturing facilities in 8 international market locations, driving overseas sales. Dabur is also the Market leader in Hair Oil, Hair Cream, Hair Gel and Hair Mask category in Saudi Arabia, Hair Oil, Hair Cream, Hair Mask category in Egypt and in few other international markets. In FY23, international business grew by 11.1% in constant currency terms led by revenue growth of 43.1% in Egypt 54.8% in South Africa and 48.3% in Turkey.

Strong brand proposition

Dabur's strong distribution network has not only helped them to penetrate the rural markets but also assisted them to capitalize on the urban markets. The company ensured that Dabur products reach 8 out of every 10 household in India. By the end of FY23, the brand had 23 billion rupees brands (brands with sales greater than Rs. 100 Crore) in their portfolio. The company saw an addition of 5 brands in FY23 increasing the total tally from 17 to 23. These include brands like- Real, Dabur Red Paste, Vatika, Dabur Honey, Dabur Chyawanprash and many more. Till 31st March 2023, the company had 17 brands that were above Rs. 100 Crore but less than Rs. 500 Crore in size; 2 brands that were over Rs. 500 Crore but less than Rs. 1,000 Crore in size, and another 4 brands that had a turnover of more than Rs. 1,000 Crore. Going ahead, the management expect with introduction of new products and improving its distribution reach more products are going to be added in Rs. 100 crore club.

Constant innovation in Product and Sales Channels

Dabur is a brand that has constantly been innovating with their products and packaging. They focus on blending both ayurveda and modern science to get their best products in the market. The company stated that innovation has picked up to 4% in FY23 as compared to 1.4% in 2019. The new product development to sales has been 6% in FY22 and 4% in FY23. The company has increased its focus on digital sales as spending on the digital platform increased to 31% in FY23. The company has also tried to connect with customers through the online platform of Dabur Shop. E-commerce business that has grown in the last few years has been contributing approximately 9% to the business, which is the best in the industry.

The company's focus on bolstering its innovation pipeline, especially in natural segment, and premiumising the same will not only help the company gain share in naturals and ayurveda, but also aid margin improvement.

Key Risks

- Any factor that hurts the rural economy.
- A highly competitive FMCG market would make penetration in the existing markets more difficult.
- Sharp rise in input costs.

Valuation

Dabur is the second largest FMCG company in India, in terms of Product portfolio. The company has created successful brands over the years in the likes of Dabur, Vatika, Hajmola, Real and FEM and spends on average 10% of sales on brand generation. The sales are heavily dependent on the rural demand and thus normal monsoon has improved the volume growth for the company. The company has a strong distribution reach and plans to increase further through different Projects which the company undertakes from time to time. Dabur is also planning to harness channels of future - e-commerce and modern trade which are already growing faster than general trade. Dabur has a well diversified business portfolio, which not only makes it safe and less vulnerable to sudden competitive, regulatory, inflationary and growth issues in any category, but also ensures stable growth. Because of its diversified nature, Dabur has been able to deliver consistent double-digit revenue and volume growth. Further, the company's focus on bolstering its innovation pipeline, especially in natural segment, and premiumising the same will not only help the company gain share in naturals and ayurveda, but also aid margin improvement. The company earns higher EBITDA margins of 18-21% on the back of strong brand power particularly in healthcare space. Given its strong distribution network, leadership position in home care, hair care and personal care segment, strong international presence and sound financials, we recommend our investors to BUY the scrip for target of Rs 580 from 12 months investment perspective. Currently, the scrip is valued at P/E multiple of 41.1x on FY25E.

Particulars (in Rs Cr)	FY22	FY23	FY24E	FY25E
Net Sales	10888.7	11529.9	12509.9	13785.9
Growth (%)	13.9	5.9	8.5	10.2
EBITDA	2250.5	2164.1	2439.4	2784.8
EBITDA Margin (%)	20.7	18.8	19.5	20.2
Net profit	1742.3	1707.2	1901.5	2192.0
Net Profit Margin (%)	16.0	14.8	15.2	15.9
EPS (Rs)	9.8	9.6	10.7	12.4

Consensus Estimate: Bloomberg, Ashika Research

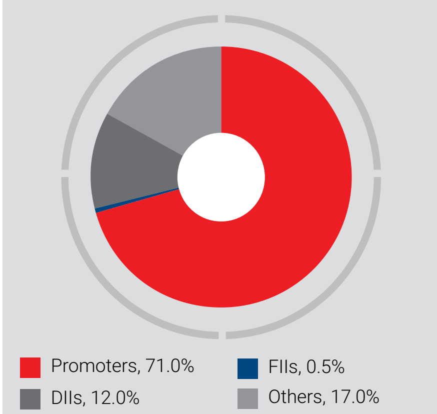
Automotive Axles Ltd.

CMP: Rs 1,890	Rating: BUY	Target: Rs 2,600

Company Information

BSE Code	505010
NSE Code	AUTOAXLES
Bloomberg Code	ATXL IN
ISIN	INE449A01011
Market Cap (Rs. Cr)	2,870
Outstanding shares(Cr)	1.5
52-wk Hi/Lo (Rs.)	2693.2 / 1742.15
Avg. daily volume (1yr. on NSE)	23415
Face Value(Rs.)	10
Book Value	550.9

Share holding pattern as on March 2024



Company Overview

Automotive Axles Ltd. (AAL) is a joint venture of Kalyani Group and Meritor Inc., USA (acquired by Cummins in CY23). AAL is currently the largest independent manufacturer of rear drive axle assemblies for CVs (primarily M&HCVs) in India. Its product portfolio includes a wide range of axles catering to haulage trucks, tippers, tractor trailers and other off-highway vehicles used for special purposes. The company also supplies drum and disk brake assemblies for trucks, trailers, buses and coaches and is the second largest brake manufacturer in India after Brakes India Private Limited. It has an estimated market share of ~35% in axles as well as brakes. With manufacturing plants at Mysore, Pantnagar, Jamshedpur and Hosur, the company supplies its components to customers across India as well as in international markets. AAL's domestic OEM customers include Ashok Leyland Limited (ALL), Daimler India Commercial Vehicles Private Limited (DI), Man Trucks India Private Limited (MT), Mahindra & Mahindra Limited (M&M), Tata Motors Limited (TML), Volvo Eicher Commercial Vehicles Limited (VE), Asia Motor Works Limited (AMW), and Indian Army, among others. It has been gaining market share in the axle and brakes segment driven by new product launches and business wins.

Investment Rationale

Government Spending to Support CV Demand

Automotive Axles remain well- positioned to benefit from a longish CV upcycle. Post the strong growth of the CV segment in FY24, the growth rate could moderate but still sustain at good level as industry experts suggest that the CV industry will continue to grow led by governments focus on infrastructure activities. Increased allocation to infrastructure spending in the Union Budget is likely to provide support to CV demand. The Union Budget proposed to increase capital expenditure spending, focusing on augmenting core infrastructure assets, including roads, railways, airports and logistics. The government firmed up a roadmap for capital investments in infrastructure under the National Infrastructure Pipeline (NIP) over six years through FY25. The expenditure for energy, roads, urban development and railways, and envisaging a key role for private investors. Increased government spending on public transport, Voluntary Vehicle Scrappage policy and increased Infrastructure spends by the government are positive triggers for the

With the help of Cummins' (and Merritor) superior technical know-how, the company is focused on developing industry-first products to have a competitive edge.

industry. The company pursues to outpace industry growth by increasing market penetration through new products, growth in exports and increasing tonnage per axle. Further, implementation of the scrappage policy would also lift CV demand. The company has sufficient spare capacity to meet the increasing demand for the next few years.

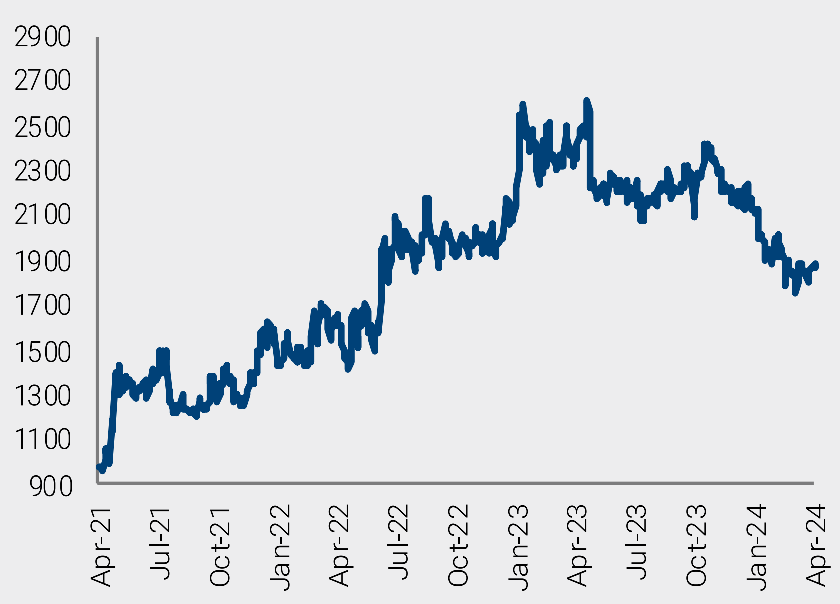
New Product Launches to Drive Growth

Automotive Axles Ltd has been launching new products to fill some gaps, and special application products as well. In FY23 it launched 7 products out of which MS 185 and 160 are new products customised for India-specific applications. These products will bring down the TCO for customers e.g. MS185 replaces the tandem axle while meeting durability requirements for 55T tractors. The 15i 18TG BGS is designed for heavy-duty Tipper, especially in mining, it's launched and ramped up. Dia 394 Brakes are designed for specific customers which along with Dia 360 brakes will help the company in its goal to become the number 1 brake manufacturer. It has a good pipeline and is working further with Meritor/Cummins to develop new applications. With the help of Cummins' (and Merritor) superior technical know-how, the company is focused on developing industry-first products to have a competitive edge. It has introduced a Tandem axle for 8x4 Tippers (DCDL Optional) and, a Solo HR Axle for backhoe & loader. These new products mostly have better realization & margins. The aim is to increase off-highway, defense & aftermarket business, and to improve market share in the brakes. Exports is a higher margin business with 9-10% revenue comes from it, and the aim is 20% in the mid-term. It is focusing on upgrading existing products that are lightweight, fuel efficient, have higher life durability and meet the demand of regional players. The delta that these products bring into the topline is monitorable.

Strategy to Focus on Growth and Sustainability

AAL Mission-25 strategy focuses on improving EBITDA margins, revenue growth, profitability, operational excellence, and customer value. AAL has continuous focus on working capital improvement and inventory optimisation and continuous focus on revenue improvement, new product development, operational excellence & cost optimisation as part of Mission 25 Strategy. AAL has embarked on Mission 25 strategy which focusses on growing revenues, enhance profitability, new business wins, operational excellence and customer

Automotive Axles 3Yr. Price Chart



value and is on track to achieve the stated goals. The company's growth strategy is to develop industry-first products, increase content per vehicle, gain domestic market share, and expand export market outreach. In FY24, the company has launched Mission-28 strategy which will focuses in Improvising Sustainable Parameters, Green Manufacturing, Sustainability Maturity, Sustainability Excellence, Sustainability Certifications, Carbon Neutral and Excellence in Sustainability.

Improving Operational Efficiency

The company has made several strategic investments to improve production lines and increase efficiency. One of the key investments focused on computer numeric control (CNC) equipment, which enabled the company to manufacture new models and variants, while also boosting productivity, maintaining flexibility, and responding quickly to varying demands. To further enhance the manufacturing processes, the company has reorganised its plant by adopting single-piece flow and cell concepts, which helped to eliminate non-value-added activities and improve productivity through the multi-manning of machines. As a result, the company is able to improve cost competitiveness and remain a leading provider of high-quality gears for global markets. To support the efforts, the company has incorporated Industry 4.0 technology and the Internet of Things (IoT) into a new axle assembly line. As a result, the company is able to achieve higher operational efficiency and effectiveness. In line with the company's commitment to adopting best practices, the company began implementing Total Productive Maintenance (TPM) to enhance the manufacturing systems.

Key Risks

- Higher than expected MHCV volume uptake by fleet operators/ replacement demand.
- Macroeconomic headwinds as the company remains exposed to the cyclicality in the M&HCV industry.
- The company is highly dependent on Ashok Leyland as it accounts for over 50% of revenues.

Valuation

Automotive Axles is the leader in CV axles and the second largest player in brakes. The Union Budget proposed to increase capital expenditure spending, focusing on augmenting core infrastructure assets, including roads, railways, airports and logistics. Increased government spending on public transport, Voluntary Vehicle Scrappage policy and increased Infrastructure spends by the government are positive triggers for the industry. The company has sufficient spare capacity to meet the increasing demand for the next few years. With the help of Cummins' (and Merritor) superior technical know-how, the company is focused on developing industry-first products to have a competitive edge. The aim is to increase off-highway, defense & aftermarket business, and to improve market share in the brakes. It is focusing on upgrading existing products that are lightweight, fuel efficient, have higher life durability and meet the demand of regional players. AAL has continuous focus on working capital improvement and inventory optimisation and continuous focus on revenue improvement, new product development, operational excellence & cost optimisation as part of Mission 25 Strategy. The company has launched Mission-28 strategy which will focuses on Green Manufacturing, Sustainability and Carbon Neutral. The company has also improved its operational efficiency by incorporating Industry 4.0 technology and the Internet of Things (IoT) into a new axle assembly line. Softening of raw material prices is also likely to benefit the company in expanding its margins. Thus, we recommend our investors to BUY the scrip with target of Rs. 2600 from 12 months investment perspective. At the CMP, the scrip is valued at P/E multiple of 19.2x on FY25E EPS.

Particulars (in Rs Cr)	FY22	FY23	FY24E	FY25E
Net Sales	1490.6	2323.7	2244.7	2136.9
Growth (%)	64.6	55.9	-3.4	-4.8
EBITDA	134.7	257.5	246.9	215.8
EBITDA Margin (%)	9.0	11.1	11.0	10.1
Net profit	74.4	162.0	168.4	147.4
Net Profit Margin (%)	5.0	7.0	7.5	6.9
EPS (Rs)	49.2	107.2	111.4	97.6

Consensus Estimate: Bloomberg, Ashika Research

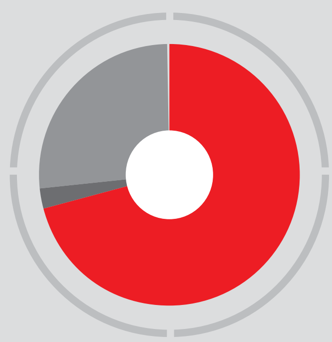
Expoleo Solutions Ltd.

CMP: Rs 1,317	Rating: BUY	Target: Rs 1,900

Company Information

BSE Code	533121
NSE Code	EXPLEOSOL
Bloomberg Code	EXPLEOSO:IN
ISIN	INE201K01015
Market Cap (Rs. Cr)	2,050
Outstanding shares (Cr)	1.551
52-wk Hi/Lo (Rs.)	1,771/1,201
Avg. daily volume (1yr. on NSE)	31,960
Face Value (Rs.)	10.00
Book Value	384.4

Shareholding Pattern as on 31st March 2024



Company Overview

Expleo Solutions Ltd. is an India based company that primarily provides software testing services to its clients. The company is a part of the Expleo Group that operates globally. It offers software validation and verification services to the BFSI industry around the world. Its services also include test management, UX testing, mobile testing and functional and nonfunctional testing etc. Apart from that, the company also develops software and provides consulting services on technology for the companies in aerospace, automotive, defense and rail industry. Almost 72% of its income come from fees for services from the clients based on time required to complete the assigned job. The company operates globally and it has its clients in Europe, North America, Middle East and APAC. It had 211 active clients as of Q3FY24. While it has headquarter in Chennai, it has offices and centers across the country.

Investment Rationale

Strong Client Base

In FY23, the company reported 93% revenue contribution from the existing clients, which indicates its loyal client base. Its client base increased slightly from 206 in Q2FY24 to 211 in Q3FY24, during times when IT industry was under immense pressure and many players were losing clients. In December quarter, its Top-10 clients contributed 48% to the total revenue vs. 50% in the previous quarter, while Top-5 clients contributed 29% to total revenue vs. 31% in the previous quarter, which indicates that the company wants to diversify its revenue sources and achieve stability in long-term. BFSI is one of the major industries from which the company has its client base. Progress of the Indian BFSI sector with 31% YoY growth is a positive sign for the company. It had 14 customers with a revenue range of \$0.5mn to \$1mn in December quarter, which was 17 in Q2FY24, and 23in Q3FY23, indicating efforts to target smaller clients and penetrate new markets for ensuring revenue growth from diversified channels.

The company has a strong global presence. Being a part of the large Expleo Group, it has edge over others in global markets

Strong Global Presence & Strategic Acquisition to Drive Growth

The company has a strong global presence. Being a part of the large Expleo Group, it has edge over others in global markets. The company has a pretty plausible history of operations in India, the UK, Europe and the Middle East. More than 50% of its revenue was earned from Europe in 3QFY24. While North American market contributed 11% to its revenue, the emerging Asian market contributed more than 38%. Expleo has subsidiary companies in the USA, the UK, Singapore and the UAE, which shows its continued interest in global expansions. The company has branches in Belgium and Philippines. It also has global delivery centres in Coimbatore and Mumbai. The company has incorporated a new branch by the name of 'Expleo Solutions, Israel' in February this year. Previously, the company had incorporated a WOS company in Dubai as well. Expleo made a strategic acquisition of Lucid Technologies & Solutions, who was known for the expertise in data security, data governance and augmented analytics. With this acquisition, Expleo gained control of Lucid's talented pool of staffs, which consists of data specialists and access to Lucid's business contracts from clients of various industries, which consists of Fortune 500 companies and unicorns.

Expleo Solutions ltd. 3 Yr Price Chart

Focused Approach towards Growth

The company seems to be positioning itself strategically to make the most of the emerging trends and technological advancements in the industry. Targeted investments, strategic acquisitions and continuous innovation augur well for the company. Its expertise in digital technologies like exploration of Gen AI for quality assurance represents its focus to compete with its peers and stay ahead of them. The company is also collaborating with external consultants and internal team to drive innovation within the organization. The company is addressing critical industry needs by acknowledging the importance of data management to support AI and ML. The management has realistic understanding of its strengths and market position, which can be derived from the plans of combining smaller opportunities to achieve significant revenue growth.

Distinct Focus on R&D

Robust focus on R&D is one of the key growth drivers for the company and supports the company's position at the top in developing innovative products and services specifically customized as per the requirement of the clients. Efficient R&D spending distinguishes the company from the competitors, and aids it to secure new deals and retain the existing customers. Besides, a strong R&D

team allows the company to quickly adjust to market changes. Through innovation and branching out its services, the company diversifies its market, strengthens customer relationships, and shields itself from the risks associated with technology disruptions and regulatory compliance. In addition to this, emphasis on R&D helps to develop the capability to retain the top talent, which is the key factor to sustain innovation and ensure growth.

Key Risks

- Increase in competitive intensity.
- Global economic slowdown.
- Adverse currency movement.

Valuation

Expleo Solutions seems to have a competitive position in the market with a strong global presence on the back of its association with Expleo Group. High focus on

High focus on strategic growth through continuous advancements in the ever-evolving technology industry is evident from its strategic acquisition and exploration in Gen AI. The company shows promising prospects post acquisition of Lucid and getting access to the latter's contracts and talent pool.

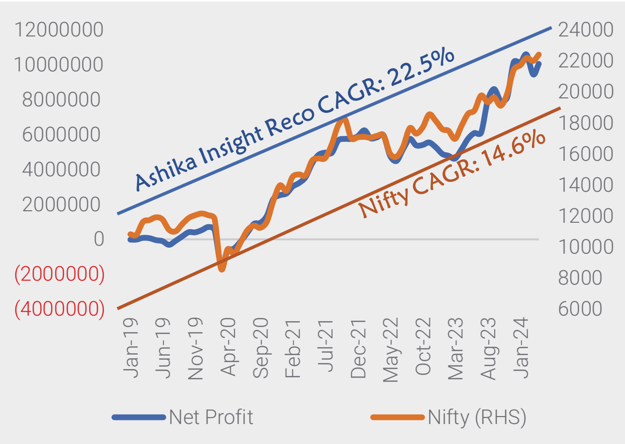
strategic growth through continuous advancements in the ever-evolving technology industry is evident from its strategic acquisition and exploration in Gen AI. The company shows promising prospects post acquisition of Lucid and getting access to the latter's contracts and talent pool. The company also gives high value to customer satisfaction, which can be realized from its strong and growing client base that too in a volatile market. The company's focus on R&D to distinguish from its competitors indicates a brighter future. Though the risks such as economic slowdowns due to geopolitical tensions may have an adverse effect on the industry, the management seems to have a strategic plan to overcome the situation. We recommend our investors to BUY the scrip with a target of Rs.1,900 from 12 months perspective. At CMP, the stock trades at P/E multiple of 16.4x on FY25E Bloomberg consensus EPS of Rs 80.

