

Outlook



The Nifty ended the week on a subdued note for the third consecutive week. However, ending the week with a Hanging man candle may initiate a counter pull back towards 9200 levels. Further, thorough technical study of the weekly as well as the daily chart patterns suggests; the Nifty broader trading range for the coming week is expected to be 8800-9470.

It kicked started the week on a weaker note and remained range bound for the entire week towards finishing off in red. It finished off in red for the third consecutive week. 50 EMA, now placed around 9470, on daily chart may continue to serve as the key resistance. Finishing off the week with a Hanging-man candle implies we might see some recovery from the beginning of the very next week. However, 30 EMA placed around 9200 on daily chart is likely to act as the immediate resistance. Breaking down immediate support placed around 8950 may instigate further downfall towards 8800 levels.

On daily chart, the Nifty ended 0.74% down at 9039.25. It opened on a weaker note and declined sharply in the first half, however, minor recovery in the second half helped the benchmark index closing with a spinning-top candle. Ending the last session of the week on an indecisive note implies it might get into consolidation in the price band of 8950-9200 before next leg of decisive move.

Nifty patterns on multiple time frames show: it ended on a subdued note for the third consecutive week. Weekly candle pattern along with position of leading indicators is pointing towards; range-bound oscillation with positive bias in the broader price band of 8800-9470.

Nifty pivotal supports & resistances for the coming week-
Supports- 8950, 8800 Resistances- 9200, 9470

Domestic:- India Foreign Exchange Reserve for May 22, 2020., India GDP for Q4 of FY20

Global:- Japan Leading Economic Index for March 2020., Japan All Industry Activity Index for March 2020., The U.S. New Home Sales for April 2020., China Industrial Profit for April 2020., The U.S. MBA Mortgage Applications for May 22, 2020., The U.S. Initial Jobless Claims for May 23, 2020., The U.S. GDP for Q1 2020., The U.S. Durable Goods Orders for April 2020., The U.S. Pending Home Sales for April 2020., Euro Area Business Confidence for May 2020., The U.S. Personal Income and Personal Spending for April 2020., Euro Area Inflation for May 2020., The U.S. Goods Trade Balance for April 2020., Japan Unemployment Rate, Industrial Production, Retail Sales for April 2020., Japan Consumer Confidence for May 2020.

Open positional calls-

T+7 Positional Buy-
|Cash Segment| COLPAL on dips around @ 1360-1350, TGT- 1450, SL- closing below 1300

T+5 Positional Buy-
|Cash Segment| EXIDE on dips around @ 152-151, TGT- 160, SL- closing below 148

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Market Turnover (In Crore) 22-05-2020

Name	Last	Previous
NSE Cash	48925.26	46596.72
NSE F&O	833371.85	2343597.19
BSE Cash	2,174.99	1,929.61
BSE F&O	284.87	359.83

FII Derivatives Flow (In Crore) 22-05-2020

Instrument	Purchase	Sale	Net
Index Future	6051.68	6722.30	-670.62
Index Option	136289.03	134450.43	1838.6
Stock Future	24206.20	24551.09	-344.89
Stock Option	4176.03	4116.75	59.28

Institutional Flow (In Crore) 22-05-2020

Institution	Purchase	Sale	Net (Last Day)	Net Wk	Net Month
FII	4404.88	5758.78	-1353.90	-6920.28	7,370.56
DII	4164.03	4508.19	-344.16	3938.13	8,827.39

NIFTY Top Gainers

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
ITC	1.38	13.18	39013806.00	27919840.00
Cipla	3.69	12.11	10875625.00	13919490.00
M&M	4.42	11.81	10016213.00	8950438.00
Bharti Airtel	0.23	7.06	11416299.00	32803770.00
TCS	1.46	6.73	3663422.00	3255942.00

NIFTY Top Losers

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
Bajaj Finance	4.77	9.16	16195152.00	10892050.00
SBI	0.72	9.34	87069955.00	62340120.00
ICICI Bank	4.39	9.81	80359014.00	50601690.00
Axis Bank	5.67	13.28	48368474.00	34341340.00
Indusind Bank	2.44	19.19	27954074.00	24862310.00

Bulk and Block Deals

<https://www.nseindia.com/products/content/equities/equities/bulk.htm>
<http://www.bseindia.com/markets/equity/EQReports/BulknBlockDeals.aspx>

Market in Retrospect

Indian equity markets snapped a three-day gaining streak to end lower, due to weak cues from other global markets and rising Covid-19 cases in the country. European markets continue to trade lower while futures on the Dow Jones are down 120 points.

Nifty 50 index managed to hold on to the 9,000 mark, ending 0.74 percent lower at 9,039. The broader markets represented by the NIFTY 500 Index ended 0.73% lower of 7416. Over the Week NIFTY Pharma was the top gainer, gaining by 5.58% and NIFTY IT also gained by 4.90%. NIFTY Bank was the top loser, losing by 8.26%.

ITC was the top gainer, gaining by 13.18%, followed by Cipla and M&M, which gained by 12.11% & 11.81% respectively. Indusind Bank was the top loser, losing by 19.19%, followed by Axis Bank and ICICI Bank, which fell by 13.28% & 9.81% respectively.

Market in Detailed (Updated after 4:00 PM)

MSCI Indices	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr	PE Ratio	Est. PE	PB Ratio	Est PB
World	2074.1	-0.86	3.27	5.38	-13.68	-1.78	19.98	21.25	2.26	2.16
ACWI	493.95	-0.78	3.26	5.29	-13.75	-2.38	19.13	20.13	2.11	2.01
Asia Pacific	148.15	-0.53	2.26	4.70	-10.99	-3.64	15.93	15.15	1.31	1.26
EM	930.01	-0.16	3.20	4.66	-14.22	-6.81	14.49	14.43	1.42	1.32

US European In	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr	PE Ratio	Est. PE	PB Ratio	Est PB
Dow Jones	24474.12	-0.41	3.59	4.25	-15.58	-5.05	18.15	22.34	3.51	3.52
NASDAQ	9284.881	-0.97	3.81	9.29	-3.05	19.79	36.60	33.94	4.79	5.03
S&P500	2948.51	-0.78	3.37	5.33	-11.66	3.23	20.48	23.56	3.34	3.21
CBOE VIX	30.36	2.81	-4.80	-27.68	77.75	105.83	NA	NA	NA	NA
FTSE100	5959.15	-0.93	2.75	3.27	-19.51	-18.75	20.78	17.31	1.41	1.13
CAC40	4434.59	-0.24	3.67	0.52	-26.45	-17.56	17.62	17.76	1.28	1.27
DAX	11020.81	-0.41	5.31	5.82	-18.84	-9.43	20.75	18.11	1.31	1.29

Asian Indices	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr	PE Ratio	Est. PE	PB Ratio	Est PB
Nikkei225	20388.16	-0.80	1.75	6.53	-12.82	-4.21	23.02	18.51	1.57	1.44
Hang Seng	22930.14	-5.56	-3.64	-4.03	-16.03	-17.24	9.54	10.57	0.95	0.92
STI	2499.83	-2.17	-0.94	-1.97	-21.41	-21.47	9.88	13.17	0.85	0.83
Taiwan	10811.15	-1.79	-0.03	4.88	-7.49	3.38	18.35	16.64	1.64	1.72
KOSPI	1970.13	-1.41	2.22	3.90	-8.91	-4.59	22.68	13.85	0.78	0.81

BRIC Indices	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr	PE Ratio	Est. PE	PB Ratio	Est PB
IBOVESPA	83027.1	2.10	5.08	2.90	-26.97	-12.01	30.32	18.82	1.78	1.25
Russian	1184.47	-1.81	6.95	11.11	-22.32	-8.38	6.30	9.21	0.90	0.79
SHANGHAI Com	2813.765	-1.89	-1.91	-1.06	-7.43	-2.70	14.36	11.53	1.33	1.21
SENSEX	30672.59	-0.84	-1.37	-2.25	-25.50	-21.57	19.48	16.62	2.36	2.12
NIFTY	9039.25	-0.74	-1.07	-1.61	-25.18	-22.99	17.98	15.96	2.17	1.95
NSE VIX	32.3775	-1.84	-14.84	-24.39	136.33	17.17	-	-	-	-

Among Asian indices Nikkei and KOSPI index are ended by 1.75% and 2.22% higher. Hang Seng, STI and Taiwan index are ended by 3.64%, 0.94%, and 0.03%, lower respectively so far in this week.

Indian Index Sensex & Nifty both are ended by 1.07% & 1.37% lower respectively. NSE VIX also ended lower by 14.84% so far in this week.

Among BRIC indices Brazil and Russia index are ended by 5.08%, and 6.95% higher & Shanghai index was ended by 1.91% lower respectively so far in this week.

Among MSCI indices, Asia Pacific Index and World Index both are ended by 2.26% and 3.27% higher respectively so far in this week.

Among US European indices, CBOE VIX lower by 4.80%, & NASDAQ, Dow Jones, FTSE, CAC40 and DAX index are ended 3.81%, 3.59%, 2.75%, 3.67% and 5.31% higher respectively so far in this week.

