



The Nifty previous session ended 4.74% up at 14,281.20. It opened on a positive note and continued moving higher towards finishing off with a huge bullish body candle above the 30 simple MA placed around 14,100 on daily. Sharp rally after the conclusion of the Union Budget speech led to a successful closing above the 30 simple MA, which may now act as the major support. Higher resistances are placed around 14,480 and 14,600 levels.

On the Nifty hourly chart; pullback from the oversold zone continued beyond the critical resistance placed around 14,100 levels. Rising RSI and Stochastic oscillators suggests the benchmark index might get into the trading range of 14,100-14,480.

Nifty patterns on multiple time frames suggest; finishing off the day with a huge bullish body candle above 14,100 is a positive development, which might be helpful in challenging the next resistance placed around 14,480 levels

### Nifty Crucial Supports & Resistances-

**Supports- 14100, 14050 Resistances- 14480, 14600**

### Open Positional Calls-

**T+15 Positional Buy-  
|Cash Segment| PNB @ 37-35, TGT-  
45 & 50, Closing SL- 30**

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## Nifty Intraday Chart



## Market in Retrospect

Indian equities gained the most on a budget day since 1997 after Finance Minister Nirmala Sitharaman refrained from announcing any major tax hikes.

The NIFTY index gained 4.70% at 14,281. The broader markets represented by the NIFTY 500 Index ended 4.14% higher, ending at 11,770. Among the sectorial indices, NIFTY Bank was the gainer, gaining by 8.26%, followed by NIFTY PSU Bank which ended by 7.83% higher. NIFTY Pharma was the only loser, losing by 0.55% lower.

Indusind Bank was the top gainer, gaining by 14.71%, followed by ICICI Bank and Bajaj Finserv which gained by 12.44% & 11.45% respectively. UPL was the top loser, losing by 4.74%, followed by Dr. Reddy's and Cipla, which fell by 3.79% & 2.36% respectively.

The Advance: Decline ratio stood at 1345:604

## Market Turnover (In Crore) 01-02-2021

Name	Last	Previous
NSE Cash	87599.70	84498.74
NSE F&O	3853697.10	1793726.30
BSE Cash	5,182.80	4,292.09
BSE F&O	220.27	60.44

## FII Derivatives Flow (In Crore) 29-01-2021\*

Instrument	Purchase	Sale	Net
Index Future	6472.67	6477.73	5.06
Index Option	247516.59	245045.78	2470.81
Stock Future	17412.20	17595.13	182.93
Stock Option	10354.73	10550.17	195.44

## Institutional Flow (In Crore) 01-02-2021

Institution	Purchase	Sale	Net
FII	10168.32	8674.09	1494.23
DII	6603.46	6693.92	90.46

## NIFTY Top Gainers

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
Indusind Bank	14.71	8.65	38067807	14420340
ICICI Bank	12.44	13.11	69354326	27797990
Bajaj Finserv	11.45	7.17	1565365	761933
SBI	10.14	9.52	103414068	41740960
L&T	8.55	6.37	11317043	5024138

## NIFTY Top Losers

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
HUL	0.68	6.67	2717591	3094568
Tech Mahindra	2.04	3.99	6321189	4469985
Cipla	2.36	0.24	13856367	6734654
Dr. Reddy'S	3.79	12.09	2590340	1306117
UPL	4.74	5.79	20250736	11318030

## Bulk and Block Deals

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

\*Data not updated till 6.20pm



### **Kansai Nerolac Paints**

Kansai Nerolac Paints reported a 76.58 per cent jump in its consolidated profit to INR204.5 crore for the quarter ended December 31, 2020. The company had posted a profit of INR115.81 crore during the corresponding period in the previous financial year. Total income during October-December 2020 stood at INR1,606.86 crore, up 19.68 per cent as against INR1,342.53 crore in the year-ago period.

