



# RUDRA

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## RUDRA WEEKLY INSIGHT

SIMPLIFYING INVESTMENT DECISIONS

06th JUNE 2025

### CORPORATE AND ECONOMY NEWS

- Maruti Suzuki has expanded solar energy capacity at its Kharkhoda and Manesar plants, enhancing its green footprint.
- Tilaknagar Industries eyes \$600 mn buyout of Imperial Blue whisky brand.
- Two-Wheeler Loans Under Stress: Moody's warns of rising risks in vehicle loan portfolios.
- Yes Bank board approves fundraising of ₹16,000 crore via equity and debt mix.
- Vodafone Idea to increase base 5G prepaid tariffs amid industry-wide monetization efforts.
- Tata Communications launches TGN-IA2 subsea cable linking Singapore, Hong Kong & Japan to boost regional connectivity.
- Dixon Technologies seeks government approval for display manufacturing JV with China's HKC.
- Reliance in Global Elite: Only Indian firm among top-valued global tech giants.
- Coal India Arm IPO: Bharat Coking Coal files for public issue.
- Rare Earth Restrictions: TVS Motor joins Bajaj Auto in voicing production concerns after China's curb.
- Mphasis Slumps: FedEx reportedly ends partnership, raising growth concerns.
- Honeywell & NTPC Green to jointly explore sustainable aviation fuel production.
- Torrent Power-BP Deal: LNG supply agreement signed with BP Singapore.
- Apollo Hospitals to divest its maternity care division.
- Patanjali Ayurved denies any Ministry of Corporate Affairs notice regarding financial probes.
- Air India, three years post-privatization, now on a profitable trajectory.
- Tata Group boosts emerging businesses with a \$3.5 billion investment plan.
- Sudarshan Venu appointed as chairman of TVS Motor Company.
- Colgate reshapes strategy to better connect with India's middle-class consumer base.

### MARKET SCAN

(Closing price as on 06<sup>th</sup> June.2025)

#### INDIAN INDICES

INDEX BSE	CLSG	CHG
BSE SENSEX	82188.99	0.92%
NIFTY	25003.05	1.02%
BANK NIFTY	56578.40	1.47%
INDIA VIX	14.63	(2.98)%

#### SECTOR INDEX NSE

IT	37294.85	0.50%
INFRA	9081.15	0.67%
ENERGY	35924.05	0.28%
FMCG	55802.70	0.31%
PHARMA	21684.40	0.19%
AUTO	23661.30	1.52%
METALS	9406.45	1.90%
MIDCAP	59010.30	1.21%
NIFTY 500	23165.10	1.01%

#### DII / FII INVESTMENT IN CR

DII	+9342.48
FII/FPI	+1009.71

#### COMMODITY MARKET

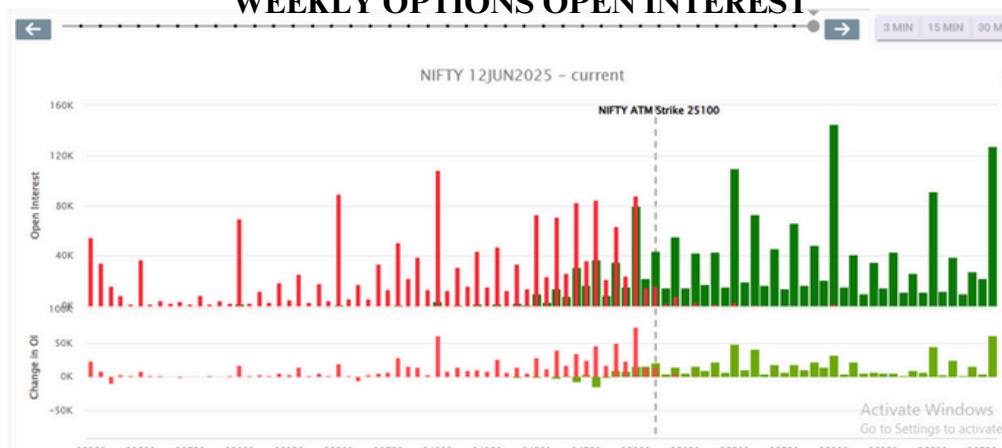
Gold (Rs /10g)	97600	(0.28)%
Silver(Rs /kg)	105753	1.25%

Source: Bloombergquint, Economic Times, Business Standard, Business Line, Times of India, Mint, Indian Express, Business Today, Indian Express, Money Control, in. investing, Cnbctv18.

**TECHNICAL CHART****TECHNICAL OUTLOOK**

**NIFTY:** The active participation of bulls after a recent minor correction infused positive sentiments among traders and Nifty50 bounced back sharply to close above important level of 25,000. The bears took the index till 20 day moving average where bulls were ready to catch the falling knife and sharp recovery was seen from lower levels. Markets further cheer to the surprise of Reserve Bank of India where 50 basis point rate cut was seen in benchmark repo rate in its current monetary policy. Moving ahead, the rally is likely to continue in coming week as well and the levels of 25,200 and 25,270 likely to be approached. The immediate support level is placed in 24,750 to 24,730 range and any minor dip until the support levels holds can be used as buying opportunity for next few days. The momentum indicators are turning bullish gradually and suggesting that bulls are likely to have upper hand. Once the immediate hurdle of 25,300 trades on higher side, the rally can accelerate further and approach towards 25,650 level.

