

TECHNICAL BUILDUP

- Bullish candle with decrease in volume
- Buy crossover in oscillators
- Lower band of Bollinger exist at 14256
- Crucial moving average of 20/50 SMA are at 14646 and 14731
- 200 SMA trend deciding level exist at 13254

OUTLOOK OF THE DAY

- Indian equity market posted strong gains on Monday as a declining coronavirus caseload boosted market sentiment. Meanwhile, investors shrugged off official data, which showed India's wholesale price-based inflation shot up to a record high of 10.49 percent in April, on rising prices of crude oil and manufactured items.
- On the sectoral front, except for Nifty Media and Pharma, all other sub-indices finished in green with Nifty Bank outperforming the index by climbing as much as 4.01 per cent. BSE midcap and smallcap indices added 1.6 percent each.
- On the technical front, Nifty has witnessed a strong bounce back from its 100-Day SMA (14,575) which had been proving a very crucial short term support zone. With this now the Index has approached the Multiple Resistance Zone. Any decisive breakout above this 15,000 levels on a closing basis may cause strength towards 15,200-15,250 levels, Overall we expect any decline from the hurdle could be a buying opportunity and any dip from here on would get anchored around 14200 as it happens to be the 61.8% retracement of post Budget rally (13662-15432).
- On the option front, maximum Put OI is at 14000 followed by 14500 strike, while maximum Call OI is at 15000 followed by 14800 strike. Call writing was seen at 15300 strike, followed by 15400 strike while Put writing was seen at 14800 strike, followed by 14700 strike.

World Indices	LTP	Daily Ch (Pts)	Daily Ch (%)
Dow Jones	34327	-54	-0.16
Nasdaq	13379	-50	-0.38
S&P 500	4163	-10	-0.25
FTSE 100	7032	-10	-0.15
DAX	15396	-20	-0.13
Hang Seng	28559	416	1.48
Nikkei	28473	646	2.33
Sensex	49580	848	1.74
Nifty	14923	245	1.67

Commodity / Forex	LTP	Daily Ch (Pts)	Daily Ch (%)
Gold (\$/Oz)	1869.90	2.30	0.12
Silver (\$/Oz)	28.38	0.10	0.36
Brent Crude (\$/bl)	69.62	0.16	0.23
Dollar Index	90.15	-0.04	-0.05
USD/INR	73.22	-0.07	-0.10
USD/YEN	109.26	0.05	0.05
EUR/USD	1.2156	0.0004	0.03

Support/Resistance levels for Indian Equity Indices					
	S2	S1	CMP	R1	R2
Sensex	48840	49270	49580	50000	50660
Nifty	14700	14830	14923	15050	15250
Nifty (Fut)	14730	14860	14952	15080	15280

Pivot Level	
Sensex	49377
Nifty	14862



ECONOMY NEWS

India's wholesale inflation accelerated to 10.49 per cent in April on account of a surge in the prices of fuel and manufactured products, data released by the commerce and industry ministry showed. (BS)

India's electricity use fell 6.2 per cent during the first half of May compared with the second half of April, government data showed, as coronavirus lockdowns imposed by states across the country stifled power demand. (BS)

Those hardest hit by the second wave of the pandemic have been blue-collared workers, doctors and healthcare workers, law and order and municipal personnel, individuals eking out daily livelihood, and small businesses. (BS)

Fewer e-way bills have been generated in May so far, with the daily average falling to a one-year low, indicating a sharp slowdown in economic activity owing to the intense second wave of Covid-19. (BS)

The demand for gem and jewellery is back in major export markets, as the overall shipments of gems and jewellery surged to Rs 25,226.11 crore year-on-year in April 2021, according to Gem and Jewellery Export Promotion Council (GJEPC). (BS)

Non-resident entities are in a fix over the extent of their withholding tax expense amid the second wave of Covid-19. As several such players have been unable to obtain low or nil withholding tax certificates in time, they risk having 40 per cent tax deducted from their revenues, making business unviable, experts said. (BS)



CORPORATE NEWS

HCL Technologies said it is hiring 1,000 technology professionals from the fields of digital transformation, cloud, artificial intelligence and cybersecurity in the United Kingdom to support its clients in the UK and around the world.

