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**TVS Motor shares surge over 5% on robust Q3 earnings**



**New Delhi:** Shares of TVS Motor Company Ltd surged more than 5 per cent on Wednesday after the firm reported a rise in its December quarter net profit of ₹237 crore. The stock jumped 5.50 per cent to settle at ₹1,038 per share on the NSE. On the BSE, it advanced 5.18 per cent to end at ₹1,037.30 apiece. On Tuesday, TVS Motor Company said its consolidated net profit increased 28 per cent to ₹304 crore in the third quarter ended December 31, 2022.

# Sensex falls 1% ahead of T+1 rollout, Budget

**LACKLUSTRE SHOW.** Volumes dip as retail investors preferred to stay away; settlement in derivative market adds to volatility

**Our Bureau**  
Chennai

Equity markets witnessed a strong selling pressure on Wednesday, as traders preferred to keep their positions light ahead of T+1 settlement and ensuing Budget.

The 30-share BSE plunged 773.69 points or 1.27 per cent to 60,205.06, while the broader Nifty of the National Stock Exchange declined 226.35 points or 1.25 per cent to close below the 18,000-level at 17,891.95.

"The month of January has seen very tepid market

volumes - daily cash market volumes of ₹47,000 crore, compared to ₹56,000 crore in October-December quarter. This is despite strong institutional participation, which is up to an average of 27 per cent of daily market volumes compared with 22 per cent in October-December quarter," said S Hariharan, Head Institutional Equity Sales, Emkay Global Financial Services.

"January rollover spreads for futures positions have been cheaper than the last three months, reflecting relative reluctance from long positions to roll positions," he added.

**Turns nervous**

	Close	% fall
Sensex	60,205.06	-1.27
Nifty50	17,891.95	-1.25
BSE Midcap	24,657.39	-1.52
BSE Smallcap	28,154.89	-0.94
Nifty Next50	40,768.20	-2.52

Exchanges are set to rollout T+1 (settlement within one day after the transactions) from Friday.

**SENSEX MOVERS**

Among Sensex stocks, Hindustan Unilever, Maruti Suzuki, Tata Steel, NTPC and Sun Pharma were the major gainers.



On other hand, SBI, IndusInd Bank, HDFC Bank, Axis Bank, HDFC, Tech Mahindra, ICICI Bank, UltraTech Cement, L&T, Bajaj Finserv, Reliance, HCL Tech, Asian Paints, Wipro and M&M were the major losers.

Nagaraj Shetti, Technical Research Analyst, HDFC

Securities, said: The short-term trend of Nifty has turned negative. Having placed at the important support, minor pullback rally is expected in the short term. "But the overall chart pattern indicates the higher possibility of decisive downside breakout at 17,750 levels in the near term. Such anticipated market action is likely to bring steep weakness for the market ahead," he added.

**SECTORAL STOCKS**

Most sectoral stocks too witnessed a sharp decline. Among them the worst affected were BSE Power (2.72 per cent), Utilities

(2.87 per cent), Bankex (2.42 per cent), Financial Services (2.11 per cent), Telecommunications (2.06 per cent), Oil & Gas (1.76 per cent), Realty (1.92 per cent) and Capital Goods (1.06 per cent).

Experts said investors' focus is on Q3 results announced by companies.

"The earnings season is in full swing and markets are closely following the management commentary. So far, the Q3-FY23 results suggest increased revenue growth with some pressure on the margin front," said Mitul Shah - Head of Research at Reliance Securities.

US stocks retreat as mixed earnings add to angst

Agence France-Presse  
New York

Wall Street stocks fell early Wednesday as another round of lackluster quarterly earnings added to investor caution after a strong start to 2023.

Aviation giant Boeing reported a quarterly loss on revenues that missed analyst estimates while in tech, Microsoft offered a disappointing outlook on its Azure cloud computing business.

About 15 minutes into trading, the Dow was down 0.7 per cent at 33,511.77. The S&P 500 shed 1.0 per cent to 3,975.16, while Nasdaq dropped 1.6 per cent to 11,156.35.

## For some, Hindenburg's report is bit of an anti-climax

Hardly any US investor suspected the Adani group to be the subject of the 'revelation'

**Rutam Vora**  
Ahmedabad

The social media came up with interesting comments and arguments soon after Hindenburg Research, the US-based short seller and analyst group, released a report on Adani Group, alleging brazen stock manipulation right ahead of a landmark follow-on public offer (FPO) from the group's flagship company Adani Enterprises Ltd.

On Wednesday, after the report was released by the investment research firm, all the Adani group stocks took a severe beating, resulting in the erosion of over ₹45,000 crore in combined market wealth.

