

# Happy Dhanteras



### NIFTY KEY LEVELS

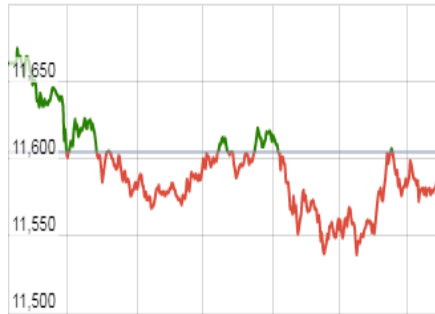
Support 1 : 11550  
Support 2 : 11430  
Resistance1: 11630  
Resistance2: 11715

### Events Today

### Results

ARVIND, ATUL, CARBORUNIV, HEIDELBERG, INFIBEAM, JUBILANT, MARICO, RELCAPITAL, SBIN, SHRIRAMCIT, STAR, SUPREMEIND, TATAMOTORS, TATAMTRDVR, ASTEC, HDFCAMC, HIKAL, HONAUT, KIRLOSIND, NRBBEARING, PAPERPROD, PRAENG, RATNAMANI, RSYSTEMINT, SHK, TATACOFFEE, TIMKEN, V2RETAIL, ZUARI.

### Nifty Intraday Chart



### Market Outlook

Yesterday, Nifty opened positive at 11661.65 and made a high of 11679.60. From there it moved towards the low of 11534.65 and closed negative at 11582.69. On sectoral front only REALTY traded positive. India VIX closed negative by 2.72% at 16.08.

Domestic market ended with lackluster day and concluded the session in red, despite strong trend seen in other Asian markets. We reiterate that consolidation near foot of the downward sloping line before breakout persist which will give strength to Index for resuming uptrend with momentum. As long as nifty sustains above 11550 followed by 11430, Bulls have a hope to conquer 11715 then 11800 levels on upside.

### Indian Market

Index (Prev. Close)	Value	% Change
SENSEX	39,020.39	-0.10%
NIFTY	11,582.60	-0.19%
BANK NIFTY	29,107.95	-1.19%

### Global Market

Index (Prev. Close)	Value	% Change
DOW	26,805.53	-0.11%
NASDAQ	8,185.80	0.81%
CAC	5,684.33	0.55%
DAX	12,872.10	0.58%
FTSE	7,328.25	0.93%
EW ALL SHARE	19,040.41	-0.17%

### Morning Asian Market (8:30 am)

SGX NIFTY	11,581.50	-0.29%
NIKKIE	22,728.00	-0.10%
HANG SENG	26,661.50	-0.51%

### Commodity Market

Commodity(Prev. Close)	Value	% Change
GOLD	38,352.00	0.92%
SILVER	45,992.00	1.50%
CRUDEOIL	61.30	-0.60%
NATURALGAS	164.80	1.60%

### Currency Market

Currency (Prev. Close)	Value	% Change
RS./DOLLAR	71.02	-0.16%
RS./EURO	79.03	0.26%
RS./POUND	91.58	0.41%

### Bond Yield

Bond yield (Prev. Close)	Value	% Change
G-sec 10YR : IND	6.50	-0.11%

% Change in 1 day

### Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
24-Oct-19	5885	5958	(73)
Oct-19	81295	82211	(915)
2019	1073863	1057114	17684
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
24-Oct-19	3837	4576	(739)
Oct-19	62573	57646	4927
2019	755967	704830	51137

Please refer to page pg 16 for Bulk deals, Dividends, Bonus, Spilts, Buyback.

Quote of the Day : "One of the funny things about the stock market is that every time one person buys, another sells, and both think they are astute."

**MARUTI** **NEUTRAL** **25-Oct-19**

The uncertainty in the demand scenario persist whereas low single digit growth on retails have been witnessed led by festivals. Due to slowdown in demand and increased competitive intensity discount per car has increased to Rs.25761 in 2QFY20 up by 50% on sequential basis. The company has also lost 120bps market share in 1HFY20 over FY19. Higher discounts and promotional expenses coupled with weaker operating leverage to keep the margins under pressure. Further, increase in depreciation cost will drag the overall profitability. Hence, we reduce the FY20/21 EPS estimate by 5%/6% due to weak volume growth and higher cost. We value the company at 27x FY21e EPS to arrive at a target price of Rs.7070 and recommend NEUTRAL.

**HCLTECH** **ACCUMULATE** **25-Oct-19**

HCLTECH has reported a healthy growth in both its revenue and margins in 2QFY20. Organic revenue grew 14%YoY mainly led by ramp up of new deal wins(Nokia, Broadcom and Xerox) while margin reached 20%range largely driven by integration of higher margin business( IBM products). Going forwards, we believe the HCLTECH will manage to clock industry leading growth among peers driven by strong organic growth with continued deals ramp up. Also inorganic growth is expect to inch up in 2H as focus on renewals will support growth. However, on margin front ,we expect higher amortization and R&D spend will drag the margins in 2H, thus overall FY20 margins is expected to land in lower end of the guidance(18.5%to19.5%). Factoring in near term margins pressure we have largely kept our estimates unchanged for FY20 and increased PAT by 3%for FY21.Thus we largely maintain our Accumulate stance on the stock with the target price of Rs1227.

**ATFL** **NEUTRAL** **25-Oct-19**

ATFL has posted mixed set of numbers in 2QFY20; Sales remained impacted on account of muted performance from Ready to Eat (RTE) snacks due to supply chain issues and volatility in edible oil market. Going forward, we expect company to perform well in the long run on the back of new launches in the existing category as well as entering new category (confectionary), distribution expansion and premiumization. The decline in growth from bagged snacks being temporary and is expected to be addressed with commissioning of Chittoor & Unnao facility which will bring in volumes for bagged snacks in FY21.Performance of company's edible oil business will remain key watch-out , as there are pricing actions which are expected. On the other hands, margin will be taken care of higher contribution of food business in the total business. We have kept PAT estimates of FY20 and FY21 largely the same, but as stock has sharp run up in few days, we have changed our rating from Accumulate to Neutral with the previous target price of Rs. 571.

**APLLTD** **ACCUMULATE** **25-Oct-19**

APLLTD has posted a strong numbers this quarter driven by strong growth in the US generics business and API sales. The US sales reported a growth of 28% YoY to US\$ 76 mn on account of supply opportunity due to drug shortage across all sartan drugs (i.e. Valsartan, Candesartan, and Losartan etc) and the launch of Febuxostat tablets. For the full year, we expect the revenue growth of 13% as the sartan sales opportunity this quarter as well as the improvement in the Europe sales post the adverse impact of serialization in the previous quarters will drive the sales in FY20, though the increased trade receivables will be our key concern going ahead.

Going forward, we expect the US sales to drive revenue growth based on the healthy ANDA pipeline and nimble supply chain. On the margin front, we expect the margins to be under pressure in the medium term due to increase in R&D cost and operational cost on account of commissioning of the new facilities. Post result based on strong numbers posted this quarter; we have increased our PAT estimates for FY20/21E by 7% and 3% respectively. Therefore, we value the stock at 17x FY21E EPS with a target price of Rs.607 and maintain ACCUMULATE.

**PNBHOUSING** **NEUTRAL** **25-Oct-19**

Loan growth has remained steady sequentially on the back sluggish disbursement, which management has guided to continue in the 2HFY20. The asset quality concerns persist in the corporate book as 5 accounts amounting to Rs 833 Cr are under various levels of stress with few of them in the moratorium period. We remain cautious on PNBHF as 41% of the portfolio is in the corporate segment. We are cautious on the growth front on the back of liquidity management and asset quality concern thus we decrease our estimate by -6% for FY20. We value the stock at 465 at 0.8x for FY21e. We maintain Neutral.

<b>COLPAL</b>	<b>NEUTRAL</b>	<b>25-Oct-19</b>
---------------	----------------	------------------

COLPAL has reported mixed set of numbers, positive remained volume growth which grew by 4% in spite of rural slowdown and higher competitive intensity. Going forward, we expect volumes to remain in pressure due to unfavorable macroeconomic scenario. However, the company will continue investing behind its brands which in turn will restrict EBITDA margin expansion. Presently, we have kept our sales and PAT estimates largely the same, we continue to value COLPAL at 45 x of FY21e EPS and remain Neutral with the target price of Rs 1541.