The double-digit growth registered by non-banking financial companies (NBFCs) during the second and third quarters of 2020-21 amid the disruptions caused by the COVID-19 pandemic reflects the 'resilience' of these entities, an RBI article said.

Reliance Industries's arm Jio is deploying two undersea cable systems with global partners and supplier SubCom to support data demand in India. India-Asia-Xpress (IAX) System, which will connect India with Singapore, will be ready for service by mid-2023, and India-Europe-Xpress (IEX) system, which will connect India to the Middle East and Europe, is expected to be ready in early 2024.

NBCC and Suraksha group, which are in the race to acquire debt-laden Jaypee Infratech Ltd (JIL), will submit their revised bids today.

Hero Motocorp said it has extended the duration of all its warranty and free services by 60 days owing to the current situation.

Infosys has filed for arbitration proceedings against US company Whittle Management over unpaid invoice, a Times of India report said. Infosys alleged that the US customer did not pay for certain software service rendered by the former upon receiving a work order.

Bharat Forge plans to buy 49% shareholding in its arm Kalyani Strategic Systems for ₹329.7 mn. Bharat Forge currently holds 51% stake.



Q4FY21 RESULT HIGHLIGHTS

Bharti Airtel Ltd.: Net Revenue at Rs. 25747.3 crore, +11.9% YoY and -2.9% QoQ. EBITDA at Rs. 12331.9 crore, +28.2% YoY and +2.3% QoQ. EBITDA Margin at 47.9%, +611 bps YoY and +244 bps QoQ. Net Profit at Rs. 1511.0 crore vs loss of Rs. 5402.4 crore YoY and loss of Rs. 8460.0 crore QoQ.

Colgate-Palmolive (India) Ltd.: Net Revenue at Rs. 1283.2 crore, +19.8% YoY and +4.2% QoQ. EBITDA at Rs. 421.8 crore, +60.4% YoY and +13.8% QoQ. EBITDA Margin at 32.9%, +833 bps YoY and +278 bps QoQ. Net Profit at Rs. 314.7 crore, +54.1% YoY and +26.7% QoQ.

Gland Pharma Ltd.: Net Revenue at Rs. 887.8 crore, +39.8% YoY and +3.3% QoQ. EBITDA at Rs. 326.8 crore, +36.5% YoY and +23.7% QoQ. EBITDA Margin at 36.8%, -89 bps YoY and 606 bps QoQ. Net Profit at Rs. 260.4 crore, +33.7% YoY and +27.6% QoQ.

The Federal Bank Ltd.: NII at Rs. 1420.4 crore, -1.2% YoY and +16.8% QoQ. Net Profit at Rs. 521.2 crore, +29% YoY and +73% QoQ. GNPA at 3.41x, Vs 0.60x YoY and 1.31x QoQ. NNPA at 1.19x, Vs 2.71x YoY and 2.84x QoQ.