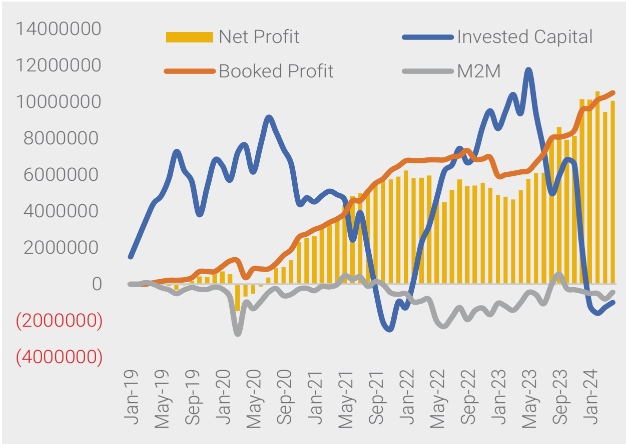
Particulars (in Rs Cr)	FY22	FY23	FY24E	FY25E
Revenue	742.5	903.3	954.7	1,132.2
Growth (%)	146.8%	21.7%	5.7%	18.6%
EBITDA	124.1	200.1	157.5	203.8
EBITDA Margin (%)	16.7%	22.2%	16.5%	18.0%
Net profit	67.7	133.3	93.1	124.1
Net Profit Margin (%)	9.1%	14.8%	9.8%	11.0%
EPS (Rs)	43.6	85.9	60.0	80.0

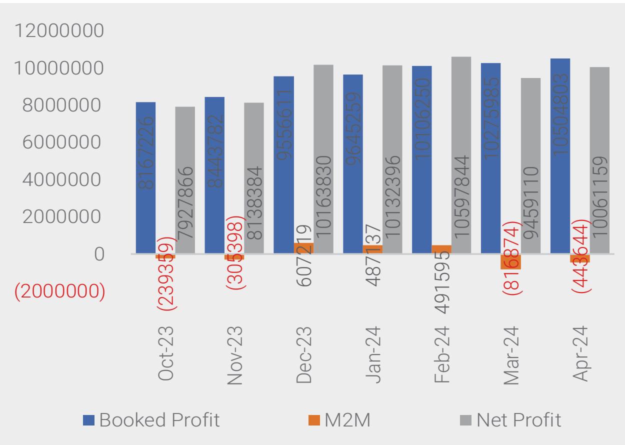
Consensus Estimate: Bloomberg, Ashika Research

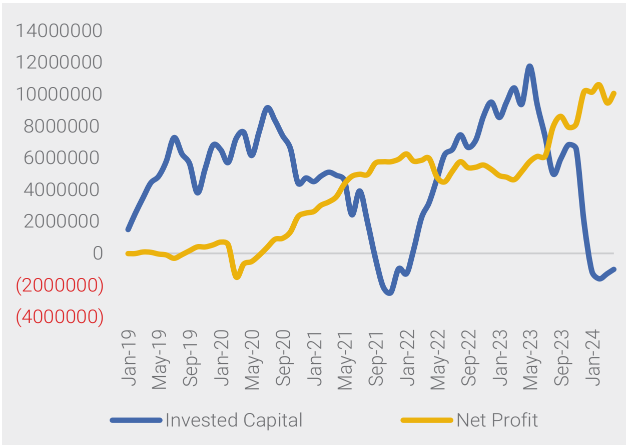
Monthly *Insight* Performance

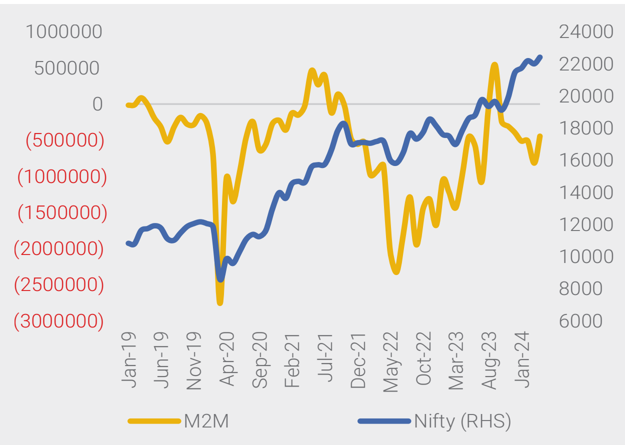
Since Jan-2019... Return @CAGR 22.5%

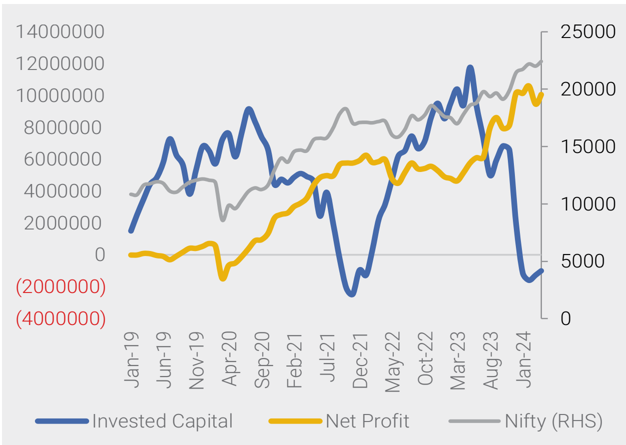












** All Figures quoted in Rs.*
Calculated as on April 26, 2024

Monthly Profit & Loss Fact Sheet (Rs.)

Date	Invested Capital	Booked Profit	M2M	Net Profit
31-Jan-19	1496513	0	(15549)	(15549)
28-Feb-19	2500555	0	(12120)	(12120)
31-Mar-19	3499100	0	87058	87058
30-Apr-19	4423753	77386	(8924)	68462
31-May-19	4843373	149734	(192232)	(42498)
30-Jun-19	5780649	212997	(312556)	(99559)
31-Jul-19	7280745	212997	(523193)	(310197)
31-Aug-19	6252245	237315	(318110)	(80795)
30-Sep-19	5638553	351653	(183965)	167688
31-Oct-19	3805452	689902	(279263)	410639
30-Nov-19	5300467	689902	(286815)	403087
31-Dec-19	6799062	689902	(159580)	530321
31-Jan-20	6506557	981148	(270658)	710490
29-Feb-20	5711903	1272382	(733289)	539092
31-Mar-20	7207537	1272382	(2755943)	(1483561)
30-Apr-20	7623497	356948	(1030982)	(674034)
31-May-20	6149806	833936	(1351330)	(517394)
30-Jun-20	7651620	833936	(956088)	(122152)
31-Jul-20	9152079	833936	(463266)	370670
31-Aug-20	8360481	1124891	(241678)	883213
30-Sep-20	7410397	1581629	(634208)	947421
31-Oct-20	6589893	1902621	(554750)	1347871
30-Nov-20	4415962	2580822	(272418)	2308404
31-Dec-20	4744368	2757455	(224457)	2532998
31-Jan-21	4512183	2992911	(360195)	2632716
28-Feb-21	4855257	3147357	(126852)	3020505
31-Mar-21	5103512	3388344	(151565)	3236779
30-Apr-21	4908741	3581795	(17805)	3563990
31-May-21	4608003	3892602	463903	4356505
30-Jun-21	2426006	4576540	266976	4843516
31-Jul-21	3924461	4576540	397901	4974441
31-Aug-21	1920864	5080743	(120808)	4959935
30-Sep-21	(262189)	5531501	137699	5669200
31-Oct-21	(2096994)	5785074	(23817)	5761257
30-Nov-21	(2471736)	6236551	(475411)	5761140
31-Dec-21	(967066)	6476478	(557270)	5919208
31-Jan-22	(1274299)	6780638	(526905)	6253733
28-Feb-22	227695	6780638	(978700)	5801938
31-Mar-22	2234090	6780638	(927092)	5853545
30-Apr-22	3191862	6822476	(847570)	5974906

Date	Invested Capital	Booked Profit	M2M	Net Profit
31-May-22	4693522	6822476	(2027276)	4795200
30-Jun-22	6199838	6822476	(2326826)	4495650
31-Jul-22	6539891	6981380	(1806319)	5175061
31-Aug-22	7455860	7049526	(1284541)	5764985
30-Sep-22	6660708	7339923	(1947791)	5392132
31-Oct-22	7128537	6867311	(1448534)	5418776
30-Nov-22	8623447	6869761	(1313427)	5556334
31-Dec-22	9514858	6957848	(1676947)	5280901
31-Jan-23	8541674	5948108	(1052422)	4895686
28-Feb-23	9476280	6009741	(1214097)	4795644
31-Mar-23	10410838	6073470	(1436989)	4636481
30-Apr-23	9379006	6159776	(1003269)	5156506
31-May-23	11776768	6223909	(455615)	5768294
30-Jun-23	9320848	6680367	(581667)	6098701
31-Jul-23	7319615	7186480	(1073301)	6113179
31-Aug-23	4997860	8006795	(51069)	7955726
30-Sep-23	5932260	8072015	546541	8618556
31-Oct-23	6838280	8167226	(239359)	7927866
30-Nov-23	6561031	8443782	(305398)	8138384
31-Dec-23	1947369	9556611	607219	10163830
31-Jan-24	(1138191)	9645259	487137	10132396
29-Feb-24	(1603055)	10106250	(508405)	10597844
31-Mar-24	(1276564)	10275985	(816874)	9459110
26-Apr-24	(1005468)	10504803	(443644)	10061159

**Booked Profit = Profit booked after target achieved*

***M2M = Open position marked to market as on date*

****Net profit = Booked Profit + M2M P/L*

*****Invested Capital = Stock investment as recommended (minus) Stock sold on target*

******Calculation based on Rs. 5 lac invested on each stock recommended in our monthly insight on release date*

*******All Figures quoted in Rs.*

******* Calculated as on April 26, 2024*

Monthly *Insight*

Recommendation Performance Sheet

Script	Buying Date	QTY	Bought Rate	Value	Target Price	Target Return	Booked Date	Booked Price	Value	Profit	Return	Holding Days	Annu-alised Return
Dabur India	18-Apr-24	994	503	499982	580	15.3%							
Automotive Axles	18-Apr-24	278	1796	499288	2600	44.8%							
Expleo Solutions	18-Apr-24	389	1285	499865	1900	47.9%							
Bajaj Consumer Care	18-Mar-24	2304	217	499968	252	16.1%							
Bandhan Bank	15-Mar-24	2778	180	500040	260	44.4%							
Aditya Birla Fashion	15-Mar-24	2488	201	500088	260	29.4%	23-Apr-24	260	646880	146792	29.4%	39	275%
Affle India	01-Mar-24	447	1118	499746	1300	16.3%							
HDFC Bank	16-Feb-24	357	1400	499800	1600	14.3%							
Kotak Mahindra Bank	16-Feb-24	288	1735	499680	2015	16.1%							
NHPC	02-Feb-24	5495	91	500045	113	24.2%	05-Feb-24	113	620935	120890	24.2%	3	2941%
Castrol India	02-Feb-24	2646	189	500094	220	16.4%	09-Apr-24	220	582120	82026	16.4%	67	89%
Galaxy Surfactants	02-Feb-24	186	2692	500712	3170	17.8%							
Maruti Suzuki India	01-Jan-24	49	10300	504700	11915	15.7%	20-Mar-24	11915	583835	79135	15.7%	79	72%
Tata Chemicals	01-Jan-24	453	1100	498300	1260	14.5%	07-Mar-24	1260	570780	72480	14.5%	66	80%
Praj Industries	01-Jan-24	901	556	500956	640	15.1%							
Jio Financial Services	01-Dec-23	2183	229	499907	265	15.7%	15-Jan-24	265	578495	78588	15.7%	45	128%
National Aluminium Co.	01-Dec-23	5435	92	500020	106	15.2%	15-Dec-23	106	576110	76090	15.2%	14	397%
Gujarat State Petronet	01-Dec-23	1730	289	499970	330	14.2%	01-Jan-24	321	555330	55360	11.1%	31	130%
Hindustan Unilever	01-Nov-23	201	2484	499284	2750	10.7%							
Petronet LNG	01-Nov-23	2513	199	500087	230	15.6%	01-Jan-24	227	570451	70364	14.1%	61	84%
Aditya Birla Fashion	01-Nov-23	2326	215	500090	250	16.3%	03-Jan-24	243	565218	65128	13.0%	63	75%
ICICI Bank	03-Oct-23	525	952	499800	1094	14.9%	24-Jan-24	1028	539700	39900	8.0%	113	26%
Gujarat Gas	03-Oct-23	1182	423	499986	490	15.8%	01-Jan-24	476	562632	62646	12.5%	90	51%
Granules India	03-Oct-23	1408	355	499840	410	15.5%	20-Dec-23	410	577280	77440	15.5%	78	72%
JK Lakshmi Cement	01-Sep-23	741	675	500175	780	15.6%	06-Nov-23	780	577980	77805	15.6%	66	86%
Sansera Engineering	01-Sep-23	523	955	499465	1115	16.8%							
Avalon Technologies	01-Sep-23	1000	500	500000	640	28.0%							
Aptus Value Hsg. Fin.	01-Aug-23	1767	283	500061	330	16.6%	11-Dec-23	330	583110	83049	16.6%	132	46%
Steel Strips Wheels	01-Aug-23	2000	250	500000	301	20.4%							
Bajaj Consumer Care	01-Aug-23	2304	217	499968	260	19.8%	29-Aug-23	260	599040	99072	19.8%	28	258%
State Bank of India	03-Jul-23	874	572	499928	650	13.6%	15-Dec-23	650	568100	68172	13.6%	165	30%
Coal India	03-Jul-23	2174	230	500020	260	13.0%	07-Sep-23	260	565240	65220	13.0%	66	72%
UPL	03-Jul-23	728	687	500136	780	13.5%							
HDFC Bank	01-Jun-23	310	1611	499410	ADD		03-Jul-23	1750	542500	43090	8.6%	32	98%
ICICI Lombard Gen. Ins.	01-Jun-23	423	1181	499563	ADD		17-Nov-23	1460	617580	118017	23.6%	169	51%
Coromandel International	01-Jun-23	521	960	500160	1110	15.6%	24-Aug-23	1110	578310	78150	15.6%	84	68%
Tech Mahindra	02-May-23	488	1024	499712	1180	15.2%	02-Jun-23	1130	551440	51728	10.4%	31	122%
Hero MotoCorp	02-May-23	195	2560	499200	2919	14.0%	02-Jun-23	2880	561600	62400	12.5%	31	147%

Script	Buying Date	QTY	Bought Rate	Value	Target Price	Target Return	Booked Date	Booked Price	Value	Profit	Return	Holding Days	Annu-alised Return
ICICI Securities	02-May-23	1129	443	500147	521	17.6%	02-Jun-23	500	564500	64353	12.9%	31	151%
Divi's Lab	01-Apr-23	177	2823	499671	ADD								
Container Corp	01-Apr-23	862	580	499960	ADD		07-Dec-23	830	715460	215500	43.1%	250	63%
Bayer Cropscience	01-Apr-23	123	4080	501840	ADD		31-Jan-24	6130	753990	252150	50.2%	305	60%
Tata Consumer Products	01-Mar-23	700	714	499916	ADD		20-Nov-23	935	654500	154584	30.9%	264	43%
Jubilant FoodWorks	01-Mar-23	1135	442	501203	ADD								
Crompton Greaves Cons.	01-Mar-23	1630	307	499638	ADD								
ICICI Bank	02-Feb-23	600	831	498857	964	15.9%	05-Jul-23	964	578400	79543	15.9%	153	38%
Indraprastha Gas	02-Feb-23	1180	424	499833	496	17.1%	18-Apr-23	496	585280	85447	17.1%	75	83%
AIA Engineering	02-Feb-23	176	2844	500624	3200	12.5%	09-Jun-23	3200	563200	62576	12.5%	127	36%
Bharat Electronics	02-Jan-23	4975	101	500847	115	14.2%	05-Jun-23	115	572125	71278	14.2%	154	34%
Zydus Lifesciences	02-Jan-23	1195	419	500752	480	14.5%	06-Feb-23	472	563622	62870	12.6%	35	131%
KPIT Technologies	02-Jan-23	715	701	501361	800	14.1%	02-Feb-23	785	561404	60043	12.0%	31	141%
Bank of Baroda	01-Dec-22	2985	168	500818	197	17.4%	09-Dec-22	197	587030	86213	17.2%	8	785%
Balkrishna Industries	01-Dec-22	243	2053	498853	2370	15.4%	20-Jan-23	2215	538230	39377	7.9%	50	58%
Mirza International	01-Dec-22	1618	310	500806	370	19.5%	14-Aug-23	540	873720	372914	74.5%	256	106%
Reliance Industries	01-Nov-22	194	2578	500110	2850	10.6%	19-Jul-23	2850	552900	52790	10.6%	260	15%
HDFC Bank	01-Nov-22	332	1507	500187	1750	16.2%	03-Jul-23	1750	581000	80813	16.2%	244	24%
Titan Company	01-Nov-22	180	2776	499638	3120	12.4%	07-Jul-23	3120	561600	61962	12.4%	248	18%
Divi's Lab	03-Oct-22	135	3706	500359	4110	10.9%							
Oracle Fin. Serv. Software	03-Oct-22	167	2990	499352	3460	15.7%	27-Apr-23	3460	577820	78468	15.7%	206	28%
Crompton Greaves Cons.	03-Oct-22	1214	413	501965	485	17.3%							
Tata Consultancy Services	01-Sep-22	158	3160	499252	3650	15.5%	09-Oct-23	3650	576700	77448	15.5%	403	14%
Tata Consumer Products	01-Sep-22	618	810	500803	935	15.4%	20-Nov-23	935	577830	77027	15.4%	445	13%
Jubilant FoodWorks	01-Sep-22	816	612	499711	710	15.9%							
Nestle India	01-Aug-22	25	19475	486886	22200	14.0%	08-May-23	22200	555000	68114	14.0%	280	18%
Bayer Cropscience	01-Aug-22	94	5349	502839	6037	12.9%	31-Jan-24	6130	576220	73381	14.6%	548	10%
Whirlpool of India	01-Aug-22	280	1783	499257	2035	14.1%							
Siemens	01-Jul-22	210	2385	500870	2750	15.3%	21-Jul-22	2735	574413	73543	14.7%	20	268%
United Spirits	01-Jul-22	655	762	498984	875	14.9%	16-Sep-22	869	568868	69883	14.0%	77	66%
Ashok Leyland	01-Jul-22	3380	148	501100	170	14.7%	15-Sep-22	167	564122	63022	12.6%	76	60%
ICICI Lombard Gen. Ins.	01-Jun-22	394	1270	500416	1460	15.0%	17-Nov-23	1460	575240	74824	15.0%	534	10%
PI Industries	01-Jun-22	180	2784	501033	3203	15.1%	04-Aug-22	3195	575010	73977	14.8%	64	84%
Abbott India	01-Jun-22	28	18031	504867	20500	13.7%	01-Aug-22	20465	573013	68146	13.5%	61	81%
ICICI Bank	02-May-22	682	733	500096	874	19.2%	10-Aug-22	848	578316	78219	15.6%	100	57%
Sumitomo Chemical India	02-May-22	1175	426	501128	500	17.2%	11-Jul-22	499	586490	85361	17.0%	70	89%
NLC India	02-May-22	6160	81	500435	104	28.0%	30-Jun-23	104	640640	140205	28.0%	424	24%
SAIL	01-Apr-22	5050	99	500810	115	16.0%	18-Dec-23	115	580750	79940	16.0%	626	9%
Aditya Birla Fashion	01-Apr-22	1640	304	499253	350	15.0%	30-Sep-22	349	573016	73763	14.8%	182	30%
Fairchem Organics	01-Apr-22	328	1525	500265	1950	27.9%	10-Aug-22	1847	605786	105521	21.1%	131	59%
Birlasoft	02-Mar-22	1215	413	501441	ADD		20-Jan-23	296	359640	-141801	-28.3%	324	-32%
Zydus Wellness	02-Mar-22	315	1592	501623	ADD		01-Jan-24	1675	527625	26002	5.2%	670	3%
Johnson Cont - Hitachi AC	02-Mar-22	268	1862	499064	ADD		20-Jan-23	1108	296845	-202219	-40.5%	324	-46%
Himatsingka Seide	02-Mar-22	3050	165	504268	ADD		27-Oct-22	93	284138	-220130	-43.7%	239	-67%
Asian Paints	02-Feb-22	156	3210	500821	3690	14.9%							
Ultratech Cement	02-Feb-22	66	7588	500809	8700	14.7%	15-Jun-23	8400	554400	53591	10.7%	498	8%
Cipla	02-Feb-22	528	948	500363	1088	14.8%	20-Sep-22	1086	573477	73114	14.6%	230	23%
G R Infraprojects	03-Jan-22	285	1748	498180	2029	16.1%	01-Jan-24	1145	326325	-171855	-34.5%	728	-17%
Birlasoft	03-Jan-22	915	549	501916	630	14.8%	20-Jan-23	297	271298	-230618	-45.9%	382	-44%
Medplus Health	03-Jan-22	480	1041	499578	1320	26.8%	27-Jan-22	1318	632510	132933	26.6%	24	405%
ICICI Bank	01-Dec-21	700	718	502343	825	15.0%	12-Jan-22	824	576506	74163	14.8%	42	128%
Fortis Healthcare	01-Dec-21	1775	283	501500	325	15.0%	19-Sep-22	324	575881	74381	14.8%	292	19%

