



# SIPNA BUSINESS INSIGHT

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## INDEX

- TCS, Infosys, 6 other cos add Rs 1.2 lakh crore to market value in a week.
- Buy Godrej Consumer Products, target price Rs 855: ICICI Direct
- Huawei is confident it won't be blocked in India
- Coffee Day defaults on Rs 263 crore payments
- IBM-owned US forecaster predicts marginally above-normal monsoon in 2021
- Maruti Suzuki advances scheduled maintenance shutdown to May to make oxygen available for medical needs
- Zomato may go for a pre-IPO placement of Rs 1,500 crore.
- HSBC India commits Rs 75 crore to India's fight against COVID-19.

## VISION OF INSTITUTE

*To provide quality professional education and conducive environment to students to emerge as a model proficient institute.*

## VISION OF DEPARTMENT

*To be a prominent management department in the region by imparting quality professional education for creating reputed managers and entrepreneurs.*

## MISSION OF INSTITUTE

- To create scholarly and vibrant environment for professional excellence
- To contribute to advancement of knowledge in basic and applied areas of engineering and technology.
- To be an institute of choice in the region by developing, managing and transferring contemporary technologies.
- To build mutually valuable terms with industry, society and alumni.

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- To expand the fundamental concepts, analytical and problem-solving competency of students.
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- To prepare students with positive professional attitude and ethical values with spirit of social commitment.

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## **TCS, Infosys, 6 other cos add Rs 1.2 lakh crore to market value in a week. - Vaishnavi Chaudhary**

NEW DELHI: Eight of the top-10 most valued companies together added Rs 1,28,503.47 crore in market valuation last week, with IT majors Tata Consultancy Services and Infosys leading from the front.

The valuation of Tata Consultancy Services (TCS) jumped Rs 36,158.22 crore to reach Rs 11,71,082.67 crore, becoming the biggest gainer among the top 10 most valued companies.

Infosys added Rs 20,877.24 crore to take its market capitalisation (m-cap) to Rs 5,90,229.35 crore and Hindustan Unilever saw its valuation rise by Rs 19,842.83 crore to Rs 5,63,767.05 crore.

Reliance Industries gained Rs 17,401.77 crore to Rs 12,81,644.97 crore and State Bank of India added Rs 12,003.6 crore to Rs 3,30,701.48 crore.

ICICI Bank's valuation rallied Rs 10,681.76 crore to Rs 4,10,775.37 crore and Kotak Mahindra Bank's m-cap rose by Rs 6,301.56 crore to reach Rs 3,57,573.74 crore.

Bajaj Finance added Rs 5,236.49 crore to take its valuation to Rs 3,17,563.53 Crore.

In contrast, the market capitalization of HDFC Bank declined by Rs 3,142.29 crore to Rs 8,19,474.22 crore and that of HDFC dipped by Rs 171.38 crore to Rs 4,56,569.82 crore.

During the holiday-truncated trading week, the 30-share BSE Sensex gained 1,021.33 points or 2 percent.

Stock markets were closed on Monday and Friday for holidays.

In the ranking of top-10 firms, Reliance Industries ruled the chart followed by Tata Consultancy Services, HDFC Bank, Infosys, Hindustan Unilever Limited, HDFC, ICICI Bank, Kotak Mahindra Bank, State Bank and Bajaj Finance.

## **Buy Godrej Consumer Products, target price Rs 855: ICICI Direct - Manasi Sahu**

ICICI Direct has buy call on Godrej Consumer Products with a target price of Rs 855. The current market price of Godrej Consumer Products Ltd. is Rs 742.25.

Godrej Consumer Products Ltd., incorporated in the year 2000, is a Large Cap company (having a market cap of Rs 75914.49 Crore) operating in FMCG sector.

### **Financials:**

For the quarter ended 31-12-2020, the company reported a Consolidated Total Income of Rs 3070.45 Crore, up 4.83 % from last quarter's Total Income of Rs 2929.06 Crore and up 9.60% from last year's same quarter's Total Income of Rs 2801.57 Crore. The company reported a net profit after tax of Rs 501.90 Crore in the latest quarter.

The stock has been trading in a broader range of Rs 670-720 for the last two months with a mid-price of Rs 700, which remains crucial support for it. Also, looking at the significant delivery volume activity from February 2021 to March 2021, these levels seem very crucial. In such a scenario, the positive bias may continue in the stock till these levels are held.



## **Huawei confident it won't be blocked in India - Nikita Londhe**

Chinese telecom equipment maker Huawei is confident of making it to India's list of "trusted" suppliers, which the National Cyber Security Coordinator is expected to release soon. Chen, who led Huawei's India operations for many years, said the country is very important to the company-not just for 5G services but as a whole market

"We think about what is the logic [behind it] and what is possible. We don't think Huawei will be blocked. We think this [trusted list] benefits the Indian market and is the right decision.

