

## KANSAI NEROLAC PAINTS LTD

DATE- 30 JULY 2024

### About Company

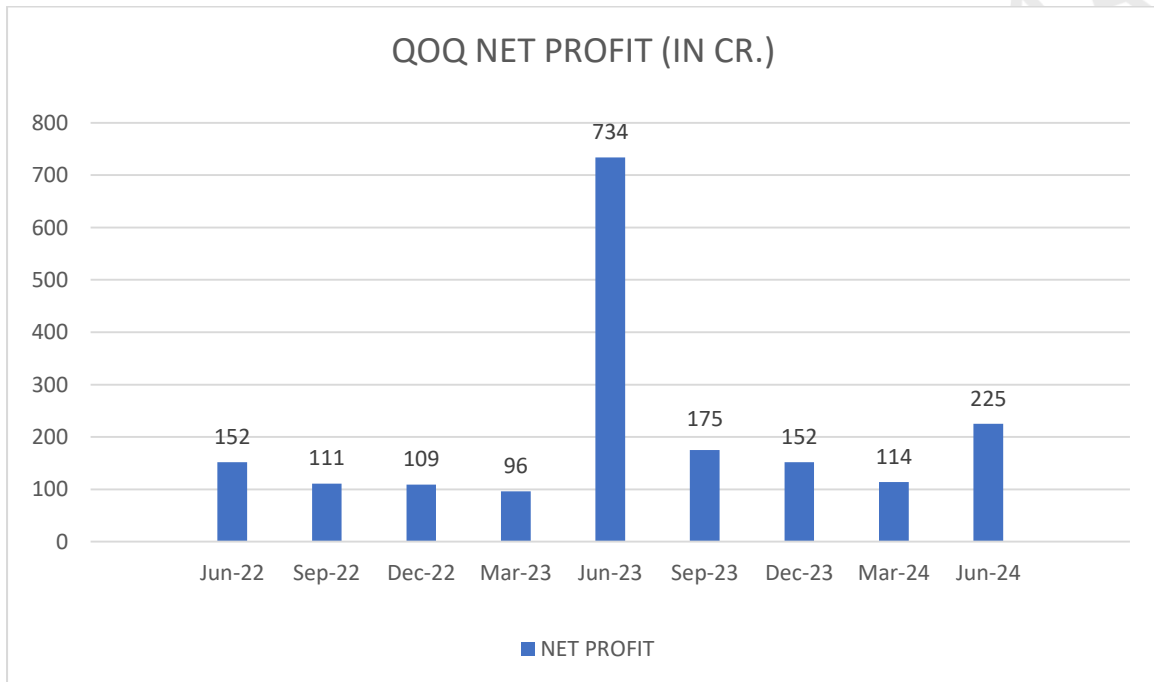
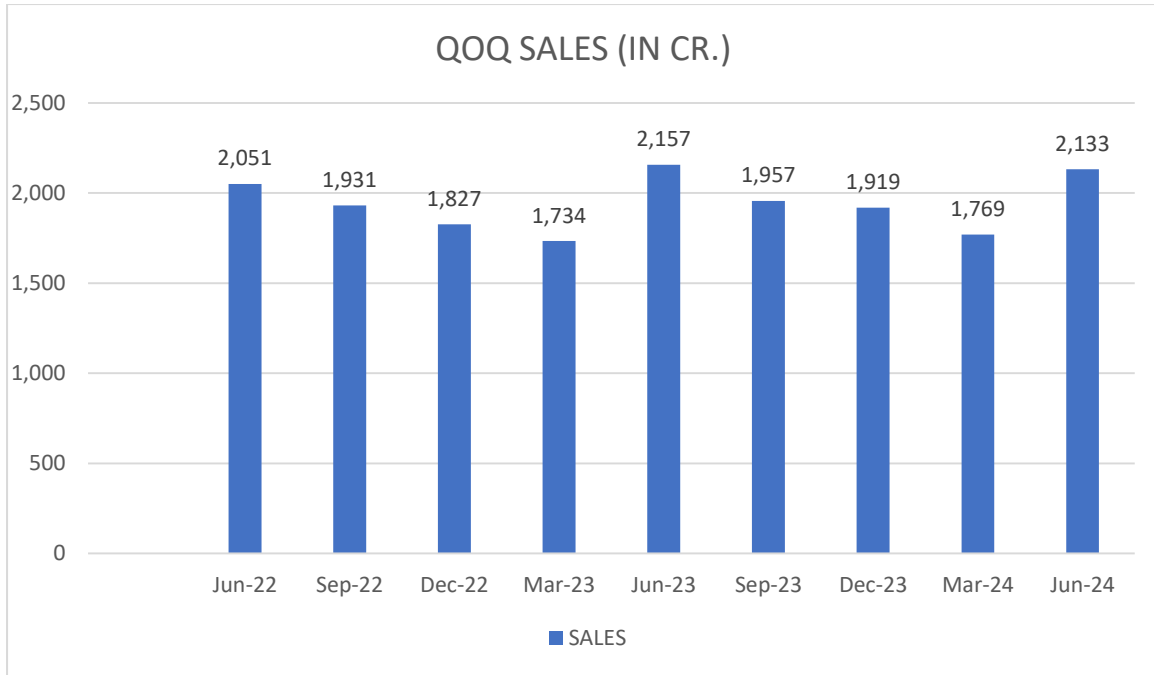
Having started its operations in 1920 as Gahagan Paints & Varnish in Mumbai, Kansai Nerolac Paints is principally engaged in the manufacturing of Paints and is a market leader in Industrial coatings.

