### ICICI Securities (₹882.30): BUY

Gurumurthy K bl. research bureau

The upmove in ICICI Securities is slowly gaining momentum. The 2.8 per cent rise on Tuesday has taken the share price well above the ₹855-860 resistance

Prior to this rise, the stock formed a strong base above ₹820. The short-term outlook is bullish. The broad ₹865-855 region is likely to provide support going forward.

ICICI Securities share price can rise to ₹930-950 in a week or two. A break above ₹950 can take the stock up to ₹980 and higher eventually in the short term. Traders can go long now



Accumulate on dips at ₹870. Keep the stop-loss at ₹830. Trail the stop-loss up to ₹895 as soon as the stock goes up to ₹910. Move the stop-loss further up to ₹920 when the price touches ₹945. Exit the longs at ₹975.

Note: The recommendations are based on technical analysis. There is risk of

### Day trading guide

)		00		
24470	» Nifty 50 Futures			
S1	S2	R1	R2	COMMENT
24400	24280	24510	24620	Go long on a break above 24510. Keep the stop-loss at 24620
₹1751	» HDFC Bank			
S1	S2	R1	R2	COMMENT
1725	1700	1770	1800	Go long only above 1770. Keep the stop-loss at 1760
₹1839	» Infosys			
S1	S2	R1	R2	COMMENT
1830	1800	1850	1885	Go short only below 1830. Keep the stop-loss at 1840
₹1340	» Re	liance II	nd.	

>> SBI R2 COMMENT 848 Go long on dips at 830 and 828. 818 840 Keep the stop-loss at 824

S1, S2: Support 1 & 2; R1, R2: Resistance 1 & 2.

### Sky Gold raises ₹270 crore from 3 domestic institutions

Press Trust of India

Gold jewellery-focused Sky Gold on Tuesday announced a ₹270 crore capital raise from Kotak Mahindra Life Insurance, Motilal Oswal MF and Bank of India Mutual Fund. The listed company also announced the addition of two clients, including Titan subsidiary Caratlane and

The company raised ₹270 crore through an equity sale to domestic institutions including the insurer and two asset managers, a statement

UTILITY OF FUNDS

P N Gadgil Jewellers.

The funds will be utilised for expanding the product portfolio, capital infusion into subsidiaries, expansion into UAE, Middle East, Malaysia and Singapore, and possible acquisitions, as per an official statement.

Range bound. Avoid trading the

Its managing director and financial Mangesh Chauhan termed the addition of new clients as a pivotal step in the growth journey, and added that it is well equipped to cater to industry demands through its facility based in Navi Mumbai.

The company will focus on transparency, best corporate governance practices, technological changes going forward, he added.

The Sky Gold scrip closed 3.54 per cent down at ₹3,355.30 a piece on the BSE on Tuesday.

# JV partner of listed company's arms may be a related party

IN FOCUS. SEBI's informal guidance in Bajaj Allianz matter may widen scope of RPT norms

**Ashley Coutinho** 

A recent informal guidance by the market regulator in the matter of Bajaj Allianz General Insurance Company (BA) could widen the ambit of what constitutes relatedparty transactions (RPT) and impact subsidiaries of listed companies that have joint venture (JV) partners.

Until now, a plain reading of the law suggested that the applicability of RPT norms is restricted to related parties of listed entities and does not include a transaction between a subsidiary of a listed entity and a party which is not a related party of the listed entity.

This would mean that RPTs of unlisted subsidiaries with their unlisted related parties do not fall under SEBI's regulatory ambit.

#### THE MATTER

Bajaj Finserv has a 74 per cent stake in BA and the remaining 26 per cent is held by Alliance SE. There was a reinsurance transaction between BA and Alliance SE.

Alliance SE is not a related party of Bajaj Finserv. This is



apply to Bajaj Allianz General Insurance Company with respect to a reinsurance transaction between it and Allianz REUTERS

a transaction between the latter's unlisted subsidiary and its related party, and should not have constituted

SEBI, in its guidance, however, has ruled that RPT norms will apply in this case, as the materiality threshold of ₹1,000 crore, or 10 per of consolidated turnover, has been breached. And any transaction, if material, will require the approval of shareholders of the listed entity.

