

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	18256	17879	18605	17509	16510	17965-18425	Buy at CMP. Targets at 18401/18605/19001. Stop at 17879.
BANK NIFTY	38370	36756	40931	36976	35885	37201-40201	Buy at CMP. Targets at 39001/40201/40931. Stop at 36701.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
BHARAT ELECTRONICS (BEL)	220	177	247	209	181	Positive	Bharat Electronics Limited (BEL) is a Navratna PSU under the Ministry of Defence, Government of India whose core capabilities include manufacturing of radar & weapons systems, defence communication & electronic warfare for the Army, Navy and the Air Force with 37% market share in Indian Defence Electronics. BEL's management expects to maintain margin at 22%. The guidance is based on the existing product mix. The margin in the Civilian segment is at 20%. A screaming buy at CMP, targeting 247/269 mark and then aggressive targets at psychological 300 mark. Stop at 177. Holding Period: 9-12 months.

Incorporated in year 1954, **Bharat Electronics Limited (BEL)** is a Navratna PSU under the Ministry of Defence, Government of India whose core capabilities include manufacturing of radar & weapons systems, defence communication & electronic warfare for the Army, Navy and the Air Force. BEL has also diversified into various areas like homeland security solutions, smart cities, e-governance solutions, space electronics including satellite integration, energy storage products including e-vehicle charging stations, solar, network & cyber security, railways & metro solutions, airport solutions, Electronic Voting Machines, telecom products, passive night vision devices, medical electronics, composites and software solutions.

- BEL has 37% market share in Indian Defence Electronics.
- In line with the government's Make in India (Aatmanirbhar Bharat) initiative, BEL remains quite optimistic on upcoming opportunities in defense as well as non-defense space as government focus on indigenization, spending and initiative's such as PLI schemes.
- Focus on R&D: Well, to indigenous and focus on defence modernization, BEL has been spending heavily on R&D capex (Rs8.7bn in FY21). BEL is also looking to focus on R&D both in-house and collaborative mode for increased value addition and intellectual property creation.
- BEL has healthy execution capabilities for its order inflows which stands at INR 53,752 crore in FY22 YTD. According to the management, order inflow run rates would be in the range of Rs. 15,000- 17,000 crore in FY22. Its order pipeline includes orders for Akash missile system, longrange surface-to-air missile systems, naval equipment and radar systems. The Company is also into project execution for the development of smart cities and manufacturing of electronic voting machines. Strong order book ensures healthy growth visibility of topline.
- BEL's management expects to maintain margin at 22%. The guidance is based on the existing product mix. The margin in the Civilian segment is at 20%
- BEL has formed a separate business unit for its Medical Electronics and Healthcare business in Bengaluru for addressing products in this sector.
- Project pipeline in large missile systems: Large value contracts like QRSAM and MRSAM are likely to be tendered in a couple of years. The order potential in QRSAM stands at INR500b. However, it won't be tendered at once.
- Electronic Warfare: D-29 orders can come through in FY22/FY23 (an INR30b opportunity).

A screaming buy at CMP, targeting 247/269 mark and then aggressive targets at psychological 300 mark. Stop at 177. Holding Period: 9-12 months.

Daily Chart of Bharat Electronics (BEL):

CORPORATE ACTIONS

Stocks	Ex-Date	Purpose	Amount (Rs)	Record Date
ELDECO HOUSING & INDUSTRIES LTD.	17 Jan 2022	Stock Split From Rs.10/- to Rs.2/-	-	11 Jan 2022
HINDUJA GLOBAL SOLUTIONS LTD.	17 Jan 2022	Interim Dividend	150.00	12 Jan 2022
INFO EDGE (INDIA) LTD.	17 Jan 2022	Interim Dividend	8.00	12 Jan 2022
Joonktolee Tea & Industries Ltd	18 Jan 2022	Right Issue of Equity Shares	-	12 Jan 2022
Anand Rathi Wealth Ltd	19 Jan 2022	Interim Dividend	5.00	-
CHOICE INTERNATIONAL LTD.	19 Jan 2022	Right Issue of Equity Shares	-	13 Jan 2022
TATA CONSULTANCY SERVICES LTD.	19 Jan 2022	Interim Dividend	7.00	14 Jan 2022
HCL TECHNOLOGIES LTD.	20 Jan 2022	Interim Dividend	10.00	-
MAHARASHTRA CORPORATION LTD.	20 Jan 2022	E.G.M.	-	15 Jan 2022
RailTel Corporation of India Ltd	20 Jan 2022	Interim Dividend	1.75	15 Jan 2022
SIEMENS LTD.	20 Jan 2022	Final Dividend	8.00	14 Jan 2022
Veer Global Infraconstruction Ltd	20 Jan 2022	Right Issue of Equity Shares	-	14 Jan 2022
VISAGAR FINANCIAL SERVICES LTD.	20 Jan 2022	Bonus issue 00010002	-	17 Jan 2022
VISAGAR FINANCIAL SERVICES LTD.	20 Jan 2022	Stock Split From Rs.2/- to Rs.1/-	-	17 Jan 2022
WIPRO LTD.	21 Jan 2022	Interim Dividend	1.00	-

OFFER TO BUY

Company name	Start Date	Close Date	Offer Price (Rs.)	Proposed Acquisition (No. of shares)	CMP (Rs.)
KERNEX MICROSYSTEMS (INDIA) LTD	17-Jan-22	31-Jan-22	74.50	32,50,000	133.00
APM FINVEST LTD	14-Jan-22	28-Jan-22	47.50	56,18,954	51.80
ONESOURCE IDEAS VENTURE LTD	13-Jan-22	27-Jan-22	10.00	8,00,000	-
WEIZMANN LTD	13-Jan-22	27-Jan-22	60.00	14,12,515	64.95
CHEVIOT CO LTD	10-Jan-22	21-Jan-22	1725.00	2,50,000	1403.30
DEVKI LEASING FINANCE LTD	07-Jan-22	20-Jan-22	8.00	9,12,500	-
NICCO PARKS & RESORTS LTD	04-Jan-22	17-Jan-22	30.50	1,21,68,000	67.20