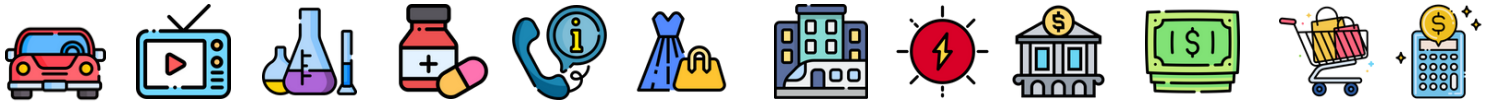
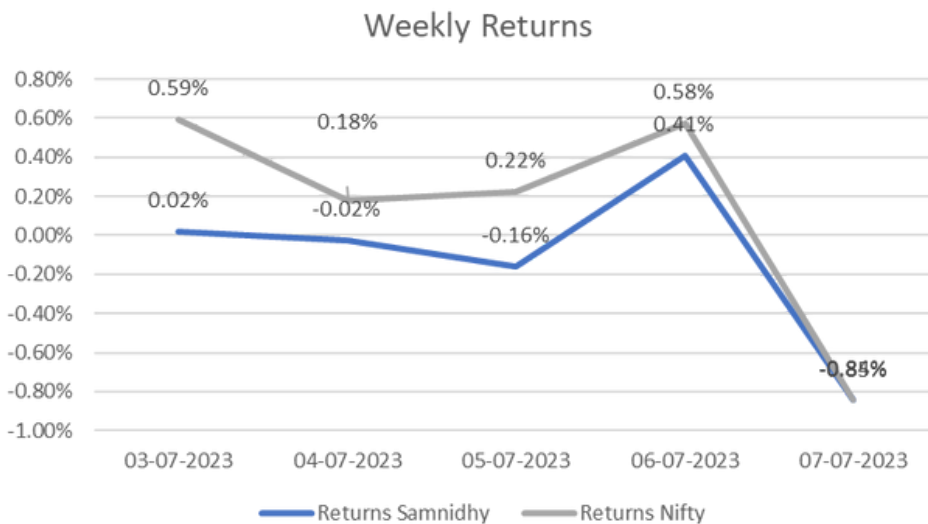


VITT – VRIDDHI

THE SAMNIDHY NEWSLETTER



SAMNIDHY FUND PERFORMANCE VS. BENCHMARK



TOP GAINERS THIS WEEK



Bajaj Finance



PI Industries



Reliance



HDFC Bank



Balkrishna Industries



Bharti airtel

News & Updates

FMCG

P&G plans to invest Rs 2,000 crore in Gujarat to establish an export hub for healthcare products, particularly digestives. The new unit adds to P&G India's current manufacturing footprint of eight facilities spread across the nation and increases the company's current presence in Gujarat, where it operates a plant in Sanand, Ahmedabad, since 2015.

Analysis: The new manufacturing plant in Gujarat showcases the company's confidence in India's growth potential. With this state-of-the-art facility, they aim to position India as a significant global export hub for P&G

Pharmaceutical

Reliance Industries, led by Mukesh Ambani, is nearing the acquisition of UK pharmaceutical company Walgreens Boots Alliance. The deal, valued at around Rs 53,400 Crore, will allow Reliance to bring the drugstore units and pharmaceutical business of Walgreens to India. This move is expected to provide tough competition to Ratan Tata's Tata 1mg app and other online pharmacy platforms.

Analysis: Reliance Industries' potential acquisition of Walgreens Boots Alliance represents a significant move by Mukesh Ambani to expand his conglomerate's presence in the pharmaceutical sector, posing a competitive challenge to Tata 1mg and other online pharmacy platforms.

Banking

34 Transaction Banking Hubs have been launched by State Bank of India (SBI) in over 21 district centers nationwide. These hubs are designed to offer consumers effective and timely solutions. The SBI wants to satisfy all client needs and provide all necessary solutions for transaction, payment, and collection needs all centralized at one location.

Analysis: Transactional banking caters to the operational requirements and regular business activities of corporate, business, and institutional clients. Additionally, it offers assistance with international trade, asset management, and cash management.

Textiles & Services

Dmart is India's 2nd largest organized retailer. In the past few quarters, it is seeing tough competition in various product verticals such as apparel and foods. Players like Zudio, Reliance Retail, and Max are providing budget-friendly clothes which is hampering Dmart's sales. Online players like Big Basket, JioMart, Blinkit, Dunzo etc are giving healthy competition to Dmart's food business.

Analysis: Dmart runs its business with low-profit margins. Increased competition can lead to more lowering of prices resulting in further margin reduction. Its share prices are already around 30% down from its lifetime high which is a concern for the company.

Major Business Deal



BainCapital

Bain Capital Private Equity Acquired Porus Labs

Bain Capital, a private equity firm, recently completed the acquisition of Porus Labs, a specialty chemicals company based in Hyderabad, India. The deal value fell within the range of Rs.2,500-Rs.3,000 crore. Porus Labs, founded in 1994 by N Purushothama Rao, specializes in manufacturing N-Acetyl Sulphanilyl Chloride (N-ASC), a vital component in sulfa drugs used for preventing bacterial infections and hypertension. The company's primary focus lies in the manufacturing, fabrication, and processing of pharmaceutical preparations for both human and veterinary use.

Porus Labs, a privately-owned entity, displayed impressive performance in FY22. The company achieved a 19% increase in net sales, amounting to ₹806.7 crore, compared to ₹678.4 crore in FY21. Additionally, Earnings before interest, taxes, depreciation, and amortization (EBITDA) experienced a remarkable surge of 97% during the same period, reaching ₹241.6 crore from ₹122.9 crore.

The chemical industry in India holds significant potential, with the country ranking as the sixth-largest producer globally. In FY23, companies in this sector invested a total of \$91 billion in new projects. Moreover, domestic consumption within India is projected to grow at a Compound Annual Growth Rate (CAGR) of 9-10% in the forthcoming years. KPMG predicts that India's share in the global chemicals sector could triple to 10-12% by 2040, creating an additional market value of USD 700 billion. The Specialty Chemicals segment is expected to play a crucial role in driving this growth, potentially contributing over USD 20 billion to India's net exports by 2040.

Bain Capital's acquisition of Porus Labs strategically strengthens its portfolio within the rapidly expanding Indian specialty chemicals market. By leveraging Porus Lab's expertise and strong market position, Bain Capital aims to establish a specialty chemicals development and manufacturing platform. This acquisition complements Bain Capital's existing investments in Lonza AG and Italmuch chemicals, further solidifying its presence in this high-growth sector