Chen, who led Huawei's India operations for many years, said the country is "very important" to the company not just for 5G services but as a whole market.

"Regarding 5G, we work closely with customers and the government. We believe the Indian government will make the right decision, which will benefit the country. We have a clear record in India and have had very good engagement with the Indian government before. India will welcome Huawei we have the confidence," Chen added.

## **Coffee Day defaults on Rs 263 crore payments - Shubham Chikate**

Bengaluru: Coffee Day Enterprises said it has Rs 518 crore of debt, including both short and long term, and that it has defaulted on about Rs 263 crore of payments. In a disclosure to stock exchanges, the Bengaluru-based company that runs a chain of Café Coffee Day outlets, said it owed Rs 280 crore, availed of as cash credits from banks or financial institutions, and another Rs 200 crore in unlisted debt services. It also owes interest on the defaulted loans.

A senior Coffee Day executive told ET that the company owed money to four lenders including Axis Bank, SSG Singapore and Aditya Birla Finance. These had been debts that had remained on the company's books since the time of founder VG Siddhartha's death, he said, not willing to be identified.

The company, he said, was waiting for the receipt of Rs 700 crore in second tranche payment from the Blackstone Group, which has bought out Global Technology Village in Bengaluru for Rs 2,700 crore.

While Blackstone has paid Rs 2,000 crore in March last year, Coffee Day is expecting the balance to come through in the next two months.

None of the four lenders, the executive quoted above said, had either moved or indicated at moving the National Company Law Tribunal (NCLT) for recovery of debts.

On receipt of Rs 700 crore from Blackstone, the company will first clear the debt of Tanglin Development, which had owned Global Technology Village, and use the balance to pay the four lenders proportionately.



## **IBM-owned US forecaster predicts marginally above-normal monsoon in 2021 - Rakshanda Shende**

The Weather Company has predicted a marginally above-normal monsoon for India in 2021, which would make it the third consecutive year with excessive rainfall.

The IBM-owned US company's stage one seasonal outlook released on Wednesday said the monsoon this year is likely to be 101% of the long-performing average, which currently stands at 88 cm for India.

The India Meteorological Department, in its stage one forecast last week, said rainfall would be 98% of the long-performing average. IMD will issue a second forecast in late May, when meteorological conditions are clearer.

Crawford said like in previous years, rainfall will be distributed unequally across the subcontinent. While the western regions of the country are likely to see excessive rains, eastern parts might see deficits, in line with IMD's forecast.

"From June to September, all the seven northeastern states, as well as West Bengal, are likely to witness only 90% to 95% of normal monsoon rainfall," TWC said.

Other eastern states such as Bihar, Jharkhand, Chhattisgarh, Odisha, and eastern Uttar Pradesh are set to receive rainfall ranging from 95% to 100% of Normal.

The rest of the country will get 100% to 105% of normal rainfall, said TWC. Monsoon rainfall was at 109% of the normal in 2020 and 110% in 2019.

## **Maruti Suzuki advances scheduled maintenance shutdown to May to make oxygen available for medical needs. - Sourabh Gidwani**

The country's largest car maker Maruti Suzuki Wednesday said it is advancing the maintenance shutdown across its manufacturing facilities in the country to May 1 from June to make oxygen available for medical needs, as active covid cases continue to rise in India.

Both the company's manufacturing facilities in Haryana, as well as Suzuki Motor Gujarat (SMG), will remain shut till May 9, 2021.

Maruti Suzuki said while it is a small user of oxygen, however it's vendors require larger amounts and at this point of time when the country is battling with a sharp rise in covid cases, all available oxygen should be utilised to save lives.

"As part of the car manufacturing process, Maruti Suzuki uses a small amount of oxygen in its factories while relatively much larger quantities are used by the manufacturers of components. In the current situation, we believe that all available oxygen should be used to save lives", Maruti Suzuki said in a statement to the bourses.

Accordingly, Maruti Suzuki has decided to advance its maintenance ac. Shutdown, originally scheduled for June, to 1st to 9th May. Production in all factories will close for maintenance during this period. The company has been informed that Suzuki Motor Gujarat has taken the same decision for its O factory, the statement read.



## **Zomato may go for a pre-IPO placement of Rs 1,500 crore. - Pankaj Meshram**

MUMBAI/BENGALURU: Online food delivery and restaurant discovery platform Zomato filed its much-anticipated draft red herring prospectus (DRHP) with markets regulator Sebi on Wednesday, seeking to raise more than a billion dollars through a combination of fresh equity issue and sale of existing shares.

