



The Nifty ended 0.23% down at 17888.95. It opened on a positive note and remained choppy throughout the session towards finishing off on a bearish note. Failing to breakout 18000 is concern, which implies the Benchmark Index might get into the trading band of 17800-18000 ahead of the weekly expiry. Lower support is placed around 17700 levels.

On the Nifty hourly chart, it is still trading below the higher end of the MA band. Hence, weakness is likely to persist. Intraday trading range is likely to be 17800-18000.

Nifty patterns on multiple periods suggest; it ended the day on a bearish note. Chart pattern suggesting range-bound oscillation with a positive bias in the price band of 17800-18000.

### Nifty Crucial Supports & Resistances-

**Supports- 17800, 17700 Resistances- 18000, 18100**

### Open Positional Calls-

T+3 Positional Buy

[Cash Segment] IDFC @ 56.50-56, TGT- 60, SL- below 54

T+2 BUY-

[Cash Segment] M&M FIN @ 196-195, TGT- 203, SL- 191

BTST-

[Cash Segment] TITAN @ 2455-2450, TGT- 2490, SL- 2430

BTST-

[Cash Segment] CASTROL @ 142, TGT- 146, SL- 140

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## Nifty Intraday Chart



## Market in Retrospect

Indian equity benchmarks closed lower, dragged by metals, energy and basic materials stocks, in a volatile session. Focus shifts to two-day FOMC meeting which begins later today, as taper announcement is expected.

Nifty index ended 0.23% lower at 17,889. The broader markets represented by the NIFTY 500 Index ended 0.08% higher, ending at 15,315. Among the sectorial indices, NIFTY Realty was the top gainer, gaining by 3.38%, followed by NIFTY PSUBANK, gaining by 2.37%. NIFTY Metal was the top loser, losing by 1.58%.

Maruti Suzuki was the top gainer, gaining by 2.31%, followed by Titan and NTPC gained by 1.98% & 1.75% respectively. Tata Steel was the top loser, losing by 3.75%, followed by Grasim Industries and JSW Steel which fell by 2.51% & 2.34% respectively.

The Advance : Decline ratio stood at 1301:735

## Market Turnover (In Crore) 02-11-2021

Name	Last	Previous
NSE Cash	62997.97	63567.24
NSE F&O	7248858.18	5564605.94
BSE Cash	3,884.87	4,095.15
BSE F&O	142.99	99.19

## FII Derivatives Flow (In Crore) 02-11-2021

Instrument	Purchase	Sale	Net
Index Future	3496.71	5024.25	1527.54
Index Option	586180.07	586695.32	515.25
Stock Future	15367.12	15763.19	396.07
Stock Option	13267.70	13543.16	275.46

## Institutional Flow (In Crore) 02-11-2021

Institution	Purchase	Sale	Net
FII	7815.53	7570.66	244.87
DII	5771.97	5777.97	6

## NIFTY Top Gainers

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
Maruti Suzuki India	2.31	6.78	1302733	859469
Titan	1.98	0.03	1546219	2141383
NTPC	1.75	4.57	21525811	18111430
SBI	1.16	1.79	26797820	26149280
L&T	1.13	1.08	1687119	3204005

## NIFTY Top Losers

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
HCL Technologies	1.56	0.33	3016082	4165906
Hindalco Industries	2.04	3.63	5953912	9105084
JSW Steel	2.34	3.10	3204544	3499442
Grasim Industries	2.51	0.27	1117548	1014644
Tata Steel	3.75	2.23	7216137	8374931

## Bulk and Block Deals

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

## Sensex Intraday Chart



## Market in Detailed (Updated after 4:00 PM)

Indian Indices							
Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
Sensex	60029.06	109.40	0.18	2.15	2.15	13.37	50.99
Nifty	17888.95	40.70	0.23	2.08	2.04	12.61	53.30
BSE M Cap	25860.41	140.23	0.55	1.08	2.52	10.84	72.88
BSE S Cap	28605.70	312.65	1.11	0.55	1.38	5.67	93.52
Nifty MC 100	31281.05	257.35	0.83	0.58	2.91	10.73	82.55
BSE Auto	25833.39	245.67	0.96	0.80	8.48	13.39	47.94
BSE Capgoods	27219.46	197.90	0.73	1.27	5.04	14.43	91.23
BSE FMCG	14132.63	15.09	0.11	1.12	4.87	4.44	29.50
BSE Metal	20272.99	398.47	1.93	2.92	0.16	3.60	147.53
BSE Oil&Gas	18260.60	104.43	0.57	3.15	0.59	16.11	54.48
BSE Healthcare	25244.63	85.32	0.34	0.18	3.83	3.98	32.10
BSE Power	3405.70	18.33	0.54	1.59	6.29	29.62	95.33
BSE Realty	4264.50	137.37	3.33	3.71	5.57	27.76	129.83
BSE ConsDur	44488.82	501.33	1.14	1.03	6.71	20.69	85.35
BSE Bank	45538.05	120.36	0.27	3.63	7.13	15.70	59.61
BSE IT	34195.43	35.55	0.10	0.10	0.01	9.61	63.50

