

Morning Update – 21st November 2024

SSL Research Morning Update 21st November 2024

Equity Market Update

Expect a mild positive opening for our market today

The benchmark indices on Tuesday (Holiday on Wednesday on account of Maharashtra assembly election) managed to snap their 7 day losing streak to end in the green but significantly off the day highs as profit booking and escalation on the Russia-Ukraine front restricted the gains in Nifty 50 to just 65 points. The broader markets marginally outperformed with favourable market breadth. FIIs net sold Rs 3,411.7 cr while DIIs net bought Rs 2,783.9 cr in the cash market on Tuesday.

The US benchmark indices overall cumulative performance for last two days indicate a positive closing between 0.4% to 0.9%. The Asian market cues are largely trading in the red. Our market will react to exit polls of Jharkhand and Maharashtra election which concluded yesterday as poll predictions suggest return of NDA in Jharkhand and retention of power in Maharashtra. We expect a mild green opening for our market today.

Key Actionable

- **Tata Power:** The company entered into a strategic partnership with Druk Green Power Corp, a subsidiary of Druk Holding and Investments Ltd., the sole generation utility of Bhutan, to collaborate and develop at least 5,000 MW of clean energy generation capacity in Bhutan – **Positive in long term**
- **PSP Projects:** The company executed a share purchase agreement between promoter Prahaladbhai S. Patel and Adani Infra, whereby Adani Infra will be acquiring up to a 30.07% stake from the promoter for Rs 685 crore. Adani Infra has also made an open offer for the acquisition of up to 1 crore shares at Rs 642.06 per share – **Positive in long term**
- **NLC India:** The company is to make an investment of up to Rs 3,720 crore for various renewable projects in the arm, subject to compliance with DIPAM guidelines and necessary approvals of the Ministry of Commerce and other departments as may be required – **Positive in long term**
- **JSW Steel:** The company declared as the preferred bidder for the Codli mineral block in Goa. The projected iron ore resources are at 48.5 million tonnes, in addition to 2.7 million tonnes of ore in dumps – **Positive in long term**
- **Aegis Logistics:** The company's arm, Aegis Vopak Terminals, has filed a DRHP with SEBI for an IPO. The IPO consists of a fresh issue of Rs 3,500 crore – **Neutral to Positive in short term**
- **Bajaj Auto:** The RBI disposed of the FEMA matter over KTM investment on payment of Rs 2.2 crore compounding amount. The compounding amount imposed in the case of the inadvertent ODI-FDI structure over the company's investment in KTM in 2012 – **Neutral to Positive in short term**
- **Bharti Airtel:** Nokia received a 5G extension deal from the telco for India operations – **Positive in long term**

- **PowerGrid:** The company has been selected as the successful bidder for acquiring Khavda V-A Power Transmission to establish a transmission system for evacuation of power from potential renewable energy zones in the Khavda area of Gujarat for Rs 18.95 crore – **Positive in long term**
- **Mahindra & Mahindra:** The company clarified that its collaboration with the Volkswagen Group remains intact and continues to explore multiple opportunities for expanding their partnership – **Neutral in short term**
- **Garden Reach Shipbuilders and Engineers:** The firm signed a contract with the West Bengal government for the delivery of 13 hybrid ferries for Rs 226 crore – **Positive in long term**
- **Kilburn Engineering:** The company executed a share purchase agreement with Monga Strayfield for the proposed acquisition of a 100% stake in Monga Strayfield for Rs 123 crore – **Positive in long term**
- **Power Finance Corp:** The company transfers its arm PFC Consulting to Adani Energy Solutions for Rs 18.78 crore – **Neutral to Positive in short term**
- **Godfrey Phillips:** The company declared an interim dividend of Rs 35 per share – **Neutral to Negative in short term**
- **Medplus Health:** The company's arm received five suspension orders of drug licenses for stores in Pune – **Neutral to Negative in short term**
- **Britannia Industries:** The company received notice from FSSAI over the use of a preservative in one batch and prohibition of its sale – **Neutral to Negative in short term**
- **Godrej Properties:** The company acquired a 53-acre plot of land in Joka, Kolkata, that offers development potential of ~1.3 mn sq ft of residential plotted development and an estimated revenue potential of Rs 500 crore – **Positive in long term**
- **UPL:** The board approves raising up to Rs 3,380 crore via a rights issue in the ratio of 1 share for every 8 held at Rs 360 per share. The rights issue will open on Dec. 5 and close on Dec. 17. The company also announced \$350 mn investment by Alpha Wave Global into its seed subsidiary, Advanta – **Neutral to Positive in short term**
- **Godawari Power:** To acquire a 51% stake in Jammu Pigments at a post-money valuation of Rs 500 crore – **Positive in long term**
- **GNFC:** The company signed an MoU with the UK's INEOS for a 50-50 joint venture for the construction and operation of an acetic acid plant in India – **Positive in long term**
- **Indus Towers:** The company said the Supreme Court's decision allowing tax credit claims for towers and related infra will reduce contingent liability by Rs 3,704 crore – **Neutral in short term**
- **BEML:** The company received a Rs 247 cr order for 48 BH60M Rear dump trucks from Central Coalfields – **Positive in long term**
- **Dr Reddy's Labs:** USFDA issues form 483 with 7 observations for API mfg facility (CTO-2) in Bollaram, Hyderabad – **Negative in short term**

Listing Day

- **Zinka Logistics Solution:** The company's shares will debut on the stock exchange today. The Rs 1,114-crore IPO has been subscribed times on 1.86 times on final day. The bids were led by qualified institutional investors (2.76 times), non-institutional investors (0.24 times) and retail investors (1.66 times), portion reserved for employees (9.88 times). The issue price for the same is Rs 273.

IPO Offering

- **NTPC Green Energy:** The public issue was subscribed 0.33 times on day 1. There were no bids by qualified institutional investors, while non-institutional investors subscribed (0.16 times), followed by retail investors (1.33 times), portion reserved for employees (0.17 times), and portion reserved for shareholder (0.57 times).

Insider Trades

- **Bigbloc Construction:** Promoter Narayan Sitaram Saboo bought 61,500 shares on Nov. 18.

Trading Tweaks

- **Price band changes from 20% to 10%:** Honasa Consumer, Kopran.
- **Ex/ record dividend:** GMM Pfaudler. Moved into short term ASM: Nalwa Sons Investments.
- **Moved out short term ASM:** Kross

Management Meetings

- **Le Travenues Technology:** To meet Investors and analysts on Nov. 27.
- **Aavas Financiers:** To meet Investors and analysts on Nov. 25 and 26.
- **KPIT Tech:** To meet Investors and analysts on Nov. 25 and 26.
- **Five-Star Business Finance:** To meet Investors and analysts on Nov. 22.
- **Indian Energy Exchange:** To meet Investors and analysts on Nov. 21.
- **Can Fin Homes:** To meet Investors and analysts on Nov. 22

Fund Flows – Cash Market

- FII (Rs cr): -3,411.7
- DII (Rs cr): +2,783.9

Block Deals – NSE

Name of the Company	Name of the Client	BUY/ SELL	Price (Rs)	Quantity	% Traded
TRENT	SIDDHARTHA YOG	BUY	6,475.0	13,02,164	0.4%
TRENT	DODONA HOLDINGS LTD	SELL	6,475.0	13,02,164	0.4%

Deals shared for Companies with market cap above Rs 1,000 cr.

Source: BSE/NSE/Economic Times/Bloomberg Quint/Business Line/Business Standard/Financial Express/Money control

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