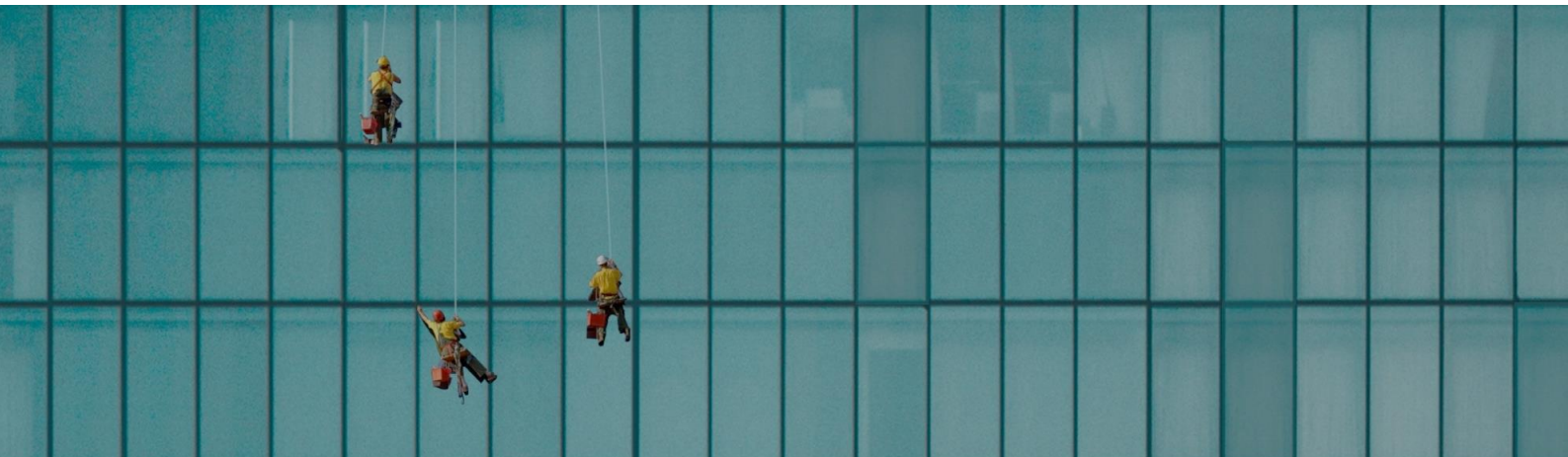
Wabco India Ltd.: Net Revenue at Rs. 712.3 crore, +75.9% YoY and +25.7% QoQ. EBITDA at Rs. 83.5 crore, +61.5% YoY and -4.9% QoQ. EBITDA Margin at 11.7%, -105 bps YoY and -377 bps QoQ. Net Profit at Rs. 47.6 crore, +51.2% YoY and -9.2% QoQ.

Mangalore Refinery & Petrochemicals Ltd.: Net Revenue at Rs. 20827.6 crore, +20.5% YoY and +47.9% QoQ. EBITDA at Rs. 905.5 crore, +137.4% YoY and +1649.1% QoQ. EBITDA Margin at 4.3%, +1834 bps YoY and +398 bps QoQ. Net Profit at Rs. 268.7 crore vs loss of Rs. 2253.4 crore YoY and loss of Rs. 264.7 crore QoQ.

Gujarat Narmada Valley Fertilizers & Chemicals Ltd.: Net Revenue at Rs. 1733.0 crore, +29.1% YoY and +14.9% QoQ. EBITDA at Rs. 470.4 crore, +189.2% YoY and +29.6% QoQ. EBITDA Margin at 27.1%, +1503 bps YoY and +308 bps QoQ. Net Profit at Rs. 310.5 crore, +29.4% YoY and +28% QoQ.

BULK DEAL

- *Yaarii Dig Integr Ser Ltd : Bnp Paribas Arbitrage Buy 1000000 Shares @ Rs. 91.2
- *Yaarii Dig Integr Ser Ltd : Morgan Stanley Asia (Singapore) Pte. - Odi Buy 950000 Shares @ Rs. 90.9
- *Rossell India Limited : Elara India Opportunities Fund Limited Sell 300000 Shares @ Rs. 126.47
- *Ballarpur Industries Limi : Lt Finance Limited Sell 11619200 Shares @ Rs. 1.29
- *Rossellind : Elara India Opportunities Fund Limited Sell 215000 Shares @ Rs. 127.88
- *Jumpnet : Lgof Global Opportunities Limited Sell 1000000 Shares @ Rs. 5.25



ACQUISITION

- *GOURI SHANKAR RATHI Director Acquisition 5200 shares of Srikalahasthi Pipes Limited on 07-May-21
- *Devendra PShah Promoter & Director Acquisition 5000000 shares of Parag Milk Foods Ltd on 10-May-21
- *Netra P.Shah Promoter Group Acquisition 5000000 shares of Parag Milk Foods Ltd on 10-May-21
- *GODREJ INDUSTRIES LIMITED Promoter Acquisition 49172 shares of Godrej Agrovet Ltd on 11-May-21