Money Mkt	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
ICE LIBOR USD	0.358	-4.31	-8.76	-67.38	-78.73	-85.81
MIBOR	-0.282	-0.71	-7.63	-21.03	32.05	9.90
INCALL	3.35	-10.67	-25.56	-10.67	-34.95	-42.74

Agro Cmdty	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
Coffee	104.5	-0.24	-2.20	-6.74	-6.99	-0.95
Cotton	57.37	-1.19	-1.51	2.19	-17.86	-16.36
Sugar	10.77	-1.91	3.76	7.59	-27.82	-19.14
Wheat	509	-1.36	1.75	-6.39	-7.79	-0.15
Soybean	830.75	-0.51	0.92	-1.39	-8.68	-7.36

Forex	Rate	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
USD Index	99.814	0.45	-0.59	-0.57	0.56	1.81
EUR	1.0904	-0.42	0.78	0.75	0.46	-2.21
GBP	0.8212	0.38	-0.61	1.28	6.15	3.98
BRL	5.5536	2.52	4.66	-4.26	-20.98	-27.27
JPY	107.46	0.14	-0.37	0.27	3.03	2.70
INR	75.965	-0.46	-0.51	0.92	-5.22	-8.29
CNY	7.1396	-0.33	-0.53	-0.78	-1.53	-3.27
KRW	1237	-0.49	-0.47	-0.38	-1.35	-3.54

Among Currencies, Dollar, GBP, JPY and INR Index are ended by 0.59%, 0.61%, 0.37% and 0.51% lower. EUR index ended 0.78% higher respectively so far in this week.

Gold was ended 0.47% lower & Silver was gained by 2.59% so far in this week.

Energy	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
NYMEX Crude	31.76	-6.37	7.92	130.48	-40.50	-48.29
Natural Gas	1.694	-0.94	2.92	-17.49	-15.72	-34.03

Precious Metals	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
Gold(\$/Oz)	1735.4	0.49	-0.47	1.24	5.60	36.29
Silver(\$/Oz)	17.0403	-0.40	2.59	12.87	-7.84	17.98

LME	Price	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
Copper	5390.5	-0.96	3.62	7.17	-6.50	-10.10
Aluminium	1521	0.56	3.12	2.05	-11.23	-15.31
Zinc	1983.5	-2.60	1.35	3.79	-6.22	-23.03
Lead	1656	-2.42	2.29	-0.57	-9.56	-8.36
Nickel	12778	0.88	5.85	4.76	1.98	5.86

Polymer Mkt	Index	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
HDPE	720	2.86	-5.26	-18.18	-32.71
LDPE	810	1.25	-3.57	-12.43	-24.65
Injection Grade	780	1.30	-3.70	-20.81	-34.45
General purpose	800	1.27	-4.76	-20.00	-33.88
Polystyrene HIPS	1060	-0.93	-1.85	-13.11	-18.46
Polystyrene GPPS	1000	-0.99	-0.99	-15.97	-20.00

Shipping Ind	Index	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
Baltic Dry	494	3.56	25.70	-28.82	-0.60	-53.35
BWIRON	100.24	-1.34	3.09	4.48	-21.03	-28.64
SG Dubai HY	0.35	1850.00	111.63	-12.50	-79.77	-82.32

Bond Yld 10Y	Yield	%Ch1D	%Ch5D	%Ch1M	%Ch3M	%Ch1Yr
US	0.6412	-4.58	-0.25	3.59	-56.42	-73.08
UK	0.159	-7.02	-31.17	-51.38	-72.25	-84.34
Brazil	5.132	-1.27	-0.91	13.29	65.07	0.65
Japan	0	-100.00	-100.00	-100.00	100.00	100.00
Aus	0.867	-5.25	-4.83	3.09	-7.57	-46.97
India	5.753	-0.42	-0.47	-7.55	-10.43	-20.76

Among Base Metals Copper, Aluminium, Zinc, Lead and Nickel all are ended 3.62%, 3.12%, 1.35%, 2.29% and 5.85% higher respectively so far in this week.

Among energy, crude and NG ended 7.92%, and 2.92% higher so far in this week.

Impact of COVID-19

Astrazeneca Pharma India

- COVID has affected the supply chain & production of goods in India. Lower economic activity has also resulted in suppressed demand for goods & services. Products supplied by the company have been classified as essential goods during pandemic.
- Company initially experienced some delay in delivery of supplies to upcountry customers due to restrictions on courier services but this has gradually stabilized & delivery are now regular and timely
- Company has focused on continued delivery of medicine across the country. Management has considered its liquidity position at FY20 end & has concluded that company will have adequate liquidity in the ordinary course of business.
- Management has assessed recoverability of carrying value of property, plant & equipment's, trade receivables & inventory, concluded that no further adjustment are required to be made in respect of such assets as at FY20 end.
- Management believes that the current pandemic is not likely to have material impact on the operation & financial position of the company, however the impact assessment is a continuous process given uncertainties associated with its nature & duration.

Footwear Industry

- Size of organized Indian footwear industry is around Rs 50,000-55,000 crores, expect un-organised sector in footwear to get impacted
- Footwear production in China is around 56%, Vitenam-5%, Indonesia-5%, India is around 10% (approx.). Supplies from China takes around 4-5 months
- Footwear is not the biggest priority for a customer, demand will rise on need based purchases
- Expect demand to revive only around festivals season
- Expect footwear demand to decline in fashion segment in the near term, demand may rise for casual wear, active wear segment
- Brands are now trying to -build trust factor with the customers. Different companies are talking for shoes quarantine for 48-72 hours post once customers trial of a shoe
- Most of the footwear retailers are carrying stock which would be sufficient to meet demand for next 4-5 months, retailers should not have any supply side issue
- Expect demand to increase in the EVA products segment which are washable, companies are working on product innovation in this segment
- In the initial period of the post lockdown relaxation period there is a trend of men's buying footwear from high street and women's placing order on e-commerce
- In China post lockdown was lifted malls were empty but there was good footfall in the high streets
- Expect number of pair's reduction by 5% in India & ASP to come down due to consumer downgrading. In smaller towns customers will look for value for money products
- Footwear consumption CAGR in India for last 5-6 years was 7% (approx.), expect CAGR to decline to 2%-3% going forward
- Expect rise in sales from e-commerce channels, expect some portion of high street customers to shift their preference to e-commerce
- Around 60%-70% of the raw materials for the footwear is imported from China
- Even if production of footwear increases, India would have dependence on raw material sourcing from China
- Raw material prices went up in Feb 2020, now consumption going down in China raw material prices has come down for footwear industry
- Customer segment : Men- 45%-50%, Women- 35%-40%, Childrenwear-10%-15%, accessories- 10%-15% (approx.)
- Men's has around 2-3 pairs of shoes, women has between 5-10 pairs of shoes (approx.)

- Over last 5 years men's casual wear grew at CAGR of 30% & active wear-40%. Formal wear contribute around 35% of the men's footwear category
- Women's category has grown faster over the last 5 years because of number of working women increasing in India
- E-commerce business outside India is not a discount driven business model like India
- E-commerce contribution in countries like UK-40%, China-40%, US-30%, India-8% (approx.)
- Seasonality in footwear segment is lower compared to apparels, there is lesser risk of seasonality led discounting like apparel
- Over last 5 years there was a shift towards branded footwear, but expect shift towards private labels going up in the medium term due to income levels getting impacted
- Rental cost is around 50% of the overall expenditure for a retailer
- Companies are looking towards reducing fixed costs and are in the process of converting lots of fixed costs into variable expenditure
- Malls are giving discounts on rentals by around 15%-20% depending on location and city of the stores
- Some of the retail stores have re-opened stores in states like Kerala, Orissa, North East, Bengaluru etc. Conversion rates have increased at the stores
- Retailers are in active discussions for reduction in rentals for at least next 9-12 months
- Agra is the hub for local out-sourcing of footwear in India, which is now closed as it is in red zone. Labours in Agra stays around 50-60 km near to the town, they are skilled labours and generally don't change work place like construction site labours
- Expect footwear industry revenues to decline by around 20%+ worldwide

Concall highlights

Dr Lal PathLabs Ltd.

- Management expects gradual recovery in the business, company's business falls under category of essential services. India is yet to witness peak of the COVID curve
- Expects penetration of diagnostics to increase going forward due to increasing health concerns
- Company is trying to increase market share in south and west India with a combination of both organic and in-organic growth opportunities
- Management expects consolidation phase in the industry to increase going forward, as smaller & regional players would find difficult to sustain business
- Consumers will prefer dealing with the organized national players compared to regional players on safety issues
- Company has seen some encouraging trends in the non-COVID test as some of the OPD's have re-started in the last few days
- Currently company has the capacity to perform 5000-6000 PCR test/day, availability of kits is also not an issue currently
- Govt has not given permission to the private labs for performing anti-body test currently. Anti-body test is for testing immunity of an individual. Company is open to participate in this opportunity once permissions are given to the private diagnostic companies
- Gross margins in B2B segment is generally low but have similar EBITDA margins like routine tests on a normalised business volumes levels. Currently volumes in B2B business are being impacted
- Company is doing capex to strengthen IT systems to meet expected increased demand from home collection tests
- There is an opportunity in doing up-selling in the case of home collection tests. Company will be focusing on doing collections from franchisees to keep business model asset light and scalable
- Believes COVID business is a temporary opportunity and does not expect any contribution to the PAT from COVID tests, so focus is on non-COVID tests. Company is charging ICMR approved rates for COVID testing
- Management does not expect to compensate loss in revenue and profits in FY21 from increased pricing
- There is no significant change in the re-agents prices except currency related
- 90% of intercity and intra-city logistical process are back to normal, there was some issue in the first week of the lockdown
- Company is looking at all major costs like rentals, travel, manpower etc. Also trying to re-locate some of the resources from COVID to non-COVID related tests
- Expect B2B segment to grow faster in the medium term due to pent-up demand from hospitals. Agreements with B2B customers are based on pricing and not on volumes. Company will keep a close track on receivables from B2B customers

Apollo Tyres Ltd.

