

DHFL, LIC Housing, Manappuram Finance, L&T Finance hit record highs

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Dewan Housing Finance Limited (DHFL), LIC Housing Finance, Manappuram Finance, L&T Finance Holdings, GIC Housing Finance and Indian Hume Pipe were among 37 stocks from the S&P BSE BSE500 and S&P BSE Smallcap index who hit their respective lifetime highs after the benchmark Sensex closed nearly 2% higher on Tuesday.

Aarti Industries, Essel Propack, GHCL, Force Motors, Fiem Industries, Jubilant Life Sciences, Kajaria Ceramics, Lumax Industries, Motilal Oswal Financial Services and TVS Motor Company were among others that hit new highs today.

The S&P BSE Sensex and the Nifty50 index gained around 2% each, and closed at 28,051 and 8,678 levels, respectively.

Financial shares including banks, non-banking financial companies (NBFC) and housing finance companies (HFC) were in focus, ended higher by up to 6% on the bourses.

Nifty Financial Services (up 2.8%), Nifty Private Bank (2.3%), Nifty Bank (2.2%) and Nifty PSU Bank (2%) gained in a range of 2% to 3%, as compared to 1.9% rise in the benchmark Nifty50 index

Global rating agency Moody's on Tuesday said that the draft bill to establish a new regime for resolution of troubled banks in India is credit positive as it will help to enhance overall stability of the financial system.

It is an important step to having a comprehensive framework in place for the resolution of financial firms. "Currently, the resolution of financial firms in India is based on minor parts of legislation enacted for other purposes," said Srikanth Vadlamani, a Moody's Vice-President and Senior Credit Officer.

"The beginning of three-day GST council meet to finalise the tax rate triggered positivity, which in turn resulted in short covering across the board. Also, the recent Essar deal has raised hope among the bankers as majority are struggling with non-performing assets (NPA) issue," said Jayant Manglik, President, Retail Distribution, Religare Securities.

"Banking and financial stocks lifted the mood post the Essar Oil deal which eases some NPA worries. The low inflation and expectations of further easing by RBI has also changed the sentiment in the market," said Vaibhav Agrawal (VP & Head of Research), Angel Broking.

"The market earlier saw nervousness over the geopolitical worries after the surgical strikes happened however there is no escalation so this is also a rebound from the earlier decline. Overall we see a strong market going forward as festive demand remains solid," he added.

Indian Hume Pipe zoomed 20% to Rs 804 after the company said the board will meet on October 26, to consider issue of bonus shares to existing shareholders.

Meanwhile, as many as 342 stocks were locked in upper circuit filter on BSE, the exchange data shows.

Zuari Agro Chemicals, Zuari Global, Hindustan Organic Chemicals, Nath Bio-Genes (India) and Mangalam Seeds were at 20% upper circuit on the BSE.