<b>ITC</b>	<b>ACCUMULATE</b>	<b>25-Oct-19</b>
------------	-------------------	------------------

ITC's numbers remained inline with our estimates, Cigarette business continues to do well for the company with margin improvement. Going forward, company's thrust on aggressive launch of new products, venturing out in to new categories and investment in existing brands is expected to drive revenue growth. While Improvement in margin of other FMCG and benefits of operating leverage is expected to boost margin going forward. We continue to remain positive on ITC with ACCUMULATE rating on it and a target price of Rs 295.

<b>NIITTECH</b>	<b>NEUTRAL</b>	<b>24-Oct-19</b>
-----------------	----------------	------------------

NIITTECH reported strong growth in revenue front while margin remained in its stated 18% range in 2QFY20 result .Fresh order intake remained impressive with 11 quarter of steady growth in TCV ( won USD176million during the quarter).Even Order Book Execution over the next 12 has crossed USD400million for the first time . Going forward healthy order intake and strong traction from insurance will drive growth in FY20.However challenges in top client in BFS vertical (contributes 27.8%)will continue remain overhang on the revenue for next few quarters. Also on margin front , as the company is consistent in reinvesting the margins gains back into building capabilities , better sales incentives and deal advisory initiatives , Thus we expect margins to remain below 18% aspiration in FY20. Post result, we have raised our revenue and PAT estimates by 2/3% for FY20. However, we believe most of the positives factors are already baked in our estimates, Thus maintain Neutral stance on the stock with target price of Rs1407

<b>KOTAKBANK</b>	<b>BUY</b>	<b>24-Oct-19</b>
------------------	------------	------------------

Kotak has grown at a slower rate on the back of cautious growth in the wholesale segment meanwhile the retail segment is majorly adhering to the 15% growth. NIM remains unhindered on the back of its strong liability franchise and ability to get risk adjusted return in its exposure. Moreover with rising stress in the economy, Kotak has been able to successfully manage delinquency however, there is a slight sequential increase in the GNPA & SMA 2. Management has guided the credit cost to remain at around 60 bps during the year. Management has guided the loan growth to remain in the midteen with strong NII & NIM. We value the stock at 5.2x of the lending business and subsidiary valuation at Rs 435 for Rs 1946. We maintain BUY

<b>SUBROS</b>	<b>NEUTRAL</b>	<b>24-Oct-19</b>
---------------	----------------	------------------

The demand scenario for passenger vehicle space continues to be uncertain for 2HFY20. The management has also tweaked the margin guidance to 10-11% from earlier 11-12% largely due to weaker operating leverage and low margin Home AC business. Going ahead we expect higher fixed cost on new Karsanpura plant to further weigh on profitability in the current demand situation. Factoring weaker operating leverage along with margin compression and higher tax for FY20 we reduce our FY20/21e EPS estimate by 23%/ 3%. We value SUBROS at 15x FY21e EPS to arrive at target price of Rs.249 and maintain Neutral.

## Stocks in News:

- ❑ **Telecom stocks** suffered massive selloff after the Supreme Court rejected the telecom companies' definition of Adjusted Gross Revenue (AGR). This means telecom companies will have to pay up as much as Rs 92,642 crore to the government. Bank stocks also fell on concerns about their exposure to the beleaguered telecom companies.
- ❑ **IDFC First Bank (Q2, YoY)** Net interest income up 3 times to Rs 1,363.1 crore Net loss at Rs 679.5 crore versus net loss at Rs 369.7 crore Provisions at Rs 317.4 crore versus Rs 601.4 crore (Rs 1,280.8 crore QoQ) GNPA at 2.62 percent versus 2.66 percent (QoQ) NNPA at 1.17 percent versus 1.35 percent (QoQ) Figure not comparable due to merger of IDFC with Capital First .
- ❑ **Interglobe Aviation Q2:** Interglobe Aviation Q2: Net loss at Rs 1,062 crore versus loss of Rs 651.5 crore, revenue up 31% at Rs 8,105.2 crore versus Rs 6,185.3 crore, YoY
- ❑ **United Spirits (Q2, YoY)** Revenue up 3.4 percent to Rs 2,314.2 crore Net profit down 27.8 percent at Rs 163.1 crore Ebitda down 4.9 percent at Rs 408.1 crore Margin at 17.6 percent versus 19.2 percent Raw material costs as percentage of sales at 55 percent versus 49.6 percent
- ❑ **Sterlite Tech (Q2, YoY)** Revenue up 25.4 percent to Rs 1,359.7 crore. Net profit up 21.6 percent to Rs 159.6 crore. Ebitda up 5.6 percent to Rs 288.5 crore. Margin at 21.2 percent versus 25.2 percent. Management gives cautious outlook Expects H2 profitability to be lower than H1
- ❑ **Raymond (Q2, YoY)** Revenue up 1.9 percent to Rs 1,883.2 crore Net profit up 33.5 percent at Rs 84 crore Ebitda up 11 percent to Rs 207.1 crore Margin at 11 percent versus 10.1 percent Branded textiles revenue down 2 percent to Rs 869 crore Branded apparels revenue up 9 percent to Rs 529 crore
- ❑ **Infosys:** Company to give 23 lakh stock incentives to 6,949 mid-level eligible employees
- ❑ **Hexaware Technologies, Tata Elxsi, and Union Bank of India** to be removed from F&O segment with effect from Dec. 27
- ❑ **Security and Intelligence Services (India) Ltd (SIS)** reported a 74 percent rise in consolidated net profit at Rs 76 crore for the second quarter ended September 30. The company's revenue rose 23.6 percent to Rs 2,089 crore in July-September quarter, SIS said in a regulatory filing.

**Red:** Negative Impact **Green:** Positive Impact **Black :** Neutral.

### Fundamental Picks:

Market had witnessed huge volatile sessions in last one year accompanied with full of events. However amid volatility quality companies kept rewarding the investors. Going forward markets shall continue to provide good opportunities for investments. Our expected target for Nifty comes around 12300 valuing at 19x FY21E EPS. Some of the key triggers that shall support markets are:

- Government taking administrative and structural measures to achieve \$5 Trillion GDP target.
- Recent tax reforms key game changer in long run for economy giving opportunity for further earnings upgrades.
- CPI at 3.99% still under RBI's targeted 4% level and low commodity prices is giving room for further rate cuts.
- IBC has forced out the stress in corporate India.
- Monsoon no more a worry giving hopes for better H2FY20.
- Stable Rupee and range bound crude prices provides roots for stronger growth.
- Global central banks easing liquidity and reducing interest rates – positive for Indian economy
- Financialization on increasing spree via penetrating insurance and consistent growth of MF SIPs flow
- Benefits of corporate tax cuts and other tax reforms should augur well in the numbers by FY21 onwards.

