

## Weekly Capsule (Nov 18 – Nov 22) and Impact Analysis

News Announcement	Impact Analysis
<ul style="list-style-type: none"> <li>➤ US SEC and Department of Justice pull up the Adani group for non-disclosure</li> </ul>	<ul style="list-style-type: none"> <li>➤ These pertain to the Adani group not disclosing details of a bribery scandal when raising funds in the US bond markets</li> <li>➤ The US takes such ethical issues seriously, but Gautam Adani has denied any such bribery; calling them pure speculation</li> </ul>
<ul style="list-style-type: none"> <li>➤ Maharashtra exit polls indicate at a likely victory for the ruling Mahayuti</li> </ul>	<ul style="list-style-type: none"> <li>➤ Assuming the polls are right, the chief ministerial candidate will still depend on which combine gets maximum votes</li> <li>➤ However, recent experience in India and even in the US has been that exit polls have got their estimates awfully wrong</li> </ul>
<ul style="list-style-type: none"> <li>➤ India may pay incentives of up to \$5 billion to boost electronics output</li> </ul>	<ul style="list-style-type: none"> <li>➤ These incentives for locally manufacturing components of mobile phones and laptops to reduce Chinese dependence</li> <li>➤ India plans to expand the manufacture of electronics to \$500 billion by 2030, which includes \$150 billion of components</li> </ul>
<ul style="list-style-type: none"> <li>➤ Advent to sell Manjushree Technopak to PAG for a consideration of \$1 billion</li> </ul>	<ul style="list-style-type: none"> <li>➤ Advent PE Fund had invested in the company in 2018 and was planning to do an IPO, which will now stand cancelled</li> <li>➤ Manjushree Packaging is India's largest rigid packaging company in India with over 23 manufacturing facilities</li> </ul>
<ul style="list-style-type: none"> <li>➤ PVR Inox to touch a total of 2,000 screens by the year 2026; Sanjeev Bijli</li> </ul>	<ul style="list-style-type: none"> <li>➤ The focus of the latest round of expansion will largely be in the Tier-2 and Tier-3 cities which are seeing rise in spending</li> <li>➤ Currently, South India contributes nearly 40% of the revenues of PVR Inox with North and West contributing 26% and 21%</li> </ul>
<ul style="list-style-type: none"> <li>➤ SEBI has directed the stock exchanges to probe into Adani group allegations</li> </ul>	<ul style="list-style-type: none"> <li>➤ SEBI wants the exchanges to check if the Adani group had delayed disclosing about the US probe to SEBI and exchanges</li> <li>➤ Incidentally, Gautam Adani and his nephew Sagar Adani were indicted by the US SEC on November 20; a market holiday</li> </ul>
<ul style="list-style-type: none"> <li>➤ India's forex reserves plunge \$17.76 billion to \$657.89 billion in November</li> </ul>	<ul style="list-style-type: none"> <li>➤ The Forex reserves had touched a level of \$715 billion about a month and half back and has seen a steep fall since then</li> <li>➤ While heavy FPI selling has been one reason for the forex reserves falling, RBI intervention is also a key factor</li> </ul>
<ul style="list-style-type: none"> <li>➤ RVNL has secured Rs838 crore contract from Eastern Railways for civil works</li> </ul>	<ul style="list-style-type: none"> <li>➤ The contract involves minor and major bridges, retaining walls, level crossings, side drains, catchment drains, tracks etc</li> <li>➤ In the latest quarter, the company had reported a fall in revenue and net profits compares to the previous year</li> </ul>
<ul style="list-style-type: none"> <li>➤ NTPC Green Energy IPO subscribed 2.42 times at close on the last day of the IPO</li> </ul>	<ul style="list-style-type: none"> <li>➤ At Rs10,000 crore; the IPO of NGEL was the third largest IPO in India after Hyundai Motor India and Swiggy Ltd</li> <li>➤ While the retail portion got subscribed 3.44 times, QIB was subscribed 3.32 times, but HNI portion just 0.81 times</li> </ul>