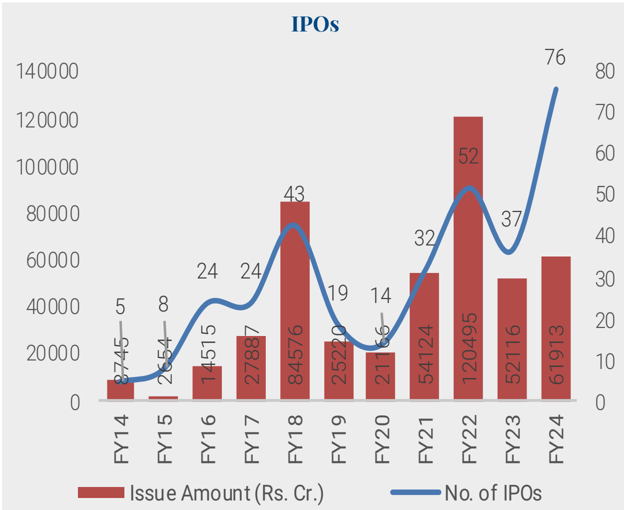
Script	Buying Date	QTY	Bought Rate	Value	Target Price	Target Return	Booked Date	Booked Price	Value	Profit	Return	Holding Days	Annu-alised Return
Affle India	01-Dec-21	434	1154	500828	1380	19.6%	11-Jan-22	1378	597891	97063	19.4%	41	173%
Container Corp	01-Nov-21	758	660	500480	830	25.7%	07-Dec-23	830	629140	128660	25.7%	766	12%
Sobha	01-Nov-21	640	782	500687	890	13.8%	03-Nov-21	930	595053	94366	18.8%	2	3440%
Johnson Cont - Hitachi AC	01-Nov-21	238	2102	500340	2550	21.3%	20-Jan-23	1108	263616	-236724	-47.3%	445	-39%
Aptus Value Hsg. Fin.	01-Oct-21	1575	318	500718	450	41.5%	31-Mar-22	344	541422	40704	8.1%	181	16%
Birlasoft	01-Oct-21	1225	409	500512	485	18.7%	18-Nov-21	296	362600	-137912	-27.6%	48	-210%
Himatsingka Seide	01-Oct-21	1850	270	500359	340	25.7%	27-Oct-22	93	172346	-328013	-65.6%	391	-61%
HCL Tech	01-Sep-21	420	1192	500630	1390	16.6%	14-Dec-23	1390	583800	83170	16.6%	834	7%
Whirlpool of India	01-Sep-21	233	2149	500645	2480	15.4%	12-Oct-21	2476	576845	76200	15.2%	41	135%
Zydus Wellness	01-Sep-21	214	2342	501225	2680	14.4%	01-Jan-24	1675	358450	-142775	-28.5%	852	-12%
Jubilant Foodworks	02-Aug-21	133	3776	502266	4340	14.9%	12-Oct-21	4333	576228	73962	14.7%	71	76%
Can Fin Homes	02-Aug-21	920	545	501193	650	19.3%	08-Sep-21	649	596970	95776	19.1%	37	189%
Arvind	02-Aug-21	4750	105	500083.7	135	28.2%	19-Oct-21	135	640158	140074	28.0%	78	131%
Tech Mahindra	01-Jul-21	455	1098	499537.7	1270	15.7%	06-Aug-21	1268	576858	77320	15.5%	36	157%
Hero Motocorp	01-Jul-21	172	2910	500519.4	3390	16.5%	20-Jan-23	2751	473148	-27371	-5.5%	568	-4%
Zee Entertainment	01-Jul-21	2310	217	500975.2	250	15.3%	14-Sep-21	250	576507	75532	15.1%	75	73%
Infosys	01-Jun-21	358	1402	502062.1	1610	14.8%	26-Jul-21	1607	575245	73183	14.6%	55	97%
HDFC Ltd.	01-Jun-21	195	2571	501426	2940	14.3%	27-Oct-21	2935	572313	70887	14.1%	148	35%
Natco Pharma	01-Jun-21	472	1060	500471.3	1230	16.0%	20-Jan-23	532	251283	-249188	-49.8%	598	-30%
ICICI Bank	03-May-21	845	593	499800	720	21.4%	31-Aug-21	717	605671	105871	20.8%	120	63%
DCM Shriram	03-May-21	700	716	499833	840	17.3%	22-Jun-21	839	586992	87159	17.1%	50	125%
Indian Metals & Ferro Alloys	03-May-21	1125	445	499840	570	28.2%	22-Jun-21	550	618908	119068	23.7%	50	173%
Vardhman Textiles	01-Apr-21	375	1330	498785	1550	16.5%	12-Jul-21	1547	580249	81464	16.3%	102	58%
Kirloskar Oil Engines	01-Apr-21	2960	170	502879	208	22.4%	11-May-21	203	600051	97172	19.3%	40	176%
Amrutanjan Health Care	01-Apr-21	870	575	499864	670	16.6%	11-May-21	669	581900	82035	16.4%	40	150%
Divis Lab	01-Mar-21	147	3407	500807	3900	14.5%	27-Apr-21	3893	572315	71508	14.3%	57	91%
Supreme Industries	01-Mar-21	240	2068	496299	2350	13.6%	17-Sep-21	2350	564000	67701	13.6%	200	25%
Somany Home Innov.	01-Mar-21	1700	290	493763	370	27.4%	08-Jun-21	370	629000	135237	27.4%	99	101%
Infosys	02-Feb-21	390	1276	497754	1457	14.2%	12-Apr-21	1471	573869	76116	15.3%	69	81%
Kajaria Ceramics	02-Feb-21	595	839	499295	980	16.8%	16-Feb-21	972	578102	78807	15.8%	14	412%
Borosil Renewables	02-Feb-21	1810	276	500329	340	23.0%	09-Aug-21	340	615400	115071	23.0%	188	45%
BPCL	01-Jan-21	1312	383	502046	480	25.4%	02-Mar-21	469	615577	113531	22.6%	60	138%
Welspun India	01-Jan-21	7353	69	508230	84	21.5%	12-Mar-21	84	616623	108393	21.3%	70	111%
Kaveri Seed	01-Jan-21	962	525	504955	650	23.8%	10-May-21	649	624223	119268	23.6%	129	67%
Bosch	01-Dec-20	39	12842	500840	15200	18.4%	19-Jan-21	15174	591781	90941	18.2%	49	135%
Sumitomo Chemical	01-Dec-20	1750	286	501133	340	18.7%	02-Jun-21	340	595000	93867	18.7%	183	37%
Prestige Estate	01-Dec-20	1850	271	500563	312	15.3%	18-Feb-21	311	576201	75638	15.1%	79	70%
MRF	02-Nov-20	7	66042	462295	76588	16.0%	19-Nov-20	76456	535194	72899	15.8%	17	339%
Dixon	02-Nov-20	52	9586	498474	11268	17.5%	26-Nov-20	11249	584928	86455	17.3%	24	264%
Privi Speciality Chem.	02-Nov-20	910	549	499328	640	16.6%	21-Jan-21	639	581399	82071	16.4%	80	75%
Ultratech Cement	01-Oct-20	122	4095	499594	4543	10.9%	19-Oct-20	4535	553293	53699	10.7%	18	218%
Essel Propack	01-Oct-20	2025	248	501522	290	17.1%	11-Jan-21	290	586238	84715	16.9%	102	60%
Valiant Organics	01-Oct-20	168	2970	498946	3350	12.8%	09-Oct-20	3344	561832	62886	12.6%	8	575%
Mishra Dhatu Nigam	01-Sep-20	2400	209	502246	260	24.2%	30-Sep-21	191	457200	-45046	-9.0%	394	-8%
Hawkins Cooker	01-Sep-20	103	4852	499740	5890	21.4%	29-Dec-20	5671	584118	84379	16.9%	119	52%
Phillips Carbon Black	01-Sep-20	4275	117	501035	151	28.8%	25-Oct-20	148	630563	129527	25.9%	54	175%
Wipro	03-Aug-20	1770	282	499999	325	15.1%	05-Oct-20	325	574878	74880	15.0%	63	87%
Divis Lab	03-Aug-20	190	2644	502371	3050	15.4%	10-Aug-20	3058	581026	78654	15.7%	7	816%
Fine Organics	03-Aug-20	230	2177	500822	2470	13.4%	24-Aug-20	2466	567123	66300	13.2%	21	230%
ICICI Securities	01-Jul-20	1050	476	499818	620	30.2%	03-Jun-21	601	631050	131232	26%	337	28%

Script	Buying Date	QTY	Bought Rate	Value	Target Price	Target Return	Booked Date	Booked Price	Value	Profit	Return	Holding Days	Annu-alised Return
Apollo Tyres	01-Jul-20	4600	109	501341	130	19.3%	10-Aug-20	127	582498	81157	16.2%	40	148%
Galaxy Surfactants	01-Jul-20	335	1490	499300	1680	12.7%	04-Aug-20	1684	564130	64829	13.0%	34	139%
Nestle India	01-Jun-20	28	17571	491987	19500	11.0%	20-Aug-21	19500	546000	54013	11%	445	9%
Tech Mahindra	01-Jun-20	925	541	500453	ADD		29-Sep-20	774	715691	215238	43.0%	120	131%
Abbott India	01-Jun-20	30	16979	509375	19464	14.6%	02-Aug-21	19464	583920	74545	14.6%	427	13%
Bharti Airtel	04-May-20	985	508	500232	610	20.1%	20-May-20	606	597058	96826	19.4%	16	442%
Pfizer	04-May-20	102	4934	503304	5800	17.5%	28-Jun-21	5600	571200	67896	13.5%	420	12%
Bayer Cropscience	04-May-20	116	4287	497334	5425	26.5%	27-May-20	5281	612584	115251	23.2%	23	368%
ITC	01-Apr-20	2950	170	502363	ADD		17-Nov-21	240	708000	205637	40.9%	595	25%
Britannia Industries	01-Apr-20	184	2719	500320	ADD		29-May-20	3384	622704	122384	24.5%	58	154%
TCS	01-Apr-20	274	1827	500508	ADD		14-Sep-20	2480	679520	179012	35.8%	166	79%
HDFC Bank	01-Apr-20	586	852	499290	ADD		10-Nov-20	1361	797739	298450	59.8%	223	98%
Britannia Industries	02-Mar-20	164	3048	499888	3400	11.5%	29-May-20	3384	555019	55130	11.0%	88	46%
Aarti Industries	02-Mar-20	505	990	499799	1177	18.9%	05-May-20	1139	575018	75220	15.1%	64	86%
Metropolis Healthcare	02-Mar-20	263	1886	495946	2200	16.7%	23-Nov-20	2187	575165	79219	16.0%	266	22%
Bajaj Finance	03-Feb-20	115	4306	495178	5000	16.1%	01-Dec-20	4894	562761	67583	13.6%	302	16%
Gujarat State Petronet	03-Feb-20	2040	246	501493	300	22.0%	01-Apr-20	169	344168	-157325	-31.4%	58	-197%
Granules India	03-Feb-20	3600	140	502632	170	21.8%	07-Feb-20	164	591156	88524	17.6%	4	1607%
Concor	01-Jan-20	870	575	500239	665	15.7%	25-May-21	665	578550	78311	15.7%	510	11%
Mahanagar Gas	01-Jan-20	470	1066	501095	1164	9.2%	23-Jan-20	1162	546140	45045	9.0%	22	149%
SIS	01-Jan-20	1020	490	500147	568	15.8%	07-Feb-20	559	570119	69972	14.0%	37	138%
HDFC Life	02-Dec-19	875	571	499608	680	19.1%	17-Nov-20	671	586740	87133	17.4%	351	18%
Dr. Reddy’s Lab	02-Dec-19	171	2923	499818	3503	19.8%	07-Apr-20	3554	607713	107896	21.6%	127	62%
Just Dial	02-Dec-19	875	570	499170	750	31.5%	01-Apr-20	288	251615	-247555	-49.6%	121	-150%
IRCTC	01-Nov-19	561	893	500709	1170	31.1%	30-Jan-20	1158	649638	148929	29.7%	90	121%
PI Industries	01-Nov-19	350	1432	501323	1613	12.6%	07-Feb-20	1612	564109	62787	12.5%	98	47%
Procter & Gamble Hygiene	01-Nov-19	40	12325	492982	14078	14.2%	16-Apr-21	14026	561034	68052	13.8%	532	9%
HDFC Bank	01-Oct-19	405	1235	500212	1395	12.9%	10-Nov-20	1361	551339	51127	10.2%	406	9%
Indian Hotels	01-Oct-19	3130	160	500595	179	11.9%	01-Apr-20	74	230525	-270071	-53.9%	183	-108%
Siemens	01-Oct-19	330	1549	511213	1680	8.4%	23-Oct-19	1689	557420	46207	9.0%	22	150%
Gujarat Gas	01-Sep-19	2800	179	501501	200	11.7%	30-Oct-19	200	559048	57547	11.5%	59	71%
Hindustan Unilever	01-Sep-19	265	1888	500371	1975	4.6%	20-Sep-19	1957	518507	18136	3.6%	19	70%
Divi’s Lab	01-Aug-19	305	1636	498882	1750	7.0%	22-Oct-19	1757	535885	37003	7.4%	82	33%
ICICI Bank	01-Aug-19	1175	426	500234	473	11.1%	25-Oct-19	468	550206	49972	10.0%	85	43%
City Union Bank	01-Jul-19	2410	208	500935	254	22.2%	16-Jan-20	248	597005	96070	19.2%	199	35%
Reliance Nippon Life	01-Jul-19	2250	222	499773	265	19.3%	27-Aug-19	258	579510	79737	16.0%	57	102%
Sanofi India	01-Jul-19	87	5740	499387	6775	18.0%	29-Oct-19	6678	581029	81641	16.3%	120	50%
Asian Paints	01-Jun-19	346	1445	499797	1560	8.0%	02-Aug-19	1549	535985	36188	7.2%	62	43%
Axis Bank	01-Jun-19	614	812	498614	905	11.4%	18-Oct-21	820	503480	4866	1.0%	870	0%
Honeywell Automation	01-Jun-19	19	26087	495655	30195	15.7%	25-Oct-19	29105	552999	57344	11.6%	146	29%
MCX	01-May-19	575	868	499354	1005	15.7%	30-Aug-19	971	558147	58793	11.8%	121	36%
TCS	01-May-19	220	2259	496953	2490	10.2%	14-Sep-20	2480	545600	48647	9.8%	502	7%
Crompton Greaves Cons.	01-Apr-19	2138	234	501153	256	9.2%	20-Sep-19	251	536681	35528	7.1%	172	15%
Equitas Holdings	01-Apr-19	3637	138	500875	191	38.7%	01-Apr-20	42	152499	-348375	-69.6%	366	-69%
Page Industries	01-Apr-19	20	25219	504373	29080	15.3%	14-Aug-19	17525	350506	-153867	-30.5%	135	-82%
ITC	01-Mar-19	1800	278	500089	319	14.8%	13-Sep-21	215	387000	-113089	-23%	927	-9%
Tech Mahindra	01-Mar-19	605	824	498456	960	16.5%	29-Sep-20	774	468101	-30356	-6.1%	578	-4%
HDFC Bank	01-Feb-19	240	2101	504338	1204	-42.7%	20-May-19	2403	576686	72348	14.3%	108	48%
Pfizer	01-Feb-19	163	3066	499703	3490	13.8%	20-Sep-19	3389	552433	52730	10.6%	231	17%
Abbott India	01-Jan-19	65	7593	493527	8580	13.0%	11-Jun-19	8566	556790	63263	12.8%	161	29%
Indraprastha Gas	01-Jan-19	1850	273	504362	315	15.5%	08-Apr-19	314	581748	77386	15.3%	97	58%
United Spirits	01-Jan-19	800	623	498624	735	17.9%	14-Feb-20	711	568576	69952	14.0%	409	13%

Primary Market Rush

Rewarding year for Investors

The financial year 2024 witnessed a significant increase in the number of IPOs in the primary market compared to FY23. The strong demand for shares was fueled by buoyant secondary markets, strong participation of retail investors, and robust flows from institutional investors along with buoyed by positive investor sentiment and listing gains. Most of the IPOs in FY24 had substantial subscriptions and positive market movements during their listing days. The S&P BSE IPO index in FY24 surged 69%. About 76 companies accessed the public markets in FY24, raising nearly Rs 62,000 crore through mainboard Initial Public Offerings (IPOs). This is 19% higher than the Rs 52,116 crore mobilized by 37 companies in FY23, while FY22 recorded 52 IPOs raising a total of Rs 120495 crore, which is almost double in value of that of FY24. Further, FY21 witnessed 32 IPOs and FY20 saw 14 IPOs raising a total of Rs 54000 crores and Rs 21000 crores respectively. However, excluding the mega LIC IPO that came out in FY23, IPO mobilisation increased by 58% from the last fiscal.



Source: BSE, NSE, News Articles

The overall public equity fundraising, including from FPOs, OFS, and other avenues, increased 2.4 times to Rs 1.86 lakh crore in FY24 from Rs 76,911 crore in FY23. QIPs also saw a huge jump with 55 companies mobilising Rs 68,933 crore through QIPs in FY24, nearly 7 times higher than Rs 9,019 crore raised in FY23. The largest QIP was from Bajaj Finance raising Rs 8,800crore, accounting for 13% of the total QIP amount. QIPs were dominated by Banking and Financial Services companies with them accounting for 58% (Rs 40,020 crore) of the overall amount. Of the total equity mobilisation of Rs 1,86,108 crore, the fresh capital amount was Rs 1,25,267 crore (67% in comparison to 36% last year), the remaining Rs 60,840 crore being offered for sale. With FY25 on the horizon, expectations are high for yet another stellar year for IPOs. This optimism is fueled by a confluence of factors, including the surge in domestic capital, enhanced governance practices, the vibrant spirit of Indian entrepreneurship, and favourable government policies bolstered by FDI support.

A total of 76 companies garnered close to Rs 62,000 crore through main-board IPOs in FY24, which was way higher than Rs 52,115 crore mopped up by 37 companies in the preceding fiscal. Some of the most anticipated IPOs, including Tata Technologies, IREDA, JSW Infra, and Cello World, among others, made waves in the primary markets. These offerings garnered substantial subscriptions and witnessed positive movements on their listing days, signaling strong investor confidence. However, the average deal size for IPOs decreased in FY24 compared to the previous two years, this suggests a trend towards smaller companies going public. FY24 was a positive year for IPOs with most companies giving positive returns on listing day.

Interestingly, companies from multiple sectors tapped the IPO market in FY24. However, the traditionally dominant financial sector, demonstrated restrained activity, raising Rs 9,655 crore, which accounted for less than a fifth of the total capital raised in FY24, in comparison to 51% in FY23. After a flurry of tech startup IPOs in the last two fiscal years, there were few in FY24. Only three new-age companies Yatra, Mamaearth, and Zaggle had hit the markets in FY24.

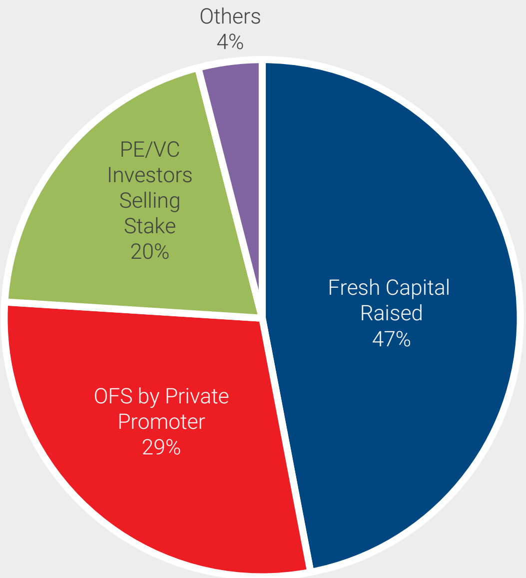
High investor sentiment and market scaling new peak, promoters and early investors chose to take some money off the table. As a result, 20% of the funds raised came from private equity and venture capital selling shares in the IPO and 29% came via promoters selling stock via the offer for sale component. Still, 47% or nearly Rs. 29,000 crore were raised in FY24 through a fresh issue of equity shares. That number in percentage terms is the highest in seven years.