#### **GUIDELINE IMPACT**

"The informal guidance, although not a binding precedent, will significantly impact listed companies with JVs through their subsidiaries, particularly in sectors regulated by SEBI, RBI or IRDAI, where listed companies are often required to operate via separate entities," said Binoy

Parikh, Executive Director,

Katalyst Advisors.

JV partners, being strategic investors with active roles in subsidiary operations, are likely to engage in transactions with the

"When these subsidiaries engage in transactions with their JV partners — whether capital transactions or those conducted in the ordinary course of business — shareholder approval of the listed entity will be required if materiality thresholds are breached. This will impact the timelines and such transactions will be at the mercy of public shareholders," said

"Unlisted subsidiary companies may now be required to comply with SEBI's listing or LODR norms with respect to identifying 'related parties' and 'related party transactions' compliance, despite the fact that only the Companies Act is applicable to such unlisted companies.

"This would be practically difficult for foreign subsidiaries of Indian companies for which neither the Indian Companies Act nor SEBI's listing norms are applicable," said Gaurav Pingle, a practising company secret-

He said that the scope of related parties under SEBI's listing regulations is already much wider than that under Companies Act. "For ease of doing business and compliance, the RPT regulations need to be aligned.'

Divay Rastogi, Counsel at DMD Advocates, said the guidance seeks to clarify that a transaction between a subsidiary of listed entity and a related party of the subsidiary (which is not a related party of the listed entity) will fall within the ambit of the proviso to Regulation 23(1).

### Sensex, Nifty climb again, led by banking stocks

**Anupama Ghosh** 

Benchmark indices extended their gains for the second consecutive session on Tuesday, primarily led by banking stocks, with State Bank of India driving the

The BSE Sensex closed at 80,369.03, rising 363.99 points or 0.45 per cent, while the Nifty 50 ended at 24,466.85, advancing 127.70 points or 0.52 per cent. "The domestic market is

trying to show some signs of recovery from the recent lows as the Diwali festival approaches. A notable decline in crude oil prices is bolstering market sentiment, though it also indicates a potential slowdown in global demand," said Vinod Nair, Head of Research at Geojit Financial Services.

### DISPLAY OF STRENGTH

The banking sector demonstrated remarkable strength, with the Bank Nifty climbing 1,061.40 points or 2.07 per cent to close at 52,320.70. The Nifty Financial Services index also posted strong gains, rising 495.95 points or 2.08 per cent to end at 24,357.80.

According to Deepak Jasani, Head of Retail Research at HDFC Securities, "Banks, including PSU banks, did

well for the second consecutive session. Broad market indices rose more than the Nifty even as the advance de-

cline ratio rose to 1.47:1." PSU banks have shown strength following positive initial earnings reports, while the auto sector's decline has been attributed to

disappointing results. State Bank of India emerged as the top gainer, surging 5.05 per cent, followed by Bharat Electronics (up 4.89 per cent), Eicher Motors (up 3.38 per cent), HDFC Life (up 3.32 per cent), and SBI Life (up 3.18 per cent).

The auto sector witnessed significant pressure with Maruti Suzuki leading the losses, dropping 4.16 per cent, followed by Tata Motors (-3.92 per cent), Hero MotoCorp (-2.88 per cent), Dr Reddy's Laboratories (-2.52 per cent), and Sun Pharmaceutical Industries (-2.04 per cent).

Market breadth remained positive, with 2,242 stocks advancing and 1,623 declining on the BSE. A total of 3,991 stocks were traded, with 126 remaining unchanged.

The session saw 132 stocks reaching their 52week highs, while 78 touched their 52-week lows. Thirteen stocks hit the upper circuit, while two reached the lower circuit.