### **Rane Brake Lining**

Net profit of Rane Brake Lining rose 25.88% to INR12.89 crore in the quarter ended December 2020 as against INR10.24 crore during the previous quarter ended December 2019. Sales rose 4.90% to INR132.44 crore in the quarter ended December 2020 as against INR126.25 crore during the previous quarter ended December 2019.

### **Zydus Wellness**

Net Sales at INR381.58 crore in December 2020 up 14.7% from INR332.67 crore in December 2019. Quarterly Net Profit at INR1.77 crore in December 2020 down 58.25% from INR4.24 crore in December 2019. EBITDA stands at INR52.05 crore in December 2020 up 48.16% from INR35.13 crore in December 2019. Zydus Wellness EPS has decreased to INR0.27 in December 2020 from INR0.73 in December 2019.

### Top 10 Budget Highlights

- Equity markets rally 3.5% on budget speech with no negatives.
- Long, slow fiscal glide path: deficit to reduce from 9.5% in FY21 to 4.5% by FY26
- 137% increase in health spend.
- Big infra push via 34.5% higher capital budget at INR5.54 lakh crore; infra monetisation via InVITs.
- Gross expenditure up 13% at INR35 lakh crore for FY21; same expenditure number for FY22.
- DFI @ INR20,000 crore capitalisation + Bad Bank (no amount provided yet) + PSU bank recap @ INR20,000 crore.
- Divestment target at INR1.75 lakh crore: 2 PSU banks + one general insurance company + LIC IPO + Air India + BPCL + SPV for PSU land sale.
- 7 mega textile parks to be set up over three years; FDI in insurance raised from 49% to 74%.
- Yet another power discom rescue scheme @ INR3 lakh crore over five years.
- Proposal to consolidate SEBI Act, Depositories Act, SCRA Act, Government Securities Act into one.

### Power consumption grows 10.2 pc in January

India's power consumption grew at a three-month high rate of 10.2 per cent at 111.43 billion units (BU) in January 2021, showing spurt in economic activities, according to official data. Power consumption in January 2020 was 101.15 BU. Besides, peak power demand also recorded a double digit growth of nearly 11 per cent at 189.64 GW in January 2021 compared to 170.97 GW in January 2020. The 189.64 GW peak power demand recorded on January 30 was also all-time high so far. After a gap of six months, power consumption recorded a year-on-year growth of 4.5 per cent in September and 11.6 per cent in October. In November 2020, the power consumption growth slowed to 3.12 per cent mainly due to early onset of winters.

### Independent operator for common carrier gas pipelines

The government is planning to set up an independent operator to manage common carrier capacity for all natural gas pipelines, which would give all gas marketers a level playing field going forward. An independent gas transport system operator will be set up for facilitation and coordination of booking of common carrier capacity in all natural gas pipelines on a non-discriminatory, open-access basis. With the establishment of an independent operator, all gas marketers will have equal and transparent access to the common carrier part of the gas pipelines and will be able to book capacity depending on its availability. Most gas pipelines are mandated to permit a part of their capacity for common usage. The government also plans to monetise oil and gas pipelines owned by GAIL, Indian Oil, and Hindustan Petroleum.



### **Government's move to relax FDI limit for insurance a big boost for small insurers**

India increased the ceiling on overseas ownership in its insurers, Finance Minister Nirmala Sitharaman bold reforms in a sector considered crucial for underpinning infrastructure financing. She raised the headroom on foreign holding to 74% in one go, potentially multiplying fund-raising avenues in a long-gestation industry that needs as much capital as is available. Her pronounced accent on reforms, evident elsewhere in the budget speech that included the 'privatization' word in the golden-anniversary decade of bank nationalization, hasn't sacrificed 'safeguards' either. This showcases the government's intent to further liberalize the sector for global players. India's life and non-life insurance penetration in 2019, at 2.82% and 0.94% respectively, are significantly lower than the global averages of 3.35% and 3.88%, respectively. Under the new structure proposed by the Finance Minister, the majority of directors on the boards and key management personnel must be resident Indians with at least 50% of directors being independent directors, and a specified percentage of profits being retained as general reserve. The FDI cap on insurance companies was first raised from 26% to 49% in March 2016. A further relaxation of this limit was a long-standing demand of the insurance industry.