REVOKE

- *Mr. Sachin Raole Director Disposal 30000 shares of Praj Industries Ltd. on 14-May-21

PLEDGE

- *Aayush M Agrawal trustee Aayush Agrawal Trust Promoter Pledge 130000 shares of Ajanta Pharma Ltd. on 11-May-21

ASHIKA GROUP
DAILY MORNING
REPORT

May 18, 2021

	Rate	Past Trend					
		1 D	1 W	1 M	3 M	6 M	1 Y
US Govt 10 Year Bond Yield	1.6	1.6	1.6	1.6	1.3	0.9	0.7
India Govt 10 Year Bond Yield	6.0	6.0	6.0	6.1	6.0	5.9	5.8
India AAA Corporate 10 Year Bond Yield	6.8	6.8	6.8	6.8	7.0	6.6	6.7
	Price	Return(%)					
		1 D	1 W	1 M	3 M	6 M	1 Y
Dollar Index	90.1	(0.1)	(0.0)	(1.6)	(0.5)	(2.4)	(9.6)
LME Aluminum (USD/MT)	2470.5	1.3	(1.9)	7.3	17.6	26.0	72.9
LME Copper (USD/MT)	10344.8	1.3	(0.3)	12.1	23.1	46.8	100.6
LME Zinc (USD/MT)	2994.0	2.5	0.6	5.6	7.1	11.7	52.3
LME Nickel (USD/MT)	17885.8	2.1	0.8	9.6	(4.5)	12.6	51.8
LME Lead (USD/MT)	2189.3	2.4	(0.2)	8.0	4.5	14.1	38.6
China Iron Ore 62% Fe Fines (CNY/MT)	1547.0	(4.3)	(6.7)	30.2	35.2	74.6	119.4
China Domestic Hot Rolled Steel (CNY/MT)	6150.0	(5.8)	(5.8)	11.8	34.0	49.6	78.8
China Domestic Cold Rolled Steel (CNY/MT)	6880.0	(0.6)	(2.3)	14.9	28.4	34.4	81.5
Peninsular Malaysian Palm Oil (MYR/MT)	4720.0	(1.4)	(0.8)	12.7	18.2	34.3	126.5
Sugar M30 (Rs./quintal)	3161.0	0.0	0.0	(4.4)	(5.0)	(1.7)	(8.4)
China Vinyl Acetate (CNY/MT)	13000.0	0.0	0.0	(3.7)	47.7	106.4	162.6

NIFTY 500

Top 10 Gainer			Top 10 Loser		
Company	Price (Rs.)	Change (%)	Company	Price (Rs.)	Change (%)
HFCL	42.5	14.1%	AARTIDRUGS	755.0	-7.6%
SHILPAMED	509.9	11.9%	SWSOLAR	250.0	-7.3%
BALKRISIND	2094.0	10.4%	JUSTDIAL	730.3	-6.5%
LAXMIMACH	6664.0	10.1%	BLISSGVS	106.4	-5.7%
ATGL	1299.9	9.0%	ALKYLAMINE	3494.0	-5.3%
GALAXYSURF	3145.0	8.4%	TRIDENT	16.2	-4.7%
SUNDRMFAST	737.0	8.3%	OFSS	3524.0	-4.6%
JSLHISAR	185.9	8.2%	ROSSARI	1225.8	-4.4%
BIRLACORPN	1135.0	8.2%	TASTYBITE	15400.0	-4.3%
VENKEYS	2369.0	7.9%	IOLCP	613.0	-3.6%

FII/FPI & DII TRADING ACTIVITY

	17/05/2021	14/05/2021	12/05/2021	11/05/2021	10/05/2021
FII	-2255.84	-2607.85	-1260.59	-336.00	583.69
DII	1948.48	613.26	-704.36	-676.67	-476.26