- Management expects consolidated sales to decline in FY21e (YoY) majorly led by decline from OEM segment but expect growth in replacement segment
- Expect lower raw material prices to provide tailwinds to margin in FY21e
- Tyre imports have come down and management expects imports to remain low in FY21e
- Management has been surprised by recovery in demand from replacement segment post initial period of relaxation in lockdowns and is facing supply constraint. Replacement demand has been good in segments of truck & buses, farm, two wheelers & low in passenger car segment
- Higher share of business from replacement segment may also have positive tailwinds on the margins in the subsequent quarters if growth in replacement demand sustains going forward

India Business

- All plants of the company have re-started after getting permissions from authorities and are gradually ramping up. In April 2020 sales was nil, expect May 2020 sales to be 50% of the normal sales and expect sales to pick up in June 2020
- Current utilization of plants at India is Baroda-40%, Chennai-40%, Kerala-70% (approx.)
- In Q4FY20 consolidated net sales down 15% (YoY) & 18% (QoQ), India business EBIDTA margin of 14.5% vs 11.5 % & 13% (QoQ)
- In Q4FY20 India sales-INR23.7 billion down 20% (YoY) & 12% (QoQ), company lost INR500cr of sales in March 2020 due to lockdowns, tyre prices were stable
- In Q4FY20 OEM segment was under pressure but replacement volumes were up 10% (YoY) in Jan & Feb but in March 2020 were down 35% & overall in Q4FY20 down 6% (YoY)
- In Q4FY20 margin improvement was driven by lower raw material prices and cost saving initiatives taken by the company
- Have cut down capex by INR400cr in FY21e to INR1000cr

European Operations

- Expect sales decline in FY21 in European business, both the plants are now operational at Hungary & Netherlands
- In Q4FY20 European business reported sales of Euro 120 million down 3.5% (YoY) largely led by lower volumes in PCR segment which was down 14% (YoY), but was flat for FY20. In March 2020 European car market was down 30% (YoY). Company has gained market share.
- EBIDTA for Q4FY20 at Euro 11.6 million, EBIDTA margin at 9.4% vs 5.4% (YoY) & 9.3% (QoQ). Increase in margins is a combination of lower raw material and sharp focus on product mix. Share of Ultra High Performance (UHP) tyres has increased to 26% (YoY), global major has 30% share in UHP tyres
- Capex for FY21e is estimated at around Euro 20 million
- Mix between Replacement: OEM is 80:20 & further in passenger car segment is around 99%

Raw Materials

- In Q4FY20 raw material basket cost was at INR120/kg down 3% (QoQ), expect small decline in raw material Q1FY21 as company is carrying some inventory. Major benefit may be visible in Q2FY21 by around 3% compared to Q4FY20
- In Q4FY20 avg price of key raw material ie rubber-INR140/kg, synthetic rubber-INR110/kg, fabric-INR240/kg, carbon black-INR80/kg
- In Q4FY20 in the European business there was a raw material reduction of 1% (QoQ), expect major benefit from lower crude prices in FY21e

Other points

- Plan to reduce fixed cost by 20% (YoY) in FY21e compared to pre-COVID levels by reduction in travel cost, virtual products launches, online training programmes, reduction in selling & adv exp etc
- Dealers have been paying on time, some delay in payments from the OEM segment which is gradually improving
- Net debt-INR60 billion vs INR55 billion (QoQ) as cash flow from operation came down in Q4FY20

Gabriel India Ltd.

- Vision 2025 is to be among top 5 shock absorber manufacturer in the world
- All the plants of the company has re-started as of end of last week, dispatches are gradually increasing
- Some of the OEM's has re-started production but their plants are operating at very low capacity utilization
- Expect demand revival in the automobiles sector only during festivals in 2020
- Company had an online vendor meet with 170 vendors during lockdown, and also made regular interactions with the customers
- Imports content is around 13%, plans in FY21 to reduce import content to nil. Company has developed alternate sources for raw material sourcing to remove dependence from China
- On landed cost basis now local sourcing of raw material is cheaper which were earlier imported
- In FY20 sales at INR1870cr down 10% (YoY), EBIDTA down 22% (YoY) & PAT at INR85cr down 11% (YoY). EBIDTA margins at 7.4% vs 8.6% (YoY)
- In Q4FY20 EBIDTA margin improvement is a combination of lower raw material cost, cost saving measures
- FY20 sales mix 2w/3w-67%, passenger vehicles (including after-market)-20%, commercial vehicles-12%, Trading-1%
- Company has a market share in 2w/3w-25%, passenger vehicle (including after-market)--15%, commercial vehicles-75%
- FY20 channel mix OEM-85%, replacement-13%, exports-2%
- Aftermarket segment sales grew 13% (YoY) at INR267cr in FY20. Replacement share is low for the company as Indian consumers does not focus much on replacement of shock absorbers in a vehicle
- In 2W top 3 customers of the company are TVS Motors, Yamaha, Bajaj Auto
- In the passenger vehicles segment company is sole supplier to Maruti Suzuki for model S-Presso and is also working on new platforms with M&M, Volkswagen, Tata Motors etc

- In commercial vehicle segment company has market share of 75%, has got new orders for new platforms from companies like Ashok Leyland, Force Motors etc
- In overseas market change in supplier for an OEM is very lengthy process with approval taking around 5 years. Company has recently got approvals from DAF and Volkswagen
- At the end of FY20 net cash at INR135cr, DPS for FY20-INR1.30
- Capex for FY20 was INR56cr largely on Sanand plant
- Competition: 2W- Endurance Tech, Munjal Showa, PC-Denko is the market leader, Munjal Showa has a tie-up with Honda and also does some supplies to Maruti, CV-Gabriel has 75% market share
- Company's major product shock absorbers is engine agnostic

Colgate Palmolive (India) Ltd.

- In CY19 tooth paste category grew 2% (YoY) (by volume) & 4% (by value), Q1CY20- (-3% by volume). Natural segment has been growing faster than the category average
- Gained market share in the natural segment with strong response from brand Vedshakti, with strong momentum continuing
- Colgate market share has increased by 80bps (YoY) nationally, with some market share gain in YTD CY20, there may be some delay in getting data from Nielsen
- All plants are operational now and capacity utilization is around 75%-80%
- Focus is to increase production of fast moving products/SKU's, as whole sellers will only buying stocks which can be quickly converted to cash
- Company is trying to improve availability of right products, right SKU's and at right locations across India
- Management focus is on driving sales growth, brand building (in uncertain times consumers try sticking to trusted brands), motivating employees, increasing visibility, technological digitalization across the organization

- Unlike demonetisation where company reduced advertising for 3months, in the COVID period company has maintained or increased advertising spends. Adv spend as % of sales at 14% was highest in last 10 years. This is also different from other consumer companies where they have reduced advertising spends to manage costs
- Company has focused on states where per capital consumption of toothpaste is below national average, management believes increasing per capital consumption provides a large opportunity for the category growth
- Company's reliance on wholesale channel (faced with liquidity issues) more than competitors which management is slowly addressing
- In Q4FY20 volumes declined 8% (YoY) due to COVID impact
- Company plans to maintain a balance between volumes and margins, focus will be to improve gross margins, EBIDTA margins will depend on changes in advertisement spends
- Some of the new launches are charcoal based toothpaste (price-Rs 100) launched in Dec'19/Jan'20 focused on sales in modern trade, launched hand wash around March 2020, hand sanitizers launched in April 2020
- Full impact of COVID will only be known in Q2CY & Q3CY
- Q4FY20 was impacted due to lockdowns in the last 10 days of March 2020, Jan & Feb 2020 performance was good and as per management expectation
- First week of April 2020 was challenging during lockdown (essential & non-essential categorization happened), then in April challenges was with respect to availability of labours, logistical issues, from April 20th till May focus is to increase stock availability at stores
- Re-launched Colgate Strong Teeth- a revolutionary product with smart formula, launched in a smaller SKU of Rs 10 to serve rural India
- New product launches in toothbrush segment has received good response from consumers. Launched Colgate ZigZag, also first ever bamboo based brush with zero plastic
- On electrical tooth brush segment launched battery based tooth brushes at affordable price points
- Launched body wash, shampoos and liquid hand wash under Palmolive brand, also launched hand sanitizers which kills 99% germs
- Company has formed a dedicated e-commerce team in last 60 days operated as a separate business unit
- Over last couple months company did multiple partnerships with delivery partners like Swiggy, Zomato etc for direct sales to the customers from distributors & retailers
- Company has introduced free virtual checkups for the customers with the dentists. Tied up with around 260 dentists and already served 5000+ customers in a short period of time

Mahindra Logistics Ltd.

- Management expects consolidation in the industry with better pricing going forward
- April & May 2020 has been slow for the business due to lockdowns, large part of the business is into non-essential categories like automobiles etc
- Contracts with vendors/fleet operators are on pay & use basis
- Freight rates have been on increasing trend due to scarcity of drivers and absence of return loads
- Cost increase have been passed on to the customers
- Focus of the management is to drive business from segments of consumer durables, pharmaceutical segment along with automobiles freight business
- Enterprise mobility business segment of the company also got impact due to lockdowns, work from home trend can impact segment revenues of the segment
- Number of passengers travelling might come down but number of trips may not come down due to social distancing norms
- Company has taken board approval to raise an amount of Rs 250cr as a matter of precaution
- Major challenges are availability of drivers, many trucks carrying cargos were at standstill during lockdowns, problem of return load increasing freight rate charges for transportation sector
- Company has warehousing space under management of 16.3 million sq feet at FY20 end, company has back to back contracts with the customers. Fixed cost if any are recovered from the customers
- Focus of the company will be to continue to follow an asset light business model
- Expect demand for larger warehouses with bundled services to increase going forward
- Most of the software's used by the company are under SAS model
- In the warehousing segment capex spends by the company includes automation systems, racks, material handling equipment's. Company does not invest in land & building
- Capex in FY20-Rs 66cr
- Debtors at FY20 is at Rs 522cr, has gone up at the end of FY20 due to un-billed revenues due to lockdowns starting end of March 2020. Collections in April were as per expectation of the management, there are no issues on the quality of the debtors
- At the end of FY20 cash & cash equivalent Rs 113cr

Ultratech Cement Ltd.

