

## Week Gone

- ⇒ In the week ended on Friday, 18 June 2021, the Sensex fell 130.31 points or 0.25% to settle at 52,344.45. The Nifty 50 index lost 116 points or 0.73% to settle at 15,683.35. The
- ⇒ BSE Mid-Cap index dropped 689.62 or 3.01% to settle at 22,238.21. The BSE Small-Cap index declined 467.47 points or 1.86% to settle at 24,648.83. The BSE Mid-Cap index added 416.34 or 1.85% to settle at 22,927.83. The BSE Small-Cap index advanced 854.40 points or 3.52% to settle at 25,116.30.
- ⇒ India, in the last 24 hours, reported 62,480 new coronavirus cases and 1,587 deaths. With this, the country's active caseload has dropped below the 8-lakh mark.

## Week Ahead

- ⇒ The US Markit Manufacturing PMI flash for June will be declared on 23 June 2021.
- ⇒ The Euro Area Markit Manufacturing PMI flash for June will be declared on 23 June 2021.

## Technical Overview

Index closed with a loss of 0.73% at 15683. Index opened the week on a flat note and formed new life highs but failed to capitalise its gains and witnessed profit booking in later half of the week. Index has earlier witnessed breakout from the its previous swing high. And this week price retraced to the same and reversed strongly. Going ahead index has an immediate support near 15550-15430-15300. On the higher side resistance is placed near 15750-15880-16000.



Source: Falcon, BP Equities Research



## Weekly Wealth

## DOMESTIC INDICES

Index	18-June-21	11-June-21	Weekly % Chg
Nifty	15,683.4	15,799.4	-0.7
Nifty Next 50	38,315.2	39,294.9	-2.5
Nifty 100	15,915.6	16,079.6	-1.0
Nifty 500	13,386.6	13,563.9	-1.3
Nifty Midcap 100	26,496.3	27,329.2	-3.0
Sensex	52,344.5	52,474.8	-0.2
BSE 100 Index	15,951.8	16,100.4	-0.9
BSE 200 Index	6,793.7	6,882.1	-1.3
BSE 500 Index	21,319.1	21,602.4	-1.3
BSE Mid-Cap	22,238.2	22,927.8	-3.0
BSE Small Cap	24,648.8	25,116.3	-1.9

## NIFTY TOP GAINERS (WEEKLY)

Scrip	18-June-21	11-June-21	Weekly % Chg
Hindustan Unilever	2482.9	2366.5	4.9
Infosys	1503.3	1446.9	3.9
HDFC Life Insurance	709.2	682.6	3.9
Tata Consumer Produc	739.8	715.4	3.4
Asian Paints Ltd.	3047.2	2956.3	3.1

## NIFTY TOP LOSERS (WEEKLY)

Scrip	18-June-21	11-June-21	Weekly % Chg
Adani Ports & Speci	694.4	839.8	-17.3
Coal India	146.4	162.7	-10.0
JSW Steel	670.6	731.2	-8.3
Tata Steel	1092.3	1158.4	-5.7
Hindalco Indus.	371.4	393.2	-5.5

## WORLD INDICES

Index	18-Jun-21	11-Jun-21	Weekly % Chg
Nikkei Index	28,964.1	28,948.7	0.1
Hang Seng Index	28,753.0	28,869.6	-0.4
Kospi Index	3,267.9	3,249.3	0.6
Shanghai SE Composite	3,525.1	3,589.8	-1.8
Strait Times Index	3,144.1	3,158.0	-0.4
Dow Jones	33,823.5	34,412.1	-1.7
NASDAQ	14,161.4	14,013.2	1.1
FTSE	7,036.5	7,135.4	-1.4

## FOREX

Currency	18-June-21	11-June-21	Weekly % Chg
US\$ (Rs.)	74.2	73.1	1.5
GBP (Rs.)	103.3	103.5	-0.3
Euro (Rs.)	88.4	89.0	-0.7
Yen (Rs.) 100 Units	67.3	66.8	0.8

## FII - ACTIVITY

(Rs. Cr.)