Bond Markets							
Name	Yield	Net Chng	%1D	%5D	%1M	%3M	%1Y
US	1.55	0.01	0.33	3.57	6.08	31.70	83.84
UK	1.04	0.02	1.79	6.04	4.09	100.19	376.26
Brazil	4.91	0.09	1.95	5.84	13.63	30.45	31.81
Japan	0.08	0.02	18.75	27.78	25.81	358.82	73.33
Australia	1.89	0.02	0.79	4.71	26.85	60.03	129.65
India	6.36	0.03	0.45	0.13	1.83	2.66	7.96
Switzerland	0.11	0.10	881.82	44.00	38.98	72.52	79.43
Germany	0.14	0.04	38.24	20.51	37.05	71.05	77.97

Currency							
Name	Rate	Net Chng	%1D	%5D	%1M	%3M	%1Y
INR	74.69	0.19	0.25	0.37	0.50	0.46	0.33
USD Index	93.94	0.06	0.06	0.01	0.10	2.05	0.20
YUAN	6.40	0.00	0.01	0.23	0.73	1.00	4.58
GBP	1.36	0.00	0.24	0.98	0.16	1.81	5.54
EUR	1.16	0.00	0.04	0.04	0.17	2.27	0.34
YEN	113.53	0.47	0.41	0.55	2.29	3.72	7.76

Freight							
Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
Baltic Dry	3428.00	91.00	2.59	19.47	34.10	4.45	166.98
Baltic Dirty	794.00	3.00	0.38	0.13	26.03	31.24	95.57
SG Dubai HY	4.47	0.11	2.40	24.62	71.26	1046.15	266.39

Global Indices							
Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
Dow Jones	35913.84	94.28	0.26	0.48	4.62	3.09	33.38
Nasdaq	15595.91	97.53	0.63	2.42	7.07	6.23	42.33
S&P 500	4613.67	8.29	0.18	1.03	5.89	5.16	39.38
FTSE100	7250.30	38.63	0.53	0.38	3.17	2.38	28.21
CAC40	6918.01	23.99	0.35	2.23	6.13	3.62	47.45
DAX	15878.87	70.97	0.45	0.76	4.76	1.98	34.69
Mexico IPC	51653.26	343.42	0.67	0.35	1.16	1.54	39.65
Brazil Bovespa	105550.9	2050.20	1.98	2.91	6.51	13.85	12.35
Russian RTS	1848.61	19.06	1.02	3.57	4.31	12.96	72.81
Japan Nikkei	29520.90	126.18	0.43	1.43	2.61	6.26	26.72
Hang Seng	25099.67	54.65	0.22	3.60	2.13	4.33	2.62
Taiwan Index	17065.97	2.27	0.01	0.19	2.99	2.50	35.54
Shanghai Comp	3505.63	38.85	1.10	2.56	1.75	1.19	8.70
KOSPI	3013.49	34.55	1.16	1.17	0.19	6.50	31.01
Malaysia KLCI	1537.63	6.71	0.44	2.94	0.86	2.99	4.85
Jakarta Comp	6493.27	59.61	0.91	2.46	4.25	6.51	26.94
Philippine SE	7106.01	51.31	0.73	1.46	2.63	13.33	12.37
Thai Exch	1617.89	4.11	0.25	1.11	0.79	6.08	34.58

Indian Indices							
Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
NYMEX Crude	83.90	0.15	0.18	0.89	10.57	17.74	127.93
BRENT Crude	84.68	0.04	0.05	1.14	7.82	19.54	97.64
Natural Gas	5.35	0.17	3.30	10.76	7.04	30.63	63.52