DERIVATIVE REPORT

- Nifty gained by 1.67% with Nifty future added 2.51 lakh shares in open interest and stock future added 310.3 Lakh shares in open interest.
- Nifty PCR increased to 1.40 from 1.11
- Total Nifty Calls shaded 34.7 lakh shares in open interest.
- Total Nifty Puts added 162.7 lakh shares in open interest.
- Maximum open interest (Nifty) in Calls for Apr series is at 15000 and 14000 put.
- FII's sold net Rs. 2255.84 Cr(provisional), while DIIs bought net Rs. 1948.48 Cr in cash market.
- FII sold net Rs. 2432.76 Cr in F&O
- Securities in Ban Period:
-BHEL, CADILAHC, CANBK, PNB, SAIL, SUNTV

NIFTY TRACKER

Particulars	17/05/2021	14/05/2021	12/05/2021	11/05/2021
Spot	14923.15	14677.8	14696.5	14850.75
% Change in Spot	1.67%	-0.13%	-1.04%	-0.61%
Nifty(FUT) May	14952.1	14714.95	14710.05	14878.25
Nifty(FUT) May Vol.	117321	135076	157491	111856
Nifty(FUT) May - OI	11313150	11205975	11970825	11735475
Nifty(FUT) June	14969.3	14740.65	14740.95	14906.25
Nifty(FUT) June Vol.	9056	6556	6868	5284
Nifty(FUT) June - OI	1165275	1046775	995625	965850

TRADE STATISTICS FOR 17.05.2021

Particulars	No. of Contracts	Turnover (Rs. Cr.)	Put Call Ratio
NSE Index Futures	351107	32653	-
NSE Stock Futures	957325	72790	-
NSE Index Options	31972997	2985044	-
NSE Stock Options	2748315	216096	0.38
NSE F&O Total Turnover	36029744	3,306,583	0.83
NSE Cash Turnover	-	85,397.68	
BSE Cash Turnover	-	5,640.07	
Total Turnover	-	3397621	-

FII CORNER (F&O)

FII NET BUYING/SELLING & CHANGE IN OPEN INTEREST (Cr. Rupee)						
Particulars	17/05/2021		14/05/2021		12/05/2021	
	Net Buying /Selling	Change In Open interest	Net Buying /Selling	Change In Open interest	Net Buying /Selling	Change In Open interest
Index Future	886	673	625	-646	-556	633
Index option	-4496	7545	4644	21296	10253	-25612
Stock Future	1058	2431	-902	-416	-2480	-1241
Stock option	119	1206	-341	992	-312	1063
Total	-2433	11855	4026	21226	6905	-25157

MARKET OPEN INTEREST

Addition/Reduction in Market Open Interest					
Contracts	17/05/2021	14/05/2021	12/05/2021	11/05/2021	10/05/2021
Index Futures	1638	-609	519	-155	404
Index Options	3403	-2317	-830	1014	3781
Stock Futures	45200	-98496	42895	24758	60686
Stock Options	926	6181	6449	4794	3634
F&O Total	51167	-95240	49033.18	30410.52	68505.23

Increase in OI with Increase in Price (Long Buildup)					
Symbol	Prev OI	Curr OI	CMP	Pr.Chg (%)	OI Chg (%)
BATAINDIA	1,153,900	1,519,100	1,408	1.36%	31.65%
BALKRISIND	1,535,200	1,880,000	2,101	10.75%	22.46%
TRENT	926,550	1,123,750	797	2.81%	21.28%
LALPATHLAB	523,500	599,750	2,755.05	0.89%	14.57%
FEDERALBNK	65,530,000	74,400,000	81.75	2.51%	13.54%

Increase in OI with Decrease in Price (Short Buildup)					
Symbol	Prev OI	Curr OI	CMP	Pr.Chg (%)	OI Chg (%)
ESCORTS	3,148,750	3,841,200	1,141.65	-1.89%	21.99%
VOLTAS	2,655,000	3,027,500	984.5	-1.81%	14.03%
CUMMINSIND	1,221,600	1,351,200	813.2	-0.50%	10.61%
LT	15,611,825	17,152,825	1,391.40	-2.12%	9.87%
NAUKRI	1,298,375	1,422,750	4,276.70	-0.82%	9.58%