*Our preferred picks are:*

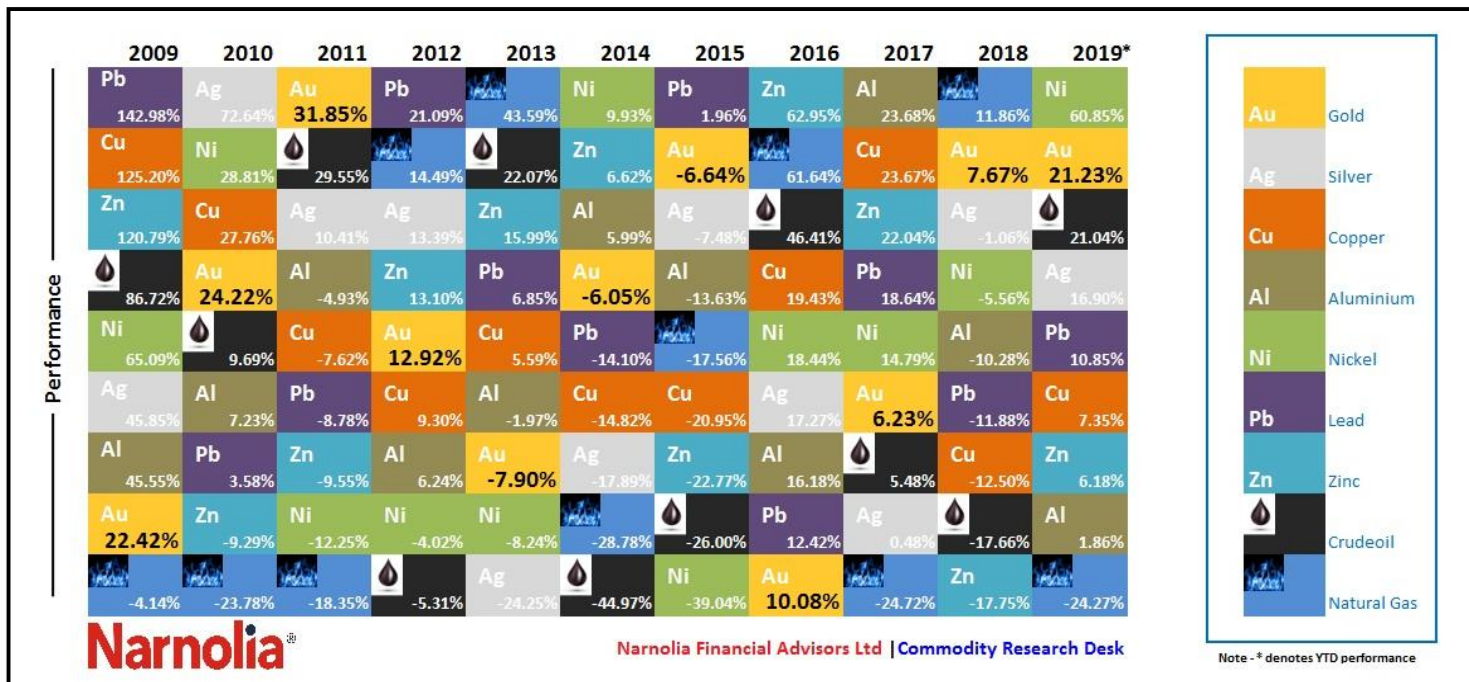
Stock	Investment Target (Rs.)
ABB	1800
CREDITACC	749
DMART	2400
HDFCAMC	3800
HDFCBANK	1466
MARICO	467
MCDOWELL-N	785
PNCINFRA	232

Key risk to our above assumptions can be escalation in trade wars, global tensions and sudden rise in commodity prices.

### Technical Picks:

*Our preferred picks are:*

1. Buy Bharat Electronics Ltd around 112-114 Stoploss 91 Target 148
2. Buy Bharti Airtel Ltd around 350-360 Stoploss 323 Target 450
3. Buy Ashok Leyland Ltd around 72-75 Stoploss 64.90 Target - 91
4. Buy Blue Star Ltd around 840-860 Stoploss 740 Target 1040
5. Buy Tata Motors Ltd around 125-127 Stoploss 115.40 Target 149



### Top Picks for 2019-2020

#### NICKEL

Nickel prices has risen by more than 60% on worries over supply tightness after the Indonesia announced an export ban on nickel ore from Jan 2020, two years earlier than expected. Moving into next year, Nickel prices may remain supported at Rs 1100 levels and trade higher towards 1400 levels in 2020.

#### GOLD

MCX Gold prices have witnessed a surge of 21% since last Diwali on account of 15-month long trade tension leads to soft economic growth, monetary easing by the central banks, increasing investment demand from ETF and Central banks buying and Brexit uncertainty. Investors started to lock in gains starting June and in the span of four months gold prices rocketed 15% and made a high \$1566/oz.

U.S. Fed policy makers will review their stance at a meeting on Oct. 29-30 amid speculation that they are set to deliver a third consecutive interest rate cut. Currently even negative interest rates and easing monetary policy is unable to spur the economic activity to balance the Debt to GDP ratio. During the short term, Gold prices may face headwind due to trade optimism and higher bond yields however, for the long term, one must mandatorily add gold in their portfolio due to uncertainty over global economic outlook. We expect Comex Gold prices to test \$1,650 in the coming year 2020.

## CRUDEOIL

Crude oil prices are mainly supported by the efforts of OPEC members, same way as it helped falling oil prices in 2016 by introducing production cuts. Crude oil prices managed to rise 21% YTD despite record production from US and persistent demand worries.

OPEC+ nations have planned to discuss on reducing further production in the 5<sup>th</sup> Dec 2019 policy. This meeting will be deciding factor for the future direction of oil prices.



**NIITTECH 2QFY20 CONCALL HIGHLIGHTS**

- ❑ Broad based growth across Vertical: BFS expand 8.3%QoQ in cc terms, now contributing to 16.7%.Travel&hospitality was up by 5%QoQ, contributing 27.8% of revenue. Insurance grew by 14.8% QoQ, contributing 31.1% of overall revenue led by deal signed with largest client. Other segment effectively grew 2.2%QoQ, Its now represent 24.4% of the revenue.
- ❑ Stable onsite revenue: The onsite revenue for quarter remained stable with 66%of total revenue. Going ahead , The company will like to keep it at max 66%, one or two plus or minus may vary during quarters.
- ❑ Update on client change: In the last quarter the company had called up challenges in one of its client in BFS space .The management is seeing something getting stabilized but some challenges still continued in 2Q and will continue to see in coming quarters too.
- ❑ Macro issue: the company has not seen softening of demand now and also does anticipate any softness in short to medium terms.
- ❑ Margin performance: EBITDA margin for the quarter increased to 18.3% reflecting a positive impact of 118bps on account of margin improvement across all business units. Going forward, the company continues to maintain 18% EBITDA margin on annualized basis
- ❑ ETR: Effective tax rate was 18.15 which is reduction of 810bps from 1QFY20 on account of reversal of deferred tax liability on intangibles a acquired subsidiary after moving to new tax regime .Normalize tax rate for the quarter stood at 22.7% after adjusting for reversal of intangible .
- ❑ Positives order intake: Fresh order intake during the quarter was TCV USD176million .Out of this USD176million order intake, US contributed USD65million, and EMEA contributed USD41 million and RoW contributed USD70million during the quarter .Row showed strong growth because one of the client awarded large contract in this geography and also there was material win in Row in BFS vertical.10 new customers were added during the quarter. Order Book Executive over the firm next 12 months have expanded and stands at USD405 million. The deal pipeline and conversion are going up for the company.
- ❑ Outlook for FY20: The fundamentals of business are strong though expects softer 3QFY20 given the seasonality.

**INDIANB Q2FY20 Concall Highlights:**

- Tier 1 Capital of the bank includes the capital infusion of Rs 2534 by the government in lieu of the merger with Allahabad bank.
- Management said that there might be some issues coming up in next few quarter but bank is looking to building bank balance sheet strength so that 1 or 2 big account does not affect the bank.
- The sequential loan growth in home loan and SME was high as there was portfolio buyout in MSME it was Rs 3000 Cr and in home loan about Rs 1500 Cr.
- Msme restructuring during the quarter was around Rs 300 Cr.
- SMA 2 book is around Rs 5000 Cr and it includes DHFL. Management has not taken any provision for DHFL this quarter, the provisioning may be taken in the next quarter. Overall SMA 1 and 2 book in case of MSME is around Rs 6000 Cr. Corporate SMA1,2 is around Rs 3800 Cr.
- Management is confident NIM of 3% as guided earlier.
- Management said on asset quality front that they might be hit with few big accounts going forward but the resolutions should nullify it and expect GNPA to be less than 7% and NNPA to be around 3.4-3.5%.
- Larger account which could slip according to management is DHFL. Indiabulls group is standard and exposre is around Rs 1900 Cr.
- The Exposure to DHFL is around Rs 1300 Cr and there is no provision is made on it and provision would be made in December quarter.
- Exposure to Reliance home finance is Rs 120 Cr Mumbai metro which is already NPA is Rs 415 Cr.
- Outstanding security receipt is around Rs 2400 Cr out of which 75% is provided for.
- Management exposure to prayagraj is around 128 Cr and provision of Rs 101 Cr is made and it is expected to be resolved by this month.
- Management is confident of growing RAM book by 15-18% and corporate book by 12%.
- Credit cost guidance for the quarter stands at 2%.