- In FY20 cement volumes for the company was down by 4% (YoY) at 82.33 million MT
- In Q4FY20 volume declined of 16% (YoY) to 21.44 million MT, similar to decline in cement industry volumes
- Expect industry will re-look at capacity addition plans in FY21 due to COVID
- Looking at fixed cost reduction by 10% in FY21e. Company is planning reduction in advertisement spend, freeze on new hiring, maintainance cost, travel expenditure etc
- Management saw demand improvement in Jan 2020 and further improvement which was visible in Feb 2020, but demand in March was impacted due to lockdowns
- In Q4FY20 cement prices were firm in major part of country. At all India levels prices were up 2% (QoQ) in Q4FY20, exit prices were better
- Rural demand is around 35% of cement demand in India
- Company has 22 operational plants & 23 grinding units & 6 bulk terminals. 51 location is now dispatching cement
- Currently cement demand is driven by rural markets, some of the plants are running at around 70% utilization
- Work has re-started on various national highways, moderation of Bangalore airport, various metro projects etc which is driving cement demand currently
- If there is a pent up demand in H2FY21e from non-trade segment company might run short of cement supplies
- Company got approvals to re-start production and dispatches in the 3rd week of April 2020. Avg capacity utilization currently is around 65%. Some plants in East India are running at full utilization, plants in West (Mumbai, Ahmedabad) are running at lowest utilization, demand in South India is gradually increasing
- In Q4FY20 capacity utilisation in East- 95%, Central India-weakest below 60%, other regions 65%-80%. Avg capacity utilization in Q4FY20 was 74% (approx.)
- In Q4FY20 cement prices were up by 3% (QoQ), prices in Chhattisgarh were the weakest

- Expect cement demand to come down in near term due to monsoons and lower availability of migrant labour at construction sites
- Company had earlier announced expansion of 2.4 million MT Cuttack grinding unit and will be pushed to FY22
- Century plants were running at 80% despite COVID, 65% of brand conversion has been completed. Supplies in North and West markets has been in brand “Ultratech”, reduced cost by Rs 200/MT. There is room for price advantage in Century as company plans to reach around 90% brand conversion except for Chhattisgarh
- Pet coke prices are around \$60/MT, benefit will be visible in Q2FY21 end. In Q4FY20 prices were around \$70/MT
- In Q4FY20 EBIDTA/MT of Rs 1146 vs Rs 1004 up 14% (YoY). FY20- EBIDTA/MT of Rs 1154 which is highest since 2004 (inception)
- In Q4FY20 Century EBIDTA/MT at Rs 575 (excluding onetime expenditure), expect to increase to Rs 800-900/MT in FY21e. One time integration cost of Rs 40cr booked in Q4FY20
- Road- 70%, Rail-27%, Ocean route-3%
- Around 53% of the fleet of trucks operators are dedicated towards Ultratech cement
- In Q4FY20 trade-68%, non-trade-32% mix, post COVID ratio has reached to 90% trade volume sales. FY20- Trade volume was 66% in FY20
- Lead distance in Q4FY20-440km, expect lead distance to increase in the short term
- Capex for FY20 was Rs 1600cr
- Capex for FY21e is planned at around Rs 1000cr of which maintenance capex is Rs 600cr
- WHRS capacity is 145 MW which is 12.5% of power requirement
- At the end of FY20 end gross debt at Rs 18,280cr, treasury surplus Rs 5882cr invested in AAA+ rated securities. Net debt at Rs 15,096cr, 60% of loan are at variable rates
- Target net debt/EBIDTA of 1x going forward (consolidated)
- In FY20 company has re-paid debt of Rs 5000cr in the India business

Result Update

CDSL

Central Depository Services (India) Limited reported an 18 per cent decline in its net profit to INR28.07 crore for three months ended March 2020. In comparison, the company had reported a net profit of INR34.4 crore in the year-ago period. The company's total income for the quarter ended March 31, 2020, increased by 6.5 per cent to INR73 crore from INR68.5 crore in the same period last fiscal. The company has taken a one-time charge for a non-recurring previous years' anticipated statutory liability of INR10.56 crore. For the entire fiscal 2019-20, the company posted a net profit of INR106.72 crore as compared to a net profit of INR115 crore in the preceding financial year. The firm's total income for the year increased by 16 per cent to INR284 crore from INR245 crore in the previous fiscal. As on March 31, 2020, CDSL had 599 depository participants offering services from over 20,000 locations across the country. Besides, the board of directors have recommended a dividend of INR4.50 per equity share.

Torrent Power

Torrent Power reported Net loss of INR222.18 crore in the quarter ended March 2020 as against net profit of INR26.76 crore during the previous quarter ended March 2019. Sales rose 1.30% to INR2930.69 crore in the quarter ended March 2020 as against INR2893.21 crore during the previous quarter ended March 2019. For the full year, net profit rose 39.24% to INR1238.14 crore in the year ended March 2020 as against INR889.24 crore during the previous year ended March 2019. Sales rose 3.58% to INR13442.04 crore in the year ended March 2020 as against INR12977.52 crore during the previous year ended March 2019.

Dr Lal PathLabs

Dr Lal PathLabs reported consolidated net profit fell 31% to INR32.50 crore on a 0.19% increase in net sales to INR301.70 crore in Q4 March 2020 over Q4 March 2019. Consolidated profit before tax tumbled 34.39% to INR45.40 crore in Q4 March 2020 as against INR69.20 crore in Q4 March 2019. Current tax expense dropped 24.64% to INR15.90 crore in Q4 March 2020 as compared to INR21.10 in Q4 March 2019. Normalised EBITDA fell 11.9% to INR64.20 crore in Q4 March 2020 as against INR72.90 crore in Q4 March 2019. Normalised EBITDA margin stood at 21.3% in Q4 March 2020 as compared to INR24.20% in Q4 March 2019. During the quarter, underlying patient volume growth stood at 2.1% from Q4 March 2019. Meanwhile, the board of directors have approved interim dividends of INR6 per equity share.

Astrazeneca Pharma India

- Company reported net sales of Rs 195cr up 2% (YoY) & down 13% (QoQ). EBIDTA increased 132% (YoY) & down 60% (QoQ) at Rs 15cr. EBIDTA margin stood at 7.6% vs 3.4% (YoY) & 16.4% (QoQ). PAT at Rs 9.5cr down 3% (YoY) & 64% (QoQ). Gross margins at 59.1% vs 67% (YoY) & 63.6% (QoQ)
- EPS for Q4FY20 at Rs 3.83 vs Rs 3.93 (YoY) & Rs 10.68 (QoQ). Tax Rate at 28.2% vs -16% (YoY) & 24.1% (QoQ)
- For FY20 net sales at Rs 832cr up 14% (YoY), PAT at Rs 72cr up 33% (YoY). EPS at Rs 28.66 vs Rs 21.78 (YoY)

Bharti Airtel

Bharti Airtel reported a net loss of INR5,237 crore for the quarter ended March, due to one-time spectrum charges. The telecom major had posted a net profit of INR107.2 crore for the corresponding period a year ago. Revenue from operations came in at INR23,722.7 crore in the fourth quarter of financial year 2019-20, up 15.15 per cent compared to the year-ago period. average revenue per user was at INR154 in the quarter ended March 31, as against INR123 in the fourth quarter of 2018-19. The telecom service provider set aside INR5,642 crore for one-time spectrum charges in the quarter. These are unprecedented times for everyone across the world as we battle the impact of COVID-19 and its consequent impact on livelihoods. India mobile business has turned EBIT- or earnings before interest and taxes-positive, and its revenue from mobile services in the country rose 21.8 per cent on a year-on-year basis. For the entire financial year 2019-20, Bharti Airtel reported a net loss of INR32,183.2 crore, in contrast to a net profit of INR409.5 crore for the previous year.

GlaxoSmithKline Pharma

GlaxoSmithKline Pharmaceuticals reported a 5.95 per cent decline in its consolidated net profit to INR138.07 crore for the fourth quarter ended March 31, 2020. The company had posted a net profit of INR146.81 crore for the same period previous fiscal. Consolidated revenue from operations stood at INR775.80 crore for the quarter under consideration. It was INR750.81 crore in the same period a year ago. For the fiscal year ended March this year, the company posted a net profit of INR93.20 crore as against INR445.39 crore in the previous fiscal. Revenue from the operations of the company for the fiscal ended March this year stood at INR3,224.38 crore. It was INR3,128.12 crore in the year-ago period. Despite the headwinds caused by COVID-19 during Q4, I am pleased with our overall performance during the year. Keeping patient safety at the core, GSK continues to serve the patients through a dedicated workforce that has ensured continued production and supply of medicines across the country during such challenging circumstances. The Board of Directors recommend a dividend of INR40 per equity share which includes a special dividend of INR20 per share for this year.

Sanofi India

Sanofi India reported net profit fell 8.1% to INR85.40 crore on 9.4% increase in net sales to INR784.50 crore in Q1 March 2020 over Q1 March 2019. Total expenses in the first quarter of the calendar year 2020 rose 16.8% on a year-on-year (YoY) basis to INR658.20 crore, due to higher raw material costs (up 13.9% YoY) and higher employee expenses (up 16.1% YoY). Profit before tax stood at INR134.60 crore in Q4 FY20, down by 10.7% from INR150.70 crore in Q4 FY19. Current tax expenses fell 9.32% to INR53.50 crore in Q4 FY20 over Q4 FY19. COVID-19 situation has not had any material effect on the company's financial results for the quarter ended March 31, 2020. The effect of COVID-19 situation on the operations and financial results of the company for the financial year ending 31 December 2020 cannot be estimated at this stage.

