MORNING INDIA

ASIAMONEY Brokers Poll 2020 (India)

Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	48,081	0.8	0.7
Nifty-50	14,406	0.8	3.0
Nifty-M 100	23,433	0.5	12.4
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	4,135	-0.9	10.1
Nasdaq	13,818	-0.9	7.2
FTSE 100	6,938	0.6	7.4
DAX	15,321	0.8	11.7
Hang Seng	10,939	0.5	1.9
Nikkei 225	29,188	2.4	6.4
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	65	-1.2	27.2
Gold ($/OZ)	1,784	0.3	-6.0
Cu (US$/MT)	9,421	1.0	21.6
Almn (US$/MT)	2,364	2.6	19.8
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	75.0	0.1	2.6
USD/EUR	1.2	-0.2	-1.6
USD/JPY	108.0	-0.1	4.6
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	6.1	-0.02	0.2
10 Yrs AAA Corp	6.8	-0.02	0.2
Flows (USD b)	**22-Apr**	**MTD**	**CY21**
FIIs	-0.12	-0.52	7.33
DIIs	0.11	0.31	-3.17
Volumes (INRb)	**22-Apr**	**MTD***	**YTD***
Cash	759	742	783
F&O	88,492	49,442	42,624

Note: *Average

Today's top research idea

Cyient: Re-rating to continue on double-digit Services growth in FY22E

- CYL's 4QFY21 revenue growth at 6.0% QoQ in USD terms (in-line with estimates) was led by a 16.4% QoQ increase in DLM (sesonal rebound in A&D) and 3.7% QoQ (2.5% QoQ organic) growth in the Services business.
- EBIT margins in Q4 increased by 150bps QoQ to 12.6% (highest levels in past two years), led by Services (+230bp QoQ to 13.6%) which benefitted from utilization (+280bp QoQ to historical high) and increase in volumes. DLM margins declined by 180bps QoQ on change in revenue mix.
- CYL's FY21 Services order intake (USD555mn, 1.2x book-to-bill) and bottoming out of the Aerospace business (34% of revenue) should give us confidence in FY22 Services USD revenue growth guidance of double-digit growth (we estimate 14.3% YoY), although from a low base.
- We maintain our buy rating on attractive valuation, giving a target multiple of 16x to FY23E EPS taking our TP to INR810/share, implying an upside of 18%.

Research covered

Cos/Sector	Key Highlights
Cyient	Re-rating to continue on double-digit Services growth in FY22E
MObiz Conference	Key takeaways
Indus Towers	Revenue remains in line, tenancy additions stay strong
Retail	Recovery trends impacted; cost focus and liquidity remains key
EcoScope	MPC minutes – Rapidly rising COVID-19 cases is the single biggest risk to the ongoing economic recovery

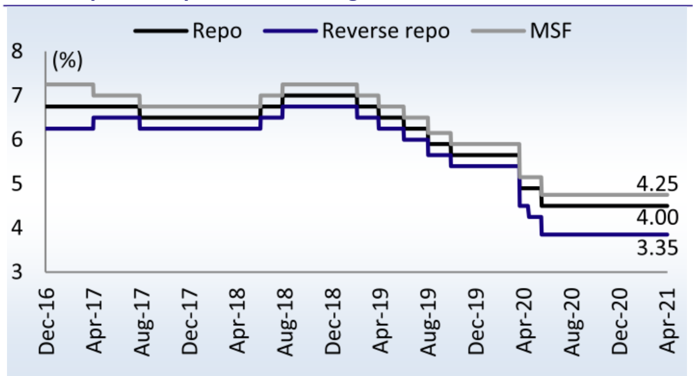
Piping hot news

Canada Bans flights from India Pakistan for 30 day

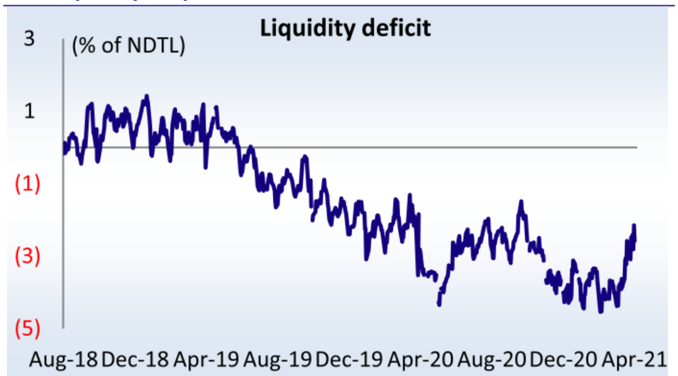
Canada on Thursday said it is banning all flights from India and Pakistan for 30 days due to the growing wave of Covid-19 cases in that region. Transport Minister Omar Alghabra said the ban would start late Thursday.