### One-day wonder! Elcid Investments jumps from ₹3.5 to ₹2,36,250

**Our Bureau** 

Shares of Elcid Investments, an investment company, rose a staggering 6.7 million per cent on Tuesday to ₹2,36,250 apiece, surpassing MRF as the highest-priced stock in India in absolute terms This was after a special call

auction "with no price bands" was held for the stock that last traded at ₹3.5 per share, and has a book value of more than ₹4 lakh per "This massive discount left

existing shareholders unwilling to sell. To address this undervaluation, the exchanges organised a special auction session for holding companies with deep discounts compared to their book value. This session led to a fair value discovery of its price" said Rai Gaikar Research Analyst, SAMCO Securities. Elcid Investments holds a 1.28

Elcid Investments ₹2,36,250 ₹3.37 ₹3.53

2023 2024 Source: BSE

per cent stake in Asian Paints, with a stake value of ₹3,616 crore, according to Gaikar. Even at ₹2.3 lakh per share, Elcid trades at a price-to-book multiple of just 0.38, he said.

### **SEBI CIRCULAR**

A 2024 SEBI circular had proposed a new mechanism to improve the price discovery of investment companies (ICs) and investment holding companies (IHCs).

ICs primarily invest in stocks, mutual funds and debentures, while IHCs hold most of their assets in group companies.

Both ICs and IHCs have no other active line of operation. Investments are their primary assets and also their source of "SEBI noticed that many ICs

and IHCs are trading significantly below their book value. To help improve liquidity, fair price discovery and the overall investor interest in the stocks of such companies, SEBI introduced a framework for 'special call auction with no price bands' for these stocks," said a note by For this auction to be held, the

ICs and IHCs should be listed on an exchange for at least one year and not suspended from trading, with at least 50 per cent of its assets as investments in other listed companies

The six-month Volume Weighted Average Price (VWAP) of the scrip has be less than 50 per cent of its book value per share based on the value of the listed stocks it holds.

Nifty 50 M	overs		▲ 127.	▲ 127.70 pts.		
	Close(₹)	Pts	PE	Wt(96)		
CICI Bank						
State Bank						
IDFC Bank						
Sharat Elec						
&T						
xis Bank						
ITPC						
eliance Ind						
rc						
ajaj Finance						
IDFC Life						
BI Life						
icher Motors						
rent Ltd.						
ajaj Finserv						
otak Bank						
dani Ports						
irasim Ind						
dani Enter						
ataConsumerProduct						
owerGrid Corp						
oal India						
NGC						
pollo Hosp						
ata Steel						
ipro						
ltraTech Cement						
	311.45					
hriram Finance Ltd.						
Iindalco						
itan						
CL Tech						
estleIndia						
ech Mahindra						
sian Paints						
ritannia Ind						
SW Steel						
ndusInd Bank						
ipla						
CS						
ajaj Auto						
lero MotoCorp						
r Reddys Lab						
ind Unilever						
1&M						
un Pharma						
laurti Suzuki						
harti Airtel						
	842.75	-16.87	10.46	1.63		
ata Motors Ifosys						

Nifty Next 50	) Move	rs	▲ 507.80 <sub>1</sub>		
	Close(₹)	Pts	PE	١	
Power Finance					
Rural Elec					
Hindustanaeronautics					
Siemens					
Canara Bank					
Bank Of Baroda					
Abb India					
Punjab Natl Bank					
Jio Financial Srv .					
I-Prulife					
Bhel					
DIf					
Vedanta					
Macrotech Developers .					
Jsw Energy .					
Cholamandalamin&Fin					
Icici Lombard Gic					
Shree Cement					
Ambuja Cements					
Bosch					
Intglobeavi					
Adanigreenenergy					
Varun Beverages .					
Union Bank					
Bajaj Holdings					
Nhpc					
Irctc .					
Lic					
Havells					
Info Edge I Indian Railway Finance Corp					
Adani Total Gas . Samvardmothersoninternatl					
Tata Power					
Avenuesuper					
Adani Energy Solutions Zyduslifesciences					
Adani Power					
Divis Lab					
Jindal Steel Zomato .					
Zomato . Ltimindtree .					
Tvs Motor Cmp .					
Gail (India)					
United Spirits . Godrej Consumer					
Pidilitind					
Pidilitind Torrent Pharma					
Torrent Pharma Dabur India					
Indian Oilcorp					

## Afcons Infrastructure IPO sails through with 2.63x subscription

Our Bureau

The initial public offering (IPO) of Afcons Infrastructure, the flagship infrastructure, engineering, and construction company of the Shapoorji Pallonji group, sailed through on the last day, thanks to institutional investors' bidding.