**CROMPTON 2QFY20 Concall Highlights**

- ❑ ECD segment saw a double digit growth. FAN saw growth of 8% in volumes, Agri Pumps saw 17% volume growth and appliances saw a double digit growth led by Geyser growing 38% in value.
- ❑ Sales in September month were impacted due to heavy rains and floods. Mainly pump business was impacted in Eastern India.
- ❑ Company is contently revamping its appliance business and has launched new product Mixer Grinder for festival season.
- ❑ Management expects 30-40% growth in Geysers post launch of various models for winter.
- ❑ Star rating in Fans will be applicable from next year which will be at the cost of redesign the Fans. Management expects to be impacted the list as redesigning is already under process.
- ❑ ECD business is expected is expected to be robust.
- ❑ Lighting was impacted due to EESL which ramped down overall growth. Excluding EESL, de-growth is 3%.
- ❑ Company has strong order book in EESL but due to slower pace in procurement, execution is uncertain.
- ❑ B2B is a key growth and company has been making significant investments and grew by 9% in 2QFY20.
- ❑ B2C was impacted due to continue price erosion which was 15% YoY.
- ❑ LED battens and panels saw a growth of 35%.
- ❑ Management is investing in automation of LED business.
- ❑ Ad & Promotion expenses increased to drive sales of new products.
- ❑ Management is targeting improvement in sales but not at the cost of losing gross margins.
- ❑ Management is contently trying to drive lighting sales and reduce cost to maintain gross margins.

### HCLTECH 2QFY20 CONCALL HIGHLIGHTS

☐ Mode-wise performance: IT and business services, which is Infrastructure Application and business services grew 0.9% during the quarter. Engineering and R&D Services delivered a stellar performance on the back of a very good revenue performance last quarter. Products & Platform grew 57%QoQ mainly supported from the contribution from the HCL Software business (\$100 million came from that business). Mode 2 and mode3 continued its growth momentum and grew 3% and 6%QoQ respectively. The mix now stands at 33%

#### **Margin performance :**

☐ The margin came at 20%, 210bps expansion during the quarter. Products & Platforms (benefited 115bps), Engineering and R&D Services and ITes support the growth. In ERS, productivity was one lever which helped. Also some revenue which couldn't come in last quarter came in 2QFY20.

☐ Also, 290 bps improvement in margin came from Forex which benefitted 23bps, absence of Visa expenses further gave 9bps, Amortization added 15bps and One off in the previous quarter benefitted 70bp. However 45 bps increments given by the company offset some margins.

☐ Broad based across geographies and verticals: Geography wise, Americas grew by 5.5%QoQ; Europe was up by 7% and ROW, a little over 7%QoQ. Segments wise, the company posted a double digit in four of the seven verticals. The highlights of the quarter were the financial services which grew on a robust 7.4%QoQ on the back of number of ramp-ups in some of the existing clients and the project work. Technology vertical saw significant growth mainly contributed by the uptick in revenue due to the HCL Software business. Other verticals also grew quite well. Public services (part of other segment) has seen a big uptick during the quarter because a lot of government clients have been using the products that the company acquired from IBM.

#### **Update on HCL Software:**

- Total value of IBM acquisition deal have gone up marginally by USD 7 million to USD1743m due to increase in earn out estimates.

- Amortization for 2QFY20 was USD38m mainly due to lower revenue recognition from direct billing and more from deferred revenues. Amortization is expected to increase as revenue recognition increases from direct billing in following quarters. Amortization for FY20 is expected to be USD 145m (USD 49m below 1Q guidance).

- Seasonality of software business is expected to come down going forward as earlier it was largely driven by IBM's sales cycle.

☐ Continued uptick in deal wins: 15 transformational deals were signed in 2QFY20. Also order booking which was lower in 1QFY20, saw a good order booking in this quarter.

☐ Tax rate: Standalone tax rate for India is quite lower than 25%, hence the company will not go to newer tax regime for some years given lot of MAT credit has been accumulated as well.

☐ Bonus: Company has proposed 1:1 bonus share subject to appropriate approvals. Board has approved a dividend of Rs2 per share.

☐ Retail outlook: 1H booking was strong. In Q3FY20, as few projects will be getting completed and it is expected to be soft.

☐ Guidance and outlook: The company has increased the guidance for FY20 revenue growth to 15-17% YoY CC from earlier 14-16% YoY CC. Management has retained its margin guidance of 18.5%-19.5%. Organic growth is expected to be 10 to 11% YoY CC while rest 5% to 7% will come from inorganic growth.

**MARUTI Q2FY20 Concall Highlights:-**

- ❑ The PV industry has declined by 28.7%YoY in 2QFY20. Passenger car, UV and Vans has declined by 37.2%, 3% and 45.2% YoY respectively.
- ❑ The domestic PV industry has been impacted due to increase in cost of acquisition, lower availability of finance, higher interest rate which impacted initial deposits for the buyers and increase in road tax across various states.
- ❑ The management indicated that cutting production will lead to loss of GST and fall in jobs as well.
- ❑ Rural has declined by 18%YoY (contributes 39% of total volumes) but declined at a lesser rate than the urban region.
- ❑ Overall diesel sales in the industry have declined to 22-23% from 33-38%.
- ❑ Retail sales for the company were down by 22% YoY in 2QFY20. Both wholesales and retails have been better in October month led by festive season demand.
- ❑ The industry has been witnessing a shift towards petrol vehicles (66.7% of total industry volumes) due to BS-VI norms. However, Maruti's petrol portfolio has improved to 77.5% from 74.2% YoY in 2QFY20.
- ❑ The company's market share in H1FY20 stands at 49.8%.
- ❑ The passenger car (Hatchbacks and Sedans) market share for the company declined to 60% from 66% in H1FY20. The SUV segment market share stands at 35%.
- ❑ The CNG share in overall volumes stands at 7% for the company varying from model to model.
- ❑ The company has launched 2 new models during the quarter, XL-6 and S-Presso and both have received good response from the customers.
- ❑ There have been 16500 bookings (700-750 bookings per day) for the S-Presso model. The company has delivered about 6000 models.
- ❑ The company has introduced 8 models in BS-VI – Alto, Baleno, Swift, Dzire, Wagon-R, Ertiga, XL-6 and S-Presso.
- ❑ The Ertiga model petrol variant will be launched by the end of FY20.
- ❑ Promotional expenses were higher during the quarter which led to margin decline. Going forward, the company will get benefit from lower commodity prices in coming quarters.
- ❑ Depreciation was higher at 30% YoY during the quarter due to phasing out of some diesel engine plants (due to BS-VI) which had an impact of Rs. 168 crs in H1FY20.
- ❑ Discounts for the quarter were Rs 25761 as against Rs 16941 in 1QFY20 (up by 52%).
- ❑ Exports revenue for 2QFY20 was Rs. 1229 crs. Exports are expected to remain at the same level going forward.
- ❑ Royalty rate for the quarter was 5.2% of sales.
- ❑ Tax rate has been reduced by 5% from effective 28% tax rate and now it will be at 23% for full year FY20.
- ❑ Gujarat plant production stands at 82251 units in 2QFY20.
- ❑ Inventory level stands at 30-32 days at dealer's level and it is expected to remain at the same level going forward.
- ❑ Capex guidance for FY20 – Rs. 4000 crs.