Chart of the Day: EcoScope (MPC minutes – Rapidly rising COVID-19 cases is the single biggest risk to the ongoing economic recovery)

MPC kept the repo rate unchanged at 4%



and liquidity surplus has narrowed off late



Source: RBI, CEIC, MOFSL

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In the news today

Kindly click on textbox for the detailed news link

1

Canada Bans flights from India Pakistan for 30 day

Canada on Thursday said it is banning all flights from India and Pakistan for 30 days due to the growing wave of Covid-19 cases in that region. Transport Minister Omar Alghabra said the ban would start late Thursday, speaking hours after India reported a global record of more than 314,000 new infections…

2

Fitch affirms BBB- rating, says COVID surge may delay economic recovery

Fitch Ratings on Thursday affirmed 'BBB-' sovereign rating for India, saying the recent surge in coronavirus cases poses increasing downside risks to the FY22 GDP growth outlook. The second wave of virus cases may delay the recovery, but is unlikely to derail it, Fitch said, while maintaining a negative outlook for the rating reflecting "lingering uncertainty around the debt trajectory" …

3

Lenders to withdraw debt recast if Future-RIL deal goes through:

Lenders to Kishore Biyani's Future Group will withdraw the just-approved debt recast plan that offered easier repayment options, if the troubled retailer's Rs 24,713 crore asset sale to Reliance Industries Ltd (RIL) goes through in a reasonable time frame…

4

Banks must halve their dividends to conserve capital in view of Covid: RBI

The Reserve Bank of India (RBI) on Thursday said that in order to stay resilient during the Covid-19 crisis banks could pay maximum 50 per cent of dividend from their profits in 2020-21…

5

JLR suspends production at 2 UK units on chip shortage, supply-chain disruptions

Tata Motors owned Jaguar Land Rover UK has temporarily suspended production from its two factories in Britain, following chip shortage…

6

Covid-19 surge: Maharashtra tightens curbs on office attendance, travel

The Maharashtra government on Wednesday capped attendance in offices at 15 per cent and restricted travel in suburban trains, metro and monorail to allow only government employees, medical staff and those seeking medical treatment…

7

Covaxin shows 100% efficacy against severe Covid-19, works well on variants

The phase-3 clinical trials results of indigenously developed Covid-19 vaccine Covaxin by Bharat Biotech International (BBIL) and Indian Council of Medical Research (ICMR) have demonstrated 100% efficacy against severe Covid-19 disease…

Cyient

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	CYL IN
Equity Shares (m)	113
M.Cap.(INRb)/(USDb)	75.7 / 1
52-Week Range (INR)	710 / 184
1, 6, 12 Rel. Per (%)	5/43/167
12M Avg Val (INR M)	371

Financials & Valuations (INR b)

Y/E Mar	2021	2022E	2023E
Sales	41.3	46.8	54.5
EBIT Margin (%)	10.1	12.4	12.6
PAT	3.7	4.7	5.6
EPS (INR)	33.8	42.6	50.6
EPS Gr. (%)	0.1	26.1	18.7
BV/Sh. (INR)	269.1	265.9	291.3
Ratios			
RoE (%)	13.5	16.0	18.2
RoCE (%)	9.9	12.8	14.4
Payout (%)	72.5	50.0	50.0
Valuations			
P/E (x)	20.4	16.2	13.6
P/BV (x)	2.6	2.6	2.4
EV/EBITDA (x)	10.5	7.7	6.1
Div Yield (%)	3.6	3.1	3.7

Shareholding pattern (%)

