

In August 2022, India's exports witnessed a growth of 1.62% YoY. The marginal increase was due to high inflation faced by all economies which dampened demand. Some of the export products that reached record levels during the month were electronic goods, rice, oil meals, tea, coffee and chemicals. Export of petroleum products rose by 22.76%, chemicals and pharma exports increased by 13.47% and 6.76% respectively. Some sectors that recorded negative growth in August included engineering (14.19%), gems and jewelry (3%), ready-made garments of all textiles (0.34%), and plastics (1.10%). The Federation of Indian Export Organizations expects export traction to pick up from October for reasons like the China+1 strategy and rupee depreciation. The PLI Scheme for technical textiles and man made fibers is expected to aid this.

KRBL Ltd: KRBL export value rose by 901% YoY to INR 6,37,68,04,267 (+55% MoM), and volume rose by 165% YoY (+12% MoM) to 2,77,709 units in August 2022, carrying on the trend of increasing volumes and value. The demand for basmati rice from the gulf has led to higher exports, and commands premiums in the middle east. Over the past few months, the central government has also been exporting huge quantities of basmati rice which has pushed up domestic prices too.

Rane Brake Ltd: Rane Brake export value rose by 98% YoY (+67% MoM) to INR 2,15,47,105, and volume rose by 420% YoY (254% MoM) to 1,38,292 units in August 2022. Auto and related industries have been seeing an increased export traction as the government is beginning to encourage localized production of auto parts to reduce import dependence from countries like China. Rane brake has been operating in a favourable demand environment which has led to significantly higher export volumes.

Motherson Sumi Ltd: Motherson Sumi export value rose by 22% YoY (+12% MoM) to INR 1,32,05,68,907 and volume rose by 5% YoY (+0% MoM) to 1,78,27,744 units in August 2022. This is because of the increase in production by original equipment manufacturers post the easing of the semiconductor-chip shortage, increasing content per vehicle due to premiumisation and wider adoption of electric vehicles. The company is the top supplier to 8-10 of the world's EV manufacturers.

Maruti Suzuki Ltd: Maruti Suzuki export value rose by 29% YoY (+30% MoM) to INR 12,06,38,28,611 and volume rose by 31% YoY (+9% MoM) to 25,37,406 units in August 2022. Recently, the Indian auto industry has gained a large scale, both in the domestic market and exports. Maruti's jump in exports was attributable to The Dzire compact sedan, followed by the Baleno and Swift hatchbacks. The company's exports were less hurt by the semiconductor shortage as they sourced from a different vendor.

Divis Labs Ltd: Divis Labs export value rose by 52% YoY (+31% MoM) to INR 6,78,86,77,858 and volume rose by 37% YoY (+105% MoM) to 10,69,090 units in August 2022. The leading API manufacturer exports to 95+ countries and 90% of its revenue comes from exports. The company is experiencing an increase in exports to US markets on the back of a growing nutraceutical business. Divis labs is also undertaking brownfield capacity expansions, debottlenecking, and backward integration at its manufacturing plants.

Granules India Ltd: Granules India export value rose by 59% YoY (+60% MoM) to INR 2,90,47,97,925 and volume rose by 38% YoY (+56% MoM) to 1,46,90,31,170 units in August 2022. Nearly 60% of the company's revenue comes from exports. Granules has a major presence in products like Paracetamol, Ibuprofen, Guaifenesin, and Metformin. The company has been experiencing good traction from the European business, and has recently received one US, EU, and Canadian approval, and has made some new launches in the US market.

Vishnu Chemicals: Vishnu Chemicals export value rose by 41% YoY (+9% MoM) to INR 53,12,59,203 and volume fell by 1% YoY (0% MoM) to 4,292 units in August 2022. The company has been experiencing a notable increase in both export and domestic sales due to demand surges in chromium and barium products, and is also going through some debottlenecking at its plants.

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The usage of chromium across several industries has been on the rise due to the benefits of its untarnished, uniform and corrosion-resistant properties. The usage of barium has been on a rise too, owing to the growing construction requirements in developing countries which increases the demand for barium carbonate.

Liberty Shoes: Liberty Shoes export value rose by 27% YoY (-24% MoM) to INR 4,36,82,600 and volume rose by 8% YoY (-26% MoM) to 39,047 units in August 2022. The company has a presence in 25 countries. The Indian footwear industry is experiencing an increasing demand from countries like US and new markets such as Middle East, Africa and Latin America. It has seen a healthy recovery from pandemic times.

Gokaldas Exports Ltd: Gokaldas Exports export value rose by 12% YoY (-2% MoM) to INR 1,67,41,11,164 and volume rose by 32% YoY (+56% MoM) to 38,46,322 units in August 2022. The company is experiencing a slight temporary sluggishness in retail sentiment, but this is expected to bounce back very soon on the back of improving primary sales to key markets of the US and UK. The capacity expansion in order to keep up with the growing order book is well underway. This, coupled with the consolidation of vendors by global textile players, diversification of the supply chain away from China, and softening cotton prices are levers for the company's export growth.

IOL Chemicals Ltd: IOL Chemicals export value rose by 14% YoY (+29% MoM) to INR 46,34,43,543 and volume rose by 74% YoY (+54% MoM) to 4,73,173 units in August 2022. This is due to the company's focus on diversifying into other specialty chemical products and increase the share of non-Ibuprofen business in order to grow its market share. The planned investments are strengthening their position in both, domestic and export markets.

NATCO Pharma Ltd: NATCO Pharma export value rose by 17% YoY (+38% MoM) to INR 23,29,16,223 and volume fell by 33% YoY (+99% MoM) to 45,83,294 units in August 2022. NATCO exports to 40+ countries. The company has experienced increased exports for niche, high value APIs to the US, Canada, Brazil, and Sri Lanka.