LME							
Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
Gold(\$/Ounce)	1792.62	0.36	0.02	0.00	1.81	1.13	5.41
Silver(\$/Ounce)	23.90	0.14	0.60	1.06	6.04	5.94	0.78
Aluminium	2705.50	0.75	0.03	5.51	4.64	4.14	46.48
Copper	9993.00	184.50	1.88	0.77	9.39	3.01	48.98
Zinc	3409.50	37.75	1.10	2.74	14.78	12.58	35.63
Lead	2408.00	11.00	0.45	2.47	10.33	0.28	33.30

Agro Commodities							
Name	Price	Net Chng	%1D	%5D	%1M	%3M	%1Y
Coffee	207.55	1.15	0.55	0.26	1.72	18.09	85.23
Cotton	113.80	1.23	1.07	6.48	12.18	27.39	63.91
Sugar	19.42	0.05	0.26	1.22	3.19	4.97	46.35
Wheat	804.25	7.00	0.88	6.91	6.49	8.79	32.44
Soybean	1254.50	6.00	0.48	0.56	0.16	7.66	29.40

### Tata Motors

Tata Motors reported a widening of its consolidated net loss to ₹4,415.54 crore for the quarter ended September 30, due to higher expenses and lower sales of British arm JLR, amid a global shortage of semiconductors. The company had posted a consolidated net loss of ₹307.26 crore in the same period last fiscal. Consolidated revenue from operations stood at ₹61,378.82 crore against ₹53,530 crore in the year-earlier quarter. Total expenses were ₹65,712.83 crore, compared with ₹54,982.77 crore a year earlier. British arm Jaguar Land Rover had revenue of £3.9 billion with a pre-tax loss of £302 million in the second quarter, the company said. On a standalone basis, TML posted a net loss of ₹659.33 crore. It had a net loss of ₹1,212.45 crore in the same quarter last fiscal.

### Bayer Cropscience

Bayer Cropscience reported a 31.38 per cent decline in net profit at Rs 154.1 crore for the quarter ended September. The company's net profit during the corresponding period of 2020-21 stood at Rs 224.6 crore. Revenue from operations declined by 1.19 per cent to Rs 1,365.1 crore, compared to Rs 1,381.6 crore in the same quarter of the previous fiscal.

### Allcargo Logistics

Net profit of Allcargo Logistics rose 298.27% to Rs 228.01 crore in the quarter ended September 2021 as against Rs 57.25 crore during the previous quarter ended September 2020. Sales rose 113.04% to Rs 4977.86 crore in the quarter ended September 2021 as against Rs 2336.56 crore during the previous quarter ended September 2020.

### Bajaj Consumer Care

Net profit of Bajaj Consumer Care declined 18.29% to Rs 46.51 crore in the quarter ended September 2021 as against Rs 56.92 crore during the previous quarter ended September 2020. Sales declined 4.54% to Rs 213.23 crore in the quarter ended September 2021 as against Rs 223.37 crore during the previous quarter ended September 2020.

### Carborundum Universal

Net profit of Carborundum Universal rose 13.00% to Rs 97.63 crore in the quarter ended September 2021 as against Rs 86.40 crore during the previous quarter ended September 2020. Sales rose 22.07% to Rs 833.97 crore in the quarter ended September 2021 as against Rs 683.19 crore during the previous quarter ended September 2020.

### Chambal Fertilisers & Chemicals

Net profit of Chambal Fertilisers & Chemicals rose 15.76% to Rs 505.92 crore in the quarter ended September 2021 as against Rs 437.03 crore during the previous quarter ended September 2020. Sales rose 12.33% to Rs 4478.61 crore in the quarter ended September 2021 as against Rs 3986.94 crore during the previous quarter ended September 2020.

### **Nilkamal**

Nilkamal reported standalone quarterly numbers, net sales at Rs 689.01 crore in September 2021 up 40.03% from Rs. 492.06 crore in September 2020. Quarterly Net Profit at Rs. 27.35 crore in September 2021 down 45.15% from Rs. 49.87 crore in September 2020. EBITDA stands at Rs. 67.20 crore in September 2021 down 29.08% from Rs. 94.76 crore in September 2020. Nilkamal EPS has decreased to Rs. 18.33 in September 2021 from Rs. 33.42 in September 2020.

### **Rupa & Company**

Net profit of Rupa & Company rose 16.67% to Rs 52.97 crore in the quarter ended September 2021 as against Rs 45.40 crore during the previous quarter ended September 2020. Sales rose 20.74% to Rs 365.47 crore in the quarter ended September 2021 as against Rs 302.69 crore during the previous quarter ended September 2020.