As On	Mar-21	Dec-20	Mar-20
Promoter	23.5	23.5	22.9
DII	21.2	22.7	22.1
FII	38.5	35.7	42.2
Others	16.8	18.2	12.9

FII Includes depository receipts

CMP: INR688 TP: INR810 (+18%) Buy

Re-rating to continue on double-digit Services growth in FY22E

Valuations inexpensive, maintain Buy

- CYL's 4QFY21 revenue growth at 6% QoQ in USD terms (in line with our estimate) was led by a 16.4% increase in DLM (seasonal rebound in Aerospace and Defense) and 3.7% QoQ (2.5% QoQ organic) growth in the Services business. The management guided at double-digit growth in FY22 (DLM to grow over 20% YoY), despite a decline in 1QFY22, on seasonality in DLM. Services is expected to post double-digit growth in FY22.
- CYL's 4QFY21 revenue growth at 6% QoQ in USD terms (in line with our estimate) was led by a 16.4% increase in DLM (sesonal rebound in Aerospace and Defense) and 3.7% QoQ (2.5% QoQ organic) growth in the Services business. The management guided at double-digit growth in FY22 (DLM to grow over 20% YoY), despite a decline in 1QFY22, on sesonality in DLM. Serivces is expected to post double-digit growth in FY22.
- EBIT margin increased 150bp QoQ to 12.6% (the highest in the past two years) in 4QFY21, led by Services (+230bp QoQ to 13.6%), which benefitted from utilization (+280bp QoQ, a historical high) and increase in volumes. DLM margin fell 180bp QoQ due to a change in the revenue mix.
- FY21 Services order intake (USD555m, 1.2x book-to-bill) and bottoming out of the Aerospace business (34% of revenue) gives us confidence in its FY22 USD revenue growth guidance of double-digit growth in Services (we estimate 14.3% YoY), although from a low base. With the management indicating potential upside due to a 2H pickup in verticals like Aerospace and Semiconductor, revenue may surprise on the upside in FY22.
- We were impressed by CYL's FY21 margin performance, with a 750bp increase over the year from its 1Q bottom. The margin improvement story should continue in FY22, with a 230bp YoY increase from FY21 EBIT margin of 10.1%, as a strong showing in Services business would help overall profitability due to the segment's higher margin.
- With supply pressures ramping up (attrition at 21.2%, up 800bp QoQ), CYL is unlikely to see a margin increase from 4QFY21 levels. Despite strong growth, it needs to invest substantially in hiring and employee management activities to keep attrition from increasing further.
- We see increasing spends in the ER&D industry and CYL's strategy to digest these spends as support in the near to medium term.
- Given the in line operating performance, we have kept our estimates largely unchanged. We maintain our **Buy** rating on attractive valuations. Our target multiple of 16x FY23E EPS takes our TP to INR810/share, implying an upside of 18%. **FY21 sales (USD)/EBIT/PAT rose by -11%/2%/nil.**

Strong performance led by DLM

- In USD terms, revenue grew 6% QoQ against our expectation of 5.3% growth. In CC terms, revenue grew 4.7% QoQ.
- Revenue from Services stood at USD119.6m, a growth of 3.7% QoQ (2.2% in CC terms).
- Revenue from DLM grew 16.4% QoQ and 78.6% YoY to USD30.3m.

- CYL won eight multi-year deals with a TCV of USD91m, six/two of which are in Services/DLM.
- For the group, growth was driven by some rebound (+10.6% QoQ) in Aerospace and Defense (DLM led), Energy and Utilities (+22.8% QoQ), and Semiconductor, IoT, and Analytics (+22.8% QoQ). All other verticals saw a marginal growth or decline (Medical Technology and Healthcare).
- Better than expected profitability was led by a robust margin in Services.
- Consolidated EBIT margin stood at 12.6%, up 140bp QoQ.
- Increase in margin was led by a 230bp sequential improvement in Services margin, which stood at 13.6%, driven by a better revenue mix. EBIT margin for DLM stood at 8.8%, a sequential decline of 180bp.
- PAT grew 16% QoQ to INR1,107m, a 5% beat to our estimate of INR1,055m, led by higher operating income and lower ETR than our expectations.
- FCF generation for 4QFY21 stood at INR1,897m, a 101.3%/171.4% conversion on EBITDA/PAT.
- CYL posted its highest ever FCF generation in a year at INR7,609m, a conversion of 113.5%/204.8% on EBITDA/PAT.