### **FM allocates INR20,000 crore for bank recapitalisation, proposes AMC-ARC for NPAs**

Taking the recapitalisation of banks forward, the FM has proposed INR20,000 crore for shoring up the capital of PSBs in order to cope with the bad loans that are expected to go up in the post-pandemic phase. The FM also announced an ARC-AMC mechanism (Bad bank) to tackle the bad loans among banks. A bad bank takes over the bad debts of banks, thereby helping the banks to clean up their books and focus on lending activities. The Economic Survey has called for an Asset Quality Review immediately after forbearance measures are rolled back followed by a recapitalisation.

### **Import duty on some sub-parts of phones, chargers raised to 2.5%**

The government has proposed raising basic customs duty (BCD) on import of sub-parts of mobile phones and battery chargers from nil to 2.5% in FY21-22. For greater value addition we are withdrawing a few exemptions on parts of chargers and sub-parts of mobiles. Further, some parts of mobile will move from nil rate to a moderate 2.5%. With effect from April 1, 2021, BCD on import of printed circuit board assembly (PCBA), camera modules and connectors will be raised to 2.5%. For PCBA and moulded plastic for manufacture of charger or adapter, duty will go up from existing 10% to 15%. Whereas, other inputs and parts of chargers will attract 10% duty.

### **Despite production & supply woes, FMCG market growth doubles to 4.2% last year**

India's fast-moving consumer goods (FMCG) market expanded 4.2 per cent in the last calendar year, twice the rate in 2019 despite manufacturing and distribution hurdles in late March and April, helped by the rise in the packaged food and hygiene segments as many Indians stayed home due to Covid. The market for daily groceries and household products had grown 2.1 per cent by volume in 2019, according to the latest study by global consumer research firm Kantar Worldpanel (formerly IMRB). Volume indicates the unit number of products bought or consumed. Except for beverages, which declined 3.8 per cent, all other segments — personal care, household and foods — witnessed significantly higher growth during the year.

## **Customs duty rejig on steel products may impact domestic steel prices, increase imports from China**

The finance minister's announcement to reduce customs duty on imports of some steel products to 7.5% from 12.5% during the union budget will boost the secondary steel players. Increased capital expenditure augers well for metal players. However 2.5% to 5% reduction in customs duty on certain finished steel products and semis would affect domestic prices of such products, and thereby adversely impact the margins of affected players. Customs duty has been reduced to 7.5% on semis, flat, and long products of non-alloy, alloy, and stainless steels.

## **Air India disinvestment to be completed in 2021-22; INR3,224 cr allotted to aviation ministry**

Disinvestment of Air India will be completed in 2021-22, Finance Minister Nirmala Sitharaman said in her budget speech on Monday and allocated as INR2,268 crore for a special purpose vehicle set up as part of financial restructuring of the debt-laden national carrier. Air India is currently under disinvestment process. Multiple entities submitted their expression of interests (EOIs) for the carrier last month. Air India Asset Holding Ltd, a special purpose vehicle (SPV), has been set up as part of financial restructuring of the debt-laden national carrier. According to documents presented in the Budget for 2021-22, INR2,268 crore has been allocated for the SPV for the next financial year. The Ministry of Civil Aviation has been allocated INR3,224 crore, which is 22 per cent lower than INR4,131 crore that was allocated for the current fiscal. The budget last year had allocated INR3,797 crore to the ministry for 2020-21, but in revised estimates it was increased to INR4,131 crore.