### **Airtel**

Bharti Airtel reported a 300 per cent quarter-on-quarter rise in consolidated net profit of Rs. 1,134 crore for the quarter ended September. The telecom operator reported a 5.4 per cent sequential growth in consolidated revenue from operations to Rs. 28,326 crore for the reported quarter. The company's bottom line performance in the quarter was boosted by a one-time gain of Rs. 722 crore incurred from transfer of spectrum to Reliance Jio Infocomm during the quarter. The Indian mobile services business reported a strong 6.2 per cent on-quarter growth in revenues to Rs. 15,191 crore. At the same time, the Africa mobile business generated growth of 5.1 per cent in the quarter for the company.

### **Sun Pharma**

Sun Pharmaceutical Industries reported a 13 per cent year-on-year (YoY) rise in consolidated net profit to Rs 2,047 crore. The drugmaker reported a 12.5 per cent YoY rise in its consolidated revenue from operations to Rs 9,625.9 crore for the reported quarter. The company's operating profit in the quarter was stellar as consolidated operating profit jumped 20 per cent YoY to Rs 2,630 crore. Sun Pharma also saw its operating margins expand 170 basis points on-year to 27.3 per cent. The company's total expenses in the quarter rose 9.7 per cent on-year to Rs 7,562 crore, which boosted the operating performance.

### **Dabur India**

Net profit of Dabur India rose 4.71% to Rs 504.35 crore in the quarter ended September 2021 as against Rs 481.68 crore during the previous quarter ended September 2020. Sales rose 11.98% to Rs 2817.58 crore in the quarter ended September 2021 as against Rs 2516.04 crore during the previous quarter ended September 2020.

### **Godrej Properties**

Net profit of Godrej Properties rose 403.10% to Rs 35.72 crore in the quarter ended September 2021 as against Rs 7.10 crore during the previous quarter ended September 2020. Sales rose 44.49% to Rs 129.32 crore in the quarter ended September 2021 as against Rs 89.50 crore during the previous quarter ended September 2020.

### Hindustan Petroleum

Net profit of Hindustan Petroleum Corporation declined 35.52% to Rs 1918.89 crore in the quarter ended September 2021 as against Rs 2975.83 crore during the previous quarter ended September 2020. Sales rose 60.61% to Rs 82828.34 crore in the quarter ended September 2021 as against Rs 51570.10 crore during the previous quarter ended September 2020.

### Jindal Steel and Power

JSPL reported a nearly three-fold rise in consolidated net profit to Rs 2,584 crore during the September quarter, mainly on account of increased income. Its net profit was Rs 897 crore in the year-ago period. The company's total income during the July-September quarter rose to Rs 13,615 crore from Rs 8,295 crore a year ago. Its expenses increased to Rs 10,109 crore against Rs 7,066 crore in the year-ago period.

### Procter & Gamble Hygiene

Procter & Gamble Hygiene and Health Care Ltd reported 14 per cent decline in net profit at Rs 218.29 crore for the first quarter ended September 30, 2021 impacted by commodity cost inflation. The company, which follows July-June fiscal, had posted a net profit of Rs 253.86 crore in the same quarter last year. Revenue from operations during the quarter under review stood at Rs 1,058.30 crore as against Rs 1,009.45 crore in the corresponding period a year ago. During the quarter, total expenses surged to Rs 770.26 crore from Rs 683.31 crore in the year-ago period. Cost of raw materials consumed stood at Rs 343.04 crore as compared to Rs 328.96 crore.

### Bank of India

Net profit of Bank of India rose 97.44% to Rs 1073.03 crore in the quarter ended September 2021 as against Rs 543.47 crore during the previous quarter ended September 2020. Total Operating Income declined 11.72% to Rs 9580.23 crore in the quarter ended September 2021 as against Rs 10851.67 crore during the previous quarter ended September 2020.

### Union Bank of India

Net profit of Union Bank of India rose 195.40% to Rs 1526.12 crore in the quarter ended September 2021 as against Rs 516.62 crore during the previous quarter ended September 2020. Total Operating Income declined 6.21% to Rs 16705.71 crore in the quarter ended September 2021 as against Rs 17811.19 crore during the previous quarter ended September 2020.