**BANKNIFTY:** The much awaited breakout in banking index has finally taken place and decent rally was witnessed on last trading day of the week. We have been maintaining our positive stance in banking index for the last few days and now decent technical structure is shaping up for the short term. Where all other indices went into correction recently, the banking index remained sideways and outperformed. Many PSU banks are on the verge of multi week breakout and likely to gain momentum in short term and additionally private banks are also gradually picking up momentum. The overall structure validating the bullish setup where immediate support level for the week ahead is placed at 55,320 to 55,280 range. The medium term support is still intact at 54,000 and any dip until the support level holds can be used as buying opportunity. On the flip side, the bullish momentum is likely to extend and the levels of 57,200 and 57,500 likely to be approached. The immediate hurdle for the next trading week is placed in 57,560-57,600 range.

**WEEKLY OPTIONS OPEN INTEREST**

OPEN INTEREST (SOURCE - OPSTRA)

**The option chain reflecting towards certain points**

- 1) The overall structure favoring the bulls as the open interest in At The Money put is slightly higher as compared to At The Money call option.
- 2) The overall open interest in Out Of The Money (OTM) put options is significantly higher as compared to OTM call strikes. The setup validating the bullish bias
- 3) The immediate support is placed at 24,700 as the put option of same strike price holds decent OI of 82,000 contracts approximately
- 4) The immediate hurdle as per OI data is visible at 25,500
- 5) The Put Call Ratio (PCR) at 0.97 indicates that Nifty is neither over bought nor oversold and there is room for both side move.

## EDUCATION CORNER/ RATIO ANALYSIS

### PRE TAX MARGIN

**Pre-Tax Margin (also called Pre-Tax Profit Margin)** is a profitability ratio that shows what percentage of a company's revenue remains after all operating expenses, excluding income taxes, have been deducted.

$$\text{PRE - TAX MARGIN} = \text{EARNINGS BEFORE TAX (EBT)} / \text{REVENUE} * 100$$

**Interpretation:**

- **Higher Margin - Efficient Operations** – Indicates strong cost control and pricing power.
- **Lower Margin - Cost Pressure** – May reflect high expenses or poor pricing flexibility.
- **Margin Trend Matters** – Rising margins suggest improving efficiency; falling margins may signal financial stress.
- Useful for comparing companies across **different tax jurisdictions**.

**Example: Revenue : ₹1000 Cr ; EBT : ₹150 Cr**

$$\text{PRE TAX MARGIN} = 150 / 1000 * 100 = 15\%$$

*Company A earns ₹15 in pre-tax profit for every ₹100 of sales.*

### Industry Benchmarks

Industry	Avg Pre-Tax Margin (%)	Interpretation	Point to Watch
FMCG	18–25	High margin due to strong brand power	Watch for brand-led pricing or rising ad spends
IT Services	20–30	Low Capex, high scalability	Monitor utilization rates and digital demand
Auto & Auto Ancillaries	8–12	Cyclical demand, high input costs	Track raw material costs and demand cycles
Pharma	15–22	High R&D costs, but strong exports	R&D expenses and regulatory approvals impact
Capital Goods	5–10	Lower margin due to cost-intensive ops	Order book and input cost inflation matter
Retail	3–7	Thin margins, volume-driven	Footfalls and inventory turnover are key
Oil & Gas (Downstream)	2–6	Regulated, cost-heavy	Crude prices and government policy impact

### ✓ Quick Industry Insights:

- **High Margin Industries:**
  - \* IT Services (20–30%) — Low capital costs, high scalability
  - \* FMCG (18–25%) — Strong brand pricing power
- **Moderate Margin Industries:**
  - \* Pharma (15–22%) — Balanced by R&D expenses and exports
  - \* Auto & Auto Ancillaries (8–12%) — Cyclical demand, input cost sensitive
  - \* Capital Goods (5–10%) — Cost-intensive, project-driven
- **Low Margin Industries:**
  - \* Retail (3–7%) — Volume-driven, thin margins
  - \* Oil & Gas Downstream (2–6%) — Regulated, commodity price sensitive

Pre-tax margin is key for assessing core profitability and influences valuation multiples like P/E or EV/EBIT. High and stable margins (seen in IT and FMCG) often command premium valuations due to strong pricing and efficiency. Moderate margins in auto or capital goods suggest cyclical value, while low-margin sectors like retail and oil & gas rely more on growth or asset-based valuations. **In short, stronger and consistent margins typically attract higher investor confidence and better valuations.**