NIFTY OPTION OPEN INTEREST STATISTICS

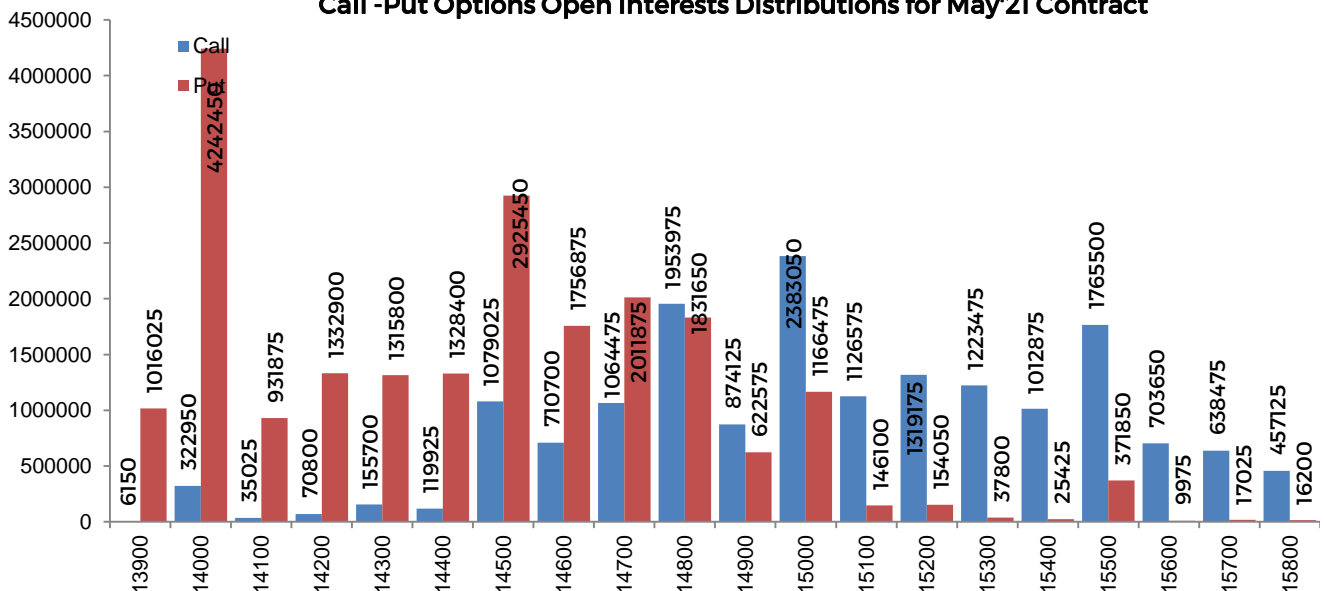
↑ HIGHEST ADDITIONS

Expiry	Strike	Option Type	Settlement Price	Volume	Open Interest	Change In OI
20-May-21	14700	PE	31.35	639428	3971100	2108550
20-May-21	14800	PE	52.3	632616	2755050	1961100
20-May-21	14900	PE	85.5	266749	1636500	1188300
20-May-21	14500	PE	11.65	414201	2867475	990075
20-May-21	14000	PE	2.95	199761	2889000	835725
20-May-21	14750	PE	40.65	261505	1013250	835500
20-May-21	14300	PE	6.25	193667	2082600	699075
20-May-21	13000	PE	1	35167	1343100	667875
20-May-21	14850	PE	67.25	206750	739800	644475
20-May-21	14550	PE	14.65	154068	927900	603525