Capturing the sentiment, Singapore Stock Ex-

change's SGX Nifty's Twitter handle posted a meme relating to the slide in Adani stocks.

A user wrote: "Nathan Anderson is founder of Hindenburg Research. He is a short seller. After his report, Adani stocks tumbled by ₹43,000 crores... guess who made money... Thats how a play game."

**WELL PREPARED**

It is evident that Hindenburg Research's promoters, including Nate Anderson, were well prepared to cash in on the predicted downfall in Adani stocks as they made the "revelation" about what they claimed is the largest corporate fraud in history.

"Soon we will release a



report on what we strongly suspect to be the largest corporate fraud in history," Hindenburg Research had tweeted at 2.34 a.m. on January 25.

Interestingly, the US investor community, which usually tracks Hindenburg Research for its financial bets on American companies or investors, appeared disappointed.

While some felt it to be something bigger than the past revelations about TV

personality Jim Cramer — who allegedly made money from privileged information on specific US stocks — others hazarded a guess that it could be about US financier Bernie Madoff, who allegedly ran a Ponzi scheme in the US.

And some suspected it to be about Tesla!

Others had their suspicion on US banks: "Either Wells Fargo or Deutsche Banks most likely candidates," a user wrote.

While hardly any Indian analyst or analysts tracking Indian corporates bothered to dig into Hindenburg's mid-night teaser, there were plenty of US analysts who had already started mining for some obvious revelations.

Michael Gogel was one

such analyst who wrote: "One of my thoughts right now is whether or not parties front-ran knowledge of the publishing of this report of the largest corporate fraud in history, and if it has anything to do with the 80-odd stocks that mysteriously pumped and halted on the NYSE today. Coincidence of course."

It appears that Hindenburg Research's report on the Adani Group resulted in more disappointment among US investors than the value erosion it caused in Adani stocks on Wednesday.

Sample this one from Gordon Johnson: "There is only ONE company that fits the title. If it's not them, it's not the 'largest'".

**BROKER'S CALL.**

**Emkay Global**

**MARUTI SUZUKI (BUY)**  
Target: ₹10,700  
CMP: ₹8,781.75

Maruti Suzuki's Q3 EBITDA grew 82 per cent y-o-y to ₹2,830 crore, standing 8 per cent above our estimate owing to gross-margin beat. Gross margin expanded 260 bps y-o-y, on account of better net pricing, improved mix and favourable currency movement.

Revenue increased 25 per cent to ₹29,040 crore, coming in 2 per cent above our estimate on better realisation. The large pending order-book at about 3.63 lakh units, along with the recently-launched products, provides strong sales visibility for subsequent quarters.

We expect FY23 revenue growth to be robust at 32 per cent, and the uptrend is likely to endure with FY23-25 revenue CAGR at 14 per cent. Driven by better scale and pricing, we expect EBITDA margin to expand, from 6.5 per cent in FY22 to 9.3 per cent in FY23 and to 11.3 per cent in FY25.

We increase FY23E EPS by 7 per cent to ₹263 on higher margin and other income assumptions, and slightly nudge up the FY24/25 EPS by 1 per cent to ₹380/₹428. We retain Buy with TP of ₹10,700/share (from ₹10,500), based on 27x core P/E on FY25E EPS (Dec-24E EPS earlier) and cash of ₹1,260/share (0.80x book).

Key downside risks include macro slowdown, lower-than-expected volumes in new products, higher competitive intensity and adverse movement in commodity/currency rates.

**Choice International**

**TVS MOTOR (ADD)**  
Target: ₹1,072  
CMP: ₹1,037.30

During the quarter, TVS Motors reported in-line numbers on the revenue front, whereas below the expectation on the margin front. Top line came at ₹6,545 crore (-9.3 per cent q-o-q/-14.7 per cent y-o-y) (vs estimates of ₹6,468 crore), driven by a 14.4-per cent q-o-q decrease in volume and a 6-per cent q-o-q increase in ASP (led by price increase and product mix).

Reduction in raw material cost helped gross margin to expand 63 bps q-o-q to 24.5 per cent. The margin for the quarter contracted to 10.1 per cent (+11 bps y-o-y/-14 bps q-o-q). PAT increased 22.4 per cent y-o-y to ₹350 crore.

As most of the commodity benefits are largely over, we expect the margin for TVS Motors to peak out here. Further increase in the share of EVs also dents the margin expansion in the near to medium term.