The IPO was subscribed 2.63 times, even as the portion reserved for retail investors did not get 100 per subscription (subscribed 0.94 time or 94 per cent). However, QIB portion was subscribed 3.79 times, NIIs 5.05 per cent and employees by 1.67 times. The ₹5,430-crore IPO consisted of a mix of fresh issues of up to ₹1,250 crore and crore by the promoter. It came out with a price band of ₹440-463.

an offer of sale of up to ₹4,180

### CAPITAL EXPENDITURE

The proceeds from its fresh issuance will be used to the extent of ₹80 crore for capital expenditure towards the purchase of construction equipment, ₹320 crore for funding longterm working capital requirements, ₹600 crore for prepayment or scheduled repayment of a portion of certain outstanding borrowings, and acceptances availed by the company, and general corporate purposes.

Afcons operates across five major infrastructure business verticals: Marine and Industrial, encompassing projects such as ports, harbours, dry docks, LNG tanks, and material handling systems; Surface transport, including highways, interchanges, mining infrastructure, and railways; Urban infrastructure, covering metro works, bridges, flyovers, and elevated corridors.; Hydro and Underground, comprising dams, tunnels, and water-related projects; and Oil and Gas, involving offshore and onshore projects in the oil and gas

ital Advisors, Jefferies India, Nomura Financial Advisory and Securities (India), Nuvama Wealth Management, and SBI Capital Markets are the bookrunning lead managers, and Link Intime India is the regis-

ICICI Securities, DAM Cap-

trar of the issue.

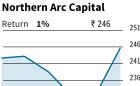
### Northern Arc stock ends 6.4% higher on Q2 results

Our Bureau

Shares of Chennai-based Northern Arc Capital Ltd (NACL) jumped 8.6 per cent in intra-day trade on Tuesday to ₹252 on the BSE after the company posted strong quarterly results.

NACL, which got listed on the bourses last month, reported a 24 per cent increase in consolidated net profit at ₹96 crore for the quarter ended September 2024 as against ₹79 crore reported in the same period last year.

Total income increased 34 per cent to ₹585 crore (₹437 crore)



and net interest income rose to ₹288 crore (₹196 crore).

Oct 29, 24

Standalone net profit climbed 54 per cent to ₹112.13 crore

(₹72.80 crore). On the asset-quality front, the gross non-performing assets

(NPAs) ratio stood at 0.60 per cent, while net NPAs stood at 0.18 per cent as of September 30, 2024.

### **IPO IN SEPT**

During the quarter, NACL, formerly known as IFRM Capital Finance, raised fresh equity capital of ₹500 crore through an initial public offering.

The stock on Tuesday closed at ₹246.85, below the IPO price of ₹263, but a gain of 6.4 per cent over the previous day's close ₹232.10. The stock hit a high of ₹351 and a low of ₹226.80 since its listing on September 24.

### **VERITAS FINANCE LIMITED** (formerly known as Veritas Finance Private Limited)

CIN: U65923TN2015PLC100328, RBI Regn No: N-07.00810

Regd. Office: SKCL Central Square 1, South & North Wing, 7th Floor, Unit C28-C35, CIPET Road,

Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600 032. www.veritasfin.in Statement of Unaudited Financial Results for the quarter ended 30 September 2024 and year to date from 01 April 2024 to 30 September 2024