### Advanced Enzyme Technologies

Net profit of Advanced Enzyme Technologies declined 20.14% to Rs 29.70 crore in the quarter ended September 2021 as against Rs 37.19 crore during the previous quarter ended September 2020. Sales rose 5.56% to Rs 127.08 crore in the quarter ended September 2021 as against Rs 120.39 crore during the previous quarter ended September 2020.

### **Cholamandalam Financial Holdings**

Net profit of Cholamandalam Financial Holdings rose 26.82% to Rs 303.09 crore in the quarter ended September 2021 as against Rs 239.00 crore during the previous quarter ended September 2020. Sales rose 2.40% to Rs 3583.13 crore in the quarter ended September 2021 as against Rs 3499.30 crore during the previous quarter ended September 2020.

### **Indoco Remedies**

Net profit of Indoco Remedies rose 62.53% to Rs 41.69 crore in the quarter ended September 2021 as against Rs 25.65 crore during the previous quarter ended September 2020. Sales rose 15.44% to Rs 372.92 crore in the quarter ended September 2021 as against Rs 323.05 crore during the previous quarter ended September 2020.

### **Jyothy Labs**

Net profit of Jyothy Labs declined 28.76% to Rs 44.57 crore in the quarter ended September 2021 as against Rs 62.56 crore during the previous quarter ended September 2020. Sales rose 16.03% to Rs 585.35 crore in the quarter ended September 2021 as against Rs 504.49 crore during the previous quarter ended September 2020.

### Jyothy Labs Ltd

#### Demand Trends, Sales and Distribution Aspects:

Following the high growth in Q1FY22 momentum of growth continued in Q2FY22. The whole portfolio witnessed stable consumer demand trends and there was stabilisation in all distribution channels. Jyothy is confident that this growth momentum will continue in the coming two quarters.

Modern Trade and CSD came back to pre-Covid levels in Q2FY22. Both rural and urban markets did well. However, some moderation of rural growth is being witnessed in October – the reasons are not clear, perhaps it's because of inflation or migrant labourers coming back to cities for work, and it's too early to comment on whether this would sustain in the coming quarters. There had been a very strong focus on tech-led distribution and marketing along with LUPs and van operations in rural areas and those are expected to continue. The required scale is being achieved. All power brands gained market share during the quarter. Modern Trade grew by high double-digit on a YoY basis in Q2FY22 (base in Q2FY21 was low) while ecommerce contribution was 4% of sales.

There were price increases to the tune of 4.5% during the quarter. If further price increases of around 5% would have been taken then the EBITDA margins could have been maintained in line with historical EBITDA margins. Having said that, there were cost optimisation measures and rationalisation of trade schemes to arrest the fall in Gross and EBITDA margins. Further, Jyothy would not like to tinker with the momentum in demand situation and the gain in market shares just to protect their margins. While all possible efforts would be made to ensure reasonable margins, Jyothy would not mind sacrificing a few percentage points to keep the demand rolling in this current environment. However, if raw material prices over the medium term remain as they are today, then Jyothy would be compelled to take further price increases in order to take its margins back to historical levels. Over the long term 16-17% EBITDA margins would be maintained.

While the market share of Ujala is 85%+, allowing Ujala the leeway to increase prices in this segment higher than in other product categories, where Jyothy is primarily a follower, Jyothy would prefer to ensure that demand comes back to pre-Covid levels first. Following that, the pricing levers would be exercised and on a 5-10 year basis, it can be assumed that growth in the post-wash segment would be both volume and pricing led.

Higher advertisement spends would be continued as was seen in Q2FY22 to promote demand. On an annualised basis advertisement expenses as a percentage of sales would remain 7.5% of sales.

Demand situation in Kerala, the biggest market for Jyothy continues to remain stable despite the prevailing Covid situation.

Retail outlets, distribution outlets, and direct reach outlets are all increasing quarter on quarter. The Company would provide these details on an annual basis going forward.

Jyothy would consider launching some personal care products exclusively in B2C platforms if it can bring profitable growth.



### Comments on Segments:

Fabric care did well because of the return of Modern Trade and CSD. Ujala Whitener has returned to pre-Covid levels while Crisp and Shine is yet to achieve that mark.