The company is subsidiary of Kansai Paints Co. Ltd Japan, from whom it continuously gets support and guidance in improvement of quality standards and getting best technology upgrades. Kansai is a leading paint manufacturing company and among the top 10 coating manufacturers globally. It produces automotive coatings, refinishes, industrial coatings, architectural and marine coating, and is particularly strong in the automotive paint segment. Kansai has helped the Kansai Nerolac group attain market leadership, retain clients and win new customers. Kansai holds ~75% equity stake in the company. The company added 9 more Depots in FY24 to network of 112 Depots. Company has strong network of ~29,500 dealers, ~20,000 colour-tinting machines.

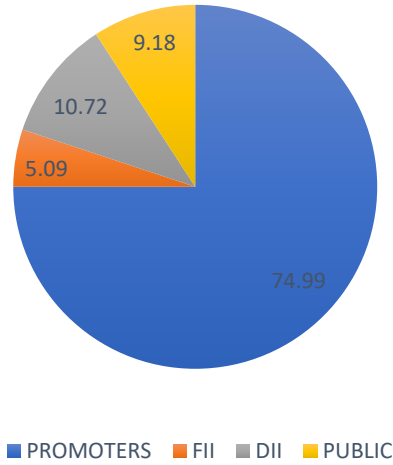
#### OUR RECOMMENDATION:

**MOMENTUM SWING: BUY KANSAINER BETWEEN 287-289 TARGETS 307-327  
STOP LOSS BELOW 272.**

MARKET CAP	P/E	DIVIDEND YIELD	ROCE	ROE	FACE VALUE	3YEARS SALES GROWTH	3YEARS PROFIT GROWTH
RS.24,736 CR.	38	0.00 %	17 %	13 %	1.00	15%	8%



## SHAREHOLDING PATTERN MARCH 24



## TECHNICAL ANALYSIS

The chart shows a series of price fluctuations with periods of consolidation and brief spikes in price. The stock initially exhibits a downward trend, marked by a series of lower highs and lower lows. However, it then enters a consolidation phase where it trades within a narrow range around the 281.70 level, indicating indecision in the market.

There is a notable increase in trading volume towards the right end of the chart, coinciding with a strong upward breakout. The stock price sharply rises from around 278 to 291.30, suggesting strong buying pressure and positive sentiment among investors. The breakout is supported by higher trading volumes, which typically confirm the strength of the price movement. The technical indicators, including the moving averages and the Bollinger Bands, show the stock transitioning from a phase of low volatility to high volatility, signaling potential continued upward momentum.

## **DISCLAIMER**

I, **Ruchi Nahar**, SEBI Registered Research Analyst (**INH000014544**) comply with the qualification and certification requirements under SEBI (Research Analyst) Regulations, 2014. I have qualified **CA, CS and MBA**, has over 11 years of experience in MNCs, culminating as Head of Finance. I now leverage my expertise to guide stock market investors with strategic insights. All of the views expressed in research reports and recommendations issued by me reflect my personal views about the subject company or companies at the given point of time and I do not receive/accept any kind of compensation, directly or indirectly related to specific recommendations or views expressed in reports issued by me. I/my relatives do not at any point of time of issuing the reports have any material conflict of interest in the subject company neither I was/am/will be engaged in market making activity for the subject company. The investments discussed or views expressed in reports and recommendations issued by me may not be suitable for all investors. The user assumes the entire risk of any use made of this information. I nor any person connected with my report, accepts any liability arising from the use of research document. The recipients of research document should rely on their own investigations and should consult their own financial advisors to determine merit and risks of such investments based on their own risk appetite. Price and value of the investments referred to in this material may go up or down. Past performance is not a guide for future performance. Certain transactions including those involving futures, options and other derivatives as well as non-investment grade securities involve substantial risk and are not suitable for all investors. Reports and recommendations based on technical analysis centres on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals. Opinions expressed in research reports & recommendations will be based on the current opinions as of the date appearing in research report & recommendations. While I endeavour to update on a reasonable basis the information discussed in research reports, there may be regulatory, compliance, or other reasons that prevent me from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. So far as reports include current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed. Investment in securities market is subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.