



Market Cues

Indian markets are likely to open flat tracking global indices and SGX Nifty.

U.S. stocks closed weak on Monday, coming off historic highs hit in the previous session, as investors largely stayed cautious amid a lack of triggers, and looked ahead to more earnings news and economic data. The Dow ended down 0.4 percent at 34,078 and the Nasdaq ended down 1 percent at 13,915.

U.K. stocks edged up slightly on Monday as investors cheered the progress of reopening of the economy amid rapid COVID vaccinations and corona curve flattening. The benchmark FTSE 100 inched up 0.1 percent to 7,028.

Indian shares succumbed to heavy selling pressure on Monday, though positive global cues helped markets cut some early losses. Surging Covid-19 cases across the country amid shortage of essential medicines and oxygen fanned fears of harsher restrictions and more economic pain affected the markets. The benchmark BSE Sensex slumped by 1.8 percent to 47,949.

Investor's Ready Reckoner



Key Domestic & Global Indicators



Stock Watch: Latest investment recommendations on 150+ stocks

Refer Pg7 onwards

Top Picks

Company	Sector	Rating	CMP (₹)	Target (₹)	Upside (%)
IDFC First Bank	Bank	Buy	51	77	51.9
Galaxy Surfactants	Chemicals	Accumulate	2,574	2,750	6.9
NRB Bearing	Auto	Buy	100	150	49.3
Escorts	Commercial Veh	Buy	1,222	1,573	28.7

More Top Picks on Pg3

Domestic Indices	Chg (%)	(Pts)	(Close)
BSE Sensex	-1.8	-883	47,949
Nifty 50	-1.8	-258	14,359
BSE MidCap	-1.9	-389	19,769
BSE SmallCap	-1.6	-344	20,674
BSE Bankex	-2.4	-887	35,400

Global Indices	Chg (%)	(Pts)	(Close)
Dow Jones	-0.4	-123	34,078
Nasdaq	-1	-138	13,915
FTSE	0.1	6	7,028
Nikkei	0.0	2	29,685
Hang Seng	0.5	136	29,106
Shang Com	1.5	51	3,478

Advances / Declines	BSE	NSE
Advances	742	379
Declines	2,243	1,595
Unchanged	187	68

Volumes (₹ Cr)	
BSE	3,909
NSE	68,340

Net Inflows (₹ Cr)	Net	Mtd	Ytd
FII	3,307	22,020	36,837
*MFs	-1,118	-5,678	-18,659

Top Gainers	Price (₹)	Chg (%)
SUPPETRO	584	12.5
ELGIEQUIP	225	15.2
DCMSHRIRAM	695	5.4
MAGMA	116	4.9
HIKAL	189	5.5

Top Losers	Price (₹)	Chg (%)
ABFRLPP	133	-8.0
MMTC	39	-7.8
PCJEWELLER	22	-7.4
BANKINDIA	65	-7.3
MAHABANK	24	-7.1

As on April 19, 2021



Economic News

- RBI constitutes six-member panel headed by former ED to review ARCs
- India to waive import duty on coronavirus vaccines

Corporate News

- SC stays further proceedings in Amazon-Future-Reliance case before Delhi HC
- ICICI Prudential profit falls 64% to Rs 64 cr on pandemic addl provision
- Bajaj Consumer posts over two-fold jump in Q4 profit at Rs 55 cr
- CC consolidated Q4 PAT up 74% to Rs 563 cr on highest ever revenue surge