Proportion of liquid vapourisers to coils in the Household Insecticides (HI) segment has increased to 40:60 from 35:65, 18 months earlier. While there is seasonality in coil sales with July to September and February to mid-April being the peak seasons, LVs have a consistent demand throughout the year, so the increase in the proportion of LVs would be margin accretive and reduce fluctuations in demand. Ex of marketing spends the HI segment is EBIT positive. The penetration of HI products is still low in both urban and rural areas and thus there is huge room for growth in a tropical country like India.

Dishwashing segment would continue to exhibit strong performance. Both bar and liquid are doing well. LUPs have gained wide acceptance; these consumers will upgrade to higher packs. The Company will continue to invest in advertisements for this segment and this segment is poised for healthy growth.

### Tata Motors

#### Standalone

Net revenues came in at Rs 184.4bn, up 91% YoY, with improvement in margins. EBITDA Margin came in at 3.9%, up 130bps YoY. EBIT Margin at negative 1.6% vs. negative 6.8% in Q2FY21. PBT in Q2FY22 came in at negative Rs 819mn.

Volumes showed a significant improvement YoY and margins were better than previous years, but the EBIT margin was still negative in Q2FY22 due to higher input costs and supply chain challenges.

FCF at Rs 3.8bn due to strong operational performance and improvement in the WC with further improvement in Net D/E (x) to 1.20x as of 30th Sept 2021 from 1.55x as of 30th Sept 2020.

**PV division** doing good with 10 years high quarterly sales and strengthened its double-digit market share.

PV retail volumes were higher by ~59% YoY to 85,200 units (wholesales higher by ~53%). Market share improved further to 11% and further strengthened in October. PV EBITDA at 5.2%, an increase of 360bps YoY.

Tata Punch is adding further momentum in PVs. Sold 8,000 units in October. In certain models, have waiting period of 4-5 months. Bookings, inquiries are very strong for Punch. This model will help Tata Motors to increase market share further by 200bps in PVs.

Beyond Punch, will launch 1-2 products every year in PVs/EVs. Will see more new addition of products in the coming 3-4 years, where growth potential is very high.

71% market share in EVs, good order bookings now and has a waiting period of six months for Nexon EV. The focus is on 16 Indian states and accelerating network expansion.

PV financials are trending in a right direction with improvement in margins despite input cost pressures. Working on 8-9 levers to improve financials further, along with very strict control on fixed costs.

Working on demand generation, demand fulfilment and profitability of the PV business. Taking micro market actions and have plans to expand in rural.

PV margins should improve, the aim is to take it to double digit in the coming years. At present under recoveries of commodities are 400bps in PVs.

Working closely and proactively with suppliers on chip shortages, taking innovative steps to mitigate this critical issue and doing better than the industry.

Using standardized chips rather than application-based chips, optimizing chips, etc. Going forward too, the company will need to continue to work hard on this front as uncertainty continues.

**Commercial Vehicles** retail volumes were higher by ~102% to 77,300 units (wholesales higher by ~53%), market share at 44.6%, strengthened further. CV EBITDA Margin is at 3.1%, declined 10bps YoY due to commodity inflation.

Gained market share across sub-segments in CVs. Total CV market share improved from 42.4% in FY21 to 44.6% in Q2FY22, October strengthens it further. Share should improve further as the mix will be more tilted towards MHCVs in the 2nd half.

Demand in the CVs recovered pretty well after the 2nd wave. Expect H2FY22 will be significantly better than H1FY22, and marginally better than high base of H2FY21.

Agriculture, FMCG, eCommerce, Construction, Infrastructure, etc. segments are doing well. MHCVs doing good, Tippers should continue to do very good. SCVs have some impact of semiconductor shortages, but demand remains healthy.

Retail CV customers are still not in the market. Vans and Buses demand is muted, while Ambulances doing good. Some inquiries started in buses.

Retail financing is a challenge, however, as NPAs are recovering, so that should also come back to the normal.

Taken price increase on 1st April, 1st July and 1st October 2021, but input cost pressures are not yet fully passed through. 500bps in CV is under recoveries, before the 1st October price increase.

If commodity prices continue to rise, will see further price increase in CVs. Focus is also on improving realization and cost reduction efforts. Expect to see better EBITDA margins vs. previous peaks as realization gone up significantly vs. previous peaks.

Due to high diesel prices, seeing a shift towards CNG CVs. SCVs and ILCVs witnessing a good swing towards CNGs.

CNG is 15% in SCVs and 45% in ILCVs. CNG adoption is more in those states where CNG fuel stations are there. These vehicles, mostly used in intracity.

Freight rates continue to improve since July 2021.