Zomato said it intends to garner ₹8,250 crore (about \$1.1 billion) through its public listing. Of this, 7,500 crore (approximately \$1 billion) will be through a fresh issue of equity shares. The rest, amounting to ₹750 crore, will be raised through an offer for sale (OFS) by existing investor Info Edge-the Us Gurgaon-based company's earliest backer.

Info Edge, the parent company of Naukri.com, told stock exchanges on Tuesday about its intention to sell shares worth \$100 million in Zomato's initial public offering (IPO), ET reported earlier. Info Edge currently owns 18.5 per cent in the company, valued at 7,270 crore.

The Deepinder Goyal-led Zomato also said it may consider a pre-IPO placement of equity shares aggregating to 1,500 crore (about \$200 million) prior to filing the red herring prospectus with the Registrar of Companies.

### **Multi-bagger Investment**

"If the pre-IPO placement is undertaken, the minimum offer size (comprising the fresh issue so reduced by the amount raised from the pre-IPO placement, and the OFS) shall constitute at least 10 per cent of the post-offer paid-up equity share capital of our company," read Zomato's DRHP.

ET was the first to report on March 3 that Zomato is expected to raise \$750 million to \$1 billion through its initial public offering, which is likely to value the company at \$6-8 billion. In the run-up to the IPO, Zomato added five new independent members to its board, including four women.

Investors in Zomato-including Info Edge, Sequoia and Ant Financial – are expected to reap massive returns if the food delivery firm is able to garner the expected valuations.

Info Edge, which has invested about Rs 523 crore in total in Zomato, has already clocked returns of Rs 375 crore. With the Rs 750-crore proceeds from the IPO, the Sanjeev Bhikchandani-led group could double its return on investment and still hold a significant minority stake in the company.

Sequoia had pumped in around Rs 400 crore in Zomato. It has realised gains of Rs 186 crore through a secondary sale to Fidelity Funds.

Goyal's realized returns will inch closer to Rs 300 crore with the sale of 6,100 equity shares in the company to Vy Capital. Both Sequoia and Goyal's stake sales are subject to completion of certain conditions.

Ant Financial, the other large investor in Zomato, has put in around Rs 3,243 crore in the company to date. It sold a stake worth around Rs 1,250 crore in Zomato's \$500-million pre-IPO round, which was a mix of primary and easily secondary transactions, ET reported on January 27

### **Revenue & Loss**

Zomato said its revenue from operations has expanded from Rs 466 crore in FY18 to Rs 2,604 crore in FY20, signifying an expansion of 5.5 in three years. In the nine months ended December 31, Zomato said its revenue from operations stood at Rs 1,301 crore.

"In particular, as lockdowns in response to the Covid-19 pandemic eased in India towards the end of May 2020, our food delivery business started recovering. In the third quarter of fiscal 2021, we recorded the highest gross order value achieved by us in any quarter till December 2020," Zomato said in the DRHP.



## HSBC India commits Rs 75 crore to India's fight against COVID-19. - Shradhha Lakade

HSBC India on Friday pledged financial support of around Rs 75 crore (USD 10 million) for the ongoing COVID-19 relief efforts in the country. This financial support will be provided through on-ground non-profits and development agencies in India this year, focused specifically on frontline warriors and marginalized Communities at large, HSBC India said in a release.

It will be utilized to support projects for providing medical supplies, and medical equipment for COVID-19 care centers including oxygen supplies, hygiene kits, vaccination, livelihood support and food rations.

“In line with our commitment to the communities where we operate, we have been actively engaged in supporting relief operations in the fight against COVID-19.

“Our latest round of financial support is part of our ongoing endeavor to supplement critical interventions during this time when we are seeing a resurgence of the virus,” said Surendra Rosha, Group General Manager and CEO, HSBC India.

This contribution is in addition to the Rs 50 crore (USD 6.7 million) donated by HSBC India until now to support the COVID response in India.

Coordinated by over 40 NGO partners supporting frontline warriors, migrants, the transgender community, people with disability and communities at large across 14 states, this money helped to provide PPE for healthcare and other frontline workers, medical supplies to hospitals and healthcare centers, handwashing stations in hospitals, and essential food supplies for around 600,000 of the most vulnerable members of society.

An additional Rs 1.34 crore was contributed by colleagues from HSBC and its group companies.

HSBC globally has also committed Rs 11.2 crore (USD 1.5 million) to UNICEF to support their work to deliver COVID vaccines to countries on behalf of the COVAX facility, to ensure equitable vaccine roll-out in-country,

## CORONAVIRUS SAFETY



Follow these easy steps to help prevent the spread of COVID-19.



Disinfect surfaces around your home and work.



Wash your hands for at least 20 seconds.



Sneeze or cough? Cover your mouth.