But how did these companies use the funds that they raised? One of the major factor is debt reduction. But one-third of the funds raised were used for working capital requirements. Debt repayment comes a close second followed by capex and some other factors.

In FY24, 96 companies filed their offer documents with the market regulator SEBI compared to 75 in the previous financial year. However, 37 companies are planning to raise Rs. 59,000 crore let their approval lapse, while two looking to raise Rs. 1,000 crore withdrew their documents. SEBI returned the offer documents of five looking to raise Rs. 2,500 crore.

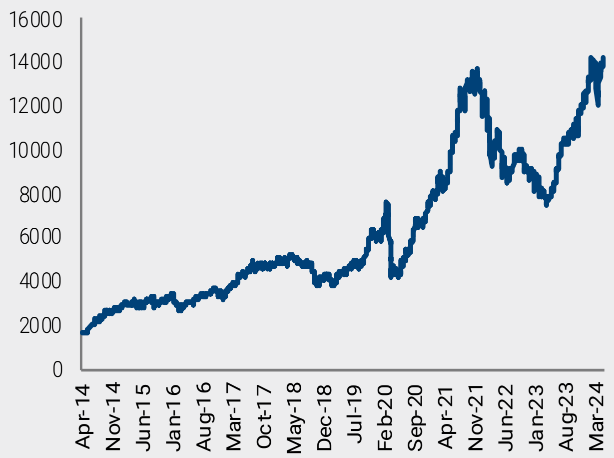
In FY24, the NSE's benchmark index Nifty 50 ended the session with a 29% surge, and the Nifty Smallcap 100 and the Nifty Midcap 100 index gained 70% and 60%, respectively. The S&P BSE IPO Index, a gauge tracking the after-listing performance of newly listed companies, jumped 69% this financial year. The rally in the small and midcap segments has also benefited newly listed stocks because most belong to this basket.

Fund Raised Segregation



Source: News Articles

S&P BSE IPO Index

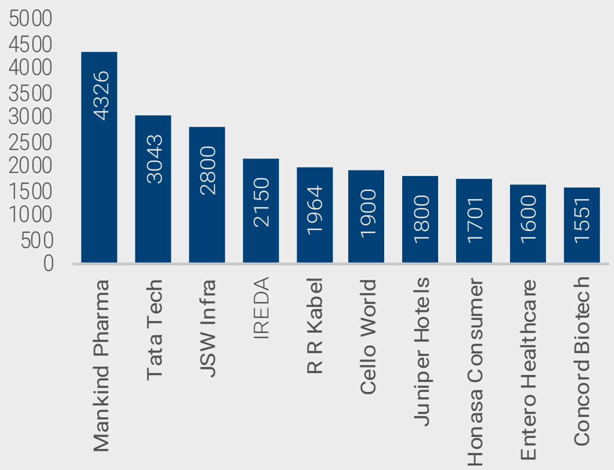


Source: BSE

IPO Size

The public offer of Mankind Pharma was the largest of FY24, which mopped up around Rs 4,326 crore, closely followed by Tata Technologies at Rs 3,043 crore, JSW Infrastructure at Rs 2,800 crore and Ireda at Rs 2,150 crore. Apart from the big ticket names, more smaller companies than in the last two years came up with their IPOs. Almost 25 companies raised less than Rs 500 crore. The smallest IPO was that of Plaza Wires, which raised Rs. 71 crore. The average deal size of IPOs was reduced significantly to Rs 815 crore in comparison to Rs 1,409 crore in FY23 and Rs 2,105 crore in FY22.

IPO Issue Size (Rs. Cr.)



Source: BSE, NSE

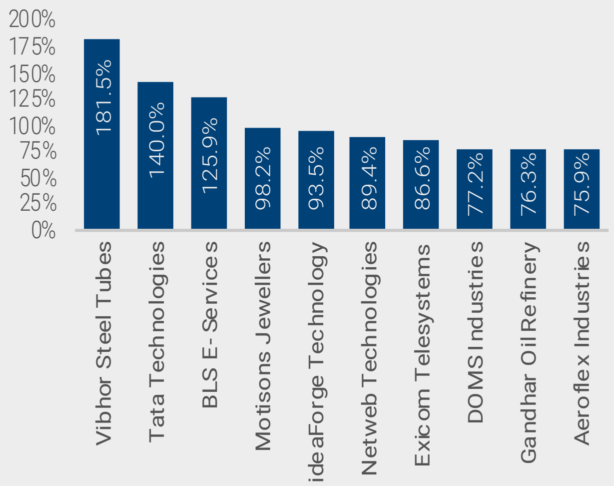
IPO Subscription

Out of the 75 IPOs launched, a staggering 54 IPOs were subscribed more than 10 times, 32 of them were subscribed between 10 times to 50 times, 22 of them seeing subscriptions exceeding 50 times and 9 IPOs witnessed subscription status to be more than 100x, while 11 IPOs were oversubscribed by more than three times. The balance of 10 IPOs was oversubscribed between one to three times. In comparison to FY23, the response of retail investors increased tremendously. The average number of applications from retail increased to 13.17 lakh, compared to 5.57 lakh in the preceding year. The Tata Technologies IPO emerged as a top choice among retail investors, drawing the highest number of retail applications totaling 52 lakh. Following closely behind were DOMS Industries with 41 lakh applications and INOX India with 37 lakh bids.

Average Listing Gains

In line with the subscription demand, listing gains didn't disappoint investors. FY24 has turned out to be a rewarding one for investors who put their money in IPOs. The average listing gain increased to 29% during the year against 9% in FY23. Of 76 IPOs, 65 closed the listing day with premium, including 3 IPOs seeing triple digit returns & 41 with double-digit returns. Vibhor Steel gave a stupendous return of 182%, followed by Tata Technologies (140%) and BLS E-Services (126%). 51 of the 75 IPOs are trading above the issue price with an average return of 65%. In FY24, 41% of the companies witnessed listing gains of more than 25%. However, 22% of the companies were listed at discount, 13% of the companies witnessed listing gains of 0-5%, 15% of the companies recorded listing gains of over 5% and less than 15% while 9% of the companies witnessed listing gains of over 15% upto 25%. Meanwhile, over 70% or 55 stocks are still trading above their issue price. The gains can be attributed to several factors such as buoyant secondary markets, enthusiastic participation of retail investors in IPOs, and strong flows from institutional investors.

Top 10 IPO Listing Gain

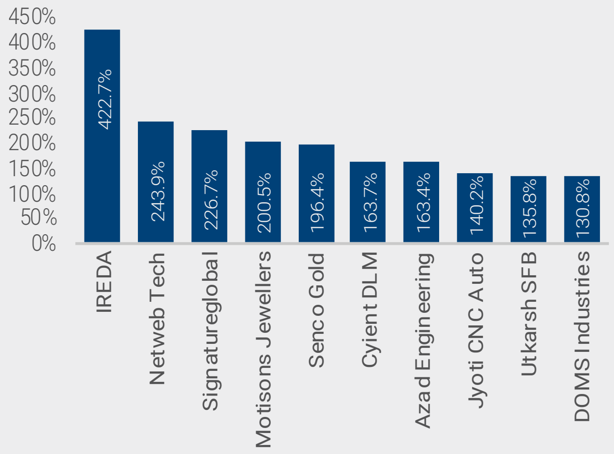


Source: BSE, NSE

IPO Performance

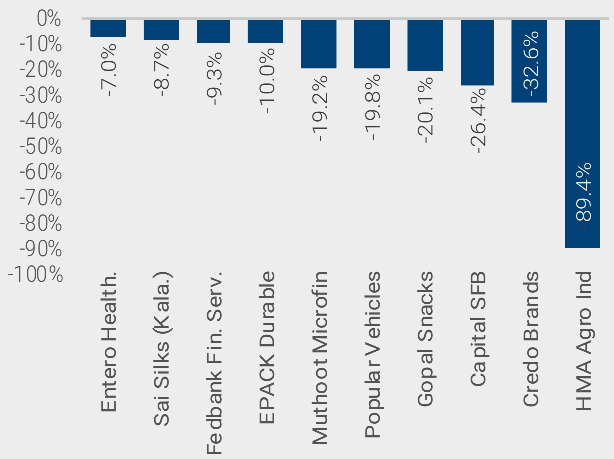
However, the euphoria was not just limited to the listing day. Nearly 70% of these companies are still trading above their issue prices as the fiscal year comes to an end. Over 50 of the 75 IPOs are currently trading above the issue price with an average return of 65%. 5 of these 75 IPOs have soared over 150% from their issue prices. With a robust financial performance post listing, IREDA has generated over 4x returns over the issue price, showcasing its strong momentum in spearheading the renewable energy boom in the country through financing. Following closely behind are Signature Global, up 244% and Netweb Technologies, up 200%. Meanwhile, Cyient DLM also jumped 160% whereas Motisons Jewellers rallied over 150%. Azad Engineering and Senco Gold are some other IPOs that have also given multibagger returns. Tata Technologies, which was one of the most anticipated IPOs of the year and coming nearly after a 20-year hiatus from the Tata Group, didn't disappoint. The stock is currently trading 106% above the issue price. Notwithstanding the spirited investor sentiments and buoyant primary market, the fiscal year also saw some companies failing to keep up with public scrutiny post listing. Some of the major laggards include HMA Agro Industries (-91% below issue price), Credo Brands Marketing (-36%), Muthoot Microfin (-32%), and Epack Durables (-30%).

Top 10 IPO Performer



Source: BSE, NSE

Worst 10 IPO Performer



Source: BSE, NSE

Other important facts

- In the realm of mainboard IPOs, Mankind Pharma emerged as the largest player, raising Rs. 4,326 crore, closely followed by JSW Infrastructure with Rs. 2,800 crore.

- On the other end of the spectrum, Plaza Wires conducted the smallest IPO, securing Rs. 71 crore.

- Notably, the average deal size experienced a significant reduction from Rs. 1,409 crore in FY23 to Rs. 815 crore in FY24.

- Out of the 76 IPOs, 54 IPOs were subscribed more than 10 times, with 22 of them witnessing subscriptions exceeding 50 times.

- The average number of retail applications surged to 13 lakh, marking a substantial increase from approximately 6 lakh in the previous fiscal year.

- The Tata Technologies IPO attracted the highest number of retail applications, totaling 52 lakh, trailed by DOMS Industries with 41 lakh applications, and INOX India with 37 lakh bids.

- The average listing gains experienced a notable increase to 29% in FY24, compared to 9% in the preceding financial year.

- Out of the 75 IPOs, 48 yielded returns exceeding 10%. Notably, Vibhor Steel achieved the most significant day-one pop, soaring by 193%, closely followed by BLS E-Services with a remarkable 175% increase, and Tata Technologies with an impressive 163% surge.

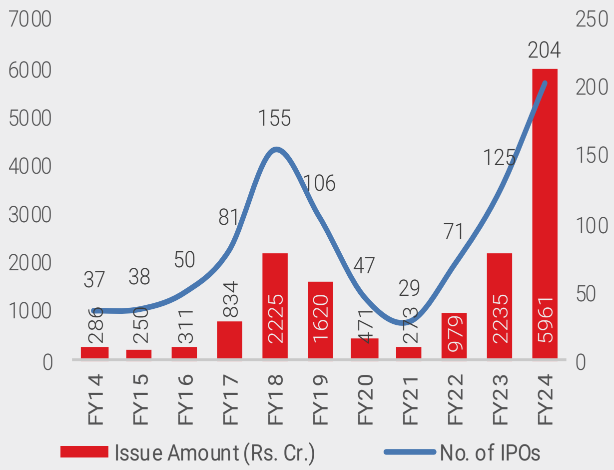
- During FY24, a total of 96 companies submitted their offer documents to the market regulator Securities and Exchange Board of India (SEBI), representing an increase from 75 companies in the previous financial year.

SME IPOs Steadily Increasing

The performance of SME IPOs has been increasing steadily over the past 10 years, both in terms of the number of IPOs and the amount of funding raised. Small enterprises stormed the stock exchanges in FY24, amplifying the trend of the previous years, and tempting investors seeking new investment avenues. During FY24, a record 204 small and medium enterprises (SMEs) floated IPOs to raise Rs. 5,961 crore, up nearly 167% from a year ago, while the mainboard IPO mop-up rose a more sedate 20%. This follows Rs. 979 crore, Rs. 273 crore and Rs. 471 crore that SMEs raised in the three previous fiscal years. The trend signifies the growing confidence of investors in the potential of SMEs and their ability to generate strong returns. However, around 51% of these companies that went public in FY24 were trading below issue price. The BSE SME IPO Index increases by an impressive 119% in FY24, against 76.3% in FY23. Retail investor frenzy was palpable in the SME segment, with subscription numbers soaring to unprecedented levels. Koura Fine Diamond Jewelry's Rs. 5.12 crore offering saw a staggering 1,076 times subscription retail subscription, while Kay Cee Energy and Infra's IPO was subscribed 959 times the offer size, followed by Maxposure with 904.86 times subscription. Signoria Creation Ltd (Rs. 8.8 crore) and Radiowalla Network Ltd (Rs. 13.4 crore) received subscriptions of 643 times and 349 times, respectively. Pune E-Stock Broking Ltd (Rs. 32.5 crore) and Shree Karni Fabcom (Rs. 40.37 crore) also witnessed strong retail interest with over 300 times subscription each. The largest SME IPO, KP Green Engineering, which raised Rs. 180 crore, was subscribed by 19.66 times by retail investors.

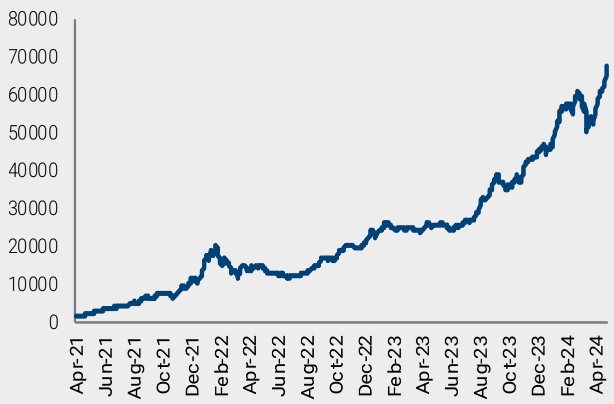
SME listed companies have emerged as outliers in the past four to five years, with a surge in high-net-worth individuals (HNIs) and retail investors seeking higher returns. There's growing interest in the SME space due to the introduction of new business opportunities that aren't as commonly listed on the main board. While the SME segment has seen some exuberance and outperforming stocks, there are also pockets with underperforming stocks. Investors interested in this segment need to be very selective. Understanding the business models and valuations of individual companies is crucial. This is because the SME segment is suitable only for high-risk appetite investors who understand its dynamics. In March, Madhabi Puri Buch, chairperson of the Securities and Exchange Board of India, had remarked about instances of manipulation in SME IPOs, which sparked a fall in the shares of many listed SMEs. Buch had said the regulator was keeping a close eye on IPOs and trading operations.

SME IPOs



Source: BSE, NSE, News Articles

S&P BSE SME IPO Index



Source: BSE

Primary market in FY25

The primary market is set to witness another exceptional year in FY25. Several factors are contributing to this expectation. Firstly, major players which had shelved their IPO plans earlier, are now expected to launch their offerings. Secondly, with the general elections going to be out of the way soon, the political certainty will lend to investor confidence. Expected reversal in the global and domestic rate environment can be expected to translate into incremental liquidity; majority of which can be expected to percolate into capital markets. Improved market sentiment, strong listing performance, and the need for growth capital are among the factors driving a positive outlook for IPOs.

For the third consecutive year, raising funds through IPOs would be a buzzing activity on D-Street, as 56 companies get ready to raise Rs. 70,000 crore in FY25. Moreover, 19 companies have already secured the Securities and Exchange Board of India (SEBI) approval to raise a substantial Rs. 25,000 crore. Bharti Hexacom, Go Digit Insurance, Swiggy, Ola Electric, Waaree Energies and Brainbees Solutions are some of the most awaited IPOs in FY25. While 19 companies have already received approval from Securities and Exchange Board of India (Sebi) to raise nearly Rs. 25,000 crore in the upcoming fiscal. An additional 37 companies are waiting for Sebi approval to raise about Rs. 45,000 crore. Out of these, nine are NATCs (new-age technology companies) aiming to raise roughly Rs. 21,000 crore. Several companies have already secured Sebi approval for their offerings. These include Ebixcash Ltd (Rs. 6,000 crore), Go Digit General Insurance Ltd (Rs. 3,500 crore), Indegene Ltd (Rs. 3,200 crore), and Tata Play Ltd (Rs. 2,500 crore). Companies waiting for Sebi approval include Oravel Stays Ltd (OYO Hotels) targeting Rs. 8,430 crore, Aadhar Housing Finance Ltd (Rs. 5,000 crore), National Securities Depository Ltd (Rs. 4,500 crore), Brainbees Solutions Ltd (Rs. 4,000 crore), Waaree Energies Ltd (Rs. 3,000 crore), and Ola Electric Mobility (Rs. 5,500 crore plus 95.2 million shares offer for sale).

Meanwhile, global brokerage house Jefferies also sees the strong IPO trend continuing. According to Jefferies, the timing seems favorable for global multinational companies to contemplate listing in India. As an example, Hyundai India, which has been established for nearly three decades, recently disclosed its plans for listing in India. This move could potentially set the stage for numerous other multinational companies with significant market shares in India that are yet to be listed in the Indian market. It further pointed out that over the past decade, India's Internet economy has fostered over 100 unicorns, establishing itself as the world's third-largest unicorn hub, following the US and China. Successful listings of startups such as Zomato, Nykaa, PBFintech, EaseMyTrip, InfoEdge, and Honasa Consumers exemplify this trend. Additionally, Flipkart, Swiggy, Ola Electric, and PhonePe are anticipated to join the list soon. Moreover, the demerger of Reliance Jio and Reliance Retail from Reliance Industries is poised to unlock significant value, offering further investment opportunities.

Experts believe that the IPO market is likely to witness an exceptional year, driven by increased domestic capital, improved governance, thriving Indian entrepreneurship, favourable government policies supporting FDI, rising financial literacy, and diligent institutional investors. Many IPOs are in the pipeline, reflecting the robust support of the Indian economy. This current market condition has created an enormous opportunity for inclusive growth and capital availability to a broader spectrum of enterprises and ecosystems. With diverse offerings and a strong appetite for capital growth, the IPO landscape in FY25 promises to be dynamic and vibrant, offering exciting opportunities for investors and companies. On the other hand, investor participation in IPOs in FY25 will depend on factors such as market conditions, company performance, sectoral trends, government policies, and global economic factors.