**CORPORATE ACTION**

EX DATE	COMPANY NAME	PURPOSE
09-Jun-25	7NR RETAIL LTD	Right Issue of Equity Shares
09-Jun-25	NELCO LTD	Dividend - Rs. - 1.0000
10-Jun-25	ASIAN PAINTS LTD	Final Dividend - Rs. - 20.5500
10-Jun-25	INDIAN BANK	Final Dividend- Rs. - 16.2500
10-Jun-25	JOHNSON CONTROLS-HITACHI AIR CONDITIONING INDIA LTD	Final Dividend - Rs. - 15.0000
10-Jun-25	TATA INVESTMENT CORPORATION LTD	Final Dividend- Rs. - 27.0000
10-Jun-25	VESUVIUS INDIA LTD	Stock Split From Rs.10/- to Rs.1/-
11-Jun-25	MURAE ORGANISOR LTD	Stock Split From Rs.2/- to Rs.1/-
11-Jun-25	TATA ELXSI LTD	Dividend - Rs. - 75.0000
12-Jun-25	AVANTEL LTD	Final Dividend - Rs. - 0.2000
12-Jun-25	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	Final Dividend - Rs. - 0.8500
12-Jun-25	TATA CHEMICALS LTD	Final Dividend - Rs. - 11.0000
12-Jun-25	TRENT LTD	Final Dividend - Rs. - 5.0000
12-Jun-25	SWASTIK SAFE DEPOSIT & INVESTMENTS LTD	Final Dividend - Rs. - 1.0000
13-Jun-25	ACC LTD	Final Dividend - Rs. - 7.5000
13-Jun-25	ADANI ENTERPRISES LTD	Final Dividend - Rs. - 1.3000
13-Jun-25	ADANI PORTS AND SPECIAL ECONOMIC ZONE LTD	Final Dividend- Rs. - 7.0000
13-Jun-25	ALUFLUORIDE LTD	Final Dividend- Rs. - 3.0000

**CORPORATE ACTION**

EX DATE	COMPANY NAME	PURPOSE
13-Jun-25	AMBUJA CEMENTS LTD	Dividend- Rs. - 2.0000
13-Jun-25	APCOTEX INDUSTRIES LTD	Final Dividend- Rs. - 4.5000
13-Jun-25	ADANI TOTAL GAS LTD	Dividend - Rs.- 0.2500
13-Jun-25	BCPL RAILWAY INFRASTRUCTURE LTD	Final Dividend- Rs. - 1.0000
13-Jun-25	CANARA BANK	Final Dividend- Rs. - 4.0000
13-Jun-25	DAM CAPITAL ADVISORS LTD	Final Dividend - Rs. - 1.0000
13-Jun-25	EIMCO ELECON (INDIA) LTD	Final Dividend - Rs. - 5.0000
13-Jun-25	ELECON ENGINEERING COMPANY LTD	Final Dividend- Rs. - 1.5000
13-Jun-25	INDEGENE LTD	Final Dividend- Rs. - 2.0000
13-Jun-25	JM FINANCIAL LTD-\$	Dividend - Rs.- 2.7000
13-Jun-25	PIRAMAL ENTERPRISES LTD	Final Dividend- Rs. - 11.0000
13-Jun-25	POWER FINANCE CORPORATION LTD	Final Dividend - Rs. - 2.0500
13-Jun-25	SHARDA MOTOR INDUSTRIES LTD	Final Dividend- Rs. - 32.5000
13-Jun-25	SMC GLOBAL SECURITIES LTD	Final Dividend - Rs. - 1.2000
13-Jun-25	SMRUTHI ORGANICS LTD	Final Dividend - Rs. - 1.5000

**FORTHCOMING EVENTS**

DATE	DATA	COUNTRY
09th JUNE 2025	NY Fed 1-Year Consumer Inflation Expectations (May) Atlanta Fed GDPNow (Q2)	US US
10th JUNE 2025	Average Earnings Index + Bonus (Apr) Employment Change 3M/3M (MoM) (Apr) Unemployment Rate (Apr) EIA Short-Term Energy Outlook API Weekly Crude Oil Stock	UK UK UK US US
11th JUNE 2025	M3 Money Supply Core CPI (YoY) (May) Core CPI (MoM) (May) CPI (MoM) (May) Crude Oil Inventories Crude Oil Imports Cushing Crude Oil Inventories Gasoline Inventories Federal Budget Balance (May)	INDIA US US US US US US US US
12th JUNE 2025	GDP (MoM) (Apr) , GDP (YoY) (Apr) Industrial Production (MoM) (Apr) Manufacturing Production (MoM) (Apr) Monthly GDP 3M/3M Change (Apr) Trade Balance (Apr) Trade Balance Non-EU (Apr) CPI (YoY) (May) Continuing Jobless Claims Initial Jobless Claims Natural Gas Storage Core PPI (MoM) (May) PPI (MoM) (May) WASDE Report	UK UK UK UK UK UK UK INDIA US US US US US US US
13th JUNE 2025	Exports (USD) (May) Imports (USD) (May) Trade Balance (May) FX Reserves, USD	INDIA INDIA INDIA INDIA

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