Revival in rural and export markets is a key monitor-able for any positive surprise in the coming months. Moreover, entry-level MC is not out of the wood and the increase in interest rates is also impacting the prospects for recovery in the two-wheeler economy segment. However, despite various challenges, TVS Motors is able to increase its market share in the two-wheeler segment. As most of the positives are already factored in the price, this leaves a limited upside opportunity.

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## SEBI issues attachment order in Religare Finvest case

**Press Trust of India**  
New Delhi

SEBI has ordered the attachment of bank and demat accounts of Shivinder Mohan Singh and four entities to recover ₹32.10 crore in a matter related to fund diversion case of Religare Finvest. Religare Finvest Ltd (RFL) is a subsidiary of Religare Enterprises Ltd (REL).

The recovery proceedings against these entities — Shivinder Mohan Singh, Malav Holdings, RHC Holding, ANR Securities and Religare Corporate Services (now known as Finserve Shared Services) — for ₹32.10 crore.

The amount includes interest, all costs, charges and expenses, SEBI said in an attachment order on Monday.

In its notice, SEBI asked all the banks, depositories and mutual funds not to allow any debit from the accounts of Singh, Malav Holdings, RHC Holding and

ANR Securities. However, credits have been allowed. Further, the market watchdog has directed all banks to attach all accounts, including lockers, of all the defaulters.

**NOTICES SENT**

Earlier this month, SEBI sent notices to various entities, including erstwhile promoters of Religare Enterprises Malvinder Mohan Singh and Shivinder Mohan Singh, asking them to pay ₹48.15 crore within 15 days in a fund diversion case of Religare Finvest.

RHC Holding and Malav Holdings were also the former promoters of Religare, while ANR Securities and Religare Corporate Services was a wholly-owned subsidiary of RHC Holding.

The regulator also warned of attachment of assets and bank accounts, if they fail to make the payment.

The notice came after the entities failed to pay the fine imposed on them by SEBI.

## Jumbo Fin pays ₹44.2 lakh to settle case with SEBI

**Press Trust of India**  
New Delhi

Jumbo Finance Ltd on Wednesday settled with SEBI a case on violation of regulatory norms in respect of equity shares issued by the company on a preferential basis after paying ₹44.2 lakh towards settlement fee.

This came after the company proposed to settle the proceedings initiated against it, "without admitting or denying the findings" through a settlement order. "The instant adjudication proceedings initiated against the applicant by way of issuance of SCN (show cause notice) ... in respect of Jumbo Finance Ltd dated April 13, 2022, are disposed of," SEBI said.

In the show-cause notice issued, it was alleged that the listing application was

not filed by Jumbo Finance within 20 days of the allotment of shares.

**SHOW-CAUSE NOTICE**

Also, the allotment of shares was not made within 15 days of shareholders' approval.

In addition, it was alleged that out of 45 lakh equity shares allotted, 5.03 lakh equity shares were given to those allottees in excess of the approval granted by the shareholders through special resolution and prior approval given by the bourse exchange and 36.35 lakh equity shares were allotted to those allottees for which the company had not taken shareholders' nod as well as exchange's in-principle approval.

Pending adjudication proceedings, the company settled the case after paying ₹44.2 lakh, the order mentioned.

