

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	17813	17593	18210	17477	16422	16657-18185	Buy at CMP. Targets at 18101/18210/18401. Stop at 17593.
BANK NIFTY	37740	36351	39001	37084	35765	36751-39001	Buy at CMP. Targets at 38201/39001/40001. Stop at 36351.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
GRSE	262	183	291	235	204	Positive	Incorporated in the year 1979, GARDEN REACH SHIPBUILDERS & ENGINEERS (GRSE) is a shipbuilding company in India under the administrative control of the MoD, primarily catering to the shipbuilding requirements of the Indian Navy and the Indian Coast Guard. GRSE was taken over by Government of India in the year 1960 and commands a (market cap of Rs 3013 Crore). The company has strong order book of more than 26,000 Cr. which is almost 20 times its FY20 business revenue. The firms' liquidity position which has improved substantially in last six months. Buy at CMP, and on dips between 210-220 zone, targeting 291 and then at psychological 350 mark. Stop at 183. Holding period 3-5 Months.

Garden Reach Shipbuilders & Engineers Ltd. (GRSE)

GRSE is a shipbuilding company in India under the administrative control of the MoD, primarily catering to the shipbuilding requirements of the Indian Navy and the Indian Coast Guard. GRSE was taken over by Government of India in the year 1960. GRSE derives a significant majority of its revenue from its shipbuilding division — building India's first indigenous warship—the INS Ajay, in the year 1961.

In addition to its ship and warship building capabilities, GRSE is also engaged in engine production and other engineering activities. The engineering division manufactures deck machinery items, pre-fabricated portable steel bridges and marine pumps.

GRSE's order book positions stands at Rs. 26000 Crs which is up by 29% in FY20 due to ₹63.11 bn ASW SWC project order (8 nos) win in April 2019. Also in Q4, the company got an additional order to supply 1 FPV to the Indian Coast Guards. The firm currently has contracts to deliver three P17 alpha stealth frigates, eight ASW Corvette and four Survey Vessels. All the three projects will start contributing to company's growth from FY22 onwards. With overlapping of several project revenues coming from FY 22, we may see a solid growth in financials from. With strong balance sheet containing enough cash to make up for any payment delays from government, the company may not require any debt to be raised in the medium term.

Also, in line with future plans of Indian Navy and Indian Coast Guard, GRSE is hopeful of winning few more orders in future. At the moment, GRSE's one survey vessel is outsourced to L&T.

Technically, brace yourselves for a major 'higher consolidation' breakout play on monthly charts. An impulse uptrend quite likely with positive SAR series, major confirmation above its Nov 2019 highs at 249 mark.

Add to that a bullish divergence and a rising stochastic signal (on weekly charts) with recent increase in volumes signaling a larger rebound. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 205 zone. The level of Rs 205 zone will act as a strong support zone and any corrective declines to 200-210 area should be used as an opportunity to initiate aggressive long positions.

A potential entrance exists at CMP, Buy at CMP, and on dips between 210-220 zone, targeting 291 and then at psychological 350 mark. Stop at 183. Holding period 3-5 Months.

Daily Chart of GRSE:



CORPORATE ACTIONS

Stocks	Ex-Date	Purpose	Amount (Rs)	Record Date
IPCA LABORATORIES LTD.	10 Jan 2022	Stock Split From Rs.2/- to Rs.1/-	-	11 Jan 2022
Axita Cotton Ltd	11 Jan 2022	Bonus issue 1:2	-	12 Jan 2022
GMR INFRASTRUCTURE LTD.	11 Jan 2022	Spin Off	-	12 Jan 2022
SCHABLONA INDIA LTD.	11 Jan 2022	Amalgamation	-	12 Jan 2022
Sindhu Trade Links Limited	12 Jan 2022	E.G.M.	-	-
Sarthak Metals Ltd	12 Jan 2022	Interim Dividend - Rs. - 1.0000	1.00	13 Jan 2022
AJANTA PHARMA LTD.	13 Jan 2022	Buy Back of Shares	-	14 Jan 2022
Bhatia Communications & Retail (India) Ltd	13 Jan 2022	E.G.M.	-	-
INDO AMINES LTD.-\$	13 Jan 2022	Stock Split From Rs.10/- to Rs.5/-	-	15 Jan 2022
India Infrastructure Trust	13 Jan 2022	Income Distribution (InvIT)	-	15 Jan 2022
James Warren Tea Ltd	13 Jan 2022	Buy Back of Shares	-	14 Jan 2022
Srikalahasthi Pipes Limited	13 Jan 2022	Amalgamation	-	14 Jan 2022
Add-Shop ERetail Ltd	14 Jan 2022	Bonus issue 7:10	-	17 Jan 2022
MOTHERSON SUMI SYSTEMS LTD.	14 Jan 2022	Spin Off	-	17 Jan 2022
NCL RESEARCH & FINANCIAL SERVICES LTD.	14 Jan 2022	E.G.M.	-	-
TIRUPATI STARCH & CHEMICALS LTD.	14 Jan 2022	E.G.M.	-	-

OFFER TO BUY

Company name	Start Date	Close Date	Offer Price (Rs.)	Proposed Acquisition (No. of shares)	CMP (Rs.)
CHEVIOT CO LTD	10-Jan-22	21-Jan-22	1725.00	2,50,000	1351.70
DEVKI LEASING FINANCE LTD	07-Jan-22	20-Jan-22	8.00	9,12,500	4.63
NICCO PARKS RESORTS LTD	04-Jan-22	17-Jan-22	30.50	1,21,68,000	56.10
STERLING AND WILSON RENEWABLE ENERGY LTD	31-Dec-21	13-Jan-22	375.00	4, 91,37,420	376.85
RAMA STEEL TUBES LTD	31-Dec-21	13-Jan-22	12.50	43,66,440	432.70