↓ HIGHEST REDUCTIONS

Expiry	Strike	Option Type	Settlement Price	Volume	Open Interest	Change In OI
20-May-21	15500	CE	1.45	207110	3076575	-1732050
20-May-21	14800	CE	180.2	665725	1728975	-872775
20-May-21	14700	CE	259.45	240780	1596750	-764550
20-May-21	15300	CE	4.6	261774	2117850	-755175
20-May-21	14600	CE	346.15	53023	416550	-648825
20-May-21	14900	CE	113	704112	2297025	-557100
20-May-21	13800	PE	2.05	86793	943650	-500775
27-May-21	15000	CE	151.95	83115	2383050	-464025
20-May-21	15600	CE	1	53279	900375	-365025
20-May-21	14750	CE	218.35	190887	335925	-356400

Call -Put Options Open Interests Distributions for May'21 Contract



STOCK OPTION OPEN INTEREST STATISTICS

HIGHEST ADDITIONS

Symbol	Expiry	Strike	Option Type	Settl. Price	Volume	Open Interest	Change in OI
FEDERALBNK	27-May-21	80	CE	3.9	3253	5690000	2250000
ITC	27-May-21	220	CE	2.6	13212	15875200	2198400
IDEA	27-May-21	9	CE	0.25	454	60620000	2170000
BHARTIARTL	27-May-21	550	CE	16.75	3974	3178167	2163819
BHARTIARTL	27-May-21	560	CE	12.55	5655	4109220	2063865
IDEA	24-Jun-21	9	CE	0.65	67	8890000	2030000
TATAMOTORS	27-May-21	380	CE	2.55	2656	4260750	1952250
FEDERALBNK	27-May-21	80	PE	2.2	2268	4870000	1890000
FEDERALBNK	27-May-21	95	CE	0.45	1993	4240000	1860000
BHARTIARTL	27-May-21	600	CE	4.05	4584	6743193	1834341

HIGHEST REDUCTIONS

Symbol	Expiry	Strike	Option Type	Settl. Price	Volume	Open Int.	Change in OI
RBLBANK	27-May-21	190	CE	12.25	2929	1574700	-2508500
SBIN	27-May-21	370	CE	22.8	17886	4779000	-2428500
ONGC	27-May-21	120	CE	1.8	1758	13182400	-2294600
SBIN	27-May-21	380	CE	17.05	33453	6279000	-2146500
SAIL	27-May-21	150	CE	1.75	220	15722500	-2090000
GMRINFRA	27-May-21	26	CE	1.05	1000	6345000	-2047500
SAIL	27-May-21	140	CE	2.95	202	7457500	-1900000
BHEL	27-May-21	75	CE	3	159	8610000	-1669500
SBIN	27-May-21	375	CE	19.95	9601	1714500	-1464000
SAIL	27-May-21	130	CE	6.45	155	4246500	-1415500

CONCALL HIGHLIGHTS

Colgate Palmolive (India) Ltd.

- YoY and sequential improvement and double digit in key categories
- Rural markets continue to outpace, urban growth is also coming back and the gap is narrowing down
- Q4 Gross margins @67.5%, up 300bps
- India's no. 1 penetrated brand at strong 88%
- Colgate- strong double digit growth and Colgate Max- among the top 3/5 distributed SKUs
- Digital mediums to penetrate further through celebrities and broad base the basket of products
- Colgate Vedshakti - receives strong loyalty from customers; ayurvedic industry segment at 38-39%
- Vedshati mouth spray - 30% strong customer repeats
- Colgate Diabetes- 1st toothpaste for diabetes. Focused and differently targeted customers. Channels like pharmacies, 1mg, Apollo
- Colgate Diabetes- 20% repeat rate, available in 25% urban pharmacies and dentist reach
- Introduced gentle line of toothbrushes-
- Colgate Magik - innovation in kid's portfolio. 1st augmented toothbrush
- 4-5 months ago, put an exclusive e-comm team to concentrate on ecommerce and on customer touchpoints and build more traffic and then transferring into loyalty
- Company has been strengthening rural presence through resurgence of kirana and wholesale stores. Introduced a programme Muskaan to penetrate even the remotest of places
- Advertising dollars to invest in brand and that's driving gross margins

CONCALL HIGHLIGHTS

Colgate Palmolive (India) Ltd.