**APLLTD Q2FY20 Concall Highlights**

- ❑ The net sales for the quarter grew by 10% YoY to Rs. 1241 crs largely driven by robust growth in the US business and API sales.
- ❑ The International sales grew by 10% YoY to Rs.646 crs, US generics business grew by 28% YoY to US\$ 76 mn on account of sales opportunity for the sartan (across board opportunity including all sartan i.e., Valsartan, losartan, Olmesartan, Candesartan etc.) and launch of Febuxostat Tablets.
- ❑ 6 ANDA approvals received during the quarter; 5 ANDA filings during the quarter and 7 products launched in Q2FY20. The management has guided for 7-8 launches in the second half of the year.
- ❑ The top 5 products in US contribute 30%-40% of the total US revenue.
- ❑ The India business was flat at Rs. 391 crs, the sales was impacted as the company decided to completely clamp down on the discounts offered to stockist from May 2019. The management expects that in the next 2-3 quarter, India business will be back of growth track.
- ❑ For the India business, though the revenues have been impacted on account of withdrawal of discounts to stockist but the margins have rather improved for this geography.
- ❑ The API sales grew by 31% YoY to Rs. 204 crs on account of growth in the legacy portfolio. The management expects the API business to grow by 10% going ahead.
- ❑ Ex- US sales de-grew by 37% YoY to Rs. 107 crs as Europe stayed impacted on account of serialization. The management has guided for improvement in the Europe sales from Q3FY20 onwards.
- ❑ R&D for the quarter grew by 20% YoY to Rs. 174 crs; Capex including the capital advances for the quarter was at Rs. 197 crs (54 crs funded to Aleor Derma).The management has guided for Rs.600crs+ R&D in FY20.
- ❑ The Exhibit batches for Oncology and general injectables facility were taken in this quarter. The filing from Oncology injectable plant is expected by the end of this year and for general injectable plant, it is expected from the next year.
- ❑ The management has guided for the base business run rate in US to at US\$ 50 mn per quarter.

**ATFL 2QFY20 Concall Highlights:**

- ❑ Act II Sweet Corn and Sundrop Popz Cereals contributed to 20 bps to 180 bps of foods business Growth in 2QFY20 respectively. These have been included in RTC and RTE Snacks respectively.
- ❑ The Company has commenced commercial production of Sundrop Cocoa Nut (sent 1st shipment to Bangladesh and will roll out in India too), choco- almond spread and Sundrop Duo (to address confectionary market and will come into the markets by Nov-19).
- ❑ Spreads value growth (9%) remained lower than volume growth (12%) because higher volumes came from 1kg pack.
- ❑ The Company witnessed sharp decline of 23% YoY in volumes in Crystal business led by price cuts and selling pressure. Thus, Management expects the pricing to come down in next 3-6 months.
- ❑ As per Management, Ready to cook snacks and spreads are doing well.

**Management Strategy & Guidance**

- ❑ Ready to eat snacks posted lower growth on account of subdued performance of Tortilla chips due to supply chain issues. In short term, company is scaling up the supply of Tortilla chips through 3rd party and better results are expected from 4QFY20. However 3QFY20 will remain impacted.
- ❑ Management expects adequate supply of Tortilla chips from early FY21 post Chittoor and Unnao plant becomes operational.
- ❑ Extruded snacks growth remained impacted due supply chain, manufacturing & packaging issues but is expected to get partially resolved in 3QFY20 and fully resolved post commissioning of Chittoor and Unnao plant.
- ❑ The Company witnessed good response from large packs of Caramel bliss popcorn.
- ❑ Management expects spreads to grow post necessary corrections undertaken led by market share stabilization (the company lost some market share in 2QFY19).
- ❑ The Management expects the new launches Act II Sweet Corn, Sundrop Popz Cereals, Sundrop Cocoa Nut, choco- almond spread and Sundrop Duo to deliver 5% growth in order to achieve growth of 20%.
- ❑ The Company will come up with more nut based chocolates in coming quarters as the company has capabilities (Jhagadia Plant) in Nuts.
- ❑ The Management targets sweet corn and choco popz to make available at 2 lac & 1.5 lac stores.

### PNBHOUSING Concall Highlights 2QFY20

- ❑ Yield in the home loan segment is at 9.74%, LAP stands at 10.88%, Construction finance is at 12.77% and LRD is at 10.36%. Incremental yield for the Home loan is at 9.83%, LAP is at 10.39%, construction finance is at 12.36% and LRD is at 10.20. Spreads have moved up from 119 bps to 206 bps. Management has guided spreads to increase 13-14 bps in the next quarter with NIM more than 3.50%. Assignment spreads have fallen QoQ with the rise in the share of PSL home loans.
- ❑ Operating efficiencies have improved on the back of digitalization & higher capacity utilization.
- ❑ Disbursement has decreased by 31% in 2QFY20 due to slowdown in the corporate segment while the decrease in retail is 11% only. Management has guided to maintain this level of disbursement for 2HFY20 with an increased share of retail loans.
- ❑ During 1HFY20, the corporate book has rundown naturally by 6.33% excluding a sell down amounting to Rs 842 Cr in the Lease rental discounting segment.
- ❑ GNPA in the retail segment stood at 0.84% while GNPA in the corporate loans 0.83%. Management has guided credit costs to remain around 60 bps for FY20.
- ❑ 5 stressed accounts were identified with an exposure amounting to Rs 833 Cr with 33% provision.
- ❑ 1st IPF Pvt Ltd. With a security cover of 2.5x move into 1QFY20, where the developer has started repayment via a structured refinance plan and has paid Rs 39 Cr, now net amounts stood at Rs 111 Cr. Provision stands at 37%.
- ❑ 2nd is Supertech Gurgaon which is in Stage 2 with exposure of Rs 244 Cr and provision of 37%, the primary objective is to reduce remoteness to bankruptcy. Out of the total 16 towers, 8 are in advance stage of construction where 85% of civil work is completed 80% completely sold.
- ❑ 3rd Onnet Mumbai which is in stage 1 with O/S loan of Rs 181 Cr and ECL provision of 32%. A joint venture with Sappoorji Palloonji is being considered. The project is in the moratorium.
- ❑ 4th Radius Group Mumbai with exposure of Rs 254 Cr ECL of 35%.The retail part is majorly sold. The project is in the moratorium.
- ❑ 5th IDO water front Ludhiana project stage 3 with exposure Rs 38 Cr & security cover of 6-7x. Management expects it to get resolved by FY20.
- ❑ The largest corporate exposure is to Lodha developers with the amount outstanding of Rs 1250 Cr for 2 projects i.e Lodha World One and trump tower. It has a security cover of 1.5 x with a promoter guarantee.
- ❑ Board has capital raising plans for Rs 2000 Cr which management expects to come through by Feb 2020. The timeline has changed from Dec to Feb on the back of external volatility.
- ❑ 28% of the incremental disbursement is to less than Rs 25 lakh value. Up to 40% of retail disbursement is to self-employed.
- ❑ Deposit up to 86% by value is to retail segment with a ticket size of Rs 6-7 Lakhs.
- ❑ In the Construction Finance book, the share of under-construction has come down to 57%.
- ❑ Almost 50% of the book is in the principal moratorium. During 1HFY20, principal repayment started in 38 accounts having total O/S of Rs 1492 Cr. The amount collected is Rs 230 Cr.
- ❑ The Incentive of sales employees is amortized for the life cycle of the project.