Bajaj Finance

Bajaj Finance posted a 19.38 per cent year-on-year (YoY) fall in net profit at INR948.10 crore for the quarter ended March 31. The company made provisions of INR1,954 crore in Q4FY20 against INR409 crore in Q4FY19. During the quarter, the company has taken an accelerated charge of INR390 crore for two identified large accounts, an additional provision of INR129 crore on account of recalibration of its ECL model and a contingency provision of INR900 crore for Covid-19. Adjusted for these additional provisions of INR1,419 crore, loan losses and provisions for Q4FY20 was INR535 crore. The company said that it has lost 10 productive days in Q4FY20 due to Covid-19 pandemic and the consequent lockdown. This resulted in lower acquisition of nearly 1 million loan accounts and lower assets under management of around INR4,500 crore. New loans booked during the quarter increased by 3 per cent YoY to INR60.3 lakh.

Dr Reddy's

Dr Reddy's Laboratories reported a 75.92 per cent year-on-year (YoY) jump in consolidated net profit at INR764.2 crore for the March quarter, compared with INR434.4 crore in the same quarter last year. The company reported a revenue of INR4,432 crore, up 10 per cent from the year-ago period. FY 20 has been a very positive year for the company. Progress made during the year includes VAI status for CTO 6, healthy product pipeline build up, productivity improvement, and strong financial performance across our businesses. Ebitda margin of the company rose 60 basis points to 22.6 per cent while PAT margin leaped to 17.2 per cent from 10.8 per cent earlier. North America remained its biggest generics market with INR1,807.2 crore of revenue from the region. Europe contributed with INR344.6 crore and India INR683.9 crore. Emerging markets chipped in with INR804.2 crore in total revenue.

UltraTech Cement

UltraTech Cement reported a three-fold jump in consolidated net profit at INR3,243 crore in March quarter compared with INR1,064 crore in the same quarter last year. Normalised profit, which excluded the benefit of reversal of deferred tax liabilities due to change in tax regime, stood at INR1,131 crore, up 6.29 per cent. Consolidated sales for the quarter came in at INR10,579 crore, down 13.07 per cent over INR12,170 crore the cement maker reported in the year-ago quarter. The year-on-year numbers were not comparable as the company acquired cement business of Century Textiles and Industries effective October 1, 2019. Due to Covid-19, operations across locations were shut down in line with the government directives. The company announced dividend of INR13 per equity share.

Tata Power

Tata Power reported two-folds jump in its consolidated net profit to INR475 crore in the January-March quarter compared to the year-ago period. The company's consolidated net profit was INR172 crore in the quarter ended on March 31, 2019. PAT was up 177 per cent at INR475 crore as against INR172 crore due to gain on sale of Cennergi investment offset by impairment provision in SED & reversal of MAT Credit due to transition to new tax regime in the renewables business. Consolidated revenue stood at INR6,881 crore in the fourth quarter of 2019-20 compared to INR7,597 crore in the corresponding quarter last year mainly due to delay in project execution in solar EPC business on account of COVID19.

Apollo Tyres

Net profit of Apollo Tyres declined 7.31% to INR77.86 crore in the quarter ended March 2020 as against INR84.00 crore during the previous quarter ended March 2019. Sales declined 14.97% to INR3551.22 crore in the quarter ended March 2020 as against INR4176.26 crore during the previous quarter ended March 2019. For the full year, net profit declined 29.92% to INR476.40 crore in the year ended March 2020 as against INR679.84 crore during the previous year ended March 2019. Sales declined 6.81% to INR16096.49 crore in the year ended March 2020 as against INR17273.39 crore during the previous year ended March 2019.

Jubilant Foodworks

Net profit of Jubilant Foodworks declined 71.53% to INR21.05 crore in the quarter ended March 2020 as against INR73.95 crore during the previous quarter ended March 2019. Sales rose 3.77% to INR897.85 crore in the quarter ended March 2020 as against INR865.20 crore during the previous quarter ended March 2019. For the full year, net profit declined 14.67% to INR275.45 crore in the year ended March 2020 as against INR322.80 crore during the previous year ended March 2019. Sales rose 10.06% to INR3885.78 crore in the year ended March 2020 as against INR3530.67 crore during the previous year ended March 2019.

JK Lakshmi Cement

JK Lakshmi Cement reported more than two-fold jump in consolidated net profit to INR98.63 crore for the fourth quarter ended on March 2020, helped by cost reductions. The company had posted a profit of INR39.38 crore in January-March period a year ago. However, its revenue from operations during the quarter under review was down 11.08 per cent at INR1,137.47 crore as against INR1,279.33 crore in the year-ago period. Company's concerted efforts in improving Product Mix, market optimisation, enhancing the premium products sales, reduction in logistic costs and improvement in plant efficiency parameters enabled the company to post better returns. Softening of Pet Coke prices also helped the company to improve its margins. Its total expenses were at INR1,016.16 crore as against INR1,239.61 crore, down 18.02 per cent. For 2019-20, the net profit zoomed six-folds to INR252.94 crore from INR40.62 crore in the previous year. Its revenue from operation in fiscal was up at INR4,364.07 crore against INR4,316.31 crore in 2018-19.

Colgate Palmolive

Colgate Palmolive has reported a 3.3 percent year-on-year growth in March quarter profit at INR204 crore, largely due to lower tax cost. Revenue from operations during the quarter fell 7.1 percent to INR1,071 crore compared to same period last year with volume decline at 8 percent mainly impacted due to current COVID-19 situation. On the operating front, its earnings before interest, tax, depreciation and amortisation dropped 16.6 percent year-on-year to INR262.87 crore in quarter ended March 2020, while margin contracted 278 basis points to 24.54 percent in Q4. For FY20, Colgate reported a 5.3 percent growth in profit at INR816.47 crore on revenue of INR4,525.09 that grew by 1.4 percent compared to the previous year. The board declared an interim dividend for the financial year 2019-20 of INR16 per share.

Ajanta Pharma

Ajanta Pharma reported a 45 per cent rise in its consolidated net profit to INR129.16 crore for the quarter ended March 31, mainly on account of robust sales in all markets. The company had posted a net profit of INR88.89 crore in the corresponding period of the previous financial year Consolidated revenue from operations of the stood at INR682 crore for the quarter under consideration as against INR515 crore for the corresponding period a year ago. For the financial year ended March this year, the company posted a net profit of INR468 crore as against INR387 crore for the previous fiscal year. The revenue from operations of the company for the fiscal year ended March 2020 stood at INR2,588 crore as against INR2,055 crore for the year ago fiscal year.

Bajaj Finserv

Bajaj Finserv's consolidated net profit fell nearly 77 per cent in the fourth quarter of 2019-20 due to Covid-19 related provisions and MTM adjustments. Its net profit stood at INR194.43 crore for the quarter ended March 31, 2020 as against INR838.74 crore a year ago. The MTM adjustment and the contingency provision, together considered as the Covid-19 impact, after adjusting for tax and the company's interest in those subsidiaries, have impacted consolidated profit after tax of BFS for fourth quarter and 2019-20 by INR807 crore. It made a INR900-crore pre-tax Covid related provision. In 2019-20, its consolidated net profit stood at INR3,369.13 crore, which is 4.6 per cent higher than its net profit of INR3,219.04 crore in 2018-19. For the quarter ended March 31, 2020, its total income grew to INR13,294.25 crore versus INR12,994.52 crore a year ago. Meanwhile, its subsidiary Bajaj Allianz General Insurance's net profit surged to INR304 crore in the fourth quarter of the fiscal compared to INR83 crore a year ago.

JSW Energy

JSW Energy reported 28-fold jump in its consolidated net profit to INR108.44 crore in the fourth quarter ended March. The company's consolidated net profit attributable to owners of the company was INR3.87 crore in the same quarter previous fiscal. Total income stood INR1,847.65 crore in the quarter as compared to INR2,018.16 crore a year ago. It also reported consolidated net profit of INR1,081.18 crore for FY20 as against INR684.49 crore in 2018-19. Total income in the last fiscal was INR8,559.69 crore in 2019-20, compared to 9,505.56 crore in 2018-19. The board has also declared dividend of Re one per equity share of INR10.

Mahindra Logistics

Mahindra Logistics reported net profit declined 59 per cent to INR10 crore in the quarter ended March 31. The logistics firm had reported a net profit of INR24 crore in the corresponding quarter a year ago. The company said its revenue fell 20 per cent to INR812 crore as against INR1,015 crore in the corresponding quarter a year ago. The fourth quarter of 2019-20 was a challenging period, with continued softness in the auto sector and the onset of the COVID-19 pandemic. The nationwide shutdown of industries, facilities and movement of goods has had an impact on logistics, transportation and mobility. During the last financial year 2019-20, the company reported a net profit of INR55 crore, down 37 per cent as compared with INR86 crore a year ago. The company has recommended a dividend of 15 per cent.

Kalpataru Power

Kalpataru Power Transmission Ltd's net profit dipped over 92 per cent to INR13 crore in the quarter ended March 31. The company's consolidated net profit had stood at INR166 crore in the quarter ended March 31, 2019, according to a statement by the company. Its total income stood at INR3,540 crore in the quarter, compared with INR3,537 crore a year ago. For the full financial year 2019-20, the company's consolidated net profit was INR390 crore as compared to INR487 crore in 2018-19. Its total income in 2019-20 was INR12,720 crore, compared with INR10,888 crore in 2018-19. The board approved the proposal for issuance of secured or unsecured redeemable non-convertible debentures up to INR300 crore by the company in one or more tranches. The company's board also approved buyback of equity shares of a face value of INR2 each from the open market through the stock exchange mechanism at a maximum price of INR275 per equity share payable in cash, for an aggregate maximum amount of up to INR200 crore.