- In terms of top line growth: Volume growth > price growth; remain competitive at the price point
- Naturals: including salt and ingredients, accounting 38-39%
- Family: 37-38%
- Freshness: seen some interesting pick up and gain traction
- Metro, modern trade, e-comm: changing mix
- Gross margins drivers: pricing, putting in to mitigate cost; exports are at the same level for the last 2-3 quarters; category mix: toothpaste growing faster than toothbrush; SKU mix: from Rs 10-20 to Rs 100 and above, towards more premium products like charcoal
- Brushing twice habit is a long term play, however on account of pandemic, getting product available was priority
- Pricing: look at benefits that has been framed like strong teeth, brighter teeth, no stains. Brands have made a comeback on the back of oral expertise
- Ayurvedic vs Calcium: all brands would co-exist. Flavours are embedded in the memory since toothpaste is the first thing one puts into mouth after getting up
- Premiumisation: is only going to go up but is a function of retail landscape change

CONCALL HIGHLIGHTS

Aarti Drugs Ltd.

- In FY21 company has reported strong growth.
- Domestic vs Export mix is 65:35.
- API contributes 78%, Specialty 10% and formulation contributes 12% for Q4FY21.
- 65% revenue come from domestic and 35% from export. Domestic business grew by 15% and export business grew by 20%.
- Company has adopted zero liquid discharge process for environment friendly operation.
- Company will maintain EBITDA margin in the range of 18-20% in coming years.
- Company is very committed to increase its topline growth on the back of incremental capacity which will be available in near future.
- Gross debt at Rs 344 crore of which Rs 187 core is long term debt. Leverage will be on higher side as company is expanding its capacity both brownfield and Greenfield.
- Net working capital is higher because of higher inventory, though will focus on reducing the working capital.
- Full ramp-up of existing capacity and New Capacity post Rs. 600 crores capex. Company has planed capex of Rs 600 crore in next 3 years.
- Capex will be funded through internal accruals. Company is expected asset turnover of 2-2.5x once the capacity will start commercialization.
- Company incurred capex of Rs 81 cr in FY21.
- Company's strategy for backward integration has given positive result to the company amid disruption in supply chain.
- Company is on track in increasing contribution from lifestyle acute drugs.
- Brownfield expansion on antibiotic has already started commercialization.
- After the completion of capex when company will start full utilizing the capacity, company is confident of achieving turnover of Rs 4,500-5000 cr turnover.

CONCALL HIGHLIGHTS

Aarti Drugs Ltd.

- EBITDA margin will improve to 20% after completion of the capex.
- At current capacity company can achieve turnover of around Rs 2600-3000 cr turnover at peak capacity utilization.
- In current quarter company didn't face no supply issue in API segment. In formulation segment also company didn't face any operational issue due COVID related issue.
- In formulation segment the demand is lower due to higher stockiest in domestic level. However, in Q1FY22 the stock will normalize.
- In API segment, company is targeting volume growth of 10-15% in coming year. In formulation the growth will come from existing capacity and expect revenue of Rs 330-340 cr in FY22.
- In Q4 there has been few raw material prices which has increased.
- The core promoter family is not reducing stake may be some family member have reduced the stake. There is no systematic of selling stake.
- Company also sale Specialty chemical and intermediates in US.
- Company is aiming to expand 1000 to 2000 tonne per month at the end of FY22 and in next 2 year the expansion will be 3000 tonne per month.
- Gross margin will be maintained at 36-37% level.
- Currently, Working capital is around 25-26% of sales.
- In international markets, if customers are big then company does direct sales and if customers base are fragmented then it goes through distributors.
- Major capex is for captive consumption mainly backward integration and few will be utilized for sales. Around 80-90% of sales will for backward integration.
- Brownfield/debottlenecking/maintenance capex of Rs 50-60 cr per annum and Rs 560 cr Greenfield expansion in next 3 years.
- Operating leverage will help the company to sustain the margins in coming quarters. Company is targeting volume growth of 10-15% for FY22.



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