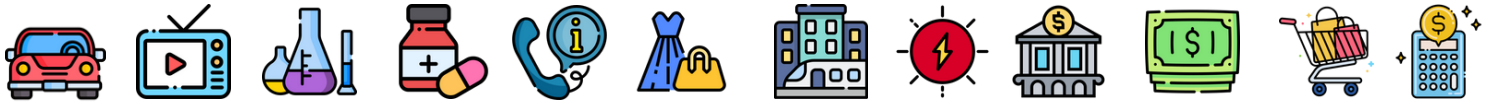
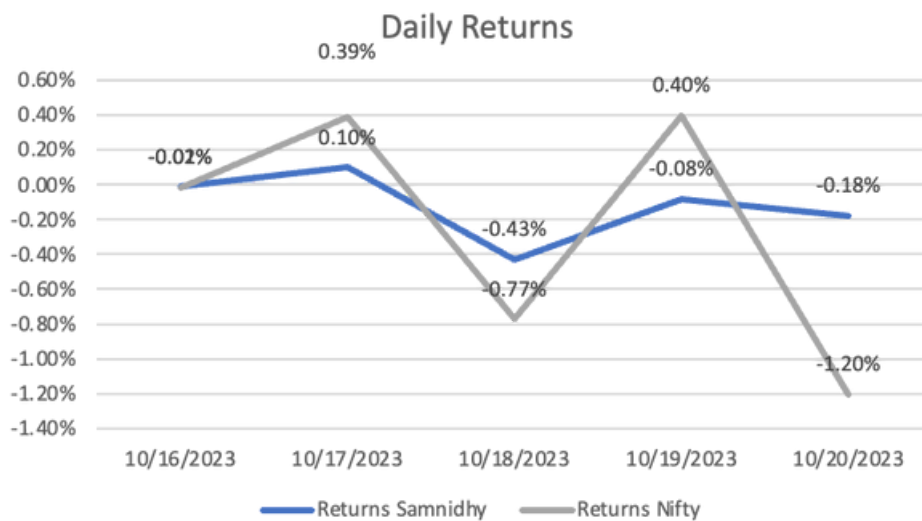


VITT – VRIDDHI

THE SAMNIDHY NEWSLETTER



SAMNIDHY FUND PERFORMANCE VS. BENCHMARK



TOP GAINERS THIS WEEK



Infosys



Ultratech



PI Industries

TOP LOSERS THIS WEEK



Bajaj Finance



Asian Paints



Pidilite Industries

News & Updates

Pharmaceuticals

Sigachi Industries has established a joint venture with Saudi National Projects Investment Limited (SNP) - Sigachi Arabia, which will oversee pharmaceuticals, food and nutrition, as well as operations and management. Sigachi MENA FZCO will hold 75% while SNP will hold 25%. They are planning to establish a manufacturing facility in Riyadh to serve the local market and the Gulf Cooperation Council (GCC) countries.

Analysis: Sigachi's joint venture is a strategic move for global expansion, reinforcing its position in pharmaceuticals, food and nutrition, as well as operations and management, marking a crucial step towards diversification and broader operational horizons.

IT and Telecommunication

Mphasis is proactively positioning itself for future technology trends by acquiring Silverline, a trusted partner of 15 years. This merger enhances Mphasis's Salesforce capabilities, providing valuable expertise across finance, retail, healthcare, life sciences, and media sectors to continually innovate and deliver value to Salesforce customers.

Analysis: Mphasis gains a strategic advantage through the acquisition, utilizing Silverline's Salesforce expertise to enhance their services, potentially elevating customer satisfaction and competitiveness. This move also presents Silverline with an opportunity for business expansion and diversification, bolstering its market presence and growth potential.

Textile

Protests by footwear manufacturers in 13 Indian states have arisen against the government's requirement of mandatory BIS quality certification for all footwear. The All-India MSME Footwear Council has raised concerns about the standards, citing their lack of consideration for production processes and materials.

Analysis: The protestors are pressing for a clear directive from the government to exempt MSME units from the obligatory BIS regulations. Additionally, they advocate for the exclusion of general-purpose sandals, slippers, school shoes, and fashionable footwear due to their intricate manufacturing processes. This reflects a strategic stance aimed at alleviating regulatory burdens and complexities within the industry.

Paints and Chemical

GAIL India and Rashtriya Chemicals & Fertilizers (RCF) plan to invest INR 3,095 crore in their Odisha fertilizer joint venture, Talcher Fertilizers. This capital injection aims to revive and transform Talcher into a coal gasification-based urea plant with an annual capacity of 1.27 million tons, addressing India's significant fertilizer import expenditure of USD 15.3 billion for 22 million tons last fiscal year.

Analysis: As the government aims to reduce their dependency on urea fertilizer imports, this expansion project represents a strategic initiative designed to harness and leverage indigenous resources to effectively address and fulfill the growing demands for fertilizers within the country.

Major Business Deal



Kotak Mahindra Bank to Acquire Sonata Finance

The Reserve Bank of India approved Kotak Mahindra's acquisition of Sonata Finance for 537 crore on Friday. The RBI has granted Kotak the authority to establish Sonata as a business correspondent subsidiary, and the entity is now a wholly-owned subsidiary of Kotak Mahindra Bank. Sonata finance serves around seven lakh customers, the majority of whom live in rural and semi-urban areas.

Aside from lending for income generation activities under the joint liability group (JLG) model, the company offers a wide range of products to fulfill the financial needs of its customers, including sanitation loans, housing loans, utility loans, two-wheeler loans, individual loans, and MSME loans.

As of December 31, 2022, SFPL has over 1,903 crore in assets under management, serving a customer base of approximately 9 lakh across 502 branches spread throughout 10 states. Kotak Mahindra Bank has a long history of success in the microfinance industry. The bank purchased BSS Microfinance in 2017, and it has since expanded to become one of India's major microfinance institutions. Kotak Mahindra Bank's acquisition of Sonata Finance is another move toward strengthening its position in the microfinance industry and promoting financial inclusion in India.

The deal is intended to help Kotak Mahindra Bank expand its presence in the microfinance category and provide Sonata Finance's customer base with a broader choice of financial products and services.