Date	Purchases	Sales	Net
18-Jun-21	20,440.9	17,760.3	2,680.6
17-Jun-21	6,727.6	7,607.3	-879.7
16-Jun-21	5,940.3	6,810.5	-870.3
15-Jun-21	7,621.2	6,987.5	633.7
14-Jun-21	4,339.3	4,842.8	-503.5
<b>MTD</b>	<b>110,250.9</b>	<b>104,402.1</b>	<b>5,848.8</b>

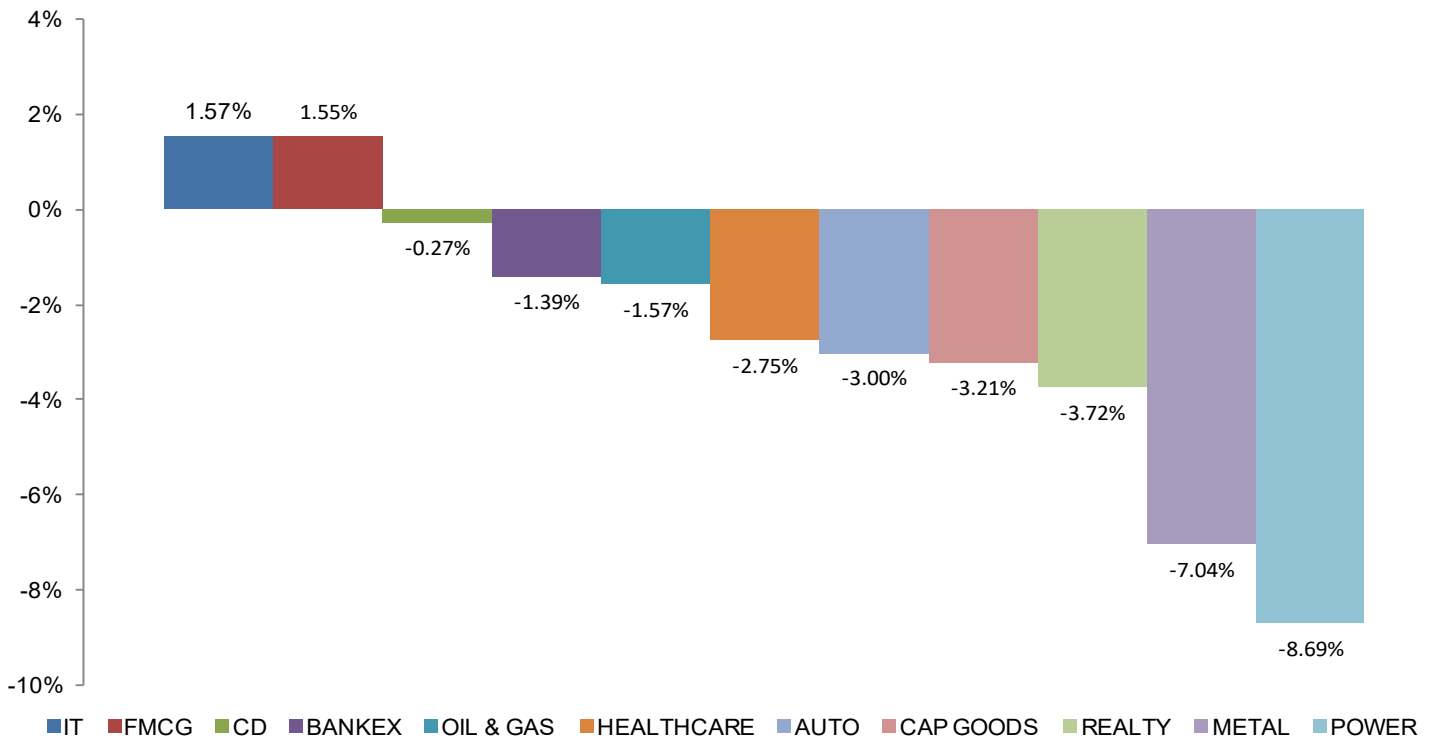
## DII - ACTIVITY

(Rs. Cr.)