Companies with SEBI IPO Approval

Issuer Company	Lead Manager	Issue Type	DRHP Filing	SEBI Approval	Est. Issue Size (Rs. Cr.)
SPC Lifesciences	Ambit, HDFC Bank	Fresh+OFS	29-Mar-23	30-Jun-23	300+OFS
Indegene	Kotak Mahindra Capital, Citigroup Global, J.P.Morgan, Nomura Financial	Fresh+OFS	16-Dec-22	25-Jul-23	950+OFS
Fincare Small Finance Bank	ICICI Securities, IIFL Securities, Axis Capital, SBI Capital Market, Ambit	Fresh+OFS	01-May-23	15-Sep-23	625+OFS
Western Carriers India	JM Financial, Kotak Mahindra Capital	Fresh+OFS	09-Jun-23	22-Sep-23	500+OFS
Onest Limited	Monarch Networth Capital, Unistone Capita	Fresh+OFS	28-Jul-23	16-Nov-23	77+OFS
Shiva Pharmachem	JM Financial, Kotak Mahindra Capital	OFS	21-Aug-23	16-Nov-23	900
Stanley Lifestyles	Axis Capital, ICICI Securities, JM Financial, SBI Capital Markets	Fresh+OFS	04-Sep-23	30-Nov-23	200+OFS
Akme Fintrade	Gretex Corporate Services	Fresh	30-Jun-23	18-Jan-24	
Indo Farm Equipment	Aryaman Financial Services	Fresh+OFS	28-Sep-23	24-Jan-24	
Arkade Developers	Unistone Capital	Fresh	31-Aug-23	29-Jan-24	
CJ Darcl Logostics	ICICI Securities	Fresh+OFS	27-Sep-23	31-Jan-24	
Dee Development Engineers	SBI Capital Markets, Equirus Capital	Fresh+OFS	28-Sep-23	7-Feb-24	325+OFS
Denta Water and Infra Solutions	SMC Capitals	Fresh	12-Nov-23	29-Feb-24	
KRN Heat Exchanger and Refrigeration	Holani Consultants	Fresh	16-Jan-24	29-Feb-24	
Go Digit General Insurance	ICICI Securities, Axis Capital, Edelweiss Financial Services, IIFL Securities, Morgan Stanley India, HDFC Bank	Fresh+OFS	30-Mar-23	1-Mar-24	
Kross	Equirus Capital	Fresh+OFS	30-Nov-23	22-Mar-24	500
Saraswati Saree Depot	Unistone Capital	Fresh+OFS	29-Sep-23	27-Mar-24	
Aadhar Housing Finance	ICICI Securities, Citigroup Global Markets India, SBI Capital Markets, Kotak Mahindra Capital, Nomura Financial Advisory	Fresh+OFS	31-Jan-24	5-Apr-24	5000
Kronox Lab Sciences	Pantomath Capital Advisors	OFS	25-Jan-24	12-Apr-24	
TBO Tek	Axis Capital, Jefferies India, Goldman Sachs (India), JM Financial	Fresh+OFS	08-Nov-23	15-Apr-24	400+OFS
Awfis Space Solutions	ICICI Securities, Axis Capital, IIFL Securities, Emkay Global Financial	Fresh+OFS	21-Dec-23	16-Apr-24	160+OFS

Source: SEBI, Company, News Articles

Companies Awaiting SEBI IPO Approval

Issuer Company	Lead Manager	Issue Type	Prospectus Filing Date	Est. Issue Size (Rs. Cr.)
Oravel Stays	Kotak Mahindra Capital Company	Pre Filing	31-Mar-23	8500
National Securities Depository	ICICI Securities, Axis Capital, HSBC Securities and Capital Markets, Motilal Oswal, SBI Capital Markets, IDBI Capital Markets	OFS	07-Jul-23	3000
Polymatech Electronics	Khambatta Securities	Fresh	29-Sep-23	750
Asirvad Micro Finance	JM Financial, Kotak Mahindra Capital, Nomura Financial Advisory, SBI Capital Markets	Fresh	04-Oct-23	1500
Emcure Pharma	Kotak Mahindra Capital, Axis Capital, Jefferies India, J.P. Morgan India	Fresh+OFS	16-Dec-23	800+OFS
OLA Electric Mobility	Kotak Mahindra Capital, Axis Capital, BofA Securities, Citigroup Global Markets India, Goldman Sachs (India), ICICI Securities, SBI Capital Markets, BOB Capital Markets	Fresh+OFS	22-Dec-23	5500+OFS
BrainBees Solutions (FirstCry)	Kotak Mahindra Capital, Morgan Stanley, BofA Securities, JM Financial, Avendus Capital	Fresh+OFS	27-Dec-23	1816+OFS
Waaree Energies	Axis Capital, IIFL Securities, Jefferies India, Nomura Financial Advisory, SBI Capital Markets, Intensive Fiscal Services, ITI Capital	Fresh+OFS	28-Dec-23	3000+OFS
Vraj Iron and Steel	Aryaman Financial Services	Fresh	28-Dec-23	171
Sanstar	Pantomath Capital Advisors	Fresh+OFS	01-Jan-24	~500
One Mobikwik Systems	SBI Capital Markets, DAM Capital	Fresh	04-Jan-24	700
Unicommerce eSolutions	IIFL Securities, CLSA India	OFS	05-Jan-24	~5000
Allied Blenders & Distillers	ICICI Securities, Nuvama Wealth Management, ITI Capital	Fresh+OFS	15-Jan-24	1500
Bansal Wire Industries	SBI Capital Markets, DAM Capital Advisors	Fresh	18-Jan-24	745
Northern Arc Capital	ICICI Securities, Axis Capital, Citigroup Global Markets India	Fresh+OFS	02-Feb-24	500+OFS
Gold Plus Glass	IIFL Securities, Axis Capital, Kotak Mahindra Capital, SBI Capital Markets	Fresh+OFS	09-Feb-24	500+OFS
Akums Drugs and Pharmaceuticals	ICICI Securities, Axis Capital, Citigroup Global Markets India, Ambit	Fresh+OFS	10-Feb-24	680+OFS
Gala Precision Engineering	PL Capital Markets	Fresh+OFS	14-Feb-24	~1500
Le Travenues Technology	Axis Capital, DAM Capital, JM Financial	Fresh+OFS	14-Feb-24	120+OFS
Tolins Tyres	Saffron Capital Advisors	Fresh+OFS	16-Feb-24	230
Garuda Construction and Engineering	Corpwis Advisors	Fresh+OFS	19-Feb-24	
Orient Technologies	Elara Capital	Fresh+OFS	20-Feb-24	120+OFS
Ceigall India	ICICI Securities, IIFL Securities, JM Financial	Fresh+OFS	03-Mar-24	618+OFS
Manba Finance	Hem Securities	Fresh	06-Mar-24	~250
Transrail Lighting	Axis Capital, INGA Ventures, HDFC Bank, IDBI Capital Markets	Fresh+OFS	08-Mar-24	450+OFS
Bazaar Style Retail	Axis Capital, Intensive Fiscal Services, JM Financial	Fresh+OFS	15-Mar-24	185+OFS
Interarch Building Products	Ambit Private, Axis Capital	Fresh+OFS	18-Mar-24	200+OFS
Shree Tirupati Balajee Agro Trading	PNB Investment Services, Unistone Capital	Fresh+OFS	20-Mar-24	
Stallion India Fluorochemicals	Sarthi Capital Advisors	Fresh+OFS	20-Mar-24	
Crizac Limited	Equirus Capital, Anand Rathi	OFS	26-Mar-24	1000
PN Gadgil Jewellers	Motilal Oswal, Nuvama wealth, BOB Capital	Fresh+OFS	26-Mar-24	1100
Afcons Infrastructure	ICICI Securities, DAM Capital, Jefferies India, Nomura Financial, Nuvama Wealth, SBI Capital Markets	Fresh+OFS	28-Mar-24	7000
Ecos India Mobility & Hospitality	Equirus Capital, IIFL Securities	OFS	28-Mar-24	
Vasuki Global Industries	Unistone Capital	Fresh	28-Mar-24	
Patel Retail	Fedex Securities	Fresh+OFS	29-Mar-24	
KRN Heat Exchanger and Refrigeration	Holani Consultants	Fresh	30-Mar-24	
Raghuvir Exim	Unistone Capital	Fresh+OFS	31-Mar-24	
Deepak Builders & Engineers	Fedex Securities	Fresh+OFS	09-Apr-24	
Sanathan Textiles	DAM Capital Advisors, ICICI Securities	Fresh+OFS	17-Apr-24	800
Premier Energies	ICICI Securities	Fresh+OFS	19-Apr-24	

Source: SEBI, Company, News Articles

Management concall

Tata Consultancy Services Ltd.

The company delivered the strongest sequential revenue growth in several quarters with an all-time high TCV.

Its operating margin came in at 12-quarter high of 26% in 4QFY24 and expanded by 50bps to 24.6% in FY24.

Revenue grew by 2.2% YoY in CC terms and 3.5% YoY in INR terms in 4QFY24 and grew by 6.8%YoY in INR terms in FY24, which is CC and USD terms grew by 3.4% and 4.1%, respectively.

It reported record TCV of US$13.2bn in 4QFY24, led by solid deal momentum across markets.

In FY24, the company witnessed 250bps headwind on margin owing to annual wage hike and other interventions and 90bps due to third party expenses and other discretionary expenses. It mitigated those through optimizing subcontractor expenses, improved productivity and favorable currency.

EPS grew by 10.9% in FY24, while the effective tax rate for the year stood at 25.8%.

> **TCS: The company continues to remain as one of the biggest job creators in ITeS market both for freshers and lateral hires. It restarted campus hiring and focusing on utilization of capacity built over the years.**

Accounts receivable stood at 67 days, while cash conversion stood in the excess of 100% of net profit.

The Board of Director has recommended dividend of Rs28/share for FY24.

Its total headcount stood at 601,546 as of Mar'24.

LTM attrition stood at 12.5% as of 4QFY24 (down 80bps YoY).

The company continues to remain as one of the biggest job creators in ITeS market both for freshers and lateral hires. It restarted campus hiring and focusing on utilization of capacity built over the years.

It launched several key initiatives in FY24 to inculcate a strong engineering culture among the associates and built deeper skills in market-oriented technologies to prepare AI-ready workforce. The company announced salary increment for all employees.

In 4QFY24, growth was led by regional markets (26%YoY). While Manufacturing vertical grew by 9.7%, Energy Resources &Utilities, and Healthcare grew by 9.7%, 7.3% and 1.1%, respectively.

Consumer Business Group witnessed 0.3% YoY de-growth, while BFSI, Communication & Media and Technology & Services declined by 3.2% YoY,5.5% YoY and 5.6% YoY, respectively.

Among major markets,while the UK led with 6.2% YoY growth in 4QFY24,-Continental Europe and North America declined by 2.2% and 2.3%, respectively. In emerging markets, India led with 37.9% YoY growth, while Middle East &Africa, Latin America and APAC grew by 11%, 10% and 5.2%, respectively.

Products and platforms witnessed good traction during the quarter. Ignio saw 32 new deal wins and 6 go lives. TCS BaNCS had 8 new wins and 7 go lives in 4QFY24. TCS BaNCS insurance platforms saw growth in 4QFY24 with 2 wins and 2 go lives. Aviva, expanded the existing relationship with TCS for a 15-year deal to transform its live business and enhance customer experience leveraging TCS BaNCSs digital platform. Quartz blockchain platform had 3 wins during the quarter, while ADD platform had 1 new win and 2 go lives.

Pharma companies are making huge investment on Gen AI and TCS ADD platform is actively working on Gen AI across multiple innovative use cases including patient insights, safety case processing and medical writing. TCS Optumera, the AI-powered merchandising optimization suite had 1 new win in 4QFY24.

TCS ION had 22 new wins and 80+ go lives. Assessment platform administered examination for 13.9mn candidates. The platform now offers Gen AI powered content creation and text translation in Indian and regional languages, improved facilities, question paper creation etc.TCS TwinX had 2 wins and go lives.

In 4QFY24, TCS added 2 more new clients in USD100mn+ band bringing total to 62, 6 more clients in USD50mn+ band bringing the total to 135, 10 more clients in USD20mn+band bringing the total to 301, 26 more in USD10mn+ band bringing the total to 487 and 28 more in USD5mn+band bringing the total to 693 and 53 more clients in US1mn+ band bringing the total to 1,294.

Growth remained resilient amid uncertainties and geopolitical volatilities. The management continued to see pressure in customer's discretionary spent.

2023 was a year of resilience for BFSI vertical balancing the challenges due to inflation and complex geopolitical tensions against the initial benefits from rising interest rates. In 2024 transformations of technologies like Gen AI, cybersecurity and green transition have become the constant driving change. TCS continues to see a rising demand in BFSI, which will drive growth in medium-to-long-term. Challenges such as economic slowdown, recession, high interest rates and geopolitical tensions continued to put pressure on consumer business group vertical.

TCS sees accelerated spend in the medium-term in areas like improving customer experience, loyalty and reach, hyper personalization, security services, cloud transformation and leveraging generative AI to enhance business growth.

Infosys ltd.: Infosys is actively focused on AI technology and is working with market-leading open access and large language models. The company is offering its services in Gen AI to various clients across diverse industries.

The company entered into a strategic partnership with a multinational energy management company to bring good flexibility management and energy transition for global utilities. The partnership will target a potential saving of billion-dollar energy bills for >10 target utilities.

The global supply chain is rapidly evolving and striving to stay updated in rapidly changing environment. TCS is helping various businesses to enhance efficiency and adaptability to boost its bottom-line.

Progress of AI front has been imperceptible. Gen AI is standing at the forefront of technology trend. Full realization of Gen AI will take time and enterprises and societies still have considerable challenges to address, which include managing the inherent risks, reskilling/upskilling the workforce, and reimagining core business processes.

TCS has launched AI upskilling websites for its workforce to train them for future and aspires to be one of the highest pool of workforce with Gen AI skills. Gen AI's ability to create data and content is driving innovation across industries, and TCS expects wider adoption of AI and its services in FY25.TCS is focusing heavily on cloud technology because in current scenario cloud is not just a technology rather it is a strategy for business transformation and sustainable growth.

TCV stood at record high of $13.2bn in 4QFY24. TCV of BFSI, Consumer Business Group and North America stood at $4.1bn, $1.6bn and $5.7bn, respectively.

TCV grew by 25.2% YoY to $42.7bn in FY24.

Infosys Ltd.

CC revenue grew by a modest 1.4% in FY24, with a healthy operating margin of 20.7%.

While revenue growth was flat on YoY basis in 4QFY24, it declined by 2.2% and 2.1% in CC and USD terms, respectively. Operating margin fell by 40bps QoQ to 20.1% in 4QFY24,indicating pressure on profitability.

FCF rose by 14% YoY to US$2.9bn in FY24, led by robust operational efficiency and strong liquidity position. Notably, FCF stood at US$848mn in 4QFY24.

In FY24, Infosys won TCV of $17.7bn(comprising 90 deals). In 4QFY24, it won TCV of $4.5bn (comprising of 30 deals). The company sees a healthy pipeline of large and mega deals, that indicates sustained revenue streams and competitive position.

It signed 8 large deals in Communication vertical along with 6 deals each in BFSI and Retail, and 4 deals each in Manufacturing and Life Sciences verticals. Out of these, 16 deals were from North America, 10 from Europe and 4 from the RoW.

Attrition declined to 12.6% in 4QFY24 from 20.9% in the year-ago period. Headcount stood at >3.7 lakh as of 4QFY24-end.

Daily sales outstanding for the quarter stood at 71 days compared to 72 days in 3QFY24, which indicates a positive sign of the company's operational efficiency.

Consolidated cash and cash equivalents stood at US$4.7bn at the end of the quarter. RoE improved to 32.1%. While EPS grew by 30.2% in 4QFY24, it rose by10% in FY24.

The company announced Rs.24 dividend along with a special dividend of Rs.8 for FY24. The company has approved the capital allocation policy for the next 5 years with effect from FY25. The company is expected to return~85% of FCF, implying a positive outlook on cash generation.

The management expects CC revenue to grow by 1-3% in FY25, while it pegs operating margin in the range of 20-22%.

The company is working across projects like software engineering, process optimization, customer support, advisory services and sales and marketing areas.

Infosys is actively focused on AI technology and is working with market-leading open access and large language models. The company is offering its services in Gen AI to various clients across diverse industries. The company is also following cloud technology closely and is working with major public cloud providers.

In 4QFY24, Infosys made a strategic acquisition of a company in engineering space focused on German automotive industry.

The company expects discretionary spending on digital transformation in FY25.It will continue its focus on cost efficiency and consolidation. The management believes that large deal wins of FY24 will have a positive effect on FY25 revenue.

Tata Consumer Products Ltd.

Consolidated revenue grew by 9% (8% in CC terms) in 4QFY24.

India beverages grew by 3%with YoY flat tea volume.

India Foods business continued its strong trajectory, with revenue rising by 20% including Capital Foods (11% on LFL basis). Volume grew by 4% on LFL basis.

Tata Consumers ltd.: International business delivered strong growth in 4QFY24.The UK reported very a strong EBIT performance in 4QFY24, while Canada reported 9% revenue growth.

India Growth businesses grew by 40% in FY24 and accounted for 18% of India business (up from 15% in FY23).

The company witnessed a strong improvement in overall profitability with 24% growth in consolidated EBITDA and 170bps expansion in margin to 15.3%.

On MAT basis, the India tea business saw a marginal loss in market share.

Salt share improved by 50bps on MAT basis and showed improving trends sequentially with salt touching the record market share of 39.9% in Feb/Mar'24.

Innovation-to-sales for India stood at 5.1% in FY24vs. 3.4% in FY24.

Net working capital (NWC) reduced by 8 days to 27 days in FY24. Notably, the India business had a NWC of 4 days in FY24.

Coffee prices witnessed significant volatility during the year.

The company used adequate cash for acquisition in FY24.

The company has huge focus on adding distribution to 16,000 towns.

The company has digitized maximum part of backend operations.

India business clocked 16% CAGR, while international business recorded 5% CAGR with consolidated revenue CAGR of 12% translating into EBITDA growth of 15% and 27% growth in net profit.

The company witnessed consolidation of non-branded business in 4QFY24.

Tata Starbucks saw a subdued quarter amid the trend in QSR sector.

International business delivered strong growth in 4QFY24.The UK reported very a strong EBIT performance in 4QFY24, while Canada reported 9% revenue growth.

The company made inventories adjustments during the quarter. The management is extremely confident of driving the topline growth in the coming quarters.

Whilst Tata Gluco+ was the higher revenue contributor, it missed the revenue expectation due to delay in onset of summer.

International EBIT margin should be accretive, and the management expects International EBIT margin continue to remain accretive.

India tea business is expected to deliver 5% volume growth in the long-term. Tea business witnessed soft quarter in 4QFY24.

The company has significant opportunity in coffee business, which grew by 29% in FY24 and 45% in 4QFY24.

The company further strengthened its Sales and Distribution infrastructure by expanding its reach to 4mn outlets as of Mar'24. The reach was further deepened through the addition of over 1,300distributors in FY24, primarily in urban markets.

NourishCo outlets increased by 650K to 950k.

Tata Gluco+ accounts 40% and 60%, contributed by Tata Copper Plus.

On non-branded business, the company witnessed uptick in revenue growth in coffee plantations during the quarter.

The company is focused on food and beverage segment.

The company intends to improve the margin on Tata Sampann products.

India growth business, which is growing by 30%, accounts 30% of portfolio.

Tata Elxsi Ltd.

The company's revenue grew by 13% YoY in FY24, while EBITDA margin was maintained at 29.5%, which indicates stable operative environment.

The company's revenue from operations stood at Rs.3,552 crore in FY24. PBT grew by 11.9% YoY to ~Rs.1,049crore. For the first time, its full year PBT crossed Rs.1,000 crore mark, which reflects a strong financial performance with future growth prospects.

Revenue from operations stood at Rs.905.9 crore in 4QFY24(down 0.9% QoQ and up 8.1% YoY). Operating revenue declined byo.6%QoQ in CC terms, but increased by 7.2%YoY in 4QFY24. EBITDA margin came in at 28.8%, while PBT margin stood at 27.9% in 4QFY24.

The Board of Directors has recommended a final dividend of Rs70/ share for FY24.

In Software Development & Services vertical, transportation business saw 20.5% YoY growth in CC terms in FY24, due to large deals and continued demand in software defined vehicles. It accounted for ~50% of the company's overall SDS revenue. The work for OEM comprised of 56% of the company's overall transportation business. In CC terms, Transportation business grew by 1.2% QoQ and 16.4% YoY in 4QFY24. The company had a digital technology led deal in rail segment in North America in 4QFY24.

In FY24, Healthcare segment grew by 7.6% YoY in CC terms owing to new product engineering and regulatory services. The company added 5 new marque clients in FY24 and expanded in new growth areas like digital therapeutics and connected health. The company also showed success in winning deals in digital therapeutics.

Tata Elxsi Ltd.: In FY24, Healthcare segment grew by 7.6% YoY in CC terms owing to new product engineering and regulatory services. The company added 5 new marque clients in FY24 and expanded in new growth areas like digital therapeutics and connected health.

Media and Communications vertical declined by 2.6% YoY in CC terms in FY24 due to challenging industry environment. However, the company witnessed growth in operator revenue and overall customer base.

The company's employee retention rate stood at 12.4% in Q4FY24. The company added 178 and 1,535new employees in 4QFY24 and FY24, respectively. The company is planning to make both fresher and lateral hiring in FY25, which shows its strategic plans for future growth.

The company is committed to technological advancements, as it continues to invest strongly in AI and Gen AI solutions, POCs and projects. It intends to get 25% of its engineers AI-ready by 3QFY25.

Despite global macroeconomic uncertainties and volatility in Media &Communications industry over the last few quarters, the company showed consistent operational performance. However, revenue and growth witnessed headwinds in 4QFY24 due to delay in hardware shipment owing to Red Sea crisis.

In System Integration and Support business, the company is pivoting towards value added services and innovation led projects like experience centres to cater to evolving customer needs.

The company is transforming its customer base across industries with its shift towards OEM in automotive industry and operators in media and telecom industry.

The company is expected to sustain good margin in the upcoming quarters on the back of strong deal pipeline and margin expansion levers.

Angel One Ltd.

Angel One delivered record growth yet again in 4QFY24.

The company has established itself as a leading name in fin-tech broking space.

The company continues to deepen its root in the untapped markets.

Its average daily turnover increased by 26% in 4QFY24 from 1QFY24.

The company raised money through to augment operations across client base and grow the margin trading funding book.

Digital engagement leads to more clients becoming active over the time. Nearly, 54% of acquired base transacted over 4 years and similar behaviour witnessed for all other cohorts.

The company focuses to enhance clients' engagement in its trading platform.

In MF segment, the clients can customize its portfolio and track its performance as well.

In MF, there are registered 1.4mn unique SIP as of 4QFY24.