Key highlights from the management commentary

- The management said continuous traction can be seen in the pipeline and order book. Order intake in 4QFY21 grew 28% YoY. The company won eight large deals in 4QFY21.
- The management guided for a double-digit growth, especially in Services, in FY22, despite demand and supply challenges. It sees a slight fall in 1QFY22 on the back of a seasonal decline in the DLM business. Services would continue to grow QoQ. The management expects 20% growth in the DLM business in FY22.
- EBIT margin in FY22 is expected to improve 200bp YoY despite the wage hike impact (to be offered to a large base of employees in 1H). 1QFY22 would see a 50bp improvement.
- There are some supply-side challenges and excess buyers in the market, and hence it needs to be cautious on how much demand can be fulfilled. Solving the supply-side challenges can potentially improve FY22 growth prospects.
- CYL declared its highest ever dividend of INR17/share, resulting in a FY21 payout ratio of 72%.

Valuation and view – Maintain Buy

- Given the COVID-19 situation, ER&D activity in key verticals (e.g., Aerospace and Defense, Transportation, and Semiconductors) witnessed a material slowdown in the past one-year.
- However, spends in Communications and Energy and Utilities have started picking up, while stressed verticals are on the verge of bottoming out.
- We expect a rebound in ER&D spending. The management’s strategy to leverage these spends, led by a refreshed GTM strategy, and increased focus on large deal wins should dwell well with its growth performance. We expect CYL to deliver 15% revenue CAGR over FY21-23E.
- This, along with the sustainability of higher margin in the DLM business, should lead to a 28% EBIT CAGR over FY21-23E.
- Given the in line operating performance, we have kept our estimates largely unchanged. We maintain our **Buy** rating on attractive valuations. Our target multiple of 16x FY23E EPS takes our TP to INR810/share, implying an upside of 18%.

Quarterly performance (INR m)

Y/E March	FY20				FY21				FY20	FY21	4QFY21E	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				(%/bp)
Revenue (USD m)	157	164	155	149	131	135	141	150	625	557	149	0.7
QoQ (%)	-5.2	4.9	-5.5	-3.9	-12.5	3.4	4.7	6.0	-5.3	-10.9	5.3	71bp
Revenue (INR m)	10,890	11,589	11,060	10,736	9,917	10,033	10,443	10,932	44,275	41,325	10,854	0.7
YoY (%)	0.8	-2.4	-6.9	-7.7	-8.9	-13.4	-5.6	1.8	-4.1	-6.7	1.1	73bp
GPM (%)	34.4	34.4	36.0	33.5	30.5	35.7	34.6	36.0	34.6	34.3	35.5	50bp
SGA (%)	21.2	20.6	22.1	20.6	20.5	19.9	18.8	18.9	21.1	19.5	18.7	17bp
EBITDA	1,445	1,599	1,533	1,382	995	1,589	1,650	1,873	5,959	6,107	1,823	2.7
EBITDA Margin (%)	13.3	13.8	13.9	12.9	10.0	15.8	15.8	17.1	13.5	14.8	16.8	33bp
EBIT	1,003	1,111	1,063	904	511	1,105	1,165	1,382	4,081	4,163	1,324	4.4
EBIT Margin (%)	9.2	9.6	9.6	8.4	5.2	11.0	11.2	12.6	9.2	10.1	12.2	44bp
Other income	149	144	369	72	575	-14	83	40	734	684	54	-26.3
ETR (%)	22.0	22.4	23.3	21.3	25.0	23.1	23.6	22.2	22.3	23.4	23.5	
Adj. PAT	904	986	1,083	753	814	839	954	1,107	3,726	3,714	1,055	4.9
QoQ (%)	-52.0	9.1	9.8	-30.5	8.1	3.1	13.7	16.0			10.5	545bp
YoY (%)	9.6	-22.5	17.6	-60.0	-9.9	-14.9	-11.9	47.0	12.7	-0.3	40.1	690bp
EPS (INR)	8.2	8.9	9.8	6.8	7.4	7.6	8.7	10.1	33.8	33.8	9.6	5.1