## **Tata Motors total sales up 25 percent at 59,959 units in January**

Tata Motors reported a 25.27 per cent increase in total sales at 59,959 units January. The company had sold a total of 47,862 units in the same month last year. Total domestic sales were up 28 per cent at 57,742 units as compared to 45,242 units in January last year. Passenger vehicle sales in the domestic market during the month stood at 26,978 units as against 13,894 units in the same month previous year, up 94 per cent. However, the company reported 3 per cent decline in total commercial vehicle sales at 32,909 units as against 33,860 units in the year-ago period.

## **Maruti Suzuki sees sales dip marginally in January 2021**

Maruti Suzuki reported a dip of 0.6% to sell 139,002 passenger vehicles in the local market in January. The company had sold 139,844 units in the corresponding period of the last financial year. The company sold 23,887 utility vehicles during the month, which is an increase of 45.1% over 16,460 units sold in the year-ago period. Meanwhile, sales of Eeco decreased 5.2% to 11,680 units.

## **M&M posts 50% rise in January tractor sales at 34,778 units**

Mahindra & Mahindra reported a 50 per cent increase in total tractor sales at 34,778 units in January 2021. The company had sold 23,116 tractors in January 2020. Domestic sales in January were at 33,562 units as against 22,329 units during the same month of last year. Total tractor exports in the previous month stood at 1,216 units. The company sold 1,216 tractors, registering a growth of 55 per cent over last year.

### **Mahindra & Mahindra total sales dip 25 per cent in January**

Mahindra & Mahindra reported 25.49 per cent decline in total sales at 39,149 units in January. The company had sold 52,546 units in the same month last year. In the domestic market, passenger vehicle sales were up 4 per cent to 20,634 units last month, compared to 19,797 units in January 2020. Exports increased by 30 per cent to 2,286 units in the month under review, as against 1,761 units in the year-ago month. In the commercial vehicles segment, the company sold 16,229 vehicles as against 30,988 units earlier, a dip of 47.62 per cent.

### **Escorts tractor sales jump 49 per cent to 9,021 units January 2021**

Escorts Agri Machinery on Monday reported a 48.8 per cent jump in tractor sales at 9,021 units in January 2021. The company had sold 6,063 units in January 2020. Domestic tractor sales during last month stood at 8,510 units as against 5,845 units in January 2020, up 45.6 per cent. Exports last month grew to 511 units compared with 218 units in January 2020.

### **TVS Motor sales up 31% in January**

TVS Motor Company reported a 31 per cent increase in total sales in January at 3,07,149 units. The company, which primarily makes two-wheelers and three-wheelers, had sold 2,34,920 units in January 2020. Total two-wheeler sales during the month stood at 2,94,596 units as against 2,20,439 units in January 2020, up 34 per cent. Domestic two-wheeler sales stood at 2,05,216 units last month as compared to 1,63,007 units in January 2020, up 26 per cent. Total exports increased 43 per cent to 1,00,926 units last month as compared with 70,784 units in January last year.



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

Company	Details
Ksolves India Ltd	Cash dividend of INR10 effective 02-02-2021
Sundaram Finance Ltd	Cash dividend of INR12 effective 02-02-2021
Sagar Cements Ltd	Cash dividend of INR2 effective 02-02-2021
Kajaria Ceramics Ltd	Cash dividend of INR10 effective 02-02-2021

### Domestic Events

- **Upcoming Result's:-** Ajanta Pharma, Alchemist Corporation, Balrampur Chini Mills, Carborundum Universal, Cera Sanitaryware, Dhampur Sugar Mills, Dhanuka Agritech, Dixon Technologies, Escorts, Greenlam Industries, GSFC, HIL, HDFC, Ion Exchange, NOCIL, Pi Industries, Ramco Industries, Tata Consumer Products.

### Global Events

- Euro Area GDP growth for Q4 2020.

Source of News : The content may have been taken from The Economic Times, Business Standard, Business Line, Mint and other leading financial newspapers and financial portals BSE,NSE, Bloomberg, Moneycontrol & others.

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