Strides Pharma

Strides Pharma Science reported a consolidated net loss of INR206.57 crore for the quarter ended March 31, mainly on account of one-time exceptional item. The company had posted a net profit of INR44.70 crore for the corresponding period of the previous financial year. The company's consolidated revenue from operations stood at INR618.64 crore for the quarter under consideration. It was INR616.18 crore for the same period year ago. For the results of the quarter, the company has shown a net loss of INR170 crore as exceptional item, which is mainly on account of Ranitidine withdrawal from the US market. For the fiscal year ended March this year, the company posted a net profit of INR30.58 crore. It was INR329.87 crore for the previous fiscal year. Revenue from operations of the company for the fiscal year ended March 2020 stood at INR2,751.97 crore. It was INR2,178.37 crore for the year ago fiscal. The company's board of directors proposed a final dividend of INR2 per share.

Bosch India

Auto components major Bosch Ltd reported a 80.29 per cent decline in consolidated net profit at INR81.14 crore in the fourth quarter ended March 31, 2020 due to a provision for restructuring and transformational projects. The company, which posted a consolidated net profit of INR411.70 crore in the year-ago quarter, said it is reducing planned capex by up to 50 per cent for the ongoing fiscal due to the coronavirus pandemic. Revenue from operations during the quarter under review stood at INR2,236.87 crore as against INR2,729.91 crore in the same period a year ago. During the quarter, Bosch made an incremental provision of INR297 crore as part of an overall provision of INR717 crore towards various restructuring, reskilling and redeployment initiatives for 2019-20. For the fiscal 2019-20, the company said its consolidated net profit stood at INR649.82 crore as against INR1,598.04 crore in 2018-19. Revenue from operations for FY20 stood at INR9,841.63 crore as compared with INR12,085.02 crore in FY19.

JSW Steel

JSW Steel reported a 85.98 per cent year-on-year (YoY) drop in standalone net profit at INR242 crore for the March quarter, compared with INR1,727 crore in the same quarter last year. Gross revenue for the quarter fell to INR15,020 crore from INR19,418 crore in the year-ago quarter. Consolidated profit stood at INR188 crore and revenue at INR17,887 crore. The company made an impairment provision of INR1,309 crore that led the sharp fall in profits. This includes INR852 crore towards a diminution in value of investments and increased uncertainty in restarting iron ore mine in Chile, INR377 crore for shortfall in interest recovery and INR80 crore towards retirement of certain fixed assets in India. Revenue was hit due to lower volumes and decline in realisation. Operating EBITDA for the quarter stood at INR3,330 crore and Ebitda margin at 21.2 per cent.

UPL

UPL posted 146.80 per cent year-on-year (YoY) rise in net profit at INR617 crore for the quarter ended March 31. It had posted a net profit of INR250 crore in the corresponding quarter last year. Revenue of the company increased 30.68 per cent YoY to INR11,141 crore during the quarter under review. The board recommended a dividend of INR6 per share. Consolidated EBITDA increased 47.48 per cent YoY to INR1,904 crore in March quarter. EBITDA margin also moved higher to 17 per cent from 15.10 per cent YoY.

Honeywell Automation

Net profit of Honeywell Automation India rose 32.12% to INR111.14 crore in the quarter ended March 2020 as against INR84.12 crore during the previous quarter ended March 2019. Sales declined 13.08% to INR704.26 crore in the quarter ended March 2020 as against INR810.27 crore during the previous quarter ended March 2019. For the full year, net profit rose 36.96% to INR491.48 crore in the year ended March 2020 as against INR358.84 crore during the previous year ended March 2019. Sales rose 3.63% to INR3290.01 crore in the year ended March 2020 as against INR3174.74 crore

Hindustan Zinc

Hindustan Zinc reported net profit dropped 33.44% to INR1,339 crore on 19.74% fall in revenue from operations to INR4,321 crore in Q4 March 2020 over Q4 March 2019. The revenue from operations were down primarily due to an average 19% decline in LME prices, lower lead & silver volume and lower zinc premium, partly offset by higher silver prices and rupee depreciation. Profit before tax (PBT) slipped 31.53% to INR1,865 crore in Q4 March 2020 as against INR2,724 crore in Q4 March 2019. Current tax expenses fell 46.65% to INR311 crore in Q4 March 2020 as compared to INR583 crore paid in Q4 March 2019. EBITDA slumped 30% to INR1,961 crore in Q4 March 2020 over Q4 March 2019 on account of lower revenue partly offset by lower operating costs.

Supreme Industries

Supreme Industries' consolidated net profit declined 5.46% to INR117.28 crore on 6.56% fall in net sales to INR1,430.49 crore in Q4 March 2020 over Q4 March 2019. Consolidated profit before tax (PBT) jumped 29.18% to INR223.38 crore in Q4 FY20 over Q4 FY19. This was mainly on account on 12.23% year-on-year (YoY) fall in total expenses to INR1214.14 crore in the fourth quarter. Overall profitability was impacted by higher tax expenses, which jumped 117.15% YoY to INR106.10 crore in Q4 FY20. The plastic products manufacturer sold 1,03,200 MT of plastic goods and achieved net product turnover of INR1,380 crore during the 4th quarter of the current year against sales of 1,13,921 MT of plastic goods and achieved net product turnover of INR1,487 crore in the corresponding quarter of previous year achieving volume and product value degrowth of about 9% and 7%, respectively.

Bayer CropScience

Bayer CropScience reported a net profit of INR31.5 crore in the fourth quarter of 2019-20 fiscal on strong revenue. The company had posted a net loss of INR57.1 crore in January-March quarter of the last fiscal. Total income rose to INR458.7 crore during the quarter under review from INR252.2 crore in the same quarter a year ago. Expenses also rose to INR422.2 crore as compared with INR356.9 crore a year ago. For fiscal year 2019-20, the company's net profit increased to INR474.5 crore from INR337.1 crore in 2018-19.

Birla Corporation

Birla Corporation reported 52 per cent rise in March quarter consolidated net profit at INR194.73 crore, helped by lower fuel costs and improvement in efficiency and cost rationalisation. It had posted a net profit of INR128.19 crore in January-March 2018-19. However, revenue from operation was down 9.76 per cent to INR1,689.97 crore during the quarter under review as against INR1,872.76 crore earlier. The company reported higher profits during March quarter with EBITDA for the quarter being higher by 11.7 per cent over the previous year at INR373 crore, despite loss of volumes since March 22 due to the situation arising out of COVID-19. During the quarter, the company's total expenses were at INR1,525.66 crore as against INR1,735.71 crore, down 12.10 per cent.

Domestic News

Maruti Suzuki delivers 5,000 cars in past few days; 1,350 showrooms operational

Maruti Suzuki India has delivered over 5,000 cars in the past few days with over 1,350 showrooms operational across the country at present. The company has put in place comprehensive standard operating procedures (SOPs) for all its dealerships. With the SOPs in place, over 1,350 Maruti Suzuki showrooms and over 300 True Value outlets are operational now. The company has put in place comprehensive norms to ensure that their car buying experience is completely safe. These norms are based on guidelines from the central and state governments. We would like to encourage our customers to digitally choose and book their car and take advantage of the convenience of home delivery of their new vehicles. MSI has a network of 3,086 showrooms across 1,964 towns and cities.

RBI may extend moratorium on repayment of loans for three more months

With the government extending the nationwide lockdown up to May 31, the Reserve Bank of India (RBI) is likely to extend the moratorium on repayment of loans for three more months. the National Disaster Management Authority (NDMA), the nodal department, announced lockdown 4.0 till May 31 to check the spread of the novel coronavirus. The lockdown was first announced by PM Narendra Modi on March 24 for 21 days in a bid to combat the COVID-19 pandemic. It was first extended till May 3 and again till May 17. In March, the Reserve Bank of India had allowed a three-month moratorium on payment of all term loans due between March 1, 2020 and May 31, 2020. With the lockdown now extended up to May 31, we expect RBI to extend the moratorium by three months more.

Apparel export industry should be treated at par with MSME sector

Reeling under the impact of COVID-19 pandemic, apparel exporters urged the government to treat the labour-intensive sector at par with MSMEs. Apparel Export Promotion Council of India (AEPC) Chairman A Sakthivel said the sector is facing huge losses due to nonpayment of export bills and cancellation of orders. We would request that the apparel exporting industry may be treated at par with the MSME sector as we work on wafer-thin margins of 4-5 per cent. Domestic exporters have a huge pile-up of inventories because of lockdown in several countries. Provident Fund (EPF) should be extended to the sector, irrespective of the number of workers employed and more specifically to cover all the apparel exporting units, since they are highly labour intensive with a huge women workforce. A large number of our exporters lost huge money by booking forward contracts and we feel that the loss can be converted into a working capital-term loan with repayment in three years with a 6 per cent interest rate.

Liquidity support provides temporary lifeline to discoms

The government's stimulus measures will only provide a temporary lifeline to state-owned power distribution companies as the coronavirus pandemic has increased liquidity pressure for these firms. Union finance minister Nirmala Sitharaman announced that state-owned lenders PFC and REC will extend Rs 90,000 crore in state-guaranteed loans to government-owned discoms, which owe nearly INR94,000 crore to power generation and transmission companies. Discoms have been the key structural weakness for the Indian power industry for decades. State government-guaranteed loans could help these companies clear overdue payments, releasing cash to the generation and transmission companies. He further noted that a sustainable solution for resolving the weak credit health, excess leverage, and high losses of the discoms is critical to prevent the need for further packages even post-COVID-19. The agency noted that many discoms in India have weak financial health owing to excess debt, loss-making operations, and high transmission and distribution (T&D) losses of more than 15 per cent.