### JLR

Retail sales lower by 18% YoY to 92,710 units mainly due to semiconductor shortages and lower inventory with dealers. Inventory is now at historically low levels.

Except 'Overseas' region, all major regions witnessed degrowth. China has seen the lowest degrowth of ~6%, while the UK reported highest degrowth of ~48%.

Net revenues declined by 11% YoY to GBP 3,871mn, EBITDA margin declined by 380bps YoY to 7.3%, while EBIT Margin came in at negative 4.7% vs. 0.3% in Q2FY21. PBT in Q2FY22 was negative GBP 302mn.

FCF was negative GBP 664mn vs. guidance of negative GBP 1bn, the better number was due to better mix tilted towards high margin products and cost control initiatives to reduce cash break-even point further.

Good order backlog of 125K units. Strong liquidity of GBP 5.9bn (includes GBP 3.8bn in cash & GBP 2bn undrawn revolving credit facility).

New Range Rover announced, sales to begin in Q4FY22. To continue to execute Reimagine strategy and Refocus transformation programme.

Chip shortage issue expected to see a gradual recovery starting 2nd half of FY22. JLR working closely with semiconductor and Tier 1 suppliers to increase the future visibility. It has made a lot of progress in it. Hence, EBIT margin and FCF to turn positive in H2FY22, volumes will also be better.

JLR team has taken semiconductor shortage as an opportunity to lower down the break-even point.

Capex FY22e is GBP 2.3-2.4bn. Earlier estimated GBP 2.5bn.

Have plans to convert complete Jaguar portfolio to EV by 2025 plus six LR EV coming as well. JLR will have a good number of products under EV in the next five years.

On the margins, working on refocus program and other measures to reduce costs. EBIT will be positive in H2FY22, breakeven for full year.

New Range Rover model will come out by Q4FY22, and it received an extraordinary response, much better than the Defender model.

JLR volumes to improve from Q3FY22 onwards as the worst is behind.

### Consolidated

Net revenues up by 15% YoY to Rs 613.8bn. EBITDA Margin lower by 210bps YoY to 8.4%, EBIT Margin declined by 160bps YoY to 1.5%. PBT negative at Rs 34.67bn.

Total wholesale volumes were higher by ~25% YoY to 252.2K units.

Strong demand outlook for India PV business and JLR, while CV demand is improving gradually. Near term challenges are 1) RMC and 2) semiconductor issues.

However, H2FY22 will be better looking at improving the supply chain situation as working proactively and Covid situation too has been improving.

In CVs, the focus is to improve market share specially in SCVs and protecting margins in an inflationary environment.

In PVs, will continue to enhance the sales momentum by enhancing its exciting portfolio. To improve profitability and manage supply chain issues. In EVs, will accelerate sales further.

Overall, demand for all its three segments remains strong, supply is the near-term challenge along with commodity costs. Performance of H2FY22 will be better.

### **Other highlights**

Finance costs increased by 19% YoY to Rs 23.3bn due to higher borrowings. Net auto debt in Q1FY22 was Rs 612.8bn vs. Rs 643.7bn in Q2FY22.

Collection efficiency of Tata Motors Finance is trending close to 100%. GNPA's are high at 8.1%, the target is to bring back to 5% by end of FY22.

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Company	Details
Coforge Ltd	Cash dividend of INR13 effective 03-11-2021
Aditya Birla Sun Life AMC Ltd	Cash dividend of INR5.60 effective 03-11-2021
Nazara Technologies Ltd	Corporate meeting effective 03-11-2021
OCL Iron and Steel Ltd	Corporate meeting effective 03-11-2021

### Domestic Events

- **Result's for tomorrow** :- Aditya Birla Fashion, Bata India, DCM Shriram Industries, Eicher Motors, Gujarat State Petronet, Pfizer, SBI, WPIL, Divi'S Laboratories, TCI Industries
- India Markit Composite and Services PMI for October 2021.

### Global Events

- China Caixin Services and Composite PMI for October 2021.
- The U.S. MBA Mortgage Applications for October 29, 2021.
- The U.S. ADP Employment Change for October 2021.
- The U.S. Factory Order for September 2021.
- The U.S. Markit Composite and Services PMI for October 2021.
- The U.S. ISM Non-Manufacturing PMI for October 2021.
- The U.S. FOMC Interest Rate Decision.
- Euro Area Unemployment Rate for Septemebr 2021.

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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