Date	Purchases	Sales	Net
18-Jun-21	7,052.8	6,606.6	446.2
17-Jun-21	5,107.5	5,062.3	45.2
16-Jun-21	4,027.5	4,901.7	-874.2
15-Jun-21	3,875.3	4,524.6	-649.3
14-Jun-21	4,801.1	4,256.8	544.3
<b>MTD</b>	<b>67,465.4</b>	<b>69,758.4</b>	<b>-2,293.1</b>

# Weekly Wealth

## BSE WEEKLY SECTORAL PERFORMANCE



Source: BSE, BP Equities Research

### TOP OPEN INTEREST GAINERS (WEEKLY)

SCRIP NAME	11-June-21	18-June-21	Weekly % Chg	11-June-21	18-June-21	Weekly % Chg
	Share Price (Rs.)			Open Interest		
GUJGASLTD	606.45	660.2	8.9	1693750	2417500	42.7
POWERGRID	246.45	233.05	-5.4	17132000	20616000	20.3
MARICO	492.8	521.75	5.9	4894000	5536000	13.1
UBL	1379.55	1371.5	-0.6	1609300	1766100	9.7
LICHSGFIN	524.45	470.45	-10.3	9442000	10084000	6.8

### TOP OPEN INTEREST LOSERS (WEEKLY)

SCRIP NAME	11-June-21	18-June-21	Weekly % Chg	11-June-21	18-June-21	Weekly % Chg
	Share Price (Rs.)			Open Interest		
SUNTV	531.55	550.9	3.6	12990000	5794500	-55.4
GRASIM	1492.9	1483.0	-0.7	12141950	6032025	-50.3
AMARAJABAT	759.05	749.35	-1.3	9417000	5312000	-43.6
ADANI PORTS	843.9	689.8	-18.3	76497500	43907500	-42.6
CADILAHC	668.15	620.8	-7.1	22352000	15180000	-32.1

### PHARMACEUTICALS

#### Company Background

Incorporated in 1893, Amrutanjan Health Care Limited is engaged in manufacturing Ayurvedic Pain Balms and Beverages. The Company specializes in Ayurvedic balm for headaches, cold and cough. The Company's segments include OTC products, Beverages, Chemicals and Others. Few years ago, it also diversified into sanitary napkins (sold under the brand name Comfy) and into fruit-based beverages viz Fruitnik and Electro+. The Company has three manufacturing facilities in India. Being a major exporter to the African market, it has a presence across 21 countries in the overseas market.

#### Investment Rationale

##### Strong player in OTC healthcare market with diversified product portfolio

Amrutanjan is one of India's leading companies in the OTC healthcare market with robust brand visibility. Over the years, the company has been among India's hundred most relied on brands and ranks No 1 in Modern Trade in Head Category. It has a diversified product portfolio within which 92% of revenue is generated from OTC healthcare products i.e Pain Management, 1% from health and hygiene. Apart from that, Pain management products have a strong brand recall and the acceptance of new products has increased well amongst customers. Therefore, such brand recall and the introduction of new products have helped to increase their sales substantially in the last few years.

##### Widespread distribution network to untap new opportunities

The company continues to focus on building a distribution that targets a vision of appointing 5000 distributors and sub-distributors. The Amrutanjan brand is currently available in 1.06 million outlets (direct distribution reach of 0.25 million outlets), 11,100 modern trade (MT) stores. Further, the company has tried to strike a chord between wholesale and direct distribution routes to penetrate deeper as well as in a cost-effective manner. The products of the company are available currently online at Amazon, Pharmeasy, Netmeds, Apollo, and other consumer sites. Despite being in existence for more than 127 years, the company has just 3% contribution of OTC sales from North and 13% from Western India and there is still scope to expand.

#### Valuation and Outlook

Amrutanjan Healthcare Ltd has over 127 years of experience in over-the-counter (OTC) pain relief products. Currently, the product mix of matured, as well as a new growing business, has the potential to scale up effectively. We believe its strong distribution network and new launches with an aim to explore new geographies will enable it to drive overall growth in upcoming years. On the valuation front, we valued the company based on a 35x P/E multiple of FY23E and recommend a BUY rating on this stock with a price target of INR 838 (23% upside from CMP) with a 12 months investment horizon.