Natural gas demand rises by a third

Natural gas demand has risen by a third from its recent lows as factory activity expands and more gas-driven vehicles fill the roads following the easing of lockdown curbs, according to an executive at GAIL, the country's largest marketer and transporter of gas. Natural gas sales by GAIL has risen to 74 million metric standard cubic meters a day (mmscmd) from 56 mmscmd in the last week of March when the nationwide lockdown started, severely restricting mobility and shutting most industries. The volumes are still much lower than the 86 mmscmd GAIL supplied before the lockdown began. GAIL also transmits about 24 mmscmd of gas marketed by other companies through its pipeline network. This volume had dropped to about 8 mmscmd at the beginning of lockdown but has now risen to about 12 mmscmd, signaling refiners and other gas players are also witnessing a consumption recovery. Rising demand could act as a signal for ONGC, which had to shut some wells as demand weakened during the lockdown, to raise local output and for other gas players to increase import. With further easing of lockdown, the demand would continue to rise.

Cement sales expected to decline by 20% in FY21

Cement dealers across the country expect sales volume to decline by 20% in FY21 with easing of lockdown in May, in addition to higher working capital needs and longer credit period to retailers in the wake of the Covid-19 pandemic this fiscal. The survey was conducted among more than 100 dealers spread across Tier 1 and 2 centres in thirteen states to glean insights into the impact of the pandemic. Incidentally, trade channels account for nearly 60% of annual cement sales. A whopping 93% of the respondents said they expect volumes to shrink 10-30% in fiscal 2021 in the base case scenario, i.e. the lockdown easing in May. Extension beyond this can worsen these figures. Also, 70-80% dealers felt individual home builders (IHB) would delay new construction due to gloomy business outlook, fear of income loss, labour shortage, and uncertainty with respect to resumption of normalcy. IHB constitute 60-70% of demand in rural areas, while they account for 40-50% of demand in urban areas.

Cipla submits application with USFDA for generic version of asthma drug

Drug major Cipla has submitted an application with the US health regulator for a generic version of GSK's Advair Diskus, which is used in the treatment of asthma and other respiratory disorders. The company has submitted an abbreviated new drug application (ANDA) for Fluticasone propionate and Salmeterol inhalation powder (100/50 mcg, 250/50 mcg and 500/50 mcg) to the US Food and Drug Administration (USFDA). The drug firm had recently announced the successful completion of its phase-3 clinical end-point study for the product in the first attempt, it added. The product is indicated as a twice-daily prescription medicine to treat asthma in patients aged four years and older. It is also used in the long term to treat chronic obstructive pulmonary disease (COPD), including chronic bronchitis, emphysema, or both, for better breathing. According to IQVIA (IMS Health), Advair Diskus and its generic equivalents had US sales of around USD 2.9 billion for the 12-month period ending March 2020.

Northern Coalfields, only CIL subsidiary to arrest falling production

Northern Coalfields is the only CIL subsidiary that managed to arrest falling production in April and May, when the group as a whole registered more than 10% fall in production during the Covid-19 slowdown. NCL, the Madhya Pradesh based, coal producer produced 8.73 million tonnes of coal achieving 96% of the month's targeted production and managed to arrest fall in growth against the previous corresponding period when coal production was impeded in many subsidiaries. NCL, is the third largest coal producing subsidiary and it contributed to 18% of CIL's overall coal output of 602.13 million tonnes during 2019-20. For two successive financial years NCL achieved its production target four days ahead of the closure of the fiscal. For FY 20 NCL's production was 108.05 million tonnes, 102% of its target. During the first 15 days of May, NCL produced 4.32 million tonnes clocking 2.5% growth for the comparable period last year. It was the only CIL subsidiary to have registered growth. NCL is targeted to produce 113.25 MTs during the current fiscal entailing a growth of 4.8%. Generally, the pace of production for coal companies pick up during the second half of the fiscal and especially in the fourth quarter. With growth trend under its belt NCL could sail past target this year as well.

Royal Enfield recalls 15,200 units of three models in overseas markets to replace a brake part

Royal Enfield recalling 15,200 units of three models across the UK, Europe and Korea to replace a brake part. The company is recalling Interceptor 650, Continental GT 650 and Himalayan motorcycles after discovering a brake caliper corrosion-related issue in some specific countries. Upon investigation, it was revealed that this corrosion is brought about by sustained, long-term exposure to riding on roads treated with certain salts, or a combination of salts, to prevent formation of ice during winters. This is a precautionary service intervention, and will be undertaken across the UK, the rest of Europe and Korea. With immediate effect, around 15,200 motorcycles sold in these markets will be called in for inspection, cleaning and part replacement.

Sugar output declines 19% to 26 mt in current season so far

Sugar production between October 2019 and May 15 this year in the current sugar season has declined by 19% to 26.46 million tonne (mt) against 32.61 mt in the same period last season a drop of 6.15 mt. Compared with 38 sugar mills which were crushing sugarcane as on May 15, 2019, 63 sugar mills were crushing sugarcane on May 15 this year. Amid Covid-affected times, contracts for export of 4.2 mt have been made till beginning of May 2020. As per reports available from mills and ports, about 3.6 mt have been moved/dispatched from the mills for exports. Contracts for export are being signed for various destinations, with major quantities for Indonesia and Iran. Shipments are also happening and are expected to normalise in the days to come, Indian Sugar Mills. The government has allowed export of 6 mt of sugar under maximum admissible export quota (MAEQ) during the 2019-20 marketing year (October-September) to liquidate surplus sugar in the global markets.

INR6.45 lakh crore worth loans sanctioned by PSBs during March 1-May 15

State-owned banks have sanctioned about INR6.45 lakh crore worth loans to various sectors including MSME, agriculture and retail between March 1 and May 15 when businesses were reeling under the impact of COVID-19 crisis. Loans sanctioned at the end of May 8 stood at INR5.95 lakh crore. Loans worth over INR6.45 lakh crore were sanctioned by PSBs during March 1 – May 15 for 54.96 lakh accounts from MSME, Retail, Agriculture & Corporate sectors; A notable increase compared to the INR5.95 lakh crore sanctioned as of May 8. Public Sector Banks sanctioned over INR1.03 lakh crore as emergency credit lines & working capital enhancements in the period March 20 to May 15, which is a substantial increase over the INR65,879 crore that had been sanctioned up to May 8. State-owned banks launched an emergency credit line to provide funds to its existing MSME and corporate borrowers in the last week of March, soon after the lockdown was announced. Under the scheme, the banks provide an additional line of credit of 10 per cent of the existing fund based on working capital limits, subject to a maximum of INR200 crore. Besides, banks have offered a 3-month moratorium on loan repayment till May 31 as per the RBI guidelines. With the government extending the nationwide lockdown up to May 31, the Reserve Bank of India (RBI) is likely to extend the moratorium on repayment of loans for three more months.

Government plans to ban 27 pesticides

The government plans to ban 27 widely used pesticides as it regards them to be dangerous for humans and animals, but it will first hear out the manufacturers who say their products are not so harmful. The government has shortlisted these 27 from the 66 contentious pesticides being reviewed. We have released the draft gazette notification for banning these pesticides. Companies may give their objections and representations within 45 days from May 14 before the final notification is issued after review of their objections. Out of these 66 under review, the government has already banned 18 pesticides in 2018. It is now going to ban 27 more. Another six pesticides are under review while remaining 15 have been found to be safe for use as of now.

Bank of Baroda to appoint agencies to monitor INR4 lakh crore NBFC loans

Bank of Baroda has taken the lead to monitor the entire NBFC loan portfolio on behalf of all lenders, three people familiar with the development said. It includes marquee names like Bajaj Finance, Tata Capital, HDB Financial Services, Tata Motors Finance, M&M Finance, KKR India, Indiabulls Commercial Credit including 33 non-bank lenders having an exposure of INR4 lakh crore to the banking system. Monitoring agencies would be assessing the asset quality, cash holdings, likely siphoning off of funds if any, flag non-business transactions among a host of others requirements. “Bankers are worried over the performance of the NBFC credit, so they want an assessment of the actual credit quality of their books and the potential stress build up that could happen. As per the document shared by Bank of Baroda with the specialised monitory agencies, empaneled with the bankers lobby IBA, the scope of work will include assessing the quality of the loan book, further drawing power, end use of funds borrowed, outstanding contingent liabilities, unhedged forex exposure and fraudulent practices of any. From the non-bank lenders which are being assessed Bajaj Finance and Bajaj Housing Finance have the maximum exposure totalling to INR1.05 lakh crore, followed by HDB Financial Services at INR47,161 crore. The Tata group companies Tata Capital Financial Services, Tata Motors Finance and Tata Capital Housing Finance have a combined exposure of INR71,000 crore. Among the other large exposures that are being assessed, Aditya Birla Finance and Aditya Birla Housing Finance have loans amounting to over INR32,000 crore, Fullerton India Credit and Fullerton India Home Finance have outstanding loans of INR24,500 crore, Muthoot Finance and it’s Housing arm with loans of nearly INR18,000 crore and M&M Finance plus it’s rural housing arm with loans of nearly INR24,000 crore.

ONGC, NTPC sign MOU to set up joint venture for renewable energy business

India's top oil and gas producer ONGC and country's biggest electricity generator NTPC have signed a preliminary agreement to set up a joint venture company for renewable energy projects. Oil and Natural Gas Corp (ONGC) and NTPC Ltd entered into a memorandum of understanding (MoU) on May 21, 2020 in New Delhi to formalize this arrangement. As per the MoU, NTPC and ONGC will explore and set up renewable power assets including offshore wind, in India and overseas, and explore opportunities in the fields of sustainability, storage, e-mobility and ESG (Environmental, Social and Governance) compliant projects. ONGC has a renewable portfolio of 176 MW comprising of 153 MW wind power and 23 MW of solar plants. Through this collaboration with NTPC, ONGC envisages significant growth in its presence in the renewable power sector.