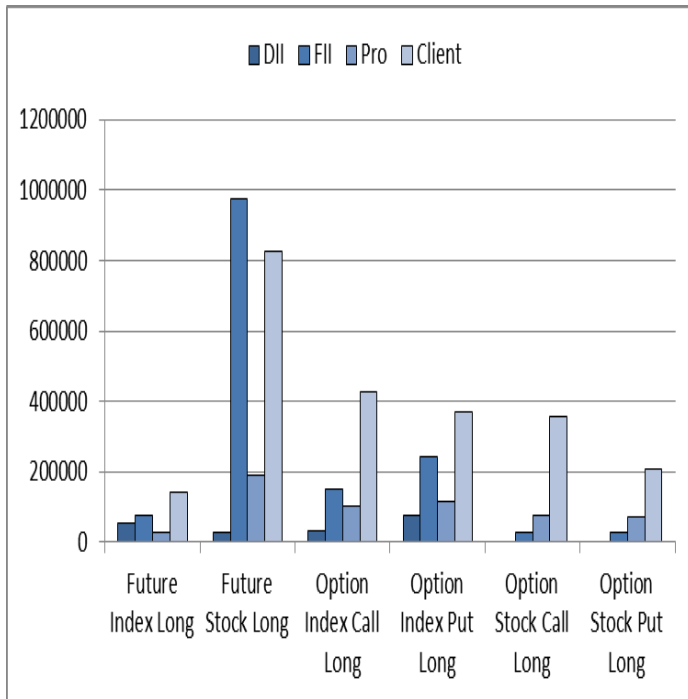


## BULK DEAL

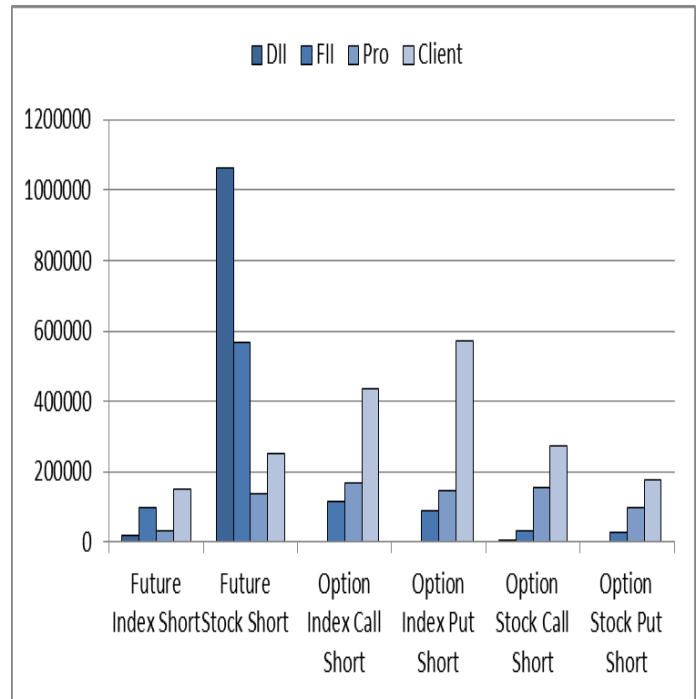
EXCHANGE	Date	SECURITY CODE	CLIENT NAME	DEAL TYPE	QUANTITY	PRICE
BSE	24-10-19	ACKNIT	DIPAK KANAYALAL SHAH	S	30,500	44.13
BSE	24-10-19	AMFL	BHAVESHKUMAR GIRISHBHAI BHANDARI	S	100,800	14.7
BSE	24-10-19	AMFL	HARESHBHAI CHIMANBHAI CHAUHAN	B	100,800	14.71
BSE	24-10-19	APOLLOTRI	SONIA JYOTI	S	200,000	280
BSE	24-10-19	APOLLOTRI	DINESH PAREEKH	S	300,000	280
BSE	24-10-19	APOLLOTRI	REENA SINGHAL	S	300,000	280
BSE	24-10-19	APOLLOTRI	SAKET AGRAWAL	S	300,000	280.34
BSE	24-10-19	APOLLOTRI	FIDELITY INDIA FUND	B	172,735	280
BSE	24-10-19	APOLLOTRI	FIDELITY FUNDS INDIA FOCUS FUND	B	844,476	280
BSE	24-10-19	ARIHANTINS	MANISHABEN KALPESHBHAI MALVI	B	48,000	7.37
BSE	24-10-19	AUBANK	OUREA HOLDINGS LIMITED	S	3,165,364	675.04
BSE	24-10-19	BAPACK	NARESH GOEL (HUF)	S	20,000	3.4
BSE	24-10-19	BCP	PRARAMBH SECURITIES PVT LTD	B	523,666	7.68
BSE	24-10-19	EARUM	ATULKUMAR A PATEL	S	33,000	57.51
BSE	24-10-19	GARVIND	ANITA	S	100,000	27.2
BSE	24-10-19	GARVIND	SURENDER KUMAR	S	100,000	27.2
BSE	24-10-19	GARVIND	SAROJ MITTAL	S	90,000	27.25
BSE	24-10-19	GARVIND	SHALINI JAIN	B	320,000	27.21
BSE	24-10-19	GOBLIN	GOENKA BUSINESS & FINANCE LIMITED	S	80,000	67.52
BSE	24-10-19	GUJCMD5	LIFE INSURANCE CORPORATION OF INDIA	S	1,025	155
BSE	24-10-19	JONJUA	BADAMILAL BANSHILAL GARG	B	31,200	28.87
BSE	24-10-19	JONJUA	BADAMILAL BANSHILAL GARG	S	31,200	29.27
BSE	24-10-19	NOVATEOR	PARSOTAM KANTILAL PUROHIT	B	72,000	40.15
BSE	24-10-19	NOVATEOR	JHAVERI TRADING & INVESTMENT PVT LTD	S	36,000	41.05
BSE	24-10-19	SUPERSHAKT	NOPEA CAPITAL SERVICES PRIVATE LIMITED	B	63,000	360
BSE	24-10-19	SUPERSHAKT	SHAH BABULAL VADILAL HUF	S	63,000	360
BSE	24-10-19	TDSL	SUNCARE TRADERS LIMITED	B	144,000	16.1
BSE	24-10-19	TDSL	VEDANT COMMOMDEAL PRIVATE LIMITED .	S	144,000	16.1
BSE	24-10-19	VISHWARAJ	KHANDELWAL FINANCE PRIVATE LIMITED	S	190,000	61.2