Nifty 50 Movers					
	Close(₹)	Pts	FE	Wt(%)	
Hind Unilever	2622.35	4.42	62.57	2.96	
Mauriti Suzuki	8784.10	2.57	35.78	1.48	
Hindalco	489.10	1.47	7.94	0.90	
Tata Steel	121.00	1.10	5.24	1.24	
Bajaj Auto	3717.40	0.79	18.02	0.53	
ITC	339.25	0.60	24.00	3.78	
JSW Steel	724.65	0.55	46.82	0.86	
Bharti Airtel	776.50	0.48	39.96	2.46	
Hero MotoCorp	2785.00	0.39	21.47	0.46	
ONGC	152.45	0.25	4.90	0.75	
Tata ConsumerProduct	740.05	0.12	57.52	0.17	
NTPC	165.90	-0.16	9.34	1.00	
Sun Pharma	1040.05	-0.16	58.74	1.42	
Britannia Ind	4388.15	-0.21	67.18	0.66	
Eicher Motors	3213.85	-0.40	37.66	0.57	
NestleIndia	19235.50	-0.45	85.66	0.87	
BPCL	346.75	-0.49	0.00	0.43	
Divis Lab	3335.70	-0.59	29.59	0.54	
CoalIndia	226.15	-0.69	5.33	0.60	
Grasim Ind	1593.75	-0.80	9.95	0.76	
UPL	737.95	-0.97	11.33	0.50	
HDFC Life	585.05	-1.01	87.36	0.73	
PowerGrid Corp	228.40	-1.20	10.27	1.95	
Tata Motors	419.05	-1.26	0.00	0.95	
Titan	2356.60	-1.34	66.12	1.24	
Dr Reddys Lab	4200.95	-1.43	22.50	0.65	
TCS	3429.75	-1.52	30.74	4.45	
SBI Life	1257.45	-1.61	75.09	0.72	
Wipro	401.55	-1.69	19.39	0.75	
Apollo Hosp	4234.35	-1.86	69.27	1.58	
Bajaj Finserv	1314.35	-2.25	20.02	0.90	
M&M	1311.50	-2.69	15.56	1.59	
UltraTech Cement	6705.10	-2.73	33.05	0.98	
Tech Mahindra	1051.15	-2.74	19.06	0.83	
Adani Enter	3388.95	-3.29	314.46	1.17	
Capil (India)	1035.25	-3.29	14.21	2.76	
Kotak Bank	1749.80	-3.43	24.38	1.21	
Bajaj Finance	5795.90	-3.57	35.37	1.95	
HCL Tech	1122.75	-3.62	21.07	1.50	
Asian Paints	2775.00	-3.63	69.85	1.58	
Infosys	1543.00	-3.78	27.43	7.15	
Adani Ports	713.15	-4.23	28.94	0.68	
IndusInd Bank	1152.10	-4.81	13.18	1.68	
L&T	2174.70	-4.98	26.19	3.33	
Axis Bank	892.35	-10.94	13.26	3.06	
State Bank	568.70	-22.29	11.74	2.76	
ICICI Bank	855.30	-24.40	17.91	7.55	
Reliance Ind	2382.55	-26.09	22.77	10.40	
HDFC	3688.25	-26.45	19.23	6.54	
HDFC Bank	1648.65	-46.73	20.90	9.19	

Nifty Next 50 Movers					
	Close(₹)	Pts	FE	Wt(%)	
Marico	505.40	3.77	51.95	2.34	
Intiglobeavi	2109.25	2.71	0.00	2.03	
AvenueSuper	3515.10	0.36	97.10	1.95	
Sig	116.80	0.24	28.57	2.76	
Proc & Gam	13533.15	-0.04	85.82	0.50	
Glandpharma	1342.35	-1.22	22.37	0.32	
Paytm	532.95	-1.53	0.00	0.19	
Colgate	1451.20	-1.91	37.43	1.73	
LIC	689.40	-5.10	17.33	0.68	
ICICI Lombard Gic	1136.95	-6.19	25.57	2.59	
Hindustanarona	2521.30	-7.01	42.34	1.88	
Muthooftin	1040.05	-7.23	11.06	1.01	
Dabur India	563.30	-5.74	57.67	2.85	
Samvardhmothersoninternat	72.65	-7.95	59.62	1.23	
i-Prulife	464.15	-8.21	78.04	1.61	
Hdfc Amc	1394.05	-8.53	29.55	1.36	
Indian Oilcorp	82.50	-9.03	8.74	2.81	
Torrent Pharma	1556.75	-9.29	66.11	1.27	
Bandhan Bank	244.95	-9.38	12.00	1.66	
CholamandalaminsFin	718.40	-10.20	25.23	2.53	
Bajaj Indus	5742.65	-10.21	14.35	0.97	
Bosch	16720.50	-10.26	38.12	1.28	
Capil (India)	1035.25	-10.89	5.61	2.43	
Fincemventures	129.25	-11.07	786.62	0.69	
Berger Paints I	548.75	-11.72	56.32	1.19	
Havells	1180.50	-11.78	69.37	2.64	
Vedanta	326.25	-13.81	8.80	3.25	
Siemens	2995.30	-13.85	83.66	2.38	
Mphasis	2070.00	-14.25	23.99	1.53	
Hdfc Edge I	3688.25	-16.45	8.26	2.54	
Irctc	627.55	-17.33	56.15	1.70	
Biocon	235.20	-17.72	37.12	0.93	
Piindustries	2974.15	-19.57	44.06	2.14	
Bharat Elec	99.15	-19.57	26.43	3.17	
Godrej Consumer	914.20	-20.95	58.62	3.09	
Shree Cement	2214.80	-22.45	49.82	0.64	
Zomato	47.75	-23.62	0.00	0.64	
Ltimindtree	4430.65	-26.33	44.39	3.63	
Tata Power	201.45	-27.15	18.55	3.05	
Dif	352.05	-28.97	50.33	1.95	
Sbcards&Pay	715.10	-31.93			