Nine NBFCs surrender certificate of registration

Nine NBFCs, including Reliance Net and Nischaya Finvest Private Limited, have surrendered their certificate of registration, as per Reserve Bank of India. Penrose Mercantiles Ltd, Manohar Finance India Ltd, Chandelier Tracon Pvt Ltd, and Sanghi Hire Purchase Ltd are among the NBFCs which have surrendered their certificates. The certificate of registration is granted by the RBI. With surrendering the certificates, the companies cannot transact the business of a non-banking financial institution.

Global News

U.S. Challenge in Penalizing China: Hurt Beijing, Not Hong Kong

The Trump administration has promised strong action against China over its national security law in Hong Kong, but its options may be limited because any harsh penalties aimed at Beijing would likely also harm both Hong Kong -- and the U.S. While Secretary of State Michael Pompeo indicated Friday that the U.S. could reconsider Hong Kong's special trade status, taking such broad action risks causing harm to U.S. interests. The administration potentially could take a narrower approach, such as sanctioning individuals or businesses involved in curtailing Hong Kong's democracy, or by maintaining special treatment of the territory for sensitive technologies. Businesses and investors are anxiously watching the developments, which could have far-reaching implications for the U.S.-China relationship. Earlier this week, China reiterated a pledge to implement the first phase of its trade deal with the U.S. despite setbacks from the coronavirus outbreak, though the January agreement has come under threat as the two nations escalate disputes on many fronts.

Stocks Close Volatile Week Higher; Crude Oil Falls

U.S. stocks rallied into the close of trading after whipsawing investors during a volatile week that featured optimism over the reopening of the economy and a renewal of trade tensions. The dollar strengthened and oil snapped a six-day winning streak. The S&P 500 index swung between gains and losses before finishing up 0.2%. Technology shares helped the Nasdaq Composite outperform, while Caterpillar and Johnson & Johnson weighed on the Dow Jones Industrial Average. Today's volatility came as traders braced for tension between Washington and Beijing to escalate after China announced plans to impose a national security law on Hong Kong.

A Month After Oil Plunged Into the Abyss, Prices Are Surging

For the world's most important commodity, there's never been a month like it. Just a few weeks ago, crude oil was akin to industrial waste in some parts of the world, something you had to pay people to take away. Now prices are surging, up about 70% in New York since the start of May. The turnaround, which has been welcomed from Riyadh and Moscow to the White House, came quicker than most people were expecting but wasn't easy. Painful OPEC+ production cuts and the world's risky first steps out of coronavirus lockdown have lifted the market out of the abyss of negative prices, but either of them could falter. It was the afternoon of April 20 when panicked sellers drove the price of the U.S. crude benchmark below zero for the first time in history. In one of the most extraordinary 20-minute spans in the history of financial markets, West Texas Intermediate fell as low as minus \$40.32 a barrel, stunning everyone from veteran brokers to retail investors.

Fuel-Demand Slump Kills Cross-Atlantic Gasoline, Diesel Trades

Two mainstay export trades for European and U.S. oil refiners have collapsed because of Covid-19 and its impact on fuel demand. For decades now, Europe has been dispatching its surplus of gasoline to buyers in the U.S. and, more recently, America has been sending huge volumes of diesel in the opposite direction. But with demand on both sides of the Atlantic well below normal levels because of the pandemic -- and sky-high tanker rates in the past few weeks -- the longstanding trades have crumpled. Arbitrage volumes on the traditional gasoline route from Europe to the Americas have remained slow in early May and are likely to drop below the multi-year low seen last month. While, shipments in the opposite direction in May are set to be the lowest in at least three years.

Battered Farmers May Get \$250,000 Each in Trump's Virus Bailout

President Donald Trump announced a \$19 billion coronavirus farm aid package covering a broad swath of U.S. agriculture that producers can begin claiming by next week. Farmers who suffered a 5% or greater price loss will be eligible for direct payments of as much as \$250,000 per person, the U.S. Department of Agriculture said in a statement.

Trump Says He's Taking Anti-Malaria Drug That Led to FDA Warning

President Donald Trump said he is taking hydroxychloroquine, the anti-malaria drug that he's promoted as a treatment to combat coronavirus infection, despite government warnings that it can cause serious side effects. Trump said Monday at the White House that he's been taking the drug for about a week and half. Vice President Mike Pence's press secretary, Katie Miller, tested positive for coronavirus on May 8. Trump was not seen in Pence's company following the diagnosis until Monday, when the vice president joined him for a meeting with restaurateurs. Trump is a self-admitted germophobe, telling reporters he was wary of shaking hands even before the coronavirus pandemic, and theatrically distancing himself from former patients during press events.

Brazil Cases Set New Record; South Korea Schools

Brazil reported another daily record for Covid-19 cases and deaths, making it the world's fastest-growing virus hot spot, accounting for 13% of new cases globally in the past week. Infections in India rose at the fastest pace in Asia to top 100,000. South Korea is reopening schools amid reporting the most new cases in nine days. President Donald Trump called the country's 1.5 million cases a "badge of honor" for its testing efforts. The European Union criticized Trump's threat to permanently freeze U.S. funding to the World Health Organization, saying the fight against the coronavirus required global cooperation.

Oil Rally Stalls With Fed Warning Countering Production Cuts

Oil snapped a four-day gain as investors weighed evidence the market is rebalancing against what's still a precarious economic outlook. Futures in New York for July delivery edged lower after the June contract closed at a 10-week high as it expired. Federal Reserve Chairman Jerome Powell warned Americans could start losing their homes and that long-term unemployment could damage the economy. A report that a virus vaccine study that had boosted assets earlier in the week didn't produce enough critical data to assess its success added to the cautious tone in financial markets. Still, the oil market is in much better shape than it was a month ago as output cuts have kicked in and pockets of demand have emerged. There was no repeat of last month's plunge below zero when the West Texas Intermediate contract rolled over, with the June futures trading at a premium to July before they expired, suggesting concerns the U.S. would run out of storage have eased.

Nasdaq to Tighten Listing Rules, Impacting Chinese IPOs

Nasdaq is set to unveil new rules for initial public offerings including tougher accounting standards that will make it more difficult for Chinese companies to list on the exchange, citing unidentified people familiar with the matter. While the rules will not single out Chinese companies, the changes are being driven by concerns about the lack of accounting transparency and close ties to powerful insiders that some IPO hopefuls from the Asia nation have, citing people familiar with the matter. The move comes in the wake of the spectacular downfall of Luckin Coffee Inc - once a poster child for Chinese startups - which had trading of its shares suspended in April after it revealed an internal investigation into the fabrication of hundreds of million of sales. Last year Luckin Coffee raised \$645 million in what was the year's second-largest U.S. IPO by a Chinese company and was one of the few that actually traded above its offer price. Under the new rules, companies from some countries, including China, will need to raise at least \$25 million in their IPO or alternatively at least a quarter of their post-listing market capitalization. Many IPOs by Chinese firms are smaller than that and end up languishing amid poor liquidity as shares are held by a small group of insiders.

Events

CORPORATE ACTION BONUS / RIGHTS / STOCK SPLIT / DIVIDEND / FCCB / M&A / WARRANTS ETC.

Company	Record Date	Ex-Date	Details
Embassy Office Parks REIT			Cash dividend of INR6.89 effective 27-05-2020
Infosys Ltd			Cash dividend of INR9.50 effective 29-05-2020

Domestic Events

- **Upcoming Result:-** Aarti Industries Ltd., Alembic Ltd., Astral Poly Technik Ltd., Housing Development Finance Corp.Ltd., Hil Ltd., Jindal Steel & Power Ltd., Tinplate Company Of India Ltd., Blue Dart Express Ltd., Coromandel International Ltd., Deepak Nitrite Ltd., Max Financial Services Ltd., Praj Industries Ltd., Shanthi Gears Ltd., S H Kelkar And Company Ltd., Torrent Pharmaceuticals Ltd., V.I.P.Industries Ltd., Dabur India Ltd., Heritage Foods Limited., India Grid Trust., Jaiprakash Associates Ltd., Jsw Holdings Limited., Sun Pharmaceutical Industries Ltd., Tube Investments Of India Ltd., Ujjivan Financial Services Ltd., United Spirits Ltd., Ceat Ltd., Lt Foods Ltd., Heidelberg Cement India Ltd., Lupin Ltd., Muthoot Capital Services Ltd., Prism Johnson Ltd., Radico Khaitan Ltd., Rain Industries Ltd., Tvs Motor Company Ltd., 3m India Ltd., Equitas Holdings Ltd., Everest Industries Ltd., Jagran Prakashan Ltd., Sagar Cements Ltd., V-Mart Retail Ltd., Voltas Ltd.
- **May 29, 2020:-** India Foreign Exchange Reserve for May 22, 2020., India GDP for Q4 of FY20

Global Events

- **May 25, 2020:-** Japan Leading Economic Index for March 2020.
- **May 26, 2020:-** Japan All Industry Activity Index for March 2020., The U.S. New Home Sales for April 2020.
- **May 27, 2020:-** China Industrial Profit for April 2020., The U.S. MBA Mortgage Applications for May 22, 2020.
- **May 28, 2020:-** The U.S. Initial Jobless Claims for May 23, 2020., The U.S. GDP for Q1 2020., The U.S. Durables Goods Orders for April 2020., The U.S. Pending Home Sales for April 2020., Euro Area Business Confidence for May 2020.
- **May 29, 2020:-** The U.S. Personal Income and Personal Spending for April 2020., Euro Area Inflation for May 2020., The U.S. Goods Trade Balance for April 2020., Japan Unemployment Rate, Industrial Production, Retail Sales for April 2020., Japan Consumer Confidence for May 2020.

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