## PARTICIPANT WISE OPEN INTEREST

### Long Position

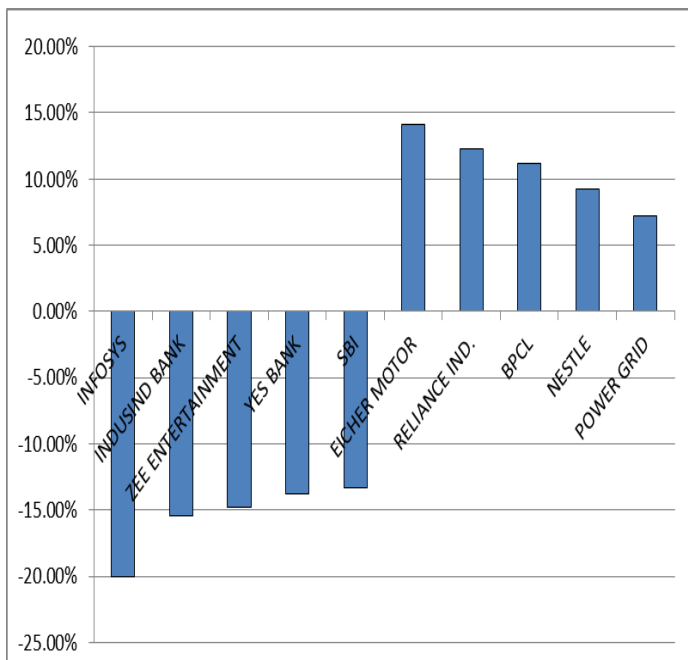


### Short Position

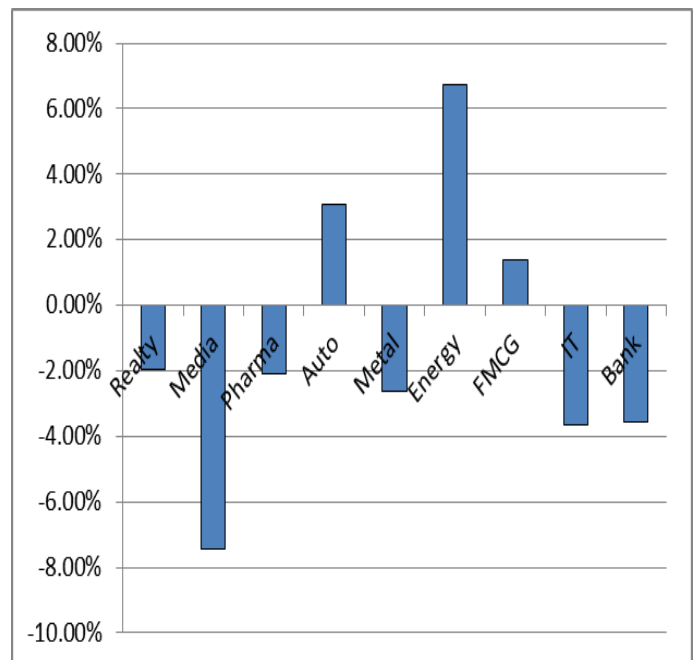


## MARKET MOVERS (1 MONTH CHANGE)

### Nifty Movers



### NSE Sectoral Indices Performance



**Result Calendar Q2FY20**

BSE Code	Company Name	Result Date	BSE Code	Company Name	Result Date
500820	ASIANPAINT	22-Oct-19	540777	HDFCLIFE	23-Oct-19
532215	AXISBANK	22-Oct-19	500182	HEROMOTOCO	23-Oct-19
532978	BAJAJFINSV	22-Oct-19	532129	HEXAWARE	23-Oct-19
500034	BAJFINANCE	22-Oct-19	532636	IIFL	23-Oct-19
519600	CCL	22-Oct-19	532814	INDIANB	23-Oct-19
500878	CEATLTD	22-Oct-19	532706	INOXLEISUR	23-Oct-19
506395	COROMANDEL	22-Oct-19	532947	IRB	23-Oct-19
500660	GLAXO	22-Oct-19	523405	JMFINANCIL	23-Oct-19
532482	GRANULES	22-Oct-19	500228	JSWSTEEL	23-Oct-19
531531	HATSUN	22-Oct-19	500233	KAJARIACER	23-Oct-19
540133	ICICIPRULI	22-Oct-19	500510	LT	23-Oct-19
533155	JUBLFOOD	22-Oct-19	532756	MAHINDCIE	23-Oct-19
532926	JYOTHYLAB	22-Oct-19	532504	NAVINFLUOR	23-Oct-19
500247	KOTAKBANK	22-Oct-19	532541	NIITTECH	23-Oct-19
532720	M&MFIN	22-Oct-19	533344	PFS	23-Oct-19
500315	ORIENTBANK	22-Oct-19	523642	PIIND	23-Oct-19
500355	RALLIS	22-Oct-19	532638	SHOPERSTOP	23-Oct-19
540065	RBLBANK	22-Oct-19	533326	TEXRAIL	23-Oct-19
538666	SHARDACROP	22-Oct-19	500420	TORNTPHARM	23-Oct-19
539268	SYNGENE	22-Oct-19	524348	AARTIDRUGS	23-Oct-19
532144	WELCORP	22-Oct-19	532268	ACCELYA	23-Oct-19
514162	WELSPUNIND	22-Oct-19	532633	ALLSEC	23-Oct-19
500089	DICIND	22-Oct-19	523694	APCOTEXIND	23-Oct-19
505700	ELECON	22-Oct-19	500215	ATFL	23-Oct-19
533047	IMFA	22-Oct-19	503960	BBL	23-Oct-19
541179	ISEC	22-Oct-19	522295	CONTROLPR	23-Oct-19
532732	KKCL	22-Oct-19	540701	DCAL	23-Oct-19
532525	MAHABANK	22-Oct-19	508906	EVERESTIND	23-Oct-19
530011	MANGCHEFER	22-Oct-19	530343	GENUSPOWER	23-Oct-19
511766	MUTHTFN	22-Oct-19	532162	JKPAPER	23-Oct-19
540900	NEWGEN	22-Oct-19	505283	KIRLPNU	23-Oct-19
516082	NRAGRINDQ	22-Oct-19	504112	NELCO	23-Oct-19
541301	ORIENTELEC	22-Oct-19	531209	NUCLEUS	23-Oct-19
532934	PPAP	22-Oct-19	517536	ONWARDTEC	23-Oct-19
514354	PREMIERPOL	22-Oct-19	502420	ORIENTPPR	23-Oct-19
540544	PSPPROJECT	22-Oct-19	522205	PRAJIND	23-Oct-19
532987	RBL	22-Oct-19	532988	RANEENGINE	23-Oct-19
540709	RELHOME	22-Oct-19	514234	SANGAMIND	23-Oct-19
522034	SHANTIGEAR	22-Oct-19	513010	TATASTLLP	23-Oct-19
532877	SIMPLEX	22-Oct-19	540595	TEJASNET	23-Oct-19
541540	SOLARA	22-Oct-19	505400	TEXINFRA	23-Oct-19
517168	SUBROS	22-Oct-19	532794	ZEEMEDIA	23-Oct-19
500405	SUPPETRO	22-Oct-19	533573	APLLTD	24-Oct-19
500407	SWARAJENG	22-Oct-19	532830	ASTRAL	24-Oct-19
504966	TINPLATE	22-Oct-19	500830	COLPAL	24-Oct-19
532515	TVTODAY	22-Oct-19	500480	CUMMINSIND	24-Oct-19
538706	ULTRACAB	22-Oct-19	523367	DCMSHRIRAM	24-Oct-19
533252	WELINV	22-Oct-19	533248	GPPL	24-Oct-19
505412	WENDT	22-Oct-19	500690	GSFC	24-Oct-19
532977	BAJAJ-AUTO	23-Oct-19	532835	ICRA	24-Oct-19
500490	BAJAJHLDNG	23-Oct-19	539437	IDFCFIRSTB	24-Oct-19
532523	BIOCON	23-Oct-19	540750	IEX	24-Oct-19
500870	CASTROLIND	23-Oct-19	539448	INDIGO	24-Oct-19
539876	CROMPTON	23-Oct-19	500875	ITC	24-Oct-19
500171	GHCL	23-Oct-19	533293	KIRLOSENG	24-Oct-19
517354	HAVELLS	23-Oct-19	532889	KPRMILL	24-Oct-19
532281	HCLTECH	23-Oct-19	532500	MARUTI	24-Oct-19