#### Stock Rating

BUY	HOLD	SELL
BUY		

#### Sector Outlook

Positive

#### Stock

CMP (INR)	628
Target Price (INR)	838
NSE Symbol	AMRUTANJAN
BSE Code	590006
Bloomberg	ARJN IN
Reuters	AJAN.BO

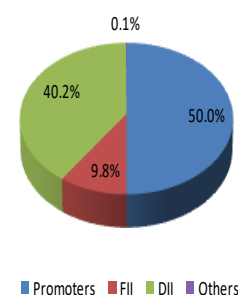
#### Key Data

Nifty	15,684
52WeekH/L(INR)	805/350
O/s Shares (Mn)	29
Market Cap (INR bn)	20
Face Value (INR)	1

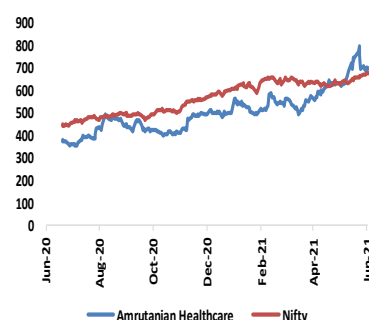
#### Average volume

3 months	1,12,040
6 months	1,29,980
1 year	1,57,020

#### Share Holding Pattern (%)



#### Relative Price Chart



# Weekly Wealth

## Key Financials

YE March (INR Mn)	FY19	FY20	FY21	FY22E	FY23E
<b>Revenue</b>	<b>2,534</b>	<b>2,615</b>	<b>3,328</b>	<b>3,748</b>	<b>4,415</b>
<i>Revenue Growth (Y-o-Y)</i>	14.1%	3.2%	27.3%	12.6%	17.8%
<b>EBIDTA</b>	<b>309</b>	<b>308</b>	<b>748</b>	<b>648</b>	<b>804</b>
<i>EBIDTA Growth (Y-o-Y)</i>	9.5%	(0.3%)	142.5%	(13.3%)	23.9%
<b>Net Profit</b>	<b>215</b>	<b>210</b>	<b>612</b>	<b>472</b>	<b>700</b>
<i>Net Profit Growth (Y-o-Y)</i>	10.3%	(2.3%)	191.4%	(22.8%)	48.2%
<b>Diluted EPS</b>	<b>7.4</b>	<b>7.2</b>	<b>20.9</b>	<b>16.2</b>	<b>23.9</b>
<i>Diluted EPS Growth (Y-o-Y)</i>	10.3%	(2.3%)	191.4%	(22.8%)	48.2%

## Key Ratios

<b>EBIDTA margin (%)</b>	<b>12.2%</b>	<b>11.8%</b>	<b>22.5%</b>	<b>17.3%</b>	<b>18.2%</b>
NPM (%)	8.5%	8.0%	18.4%	12.6%	15.9%
<b>RoE (%)</b>	<b>14.8%</b>	<b>13.2%</b>	<b>28.4%</b>	<b>18.5%</b>	<b>22.0%</b>
RoCE (%)	21.2%	19.3%	34.7%	25.4%	25.3%

## Valuation Ratios

<b>P/E (x)</b>	<b>92.5x</b>	<b>94.7x</b>	<b>32.5x</b>	<b>42.1x</b>	<b>28.4x</b>
EV/EBITDA	61.6x	63.3x	24.7x	28.1x	22.2x
<b>P/BV (x)</b>	<b>13.6x</b>	<b>12.5x</b>	<b>9.2x</b>	<b>7.8x</b>	<b>6.3x</b>
Market Cap. / Sales (x)	7.8x	7.6x	6.0x	5.3x	4.5x

Source: Company, BP Equities Research



Research Desk

Tel: +91 22 61596406

Institutional Sales Desk

Tel: +91 22 61596403/04/05

Disclaimer Appendix

**Analyst (s) holding in the Stock : Nil****Analyst (s) Certification:**

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**Corporate Office:**

4th floor,  
Rustom Bldg,  
29, Veer Nariman Road, Fort,  
Mumbai-400001  
Phone- +91 22 6159 6464  
Fax-+91 22 6159 6160  
Website- [www.bpwealth.com](http://www.bpwealth.com)

**Registered Office:**

24/26, 1st Floor, Cama Building,  
Dalal street, Fort,  
Mumbai-400001  
BP Wealth Management Pvt. Ltd.  
CIN No: U67190MH2005PTC154591  
BP Equities Pvt. Ltd.  
CIN No: U67120MH1997PTC107392