On AMC front, the company has set up the team and awaiting regulatory approval.

The company has won the associated sponsorship of IPL for next 5 years from 2024.

The company added 2.9mn clients in 4QFY24 taking the total to 22.2mn.

ADTV reached to Rs44trillion (up 23% QoQ). The company expects a robust growth as well in the coming period.

Volume in cash transaction continued to grow during the quarter.

The company's share in India's incremental demat accounts stood at 23.1% in 4QFY24.

Working capital in broking business witnessed considerable reduction.

The company will continue to invest in building brands in the next few years.

It has forayed into wealth management business, which is well-capitalized with Rs2.5bn infusion by the company.

Expanding client base has been facilitating higher net broking income for the company.

The company is focusing on acquiring young, new-to-market clients across India.

The company has started with 42 lakh orders per month since the beginning of FY24 with addition of 10 lakh clients per month. Thus, the company has a huge client base.

Branding spend includes IPL sponsorship in 2024.The company spent Rs227mn in IPL during the quarter, while the total spend is pegged at Rs1.2bn in the entire IPL season, which will be booked in 1QFY25.For the next 5 years, IPL cost is seen at Rs820mn.

Despite the prevailing elevated cost scenario, the company will be able to achieve margin guidance in FY25.

The company always focuses on cost of acquiring new clients. Traditional brokers are stuck with high cost, while the fin-tech brokers are increasing their market share.

In digital model, the company is profitable and it will sustain its profitability as well. The company will see the cost and revenue on absolute basis.

Angel One Ltd.: The market-share of retail remains constant at 44% and it doesn't fluctuate. The retail investors in India are taking a lot of interest in the equity market.

The company raised Rs15bn via QIP, which will be deployed in margin with exchanges to augment operations across expanding client base and grow the margin trading funding book.

The management believed IPL sponsorship will definitely be visible on business numbers, as cricket is very popular sport.

The customers, who are doing F&O trading also do trading in equity. The young generations are more focused on making quick money.

The customers, who are starting their career with trading are shifting to equities and making portfolios.

The company sees EBITDA margin in the range of 42-45% in FY25. However, there will be impact to the tune of 100-150bps on account of starting of new business verticals like wealth management.

The company sees huge growth potential in wealth management business.

The market-share of retail remains constant at 44% and it doesn't fluctuate. The retail investors in India are taking a lot of interest in the equity market.

The company raised capital via QIP to fund the growth. It does not face any difficulty in getting bank guarantees.

The company is incurring high sales cost in different quarters. ESOP cost for FY25 is seen at ~Rs1bn out of which Rs500-520mn will be carry forward cost.

MTF book is also rising in proportionate to rise in customers' base. The customers are preferring margin trading.

The company is a digital player and aspires to on-board new customers.

On deposit front, the company has tied-up with few banks and NBFCs to offer their corporate bonds, while in lending business, it is in beta phase.

Pharma

Multiple tailwinds to play

The Indian Pharma sector witnessed challenging times over the past few years given the steep price erosion in US markets, supply disruption of key APIs due to Covid Pandemic and inclusion of key drugs under NLEM list. However, the pharma sector is on the recovery path in the last few quarters since green shoots are seen in the US business with moderating price erosion and decreasing regulatory issues in the US. Further, factors such as successful approval and launches of complex products in US markets, opportunities arising from the loss of exclusivity, softening input costs, volume growth due to drug shortages and steady growth in India's formulation market would drive domestic pharma companies' growth. Domestic generic pharma companies got new lease of life as the price erosion in generic drugs in US has moderated. US generics have been witnessing steady growth momentum on moderating price erosion amid lower competition, drug shortage-led volume growth, USFDA clearances for key plants and generic launches. Also, the traction from key products like generic Revlimid and generic Spiriva provides visibility of near-to-mid-term growth. Further, the LOE (loss of exclusivity) led opportunity of USD 100+ billion over the next five years can drive growth for generic companies.

In order to circumvent the generic price erosion in US, domestic pharma companies are focusing more on specialty business, which will create differentiating pipelines targeting chronic and niche therapies.

In order to circumvent the generic price erosion in US, domestic pharma companies are focusing more on specialty business, which will create differentiating pipelines targeting chronic and niche therapies. Domestic market has also performed steadily in the last 10 years. Despite various disruptions, IPM has seen steady 10% growth in last 10 years, led by steady volume and price growth. In the last 3-5 years, price hikes have been the main driver of IPM growth, which is likely to continue at 4-6% on annual price hikes across the portfolio and minor increases in NLEM segment. Domestic formulations are likely to witness steady growth led by volume recovery, price growth and new launches. For FY24, the IPM reported ~8% YoY growth. This growth was primarily driven by high single digit price hikes taken across therapies as per IQVIA IMS data. Domestic pharma companies witnessed sharp erosion in margins in FY23 owing to higher input costs, supply chain disruptions and inflation. However, costs have started to moderate in the past few months (due to destocking of key raw materials and normalization of supply chain) and the scale-up in US generics has supported the margins to improve in FY24. Hence, domestic pharma companies have multiple tailwinds which will benefit the generic players in coming years..

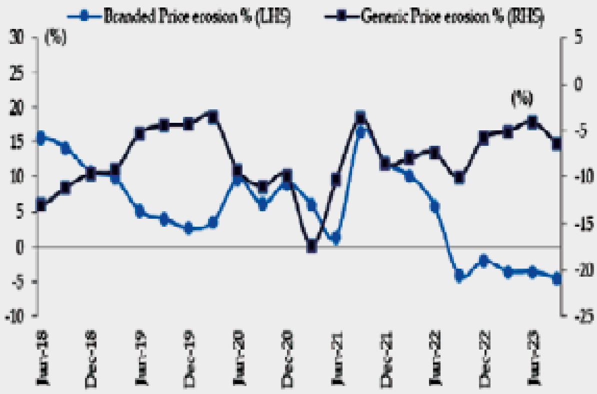
US generic drug price erosion has moderated

US has been key market for generic pharma players, hence every pharma companies strive to launch their products there, which results in competitive pressure. The competitive pressures in the US generics business intensified following the previous upcycle's peak in 2015. Pricing deteriorated as players fiercely competed for market share in older products. The entry of new players, including many from India, further heightened the competitive landscape. However, post-pandemic, factors like generic drug shortages in the US market, exits by a few large companies from the low-price generic medicine and increased demand have led to the moderation in drug price erosion in the last few quarters. Further, filing rate has also slowed down in the last few quarters, as most of the pharma companies have started focusing on complex product filing and are avoiding competitive products. R&D allocation has shifted more towards development of complex products where the competition is limited. Due to fierce price erosion over the last few years, many pharma companies have exited some of the generic products which resulted in increase in demand for few other products. As per IQVIA, shortages are more common in drugs with very low list prices at < USD 1 per extended unit compared to those priced > USD 500 per unit. The other reasons for drug shortages were supply issues of key ingredients as well as disruptions to packaging materials such as vials, USFDA strict inspections have triggered shutdowns of some plants and exits of few leading companies from the market due to financial crises. During COVID, there had been significant inventory build-up in the channel due to apprehension about availability of medicine. However, as COVID subsided, the inventory in the system led to significant price erosion in the US generics segment. Gradually, with normalization of inventory, the intensity of price erosion has reduced. Also, this, coupled with limited completion product launches has improved the outlook of US generics segment. Hence, the moderation in erosion in US generic drugs would benefit the Indian pharma companies as US market accounts nearly 60-70% of total revenue for Indian generic players.

Drug shortage in US (in nos)

Source: Industry report

Price erosion in US generic drugs have moderated

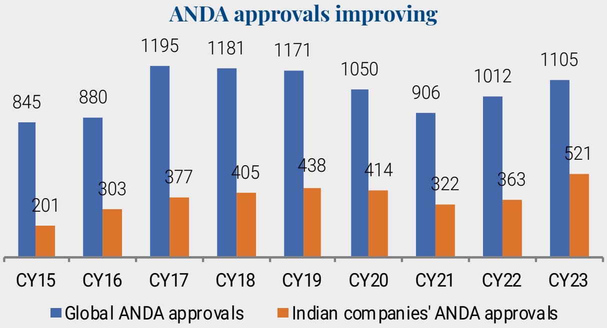


Source: Industry report

ANDA approval rate remain steady

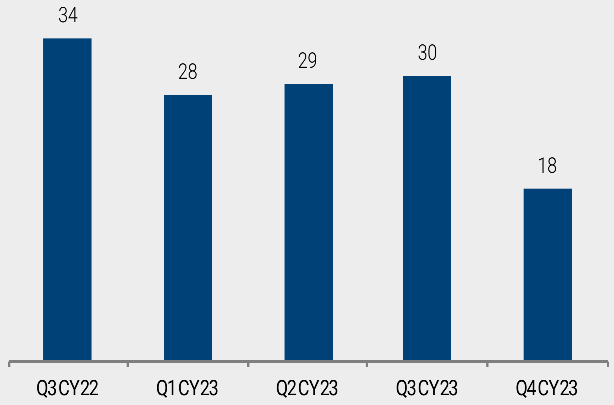
The new drugs approval was up by 2.2x over CY15-19, led by GDUFA (Generic Drug User Fee Amendments; push to clear backlogs). However, the pace of new drug approvals have moderated from CY20 onwards due to Covid led travel restrictions. Post pandemic, the approval rate is again improving gradually. The approval rate for Indian companies has improved in the last few quarters, starting from Q4CY21, on revocation of travel restriction, and this has made these companies launch a greater number of products in the US generic market. In order to protect the margins from price erosion amid competition, many generic drug players focus on complex generic where competition is limited. The R&D spend of Indian pharma companies over FY18-23 is declining due to shift in focus towards complex generics. The steady approval rate of US FDA of new drugs and focus on complex generic drugs would benefit Indian pharma companies going ahead.

ANDA approvals improving



Source: Industry report

Complex product filing in US

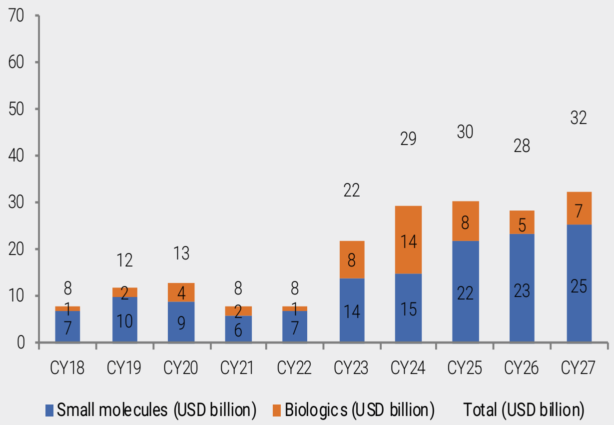


Source: Industry report

Patent cliff would provide huge headroom for growth

The loss of exclusivity (LOE) or patent cliff in next 4-5 years would provide huge headroom for growth for Indian pharma companies. With several blockbuster drugs expected to go off-patent in the US market, there is a significant opportunity for Indian pharma companies to launch generic versions of these drugs. It has been expected that contribution from LOE may increase by around 3x to USD 141 billion over CY23-27 from around USD 49 billion in the prior five years (over CY18-22) as exposure of both small molecule and biologic products to LOE has increased substantially. Further, it is expected that LOE for small molecules may increase by 2.6x to USD 98 billion over CY23-27 from USD 38 billion in the prior period between CY18-22. Biosimilar opportunity could also increase by around 4x to USD 42 billion over CY23-27 from around USD 10 billion (over CY18-22) with key products going off patent are Stelara (Ustekinumab; ~USD 6.38 bn), Eylea (Aflibercept; USD 6.3 bn), and Prolia (Denosumab; USD 2.5 bn). The last product upcycle in the US generics market known as 'Patent Cliff', when products go off-patent, arose during 2011-15, when generic competition emerged for several large pharmaceutical products. The report indicated that a similar environment is shaping up now, with an anticipated wave of first generic competition suggestive of another patent cliff on the horizon between FY23 and FY28. Drug patent expiration is notably one of the reasons for the growth of generic drugs and to couple it with the need for reducing healthcare costs, the worldwide demand for generic drugs continues to grow. With India having a robust pipeline of generic drugs, this upcoming cliff will provide a tremendous growth opportunity for Indian pharmaceutical companies.

LOE opportunity in US (USD billion)

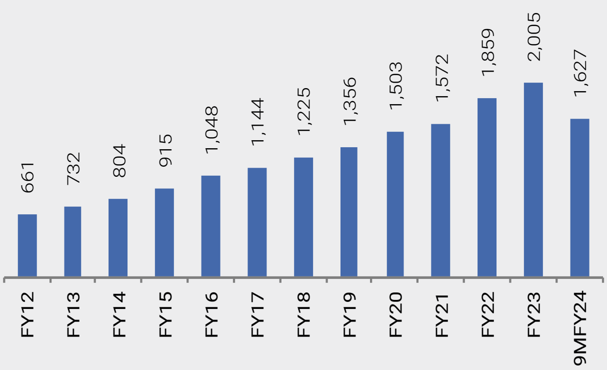


Source: Industry report

Growth momentum continue for domestic formulation business

Indian Pharma market (IPM) delivered a steady 10% CAGR from FY12 to FY23, thus taking the overall market size to Rs 2,005 billion in FY23, up from Rs 661 billion in FY21. In 9MFY24, the IPM continued its steady growth trajectory with an approximately 8% increase, reaching Rs 1,627 billion. Year-to-date (YTD) Jan'24 base IPM sales stood at Rs 1,806 billion, reflecting an 8% YoY growth, while IPM growth for January 2024 was also at ~8% YoY. During FY12-18, IPM growth was primarily driven by robust volume expansion, which gradually tapered off and gave way to price-led growth from FY19 onwards. From FY19 volume growth was impacted negatively due to generic competition from trade generics and Jan Aushadhi and implementation of GST. Key chronic therapies such as cardiovascular (CVS) and central nervous system (CNS) treatments continue to exhibit steady growth, outpacing IPM growth by 1.1 times, despite the impact of COVID-19 during FY21/22. However, anti-diabetic growth was subdued in FY23 and 9MFY24 due to price reductions following patent expirations. It has been observed that the share of chronic therapies in the IPM increased to 38% in FY23, primarily driven by steady growth in key therapies such as CVS and anti-diabetics. This trend was further supported by a shift in focus towards the chronic business by leading Indian pharmaceutical companies. Domestic formulation business is expected to continue its growth momentum on the back of price increases and volume recovery, alongside a consistent contribution from new launches over the next few years.

IPM Value (Rs billion)



Source: Industry report

Margins are expected to improve

Pharma companies are expected to report healthy EBITDA margins during 4QFY24. EBITDA growth will be largely led by a healthy product mix driven by product launches, diversifying into complex/specialty products in the US, stability in price erosion in the base products, strong traction in the ROW/Europe market, higher focus towards the chronics portfolio in the domestic region and easing of input costs like freight, raw material and power. However, most pharma companies are focusing more on specialty complex drugs which result in higher R&D expenses and marketing & advertising costs. Benign raw material costs will help in improving the margins of pharma companies. However, the prices of key inputs remain benign for last few quarters and pharma companies are already getting benefit of lower input costs. Indian pharmaceutical companies are better placed to fetch opportunities as they are competitive globally and hold a sizeable market share in most markets. Hence, domestic pharma companies are expected to continue its strong growth momentum going ahead.

The long term growth drivers remain intact for Indian pharma companies and are better placed to fetch opportunities as they are competitive globally and hold a sizeable market share in most markets. Factors such as rising loss of exclusivity opportunities, increasing focus on complex generics drugs and injectables, steady domestic formulation business growth and emerging opportunities due to the China +1 factor in the API space would be key growth drivers over the long term for Indian pharma players. The most important development for Indian generic pharma companies is that price erosion in US generic drugs have moderated which augur well for the generic companies. It is expected that the Indian pharma sector will continue to perform well owing to 8-10% growth in the domestic branded business and focus on complex products launches and other specialty launches led growth in the US region. Many companies are focusing towards biosimilars to offset pressure of price erosion in the base portfolio. Hence, companies are increasingly spending towards R&D which is around 5-7% of sales. The sector is offsetting the impact of Red sea crisis due to a healthy product mix, which in turn would boost profitability. The pharma sector is expected to deliver good 4QFY24 performance on the back of softening of key input prices, lesser price erosion in US generic drugs, new launches in complex generics in US and price hikes in domestic branded formulation drugs. Hence, the pharma companies will be in limelight given the multiple tailwinds in the sector.

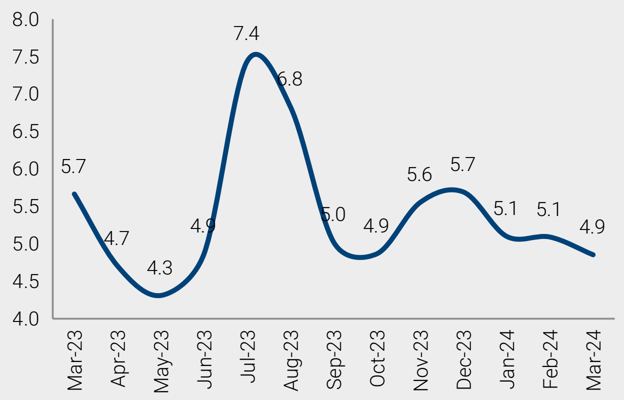
Peer Set

Company Name	Mcap (Rs crs)	Revenue (Rs crs)	EBITDA (Rs crs)	PAT (Rs crs)	EBITDA Margin (%)	PAT Margin (%)	ROE (%)	ROCE (%)	D/E (x)	1 Yr Forward P/E (x)	1 Yr Forward P/Bvps (x)	1 Yr Forward EV/ EBITDA (x)
Sun pharmaceutical indus	357,492.2	43,278.9	11,772.9	8,473.6	27.2%	19.6%	16.29	28.82	11.61	31.8	5.0	23.0
Aurobindo pharma ltd	63,518.7	24,617.1	3,718.6	1,927.5	15.1%	7.8%	7.50	9.52	19.69	16.8	1.9	9.5
Cipla ltd	112,886.1	22,473.2	5,027.0	2,801.9	22.4%	12.5%	12.66	17.50	3.39	25.0	3.7	15.9
Dr. Reddy's laboratories	99,265.6	24,587.9	6,978.0	4,506.7	28.4%	18.3%	21.38	27.71	5.83	17.9	3.0	11.4
Lupin ltd	71,894.6	16,270.0	1,720.6	430.1	10.6%	2.6%	3.49	6.58	36.21	31.2	4.5	17.7
Glenmark pharmaceuticals ltd	30,250.6	12,725.4	2,278.4	297.2	17.9%	2.3%	3.20	5.86	47.03	24.9	2.3	13.9
Divi's laboratories ltd	101,329.4	7,665.9	2,367.8	1,823.4	30.9%	23.8%	14.89	14.54	0.03	49.5	6.8	34.8
Ipca laboratories ltd	34,174.0	6,206.9	893.8	471.3	14.4%	7.6%	8.34	8.78	25.04	36.0	4.8	21.1
Abbott india ltd	54,084.9	5,348.7	1,205.6	949.4	22.5%	17.8%	31.60	38.26	3.55	N/A	N/A	N/A
Gland pharma ltd	28,934.7	3,624.6	1,024.8	781.0	28.3%	21.5%	10.33	10.58	0.06	27.3	2.9	16.7
Sanofi india ltd	18,912.7	2,851.1	804.0	603.2	28.2%	21.2%	52.65	57.24	1.87	N/A	N/A	N/A
Pfizer limited	18,979.4	2,424.8	810.1	623.9	33.4%	25.7%	20.55	32.98	4.19	N/A	N/A	N/A

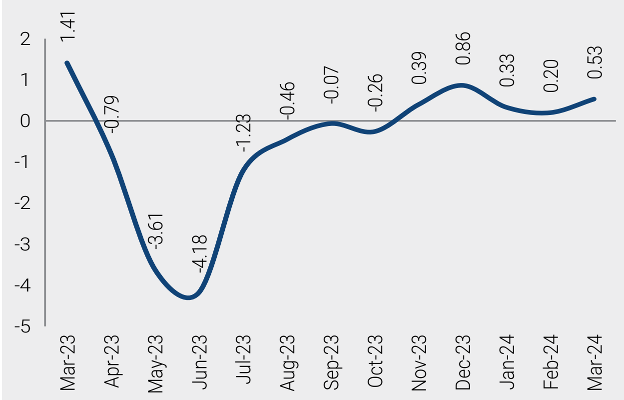
Source: Bloomberg & N/A means not available