<ul style="list-style-type: none"> <li>➤ Paras Defence is eyeing \$1 billion opportunity in optical systems space</li> </ul>	<ul style="list-style-type: none"> <li>➤ Paras Defence is targeting 50% market share in the optical systems space over the next 3 years as part of defence push</li> <li>➤ It will set up an optics park, which will be first of its kind for high-end design, manufacturing, and testing optical systems</li> </ul>
<ul style="list-style-type: none"> <li>➤ FPIs were net sellers in Indian equities for 37 trading sessions in a row</li> </ul>	<ul style="list-style-type: none"> <li>➤ In October, FPIs sold equities worth Rs1.14 trillion and in the last five days, FPIs have sold equities worth Rs14,288 crore</li> <li>➤ While November selling is lower than October, the buying by the DFIs had little impact as the rupee is also under pressure</li> </ul>
<ul style="list-style-type: none"> <li>➤ HDFC Bank will securitize another Rs12,000 crore of auto loans</li> </ul>	<ul style="list-style-type: none"> <li>➤ The idea is to reduce the assets on the book and try to rectify the credit deposit ratio back to more normative levels</li> <li>➤ It was only in September that HDFC Bank had securitized auto loans worth Rs10,000 crore at 8.40% yield to maturity</li> </ul>
<ul style="list-style-type: none"> <li>➤ JP Morgan cuts its price target for Reliance Industries to Rs1,468 a share</li> </ul>	<ul style="list-style-type: none"> <li>➤ This is a downgrade from its earlier estimate of Rs1,563 for RIL, but the stock has fallen over 22% and is current at Rs1,232</li> <li>➤ Refining margins are still under pressure and JIO has seen its subscription numbers fall for 3 months in a row</li> </ul>
<ul style="list-style-type: none"> <li>➤ Zepto raises \$350 million from a clutch of individual and institutional investors</li> </ul>	<ul style="list-style-type: none"> <li>➤ Notable participants in the round included Ramdeo Agarwal, Abhishek Bachchan, Tendulkar, Goenka group, Taparia family</li> <li>➤ Zepto will use these funds to expand its footprint into 10 cities and to take gross order value (GOV) to above Rs10,000 crore</li> </ul>
<ul style="list-style-type: none"> <li>➤ Zomato to replace JSW Steel in the BSE Sensex effective from December 23</li> </ul>	<ul style="list-style-type: none"> <li>➤ This is part of the routine restructuring and will give digital the much needed representation in the key Indian indices</li> <li>➤ The move will ensure sharp inflows into the company being included to coincide with the demand of passive ETFs</li> </ul>
<ul style="list-style-type: none"> <li>➤ GTRI pegs India's services exports at par with goods exports by year 2030</li> </ul>	<ul style="list-style-type: none"> <li>➤ Services exports are expected to grow at 10.5% CAGR compared to just 5.8% CAGR for goods exports till 2030</li> <li>➤ This is likely to expand the services trade surplus and largely neutralizing the rising merchandise trade deficit for India</li> </ul>
<ul style="list-style-type: none"> <li>➤ RBI yet to give final decision on Tata Sons proposal to give up CIC status</li> </ul>	<ul style="list-style-type: none"> <li>➤ Being a systemically important NBFC, Tata Sons has to come out with an IPO within 3 years of the rule being passed</li> <li>➤ To avoid the hassles, Tata Sons may look to repay any debt outstanding and surrender its CIC status back to the RBI</li> </ul>
<ul style="list-style-type: none"> <li>➤ SEBI plans to further tighten norms for investments in SME IPOs in future</li> </ul>	<ul style="list-style-type: none"> <li>➤ The minimum application and minimum allotment size is likely to be doubled while number of allottees will be up four-fold</li> <li>➤ Like regular IPOs, HNI category will be split into B-HNI and S-HNI, while promoter lock-in period could now be up to 5 years</li> </ul>
<ul style="list-style-type: none"> <li>➤ RBI governor Shaktikanta Das is most likely to get a second term as RBI chief</li> </ul>	<ul style="list-style-type: none"> <li>➤ If the extension is given, Mr Das may will become the longest serving RBI governor of India in the last 50 years</li> <li>➤ Das has received several awards; but he is also highly revered for the way he handled the pandemic and the inflation surge</li> </ul>

<ul style="list-style-type: none"> <li>➤ Indian tyre makers to report 7-8% growth in revenues in FY25</li> </ul>	<ul style="list-style-type: none"> <li>➤ This growth is likely to driven partially by improved volumes and partially by better price realizations for tyre companies</li> <li>➤ Operating profit margins may be impacted by up to 300 bps due to the inability to pass on higher rubber costs to users</li> </ul>
<ul style="list-style-type: none"> <li>➤ Aluminium stocks started the week on a positive note on China impact</li> </ul>	<ul style="list-style-type: none"> <li>➤ The rally came after the Chinese government decided to stop giving out subsidies to domestic aluminium manufacturers</li> <li>➤ Reduced production of aluminium by China is likely to leave a dent on global aluminium supply, leading to an LME spike</li> </ul>

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