	(All directins are in this takens, directs stated otherwise)							
		Quarter Ended			Half Year Ended		Year Ended	
S.No	Particulars	30.09.2024 Unaudited	30.06.2024 Unaudited	30.09.2023 Unaudited	30.09.2024 Unaudited	30.09.2023 Unaudited	31.03.2024 Audited	
1	Total Income from Operations for the period / year	37,656.80	34,028.67	26,072.69	71,685.47	48,925.36	1,11,120.35	
2	Net Profit for the period / year (before Tax, Exceptional and/or Extraordinary items)		8,718.44	7,244.44	17,720.26	13,464.98	32,296.46	
3	Net Profit for the period / year before tax (after Exceptional and/or Extraordinary items)		8,718.44	7,244.44	17,720.26	13,464.98	32,296.46	
4	Net Profit for the period / year after tax (after Exceptional and/or Extraordinary items)		6,569.24	5,558.37	13,311.06	10,189.75	24,505.26	
5	Total Comprehensive Income for the period / year		6,391.92	6,062.90	13,149.02	10,293.48	24,548.98	
6	Paid up Equity Share Capital		12,753.43	12,751.92	13,135.82	12,751.92	12,751.92	
7	Reserves (excluding Revaluation Reserve)		2,27,106.19	2,05,540.29	2,47,929.44	2,05,540.29	2,20,203.43	
8	Securities Premium Account	1,71,979.66	1,58,147.64	1,58,123.16	1,71,979.66	1,58,123.16	1,58,123.16	
9	Net worth (equity and preference share capital + reserve and surplus excluding revaluation reserve)	2,61,065.26	2,39,859.62	2,18,292.21	2,61,065.26	2,18,292.21	2,32,955.35	
10	Paid up Debt Capital / Outstanding Debt (debt securities + borrowings)	4,88,941.84	4,50,979.33	3,20,834.75	4,88,941.84	3,20,834.75	3,99,580.78	
11	Debt Equity Ratio (Refer note d)	1.87	1.88	1.47	1.87	1.47	1.72	
12	Earnings per share (of INR 10 each) (Refer note e)						-	
	- Basic	5.13	4.98	4.23	10.10	8.13	19.04	
	- Diluted	5.09	4.94	4.20	10.02	8.03	18.86	
13	Capital Redemption Reserve	-		-		-	-	
14	4 Debenture Redemption Reserve (Refer note f)		_	_	_	_	_	
15	15 Debt Service Coverage Ratio (Refer note g)		_	_	-	_	_	
16	Interest Service Coverage Ratio (Refer note g)	_	_	-	_	_	_	

Place : Chennai

Date: 29.10.2024

(a) Veritas Finance Limited ("the Company"), (formerly known as Veritas Finance Private Limited) is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("NBFC-ND-SI") registered with the Reserve Bank of India (the "RBI") and is classified under middle layer as per scale based regulations issued by RBI. Pursuant to conversion into a public company, the

Company had changed its name to Veritas Finance Limited with effect from 23 October 2024.

(b) The financial results for the quarter ended 30 September 2024 and year to date from 01 April 2024 to 30 September 2024 are available on the websites of BSE (https://www.bseindia.com NSE (https://www.nseindia.com) and the Company (https://www.veritasfin.in/announcement-and-results.php).

(c) These unaudited financial results have been prepared in accordance with recognition and measurement principles laid down in accordance with the Indian Accounting Standard ('Ind AS') 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting standards) Rules, 2015, as amended fron time to time, and other accounting principles generally accepted in India and in terms of Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended). Any application guidance/ clarifications/ directions issued by the Reserve Bank of India are implemented as and when they are issued.

become applicable. The statement of unaudited financial results for the quarter ended 30 September 2024 and year to date from 01 April 2024 to 30 September 2024, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 29 October 2024. This statement of unaudited financial results for the quarter ended 30 September 2024. This statement of unaudited financial results for the quarter ended 30 September 2024. 2024 and year to date from 01 April 2024 to 30 September 2024, have been subjected to limited review by the statutory auditors of the Company.

(d) Debt equity ratio is calculated as ((Debt securities + Borrowings) / Net worth)). ) Earnings per share for the quarter and half year ended 30 September 2024 and 30 September 2023 and for the quarter ended 30 June 2024 have not been annualised.

Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014. (g) Debt service coverage ratio and Interest service coverage ratio is not applicable for Non-Banking Financial Company (NBFC) and accordingly no disclosure has been made (h) The comparative financial information of the Company for the corresponding quarter ended 30 September 2023 and year to date from 01 April 2023 to 30 September 2023, included in thes

unaudited financial results, were reviewed by the predecessor auditor who expressed an unmodified conclusion on those financial information on 26 October 2023 and the comparative financial information of the Company for the year ended 31 March 2024, included in these unaudited financial results, were audited by predecessor auditor who expressed an unmodifier opinion on those financial information on 25 April 2024.

> for and on behalf of the board of directors of Veritas Finance Limited (formerly known as Veritas Finance Private Limited) D. Arulmany Managing Director and Chief Executive Officer

> > CH-CHE