**Result Calendar Q2FY20**

BSE Code	Company Name	Result Date	BSE Code	Company Name	Result Date
532892	MOTILALOFS	24-Oct-19	531746	PRAENG	25-Oct-19
539889	PARAGMILK	24-Oct-19	520111	RATNAMANI	25-Oct-19
540173	PNBHOUSING	24-Oct-19	532735	RSYSTEMINT	25-Oct-19
500330	RAYMOND	24-Oct-19	539450	SHK	25-Oct-19
540767	RNAM	24-Oct-19	532301	TATACOFFEE	25-Oct-19
533107	RNAVAL	24-Oct-19	522113	TIMKEN	25-Oct-19
511218	SRTRANSFIN	24-Oct-19	532867	V2RETAIL	25-Oct-19
532374	STRTECH	24-Oct-19	534742	ZUARI	25-Oct-19
532475	APTECHT	24-Oct-19	532174	ICICIBANK	26-Oct-19
539301	ARVSMART	24-Oct-19	500680	PFIZER	26-Oct-19
508933	AYMSYNTEX	24-Oct-19	532454	BHARTIARTL	29-Oct-19
539251	BALKRISHNA	24-Oct-19	500472	SKFINDIA	29-Oct-19
526849	BANARBEADS	24-Oct-19	524663	BIBCL	29-Oct-19
541153	BANDHANBNK	24-Oct-19	513434	TATAMETALI	29-Oct-19
532339	COMPUSOFT	24-Oct-19	538268	WONDERLA	29-Oct-19
500097	DALMIASUG	24-Oct-19	531344	CONCOR	30-Oct-19
506401	DEEPAKNI	24-Oct-19	509488	GRAPHITE	30-Oct-19
519588	DFM	24-Oct-19	500252	LAXMIMACH	30-Oct-19
524330	JAYAGROGN	24-Oct-19	513023	NBVENTURES	30-Oct-19
523398	JCHAC	24-Oct-19	532524	PTC	30-Oct-19
533320	JUBLINDS	24-Oct-19	539978	QUESS	30-Oct-19
539276	KAYA	24-Oct-19	500260	RAMCOCEM	30-Oct-19
524280	KOPRAN	24-Oct-19	532221	SONATSOFTW	30-Oct-19
500235	KSL	24-Oct-19	500770	TATACHEM	30-Oct-19
526263	MOLDTEK	24-Oct-19	500800	TATAGLOBAL	30-Oct-19
533080	MOLDTKPAC	24-Oct-19	530999	BALAMINES	30-Oct-19
500304	NIITLTD	24-Oct-19	541269	CHEMFABALKA	30-Oct-19
506579	ORIENTCQ	24-Oct-19	541770	CREDITACC	30-Oct-19
500314	ORIENTHOT	24-Oct-19	519552	HERITGFOOD	30-Oct-19
505509	RESPONIND	24-Oct-19	505726	IFBIND	30-Oct-19
540673	SIS	24-Oct-19	532240	INDNIPPON	30-Oct-19
500055	TATASTLBSL	24-Oct-19	532612	INDOCO	30-Oct-19
500418	TOKYOPLAST	24-Oct-19	502330	IPAPPM	30-Oct-19
532432	UNITDSPR	24-Oct-19	532944	ONMOBILE	30-Oct-19
533156	VASCONEQ	24-Oct-19	506590	PHILIPCARB	30-Oct-19
505533	WESTLIFE	24-Oct-19	532369	RAMCOIND	30-Oct-19
500101	ARVIND	25-Oct-19	532370	RAMCOSYS	30-Oct-19
500027	ATUL	25-Oct-19	526612	BLUEDART	31-Oct-19
513375	CARBORUNIV	25-Oct-19	530965	IOC	31-Oct-19
500292	HEIDELBERG	25-Oct-19	500150	FOSECOIND	31-Oct-19
539807	INFIBEAM	25-Oct-19	507438	IFBAGRO	31-Oct-19
530019	JUBILANT	25-Oct-19	500250	LGBBROSLTD	31-Oct-19
531642	MARICO	25-Oct-19	532369	RAMCOIND	31-Oct-19
500111	RELCAPITAL	25-Oct-19	524667	SOTL	31-Oct-19
500112	SBIN	25-Oct-19	533158	THANGAMAYL	31-Oct-19
532498	SHRIRAMCIT	25-Oct-19	540762	TIINDIA	31-Oct-19
532531	STAR	25-Oct-19	500412	TIRUMALCHM	31-Oct-19
509930	SUPREMEIND	25-Oct-19	532156	VAIBHAVGBL*	31-Oct-19
500570	TATAMOTORS	25-Oct-19	500124	DRREDDY	01-Nov-19
570001	TATAMTRDVR	25-Oct-19	511676	GICHSGFIN	01-Nov-19
533138	ASTEC	25-Oct-19	500380	JKLAKSHMI	01-Nov-19
541729	HDFCAMC	25-Oct-19	500165	KANSAINER	01-Nov-19
524735	HIKAL	25-Oct-19	532648	YESBANK	01-Nov-19
517174	HONAUT	25-Oct-19	534758	CIGNITI	01-Nov-19
500243	KIRLOSIND	25-Oct-19	508486	HAWKINCOOK	01-Nov-19
530367	NRBBEARING	25-Oct-19	533217	HMVL	01-Nov-19
509820	PAPERPROD	25-Oct-19	500495	ESCORTS	02-Nov-19

Economic Calendar					
Country	Monday 21st October 2019	Tuesday 22nd October 2019	Wednesday 23rd October 2019	Thursday 24th October 2019	Friday 25th October 2019
US		Existing Home Sales, API Weekly Crude Oil Stock	Crude Oil Inventories	New Home Sales, Initial Jobless Claims	U.S. Baker Hughes Oil Rig Count
UK/EURO ZONE		CBI Industrial Trends Orders	ECB Interest Rate Decision		
INDIA	India - Assembly Elections in Maharashtra				Deposit Growth, Bank Loan Growth, FX Reserves, USD

Narnolia Financial Advisors Ltd. is a SEBI registered Research Analyst having SEBI Registration No. INH300006500. The Company/Analyst (s) does/do not have any holding in the stocks discussed but these stocks may have been recommended to clients in the past. Clients of Narnolia Financial Advisors Ltd. may be holding aforesaid stocks.

The stocks recommended are based on our analysis which is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed.

**Disclosures:** Narnolia Financial Advisors Ltd. (NFAL) (Formerly Microsec Capital Ltd.) is a SEBI Registered Research Analyst having registration no. INH300006500. NFAL is engaged in the business of providing Stock Broking, Depository Participant, Merchant Banking, Portfolio Management & distribution of various financial products. Details of associate entities of NFAL is available on the website at [www.narnolia.com](http://www.narnolia.com)

No penalties have been levied on NFAL by any Regulatory/Statutory authority. NFAL, its associates, Research Analyst or their relative may have financial interest in the subject company. NFAL and/or its associates and/or Research Analyst may have beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. NFAL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of NFAL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. NFAL and/or its associates may have received compensation from the subject company in the past 12 months. In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, NFAL or any of its associates may have: a) managed or co-managed public offering of securities from subject company of this research report, b) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report, c) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report. d) Subject Company may have been a client of NFAL or its associates during 12 months preceding the date of distribution of the research report. NFAL and its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. NFAL and / or its affiliates may do and seek to do business including Investment Banking with companies covered in the research reports. As a result, the recipients of this report should be aware that NFAL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific Merchant Banking, Investment Banking or Brokerage service transactions. Research Analyst's views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of NFAL or its associates maintains arm's length distance with Research Team as all the activities are segregated from NFAL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

**Analyst Certification** The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

**Disclosure of Interest Statement-**

Analyst's ownership of the stocks mentioned in the Report	NIL
---	-----

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com).

Correspondence Office Address: Arch Waterfront, 5<sup>th</sup> Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; [www.narnolia.com](http://www.narnolia.com).

Registered Office Address: Marble Arch, Office 201, 2<sup>nd</sup> Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; [www.narnolia.com](http://www.narnolia.com)

Compliance Officer: Manish Kr Agarwal, Email Id: [mkagarwal@narnolia.com](mailto:mkagarwal@narnolia.com), Contact No.:033-40541700.

Registration details of Company: Narnolia Financial Advisors Ltd. (NFAL): SEBI Stock Broker Registration: INZ000166737 (NSE/BSE/MSEI); NSDL/CDSL: IN-DP-380-2018; Research Analyst: INH300006500, Merchant Banking: (Registration No.: INM000010791), PMS: (Registration No.: INP000002304), AMFI Registered Mutual Fund distributor: ARN 3087

Registration Details of Group entities: G. Raj & Company Consultants Ltd (G RAJ)-BSE Broker INZ260010731; NSDL DP: IN-DP-NSDL-371-2014 || Narnolia Commerce Limited (Formerly Microsec Commerce Ltd.)-MCX/NCDEX Commodities Broker: INZ000051636 || NarnoliaVeloX Advisory Ltd.- SEBI Registered PMS: INP000005109 || Eastwind Capital Advisors Pvt Ltd. (EASTWIND)-SEBI Registered Investment Adviser: INA300005439 || Narnolia Insurance Brokers Limited (Formerly Microsec Insurance Brokers Ltd.)-IRDA Licensed Direct Insurance Broker (Life & Non-Life) Certificate No. 134, License No. DB046/02 || Narnolia Securities Ltd. (NSL)-AMFI Registered Mutual Fund distributor: ARN 20558, PFRDA NPS POP: 27092018 || Narnolia Capital Advisors Pvt. Ltd. - RBI Registered NBFC:B.05.02568.

**Disclaimer:**

This report has been prepared by Narnolia Financial Advisors Ltd. (NFAL) and is meant for sole use by the recipient and not for public circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of NFAL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his/her/its own advisors to determine the merits and risks of such an investment. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NFAL will not treat recipients as customers by virtue of their receiving this report. Neither the Company, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits or lost opportunities that may arise from or in connection with the use of the information/report. The person accessing this information specifically agrees to exempt NFAL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold NFAL or any of its affiliates or employees responsible for any such misuse and further agrees to hold NFAL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NFAL & its group companies to registration or licensing requirements within such jurisdictions.