Economy chartbook

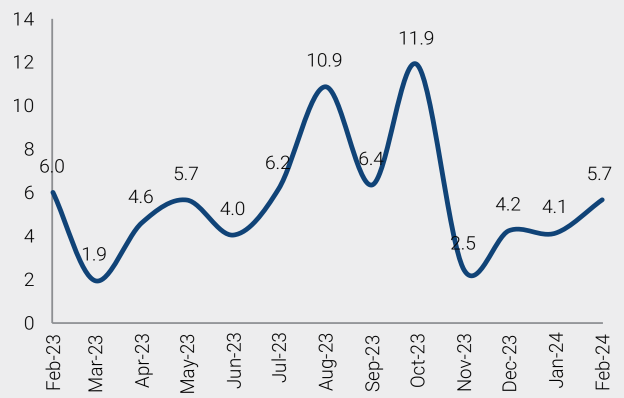
CPI Inflation (%)



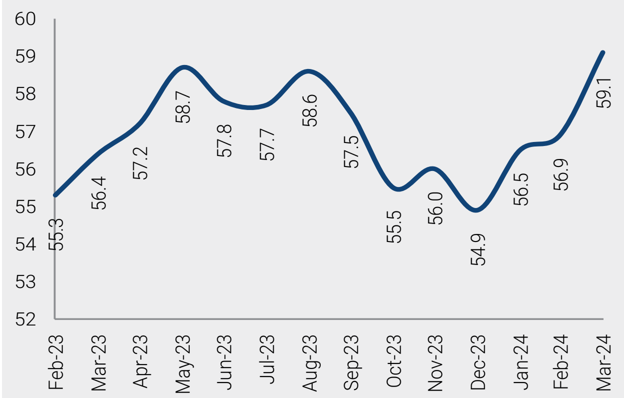
WPI Inflation (%)



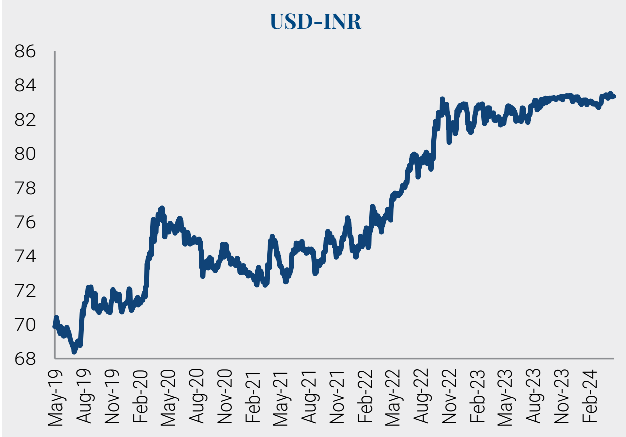
IIP (YoY %)



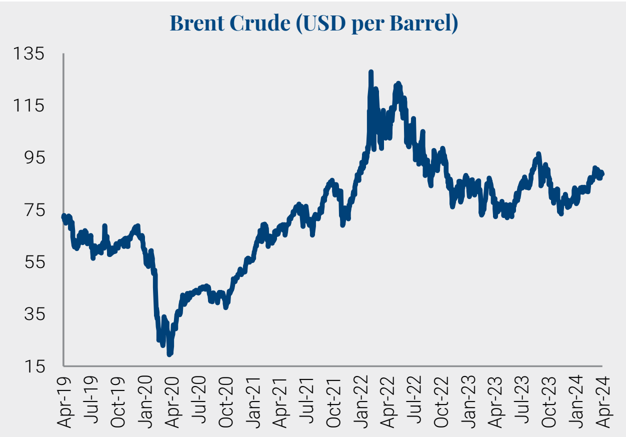
Nikkei India Manufacturing PMI



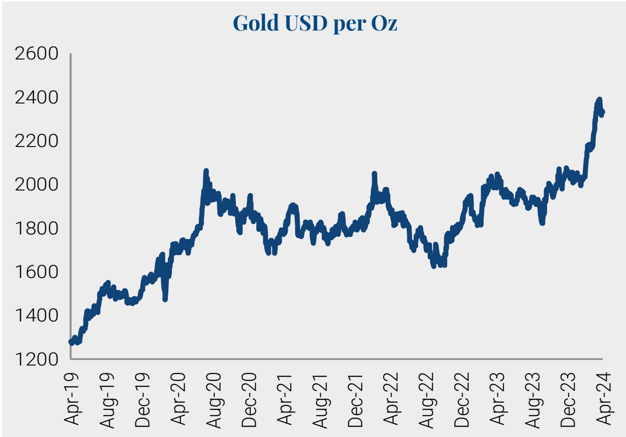
Eight Core Industries Growth (%)



USD-INR

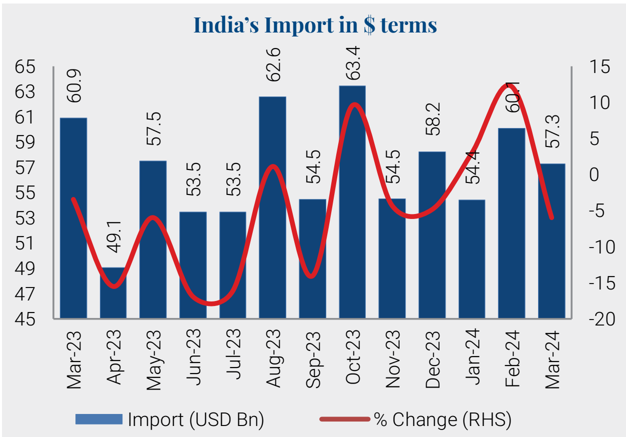


Brent Crude (USD per Barrel)

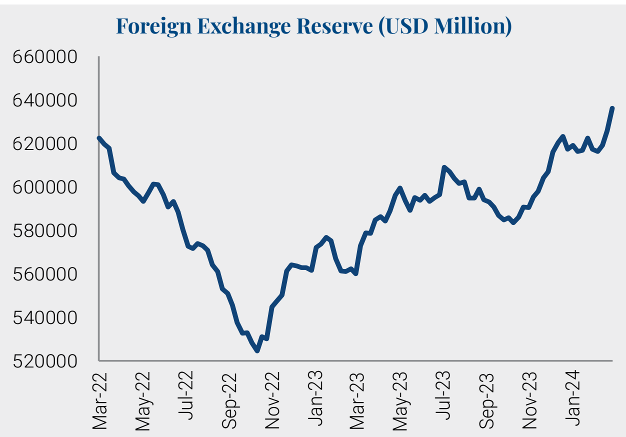


Gold USD per Oz

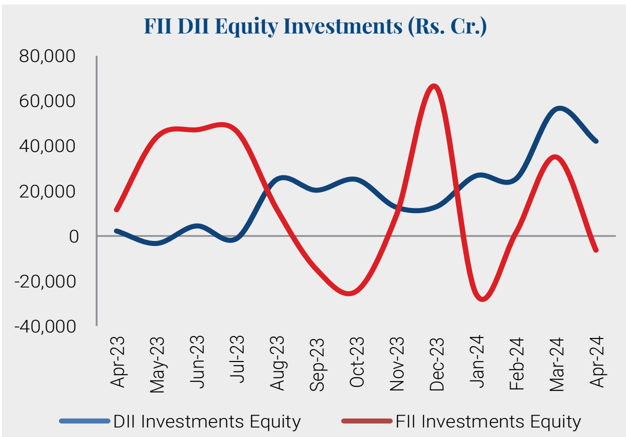
India's Export in $ terms



India's Import in $ terms

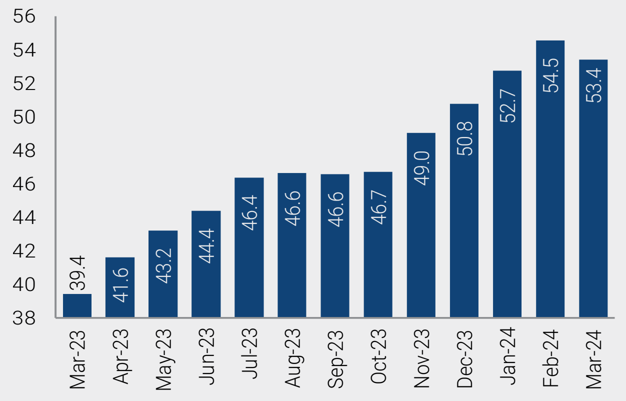


Foreign Exchange Reserve (USD Million)

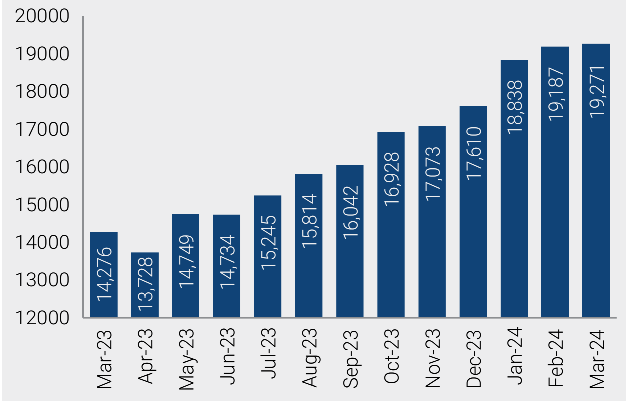


FII DII Equity Investments (Rs. Cr.)

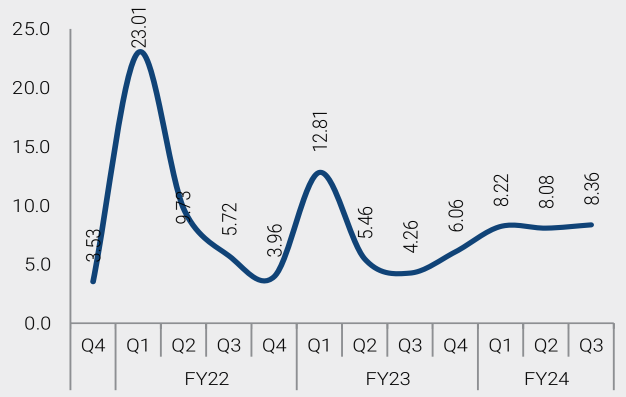
AUM (Rs. Trillion)



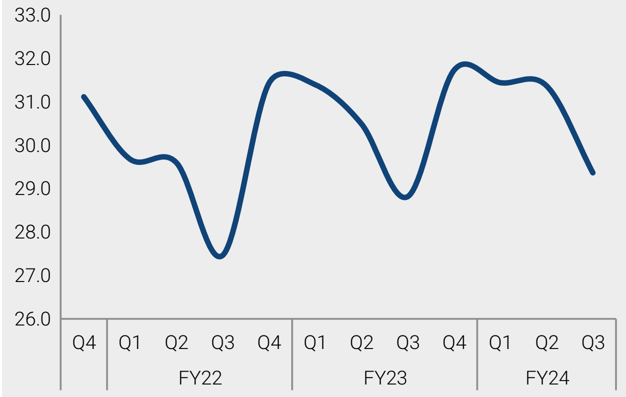
SIP (Rs. Crore)



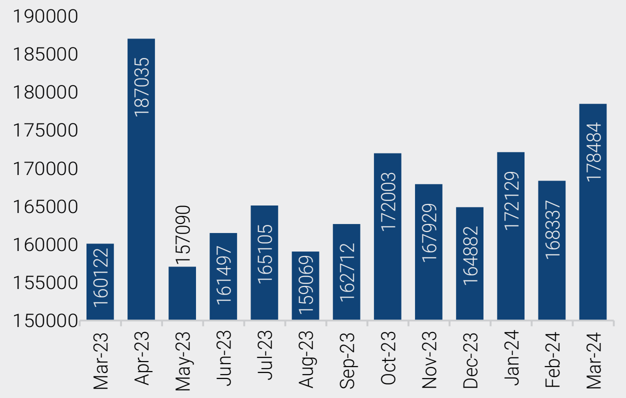
Quarterly Real GDP (%)



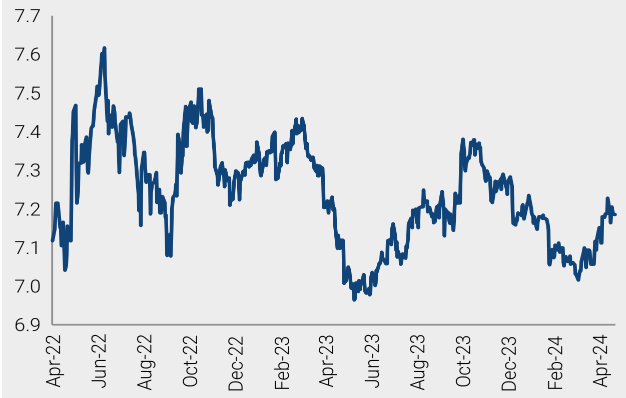
GFCF % of GDPmp



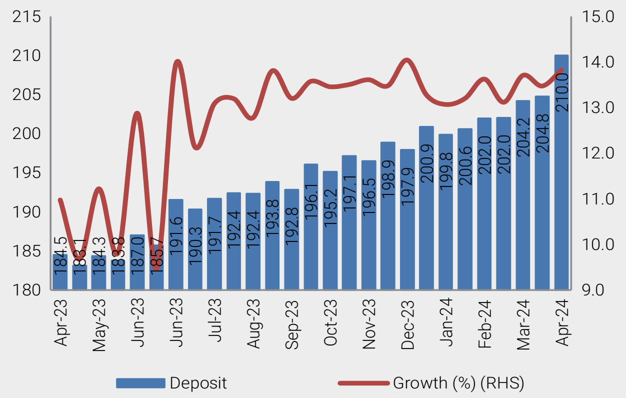
Monthly GST Collections (Rs. Cr.)



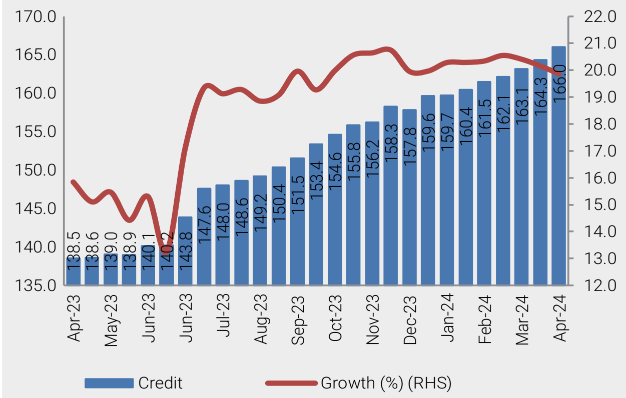
India's Government 10 Yr Bond Yield (%)



All Scheduled Commercial Banks Deposits (Rs. Tn.)



All Scheduled Commercial Banks Cedit (Rs. Tn.)



Start-up corner

At Ashika Capital, we are extremely passionate about fostering symbiotic relationships that are aimed at building and sustaining high-growth founder led businesses. We strongly believe that financial capital is the first stepping stone to build a scalable, sustainable and impactful business. Therefore, our endeavour is to identify great entrepreneurs in pursuit of building businesses that carry magnanimous investment potential. Here is an INSIGHT into businesses that we have worked/ working with –

Leading Material Science Company

- A leading Material Science company that is making Commercial EVs more Efficient by making them Lighter.
- For decades there has been no groundbreaking innovation in the commercial vehicles space. This has led to commercial vehicles becoming **extremely heavy, inefficient & energy guzzling structures.** This results in **low range to weight ratio,** necessitating addition of significantly more battery capacity in commercial vehicles leading to **high upfront cost, longer payback periods, higher TCO** etc.
- To solve this problem, **two ex-ISRO material scientists** joined together to design & build India's lightest commercial vehicle. Through their innovation, they will be **75% lighter**, allowing for **50% battery reduction** which will **provide superior economics, faster payback, 40% lower TCO & higher ROI** compared to its competitors.
- The company is raising $3M in the first tranche as part of a $9M Seed + WC round to fast track Customer testing (May-June), finalize factory plans and machinery, get Indian certification and deploy up to 50 vehicles on road (~$600k in revenue) by early Q4 2024. Post, they intend to kickstart production by year-end to achieve $60M in revenues in FY 2025.

Human Edge: which has raised funds from India's leading VC Bharat Innovation Fund, Rainmatter (Zerodha), Force Ventures, Dr. Sanjay Arora (Founder Suburban Diagnostics) etc.

- With this funding, the Founder Dr. Marcus Ranney, who has optimized the health, **well-being & performance of astronauts (Nasa); fighter pilots; CEOs** & led health expeditions to Mt. Everest, Artic Circle etc. has created a platform Mito & HealthStack Ever to provide personalized, proactive and prescriptive bio-hacks which are steeped in science to increase the Healthspan & Longevity of individuals.
- In order to create a world class solution the Scientific Advisory Board includes the likes of John Gloster (head Physiotherapist Rajasthan Royals), Dr. Nir Barzilai (discoverer of 'longevity genes') among others, which makes this a **power packed team consisting of experts from medical science & research.**
- Through this, **the company is targeting marquee MNCs** (GSK, Ogilvy etc) & the large 500K+ HNI population who are looking for solutions to solve for peak performance, productivity, stress management & better health outcomes.
- The team is looking to do a **short bridge round to accelerate their growth & scale.**

These are the top three business opportunities that interested stakeholders can pursue from an investment standpoint. If you are interested to know more about these companies from the perspective of business operations, investment thesis, exit opportunities and more, please drop in a line to us at vvchauhan@ashikagroup.com.

Technical view

Nifty ended the month on a flat note, up by 1.09% at 22570.35 while Sensex gained 0.93% for the month to close at 74339.44 levels. Nifty Midcap 100 gained 4.5% while Nifty Smallcap 100 ended 10.6% higher, ending the month at 50228.5 and 16886.8 respectively. Among the constituents of Nifty, Metal and PSE were the top sectoral gainers. Hindalco, Eicher Motor & Divis Lab were among the top gainers of Nifty constituents. Meanwhile, Kotak Bank, Sun Pharma and LTIM were the top losers. Looking at the market breadth of Nifty index, it is evident that 50 percent stocks are currently trading above their short-term 20-day EMA level. This indicates of a strong uptrend as majority of the stocks of the index are trading above their exponential average of past 20 days. Rise in geopolitical tensions amid escalating conflict between Iran-Israel kept the traders on the edge, weighed on the sentiments of the global investors leading to a shift towards the safe heaven assets as gold prices soared above $2,400 per ounce. However soon the market inched higher amid easing geo-political tension between Iran-Israel, falling oil price and cooling down global Vix (Volatility Index)

Whilst the month started on an optimistic note, the positive momentum continued to retest 22526 level, scaling the previous high and registering a fresh all-time-high of 22775. However, profit booking emerged at higher levels and the bears remained in commanding position. After repeatedly failing to cross 21700-level, sharp pullback led Nifty to close with a monthly loss of a 1.09%. The sell-off was triggered after Nifty failed to cross a key technical level of 22840, which is the 150% projected retracement of the Mar'23 brief correction. However, as the majority of the global indices tumbled mirroring the weakness on Wall Street, Indian headline Indices also witnessed a similar reaction. Wall Street had its worst session of the year with all major indices plunging more than 2% during the month, due to escalation of the Middle East crisis. On the sectoral front, IT index recorded the worst performance losing 3.9%, while Metal Index emerged as the best sector with gains of 2.9%. However, despite

this, one can remain a bit hopeful and expect important levels of 21700 to remain unbroken in the coming month. However, it would be very early to jump to any conclusion and considering the recent volatility, the traders should ideally wait for the trend to establish. In such a scenario, low seen at 21770 is the immediate support followed by sacrosanct support of 38.2% retracement of the entire rally since Oct'23 rally (High: 22775; Low: 18837) at 21271. On the flip side, the bearish gap left at 22427-22503 should be considered as immediate hurdles as it coincides with the Mar'24 high as well. Hence, the traders at present situation should ideally prefer staying light on positions and keep accumulating quality propositions in a staggered manner.

The resurgence in Nifty during the month led to the formation of a Piercing Line candlestick pattern on the daily chart. The Piercing line candlestick pattern is considered to be a bullish reversal pattern and usually occurs at the bottom of a downtrend. Most noteworthy, this pattern emerged near a critical support zone, amplifying its potential significance. The support zone was defined by 100-day SMA level (21729) which also coincides with 23.6% Fibonacci retracement level of its prior upward rally from the lows of 18837 (Oct 2023) to the All-time high of 22775 (Apr 2024).

In addition to the bullish formation observed, the index has successfully reclaimed its 50-day EMA level (22110). Particularly notable is the daily Relative Strength Index (RSI), which has found support around the 40-42 zone and has experienced a significant rebound. It's worth highlighting that throughout this calendar year, this zone has consistently served as a robust support level for the RSI. Furthermore, the daily stochastic indicator has given a bullish crossover, which indicates limited downside.

The advance decline ratio (ADR), a barometer for overall market sentiment, has improved sharply this month amid a broad-based recovery in stock prices from their lows in March. The ADR would have been even better if not for straight losses in the previous few trading sessions amid global headwinds such as rising US bond yields and flareup in geopolitical tensions in West Asia.