Top Picks

Company	Market Cap (₹ Cr)	CMP (₹)	Target (₹)	Upside (%)	Rationale
IDFC First Bank	31,429	51	77	51.9	We believe efforts to built liability franchise, fresh capital infusion and provision taken on wholesale book will help to tide over this difficult time. The IDFC First Bank is trading (0.7 x FY22ABV) at a significant discount to historical average valuations.
Galaxy Surfactants	9,125	2,574	2,750	6.9	Galaxy Surfactants is a market leader in oleo chemical-based surfactants, which is used in personal and home care products. The company has been increasing its share of high margin specialty care products in it's portfolio which now accounts for ~ 40% of it's revenues while the balance is accounted for by the performance surfactant business. The company has a very strong relationship with MNC clients like Unilever, P&G, Henkel, Colgate-Palmolive and supplies raw materials to them not only in India but also in US, EU and MENA region.
NRB Bearings	974	100	150	49.3	NRB is one of the leading suppliers of bearings to Auto companies. The company supplies bearings to two wheelers, PV, CV, Three wheelers and tractors OEMs and has a wide customer base. The company has also been focusing on exports markets in order to diversify its revenue base.
Escorts Ltd	16,481	1,222	1,573	28.7	Escorts is a prominent tractor player domestically with market share in excess of 11%. With rural India relatively less impacted due to Covid-19, record food-grain procurement by government agencies as well as better than expected Kharif crop in 2020, we expect the tractor industry will continue to outperform the larger automobile space in FY21. The company has also reported a strong growth of 25.7% YoY in Q3FY21 which is expected to continue into the fourth quarter driven by strong demand.
Federal Bank	14,352	72	110	53.0	Federal bank is one of India's largest old generation private sector banks with total assets of Rs. 1.9 lakh cr. with deposits of Rs. 1.56 lakh cr. and a loan book of Rs. 1.2 lakh cr in F21. NPA's have remained steady for the bank over the past few years with GNPA for Q3FY21 at 3.38% while NNPA ratio stood at 1.14%. PCR at the end of Q3FY21 stood at ~67% which we believe is adequate. Restructuring book is expected to be at Rs. 1,500-1,600 crore out of which Rs. 1,067 crore has already been restructured. This is against earlier expectations of total restructuring of Rs. 3,000-3,500 crore
Carborundum Universal	9,116	481	600	24.8	Carborundum Universal (CUMI) is part of the Murugappa group and is a leading manufacturer of abrasives, industrial ceramics, refractories, and electro minerals in India having application across diversified user industries. The company is expected to benefit from improving demand scenarios across its end user industries such as auto, auto components, engineering and others. While demand from the Auto sector has been robust we expect demand from metal industry pick up, given increased economic activity.



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Company	Market Cap (₹ Cr)	CMP (₹)	Target (₹)	Upside (%)	Rationale
Shriram City Union	9,364	1,419	1,800	26.9	Shriram City Union Finance is part of the Shriram group and is in the high margin business of lending to small businesses, which account for 57.3% of the loan book as of end FY20. It reported a strong 50% sequential growth in disbursement for the quarter which led to a 3.7% qoq growth in AUM to ~ Rs. 28,500 crore. We are positive on the company as we believe that the worst is over in terms of asset quality, which along with growth momentum should lead to a rerating for the company.
HCL Technologies	2,70,512	997	1,161	16.5	HCL Tech is amongst the top four It services companies based out of India and provides a vast gamut of services like ADM, Enterprise solutions, Infrastructure management services etc. Management has highlighted that demand and supply related issues are now over for the company and the deal pipeline has improved significantly since September led by cloud related services. Management has guided for 2.0-3.0% qoq growth in revenue in constant currency terms for the rest of the year providing visibility..
GNA Axles	770	359	500	39.4	GNA Axles is one of the leading suppliers of rear axles to the Auto industry. GNA is expected to be one of the biggest beneficiaries of strong growth outlook for truck sales in US and Europe markets which are witnessing strong recovery in demand. US which accounts for almost 40% of the company's revenues has been registering strong class 8 truck sales. At current level the stock is trading at a P/E multiple of 9x FY23E, given inexpensive valuations we believe that the stock offers value at current levels.
PVR	6,169	1,015	1,800	77.3	PVR is the largest multiplex chain in India with 800+ screens across India and multiplex screens are gaining ground at the expense of single screen. Share prices have corrected significantly as most of the theaters are operating at very low capacity utilization due to the lack of major releases due to the Covid-19 crisis. However, with a significant decrease in Covid-19 cases over the past few months we believe that it's a matter of time before we see new releases by production houses post April 2021 which should lead to significant increase in business for the companies.
Cromptongreaves Consumer Electricals	23,388	373	480	28.8	CGCEL is of India's leading fast moving electrical goods (FMEG) company with a strong presence in the fan and residential pump category. The company is leveraging its strong distribution network to expand into other product categories like water pump, lightings and small appliances fan business up from 14% in FY17 and is expected to improve further. Moreover the company has posted a strong set of numbers for Q3FY21 with revenue growing by 25.8% YoY to Rs. 1348 crore. PBT for the quarter was up by 45.6% yoy at Rs. 202.5 crore.
Ashok Leyland	32,261	110	145	31.9	Ashok Leyland Ltd (ALL) is one of the leading players in Indian CV industry with a 32% market share in the MHCV segment and has strong presence in LCV segment also. While demand for the LCV segment has been growing smartly post the pandemic, demand for the MHCV segment has also started to recover over the past few months. We believe that the company is ideally placed to capture the growth revival in the CV segment and will be the biggest beneficiary of the Government's voluntary scrappage policy and hence rate the stock a BUY.
Metropolis Healthcare	12,730	2,490	2,850	14.4	Metropolis is a leading Pathology centre in India and has an asset light model with a strong balance sheet. It has one the largest pathology set up in India which gives it economies of scale as compared to smaller regional players.