Sakuma Exports Ltd: Sakuma Exports export value rose by 299% MoM (-45% YoY) to INR 34,13,45,967 and volume rose by 234% MoM (-51% YoY) to 9,437 units in August 2022. This jump in monthly exports is due to an observed rise in cane sugar sales to UAE, East Africa, and Indonesia.

Company	Value Growth (%)		Volume Growth (%)	
	Aug-22(YoY)	Aug -22 (MoM)	Aug-22(YoY)	Aug -22 (MoM)
Alok Industries	-30%	38%	23%	34%
Vishnu Chemicals	41%	9%	-1%	0%
Welspun India	-37%	15%	-38%	37%
Indo Count Industries	13%	17%	-7%	-2%
Balkrishna Industries	-19%	-29%	-22%	-31%
Gokaldas Exports	12%	-2%	32%	56%
Liberty Shoes	27%	-24%	8%	-26%
Mirza International	-13%	-17%	-46%	6%
Gujarat Ambuja Exports	-39%	-20%	-50%	57%
KRBL	901%	55%	165%	12%
Sakuma Exports	-45%	299%	-51%	234%
Kitex Garments	-53%	-57%	-48%	-57%
Reliance Chemotex Industries	2%	23%	-20%	6%
ITC Ltd	35%	-38%	35%	73%
Rane Brake	98%	67%	420%	254%
Varroc Engineering	2%	6%	12%	-1%
Motherson Sumi	22%	12%	5%	0%
Talbros Engineering	-55%	-34%	-64%	-39%
Lumax Auto Tech	-14%	-65%	-49%	-71%
Hero MotoCorp	-46%	-32%	39%	-52%
Bajaj Auto	-15%	-11%	-44%	-17%
Maruti Suzuki	29%	30%	31%	9%
Escorts Kubota	18%	23%	-2%	-13%
Eicher Motors	-2%	-13%	73%	-74%

Source: EXIM, Arianth Capital Research

Company	Value Growth (%)		Volume Growth (%)	
	Aug-22(YoY)	Aug -22 (MoM)	Aug-22(YoY)	Aug -22 (MoM)
Aurobindo Pharma	-39%	-21%	-29%	13%
Cadila Healthcare	-52%	-34%	2%	-18%
Lupin Ltd	-54%	-30%	-7%	74%
Cipla	-12%	-6%	-30%	3%
Glenmark Pharmaceuticals	-41%	-1%	-16%	-28%
NATCO Pharma	17%	38%	-33%	99%
Ajanta Pharma	-48%	-28%	-24%	60%
Biocon	11%	32%	-62%	2%
IOL Chemicals & Pharmaceuticals	14%	29%	74%	54%
Torrent Pharmaceuticals	-30%	-27%	38%	18%
IPCA Laboratories	-17%	-6%	-6%	-23%
Granules India	59%	60%	38%	56%
Dr Reddy's Laboratories	-35%	-13%	6%	-1%
Sun Pharmaceuticals Industries	9%	2%	-43%	4%
Abbott India	-5%	90%	-62%	-35%
Marksans Pharma	-30%	-14%	5%	-39%
Caplin Point Laboratories	-51%	-39%	-27%	-31%
Divis Laboratories	52%	31%	37%	105%
Aarti Drugs	-8%	-16%	23%	6%
Alkem Laboratories	-44%	-28%	-74%	-59%
Wockhardt	-39%	8%	-5%	-36%

Source: EXIM, Arianth Capital Research

Company	Value Growth (%)	Volume Growth (%)
	Jul+ Aug (YoY)	Jul + Aug (YoY)
Alok Industries	-43%	-5%
Vishnu Chemicals	58%	8%
Welspun India	-39%	-42%
Indo Count Industries	3%	-7%
Balkrishna Industries	-5%	-8%
Gokaldas Exports	38%	-4%
Liberty Shoes	99%	54%
Mirza International	-5%	-54%
Gujarat Ambuja Exports	-22%	-57%
KRBL	198%	57%
Sakuma Exports	-74%	-77%
Kitex Garments	-16%	-13%
Reliance Chemotex Industries	-24%	-35%
ITC	46%	17%
Hero MotoCorp	-32%	17%
Bajaj Auto	-17%	-44%
Maruti Suzuki India	5%	11%
Escorts Kubota	20%	19%
Eicher Motors	10%	315%
Rane Brake	27%	269%
Varroc Engineering	-25%	-33%
Motherson Sumi	13%	-3%
Talbros Engineering	-44%	-55%
Lumax Auto Tech	17%	-22%

Source: EXIM, Arianth Capital Research

Company	Value Growth (%)	Volume Growth (%)
	Jul+ Aug (YoY)	Jul+ Aug (YoY)
Wockhardt	-30%	26%
NATCO Pharma	12%	-37%
Alkem Laboratories	-40%	-12%
Aurobindo Pharma	-20%	-33%
Divis Laboratories	121%	82%
Cadila Healthcare	-46%	28%
Aarti Drugs	-4%	12%
Glenmark Pharmaceuticals	-34%	-6%
Ajanta Pharma	-38%	-36%
Cipla	-6%	-34%
Biocon	10%	-46%
Lupin	-44%	-37%
IOL Chemicals & Pharmaceuticals	8%	43%
Torrent Pharmaceuticals	-14%	1%
Granules India	20%	-4%
Dr Reddy's Laboratories	-34%	-6%
IPCA Laboratories	-13%	6%
Sun Pharmaceuticals Industries	1%	-46%
Abbott India	20%	-36%
Marksans Pharma	-17%	24%
Caplin Point Laboratories	-36%	-18%

Source: EXIM, Arianth Capital Research

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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