Technically, the index is trading in an upward sloping channel and respected its crucial support of 21700 zones. Though for the past few months the Index had been progressing steadily with consecutive higher high formation on monthly scale but the intensity of rise for the past few months has been decreasing indicating of a probable exhaustion in wilder movement experienced earlier. Longer lower shadow in both weekly and monthly time frame indicates that strong support-based buying that has been instigating higher highs - higher lows for the last five months. However, time has come to be a little skeptical and approach the market with caution. It formed a Bullish candle on weekly scale and is respecting its 50 DEMA on daily scale. The overall chart structure indicates that the index is likely to continue the upside steam.

The domestic markets witnessed the worst bout of selling by foreign portfolio investors (FPIs) this calendar year. Last week´s high FPI selling figure was in the absence of any large block deals. It came amid global headwinds like strengthening of the US dollar and rising bond

yields amid expectations of a rate cut by the US Federal Reserve getting pushed from June to December. From 4.2 per cent at the start of the month, the yield on the 10year benchmark US Treasury swelled to nearly 4.7 per cent. The hotter than expected US inflation and the consequent increase in bond yield has led to big selling in the cash market. Such a big selling takes place whenever US bond yields spike beyond expectations. In the past too, FPIs have pulled out vehemently from emerging markets as US yields have hardened. Also, geopolitical uncertainties and rising hostilities between Israel and Iran have led to a flight of safety among investors. In this context one need to be extra cautious while approaching the market and need to have a close eye on the geopolitical developments.

The advance decline ratio (ADR), a barometer for overall market sentiment, has improved sharply this month amid a broad-based recovery in stock prices from their lows in March. If the momentum sustains, the ADR this month could be best in 12 months. Last month, ADR worsened to 0.8 amid a rout in the smallcap space. With 2,453 stocks advancing and 1,851 declining so far this month, the ADR currently stands at 1.3, the best since April 2023. The ADR would have been even better if not for straight losses in the previous few trading sessions amid global headwinds such as rising US bond yields and flareup in geopolitical tensions in West Asia. Foreign portfolio investors (FPIs) have stepped up their selling of domestic equities in the past week. It seems that the trader interest had shifted to small and midcap once again amidst the selling by overseas funds in the last few sessions. FPI interest is largely in the largecaps. By continuously having long positions in largecaps, traders face the risk of FPI selling.

Although the Index has rebounded from lower levels, the weekly RSI is yet to form a high, and develop a negative divergence. The weekly MACD has given a bearish signal, and the histogram shows an increased bearish momentum. This situation, where the Index makes a higher high but momentum indicators are declining, is a clear case of exhaustion. The Index has formed its third consecutive evening star like candle on the monthly chart though the Index has been closing above the previous month's high. Interestingly, the price ranges for the previous three months are 767, 816 and 998 which is why the price structure looks the same. Hence since there were no major corrections since March 2023 low, the time cycle calls for a correction.

The recent lifetime high of 22775 was formed after 21 months, which is the Fibonacci number. The Fibonacci numbers significantly impact the monthly chart in identifying major tops or resistance. Hereon if we assume that 22775.70 is the intermediate top, one can expect a correction towards 21137 which is the prior major low and just 7.9% correction level from the all-time high. If the Index ignores the Fibonacci effect and continues the rally, one can expect the Index to test 23155 by July-August.

Interestingly the counter trend consolidation looks like a Channel or flag formation. It has broken out of this flag pattern by closing above the resistance area. However, times are not ripe enough to take aggressive long positions, though bias to remain positive as the Index continues to trade amidst the rising channels.

Only a decisive breakdown of channel i.e. below 21850 will lead to a strong downtrend.

Nifty sustained above the 50 day EMA during the month and the Bollinger band has also flattened. Hence unless a decisive close below the 50 day EMA at 22128 is seen, the bulls will dominate the market. On the downside 21700-21750 will be the strong support zone. Hence it can be derived that in all likelihood, Index is expected to consolidate within the 1000 points range. On the upside the new high of 22775 is the crucial resistance level.

History shows us that election outcomes can significantly influence market movements. For instance, in 2004, the market dipped when the BJP lost power; in 2009, it surged when Congress retained power. Similarly, in 2014, anticipation of Modi's leadership led to a pre-election market rally. As evident by historical data the pre-election rally is yet to come to fruition but one should not be complacent as it might so happen that the election outcome is already factored into current market prices, may not trigger a significant upward movement with market movements more closely tethered to fundamental economic indicators than electoral events.

Elections Impact on the Stock Market

	Returns (%)				
	Before Election Results		After Election Results		
Lok Sabha Results	**1 Year**	**1 Month**	**1 Year**	**1 Month**	**2 Years Return**
06-Oct-99	50.7	3.3	-0.8	-13.1	37.6
13-May-04	98.1	-7.5	-14.4	23.3	121.5
17-May-09	-24.9	26.8	6.8	31.9	7.0
16-May-14	16.6	8.0	7.1	20.6	37.1
23-May-19	5.2	-0.4	0.1	-2.8	2.4
Average	**29.1**	**6.0**	**-0.2**	**12.0**	**41.1**

The Volatility Index or VIX a stock market fear gauge — unexpectedly plunged nearly 20% on 23rd Apr, as strengthening expectations of the BJP-led National Democratic Alliance winning by a wide margin in the upcoming general elections further boosted risk on sentiment in the market. Some are of opinion that an imminent change in lot size of Nifty derivative contracts could have contributed to the drop. The drop in VIX is unprecedented, as previously readings of VIX near 8-9% were seen when markets were making a top. This is showing that traders have become overly positive about the upcoming days. In the past, VIX has tended to spike in the run-up to key events, like elections, when outcomes tend to be uncertain. Soon after the election outcomes, VIX plunges with the uncertainty out of the way. The drop in VIX was unprecedented and may be signaling that the market is complacent.

April rollovers for the Nifty Index futures were lower at 65.12 percent, significantly lower than the previous month's 69.77 percent and the three-month average of 76.79 percent. The most likely reason for the lower rollovers/positioning could be the expectations of volatility ahead of the ongoing general elections. Also, the rollover cost has declined to 0.31 percent, which is lower than the three-month average of 0.72 percent. Going ahead into the May series, the ongoing Q4 earnings season is expected to weigh on the market sentiment in the initial few days. Thereafter, the markets will seek direction from the US, posts the Federal Reserve rate decision on May 01. Towards the end of the month, the focus will shift to anticipation of the general elections result.

Going ahead as US markets are in oversold territory and European Indices have taken support near crucial moving averages, which means a meaningful recovery can be expected from Global equity markets. The ratio chart of the Nifty 500 vs the S&P 500 has closed at the highest level since mid-January. Nifty and Nifty Bank formed a hammer candle on weekly charts which is a bullish development. Nifty 500 is relatively much stronger this time as it managed to form a relatively higher low as compared to the March correction. Nifty PCR has improved since the last few sessions, supplementing the bullish bias. Further, with strong put writing in 22000 strike, the zone of 21930-21950 will act as crucial support for the index. As long as this support zone holds, the index is likely to witness pullback rally upto the level of 22750-22800 where resistance could be witnessed due to call writing positions in 22200 & 22300 Call strikes. Above 22800, Nifty could continue its strong momentum upto 23000-23200 in short-term. While, on the downside, any sustainable move below the level of 22200 will lead to extension of correction upto the level of 21730-21750 in short-term.

World economic calendar

May 2024

Monday	Tuesday	Wednesday	Thursday	Friday
		1	**2**	**3**
		US: FOMC Rate Decision (Upper Bound) US: ISM Manufacturing US: ADP Employment Change JN: Jibun Bank Japan PMI Mfg UK: S&P Global UK Manufacturing PMI	**IN: HSBC India PMI Mfg** US: Initial Jobless Claims US: Durable Goods Orders EC: HCOB Eurozone Manufacturing PMI US: Trade Balance	US: Change in Nonfarm Payrolls US: Unemployment Rate US: ISM Services Index UK: S&P Global UK Services PMI EC: Unemployment Rate
6	**7**	**8**	**9**	**10**
IN: HSBC India PMI Services CH: Caixin China PMI Services EC: HCOB Eurozone Services PMI EC: PPI YoY	UK: S&P Global UK Construction PMI JN: Jibun Bank Japan PMI Services EC: Retail Sales MoM	US: MBA Mortgage Applications US: Wholesale Inventories MoM US: Consumer Credit	UK: Bank of England Bank Rate US: Initial Jobless Claims CH: Trade Balance UK: RICS House Price Balance JN: Leading Index CI	**IN: Industrial Production YoY** UK: GDP QoQ US: U. of Mich. Sentiment JN: BoP Current Account Balance UK: Industrial Production MoM
13	**14**	**15**	**16**	**17**
IN: CPI YoY IN: Exports YoY	**IN: Wholesale Prices YoY** JN: PPI YoY UK: Jobless Claims Change US: PPI Final Demand MoM JN: Machine Tool Orders YoY	US: CPI MoM US: Retail Sales Advance MoM EC: GDP SA QoQ US: Empire Manufacturing EC: Industrial Production SA MoM	JN: Industrial Production MoM US: Initial Jobless Claims JN: GDP SA QoQ US: Housing Starts US: Industrial Production MoM	EC: CPI YoY CH: Industrial Production YoY CH: Retail Sales YoY US: Leading Index
20	**21**	**22**	**23**	**24**
JN: Tertiary Industry Index MoM UK: Rightmove House Prices MoM	JN: Tokyo Condominiums for Sale YoY EC: ECB Current Account SA EC: Trade Balance SA EC: Construction Output MoM	UK: CPI YoY JN: Core Machine Orders MoM US: Existing Home Sales UK: RPI MoM JN: Trade Balance	**IN: HSBC India PMI Mfg** US: Initial Jobless Claims US: New Home Sales JN: Machine Tool Orders YoY EC: Consumer Confidence	US: U. of Mich. Sentiment US: Durable Goods Orders JN: Natl CPI YoY UK: Retail Sales Inc Auto Fuel MoM UK: GfK Consumer Confidence
27	**28**	**29**	**30**	**31**
JN: Leading Index CI CH: Industrial Profits YoY JN: Coincident Index	US: Conf. Board Consumer Confidence US: FHFA House Price Index MoM US: Dallas Fed Manf. Activity JN: PPI Services YoY	US: MBA Mortgage Applications US: Richmond Fed Manufact. Index JN: Consumer Confidence Index	US: Initial Jobless Claims US: GDP Annualized QoQ UK: Nationwide House PX MoM US: Wholesale Inventories MoM US: Pending Home Sales MoM	**IN: GDP YoY** **IN: Eight Infrastructure Industries** JN: Industrial Production MoM US: Personal Income EC: CPI MoM

IN: India, US: United States, EC: European Union, UK: United Kingdom, CH: China, JN: Japan

Services at Ashika Stock Broking Limited

Products	Products	Contact

• **Dhanush (Mobile App & Web base)**
  • Online Equity, Derivative, Currency and Commodity Trading Facility
• **DhanushMF (Mobile App & Web base)**
  • A One Stop Solution to all your Mutual Funds needs online.
• **Back Office Reports on WhatsApp. Ashika BOT on Whatsapp / Telegram.**
• **Ask ACIRA -**
  • Online Customer service for clients on our website.
• **Margin Trading Facility (MTF)**
  • With this MTF facility client can trade inspite of debits beyond T+7.
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	  • It now takes just 30 mins to open an Account.
	• **ReKYC**
	  • Hassle-free & paperless modification without stepping out.
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	  • Provide one roof solution wherein seamless trading could be ensured through DP maintained with Ashika
		For Business Opportunity please contact
		
		Mr. Amit Jain (Executive Director)
		Mobile: +91 90070 66000
		E-mail: amitjain@ashikagroup.com
		
		Mr. Niraj Sarawgi (CEO - PCG)
		Mobile: +91 91676 16989
		Email: nirajs@ashikagroup.com
		
		For Services please contact
		Mr. Nand Kishore Jajoo
		(Head - DP & KYC)
		Mobile: +91 90070 66028
		Email: nkjajoo@ashikagroup.com

For institution business please contact
Mr. Dilip Minny (Co-founder- Institution); Mobile: +91 90070 66096; Email: dilipminny@ashikagroup.com

Services at Ashika Capital Limited

Capital Markets	Fund Raising	Advisory	Contact

• **Issue Management**
  • IPO / FPO
  • Right Issue
  • Qualified Institutional Placement
• **Open Offer**
  • Takeover
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• **Overseaslisting**
• **Underwriting**
	• **Private Equity**
	  • Venture / Growth Capital
	  • Pipe
	• **Debt Syndication**
	  • Project Finance
	  • Team Loan
	  • Working Capital Loan
	  • Acquisition Funding
	  • Construction Finance
		• **M&A**
		  • Merger / Acquisition / Disposal
		  • Management buy-outs / buy-ins
		  • Leveraged buy-outs
		  • Joint Ventures
		  • Strategic Partnership
		  • Spin-Offs
		  • Divestment
		• **Corporate restructuring**
		  • Capital Restructuring
		  • Finance Restructuring
		• **Business Valuation**
		  • ESOP Valuation
		  • Fairness Opinion
			For Debt Fund Raising / Mergers & Acquisition / Business Opportunity please contact
			
			Mr. Yogesh Shetye
			Contact: + 91 22 6611 1770
			E-mail: yogeshs@ashika-group.com

For start-up investing please contact
Mr. Chirag Jain (CEO); Contact: +91 22 66111700; E-mail: chiragjain@ashikagroup.com

Ashika Global Securities Pvt. Ltd.

Ashika Global Securities Pvt. Ltd is the holding company of Ashika Group, a RBI-registered non-deposit taking NBFC engaged in providing long term and short-term loans & advances to individual & body corporate and Investment in shares and securities. It has 6 subsidiaries and 1 associate company i.e. Ashika Credit Capital Ltd.

Ashika Credit Capital Ltd.

It is the Flagship company of the group and incorporated in the year 1994. RBI registered Non-banking Financial Company carrying on NBFI Activities i.e. investment in shares & securities and providing Loan to Individuals, corporates HNI etc. The company floated its shares to public in 2000 and got listed with CSE. Thereafter, in 2011, the shares were traded on BSE under permitted category and in 2014 got listed with MSEI. It has a registered FII as one of its investors.

Ashika Investment Managers Pvt. Ltd.

Ashika Investment Managers Private Limited, a private limited company incorporated on July 13, 2017, is a wholly owned subsidiary of Ashika Global Securities Private Limited. It is acting as the Investment Manager to Ashika Alternative Investments, a Trust being registered as a Category III Alternative Investment Fund **(Registration Number: IN/AIF3/20-21/0811)** with the Securities and Exchange Board of India ("SEBI") under the SEBI (Alternative Investments Funds) Regulations, 2012 ("AIF Regulations").

We are elated to share that Mr. Amit Jain, Co-Founder of Ashika Global Family Offices Services was cordially invited as distinguished speaker at the prestigious 26th St. Petersburg International Economic Forum (SPIEF). It's truly remarkable that he had the opportunity to personally meet **The Honorable President of Russia, Mr. Vladimir Putin.**

SPIEF is the largest Economic Forum organized by Russia and sees attendance of over 10,000+ Global Participants. In the past the event has been attended by **The Prime Minister of India, Mr. Narendra Modi (2017) as well as President of China-Xi Jinping (2019)** for addressing the plenary.

To commemorate this momentous occasion SPIEF has shared with us a visual encapsulation of the said event.

AWARDS

NSDL Stock Performer Awards of the Year 2019

CDSL Excellent Performer in Depository Services

BTVI Emerging Company of the Year 2019

BTVI Young Business Leader of the Year 2019

NSDL STAR PERFORMANCE AWARD 2018

Helping Clients Reach for Better Via SIP – National from Franklin Templeton Investments, 2018

NSE Market Achievers Award 2018
REGIONAL RETAIL MEMBER OF THE YEAR 2018 – EASTERN INDIA

NSE Market Achievers Award 2017
REGIONAL RETAIL MEMBER OF THE YEAR 2017 – EASTERN INDIA

Ashika Stock Broking Ltd.

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The undersigned analyst hereby certifies that all the opinions presented in this report accurately reflect their personal views regarding the subject securities, issuers, products, sectors, or industries. No part of their compensation has been, is, or will be directly or indirectly tied to specific recommendations or views expressed in this report. The analyst assumes primary responsibility for the creation of this research report and has diligently endeavored to establish and maintain independence and objectivity in formulating any recommendations.

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Gyanada e-learning initiative launching soon!

Ashika Group supports charitable foundation to fuel the aspirations of young girls in India.

With our vision to develop essential 21st century capacities, computational thinking and working with computer-based systems, we will be launching our e-learning module by September,2020.

It has been designed as two sub-initiatives: **Every Child Can Code (ECCC)** *and* **Makers in the making (MIM)**.

Updates on the Gyanada Labs In-School program

Our updates for the month April 2024:

- The students have appeared for their final assessments in the program and have formed well.
- Teacher evaluation is completed
- Working on areas to improve curriculum and syllabus for the next academic year.

Help us change computer education for children in low income schools. Support us set up 10 Gyanada labs in to low-income schools in the coming academic year

In the coming academic year, we aim to set up 10 Gyanada labs in 10 schools. In every school we want to set up 15 low cost Raspberry pi computers. Every Gyanada lab will impact the lives 800-1000 children every year. The labs will enable the schools to provide quality computer education that is open source and affordable.

The cost of 1 Raspberry pi enabled system is INR 15000.

The cost of 5 Raspberry pi enabled system is INR 750000

The cost of 1 child receiving computer education for a year is INR 225

Please support our mission to enable the lives of more than **8000 school children** in the coming academic year. To support kindly click here https://tinyurl.com/58tsr29a

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We, at Gyanada Foundation, engage students in practical learning. For this we provide kids with Gyanada Lab Kits. To help us fund these kits, visit: https://gyanada.org/donate.html. You can also write to us at rinsa@gyanada.org or connect with us at 9819044922. Our bank details are:

GYANADA FOUNDATION HDFC Bank, Stephen House Branch, Current A/c No. 50200002885400

IFSC CODE: HDFC0000008

MICR CODE: 700240002

Details of Associates/ Group Companies /Entities

Sl. no.	Name of Associates/ group companies/Related Parties	CIN/ LLPIN	Registration Number	Whether active in any sector of the financial market. If yes, please specify the name of the sector
1	Ashika Credit Capital Ltd	L67120WB1994PLC062159	05.2892	RBI registered non deposit taking NBFC
2	Ashiak Capital Ltd	U30009WB2000PLC091674	INM000010536	Merchant Banking activities
3	Ashika Stock Broking (IFSC) Pvt Ltd	U65929GJ2016PTC094597	INZ000099630	Stock Broker with NSE IFSC & India INX
4	Ashika Business Pvt Ltd	U45100WB2004PTC098055	NA	Construction of road and civil works
5	Ashika Properties Pvt Ltd	U70101WB2005PTC102582	NA	Real Estate Activities
6	Ashika Global Securities Pvt Ltd	U65929WB1995PTC069046	B.05.00008	RBI registered non deposit taking NBFC
7	Ashika Logistics Pvt Ltd	U67200WB2004PTC098054	NA	Rental income from leased /constructed property
8	Ashika Global Finance Pvt Ltd	U01132WB1994PTC066087	B-05.5583	RBI registered non deposit taking NBFC
9	Ashika Entercon Pvt Ltd	U70103WB2017PTC220511	NA	Real Estate Activities
10	Ashika Wealth Management Pvt Ltd	U65999WB2018PTC227019	NA	business of Wealth management as agent, sub-agent etc for investment in securities Fixed Deposits etc
11	Ashika Investment Managers Pvt Ltd	U65929MH2017PTC297291	IN/ AIF3/20-21/0811	Investment Manger to Ashika Alternative Investments, a Category III AIF registered with SEBI
12	Ashika Commodities & Derivatives Pvt Ltd	U51909WB2003PTC096985	NA	Investment in shares & Securities
13	Puja Sales Promotion Pvt Ltd	U51109WB1993PTC059596	NA	Real Estate Activities
14	Dhara Dealers Pvt Ltd	U52190WB2011PTC169226	NA	Investment in shares & Securities
15	Yaduka Financial Services Ltd	U51109WB2007PLC117012	N.05.06760	RBI registered non deposit taking NBFC
16	Ashika Minerals India LLP	AAR-7627	NA	Real Estate Activities
17	Ashika Vyapaar LLP	AAE-3310	NA	Investment in shares & Securities
18	Ashika Ventures LLP (formerly known as Ashika Rise Realty LLP)	AAO-9947	NA	Real Estate Activities

Registered Office

Trinity
226/1, A.J.C. Bose Road
7th Floor, Kolkata-700020
Phone: 033-4010 2500
Fax No: 033-4010 2543

Corporate Office

1008, Raheja Centre,
214, Nariman Point, 10th Floor
Mumbai-400021
Phone: 022-6611 1700
Fax No: 022-6611 1710

Toll Free No.: 1800 212 2525
For any research related query: insight@ashikagroup.com

www.ashikagroup.com