Key performance indicators

Y/E March	FY20				FY21				FY20	FY21
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Margins (%)										
Gross Margin	34.4	34.4	36.0	33.5	30.5	35.7	34.6	36.0	34.6	34.3
EBIT Margin	9.2	9.6	9.6	8.4	5.2	11.0	11.2	12.6	9.2	10.1
Net Margin	8.3	8.5	9.8	7.0	8.2	8.4	9.1	10.1	8.4	9.0
Operating metrics										
Headcount	15,043	14,869	14,472	13,859	12,820	12,267	12,187	12,032	13,859	12,032
Attrition (%)	17.4	18	19.7	18.9	13.6	9.2	13.2	21.2	18.9	21.2
Key Verticals (YoY)										
Aero. and Defense	-1%	-4%	-4%	-7%	-22%	-35%	-15%	-9%	-5%	-21%
Transportation	2%	6%	-10%	-15%	-24%	-10%	4%	8%	-4%	-6%
Communications	-13%	-13%	1%	1%	0%	6%	-1%	4%	-8%	2%
Key Geographies (YoY)										
North America	3%	3%	-4%	-7%	-21%	-26%	-21%	-15%	0%	-21%
Europe	-1%	-4%	3%	-6%	-29%	-10%	-8%	-4%	5%	-13%

Automobiles

Mr. Nikunj Sanghi of JS Fourwheels Motors, a HMCL and MM PV dealership

A. **2W demand**: Higher cost of acquisition (price hikes in the 13-18% range due to transition to BS-VI from BS-IV), coupled with higher fuel costs, is leading to a weaker demand environment for 2Ws. Rising COVID-19 cases due to the second wave had an impact on marriage and festival season sales in Apr'21, leading to sales falling by 35-50% (v/s Apr'19). New launches in the entry-level segment can hardly act as a catalyst for sales.

B. **PV demand** remains robust despite a higher waiting period (4-6 weeks). Supply chain constraints remain in the form of a shortage of ECUs and semiconductors. The waiting period may increase further due to migration of the workforce at OEMs on account of localized lockdowns.

C. **CV demand** improved on a MoM basis till Apr'21, with an improvement in the macroeconomic environment. Due to various Infrastructure projects approved by the government, the Tipper and Tipper Trailer segment sales saw a pickup. ICV and LCV sales recovered due to rise of the e-commerce industry. As schools and colleges were closed, the sales in the Passenger Carrier segment remained muted.

D. **Inventory**: Four to six weeks in the case of 2Ws and almost nil inventory in the case of PVs. Mr. Sanghi cautioned against the rise of inventory in the system for 2Ws due to dealers remaining closed in key states.

E. **MM's portfolio performance:** All its five power brands – Scorpio, Thar, Bolero, Bolero pickup, and XUV300 – are doing extremely well. Bolero has a higher waiting period in Tier II and III cities, while XUV300 and Scorpio has a waiting period in urban and metros. With the successful launch of gasoline versions of the Thar and XUV300, MM has become confident of future gasoline launches. He expects Tractor demand to remain strong, backed by strong rural incomes.

F. **Financing** is easily available. However, higher EMI payout is keeping the customer away from purchasing. Over the last one-year, Banks like AU Bank and Yes Bank have become aggressive in Auto Financing.

G. **Outlook:** With ongoing restrictions, marriage and festival season sales have not picked up. Only a bumper harvest season can be a demand booster. If the current situation persists for some more time, the recovery would be more back ended due to limited triggers. 2Ws are at higher risk than PVs due to its customer base.

Mr. Anmol Jaggi, Promoter, BluSmart India

BluSmart is India's first and largest zero emission (EV) Ride-Hailing service and platform. It has the largest all electric Ride-Hailing fleet and the largest network of Fast Charging stations in Delhi NCR. It has been operating for the last 18 months and has a fleet of 402 cars and 130 Charging Stations.

A. **Revenue:** It has two sources of revenue: 1) Ride Hailing, and 2) Charging Station network. **Cost to consumer**: It charges a premium of 10-12% on rides over other players, but doesn't have any surge pricing. Its current revenue is INR1m/ day, but prior to the implementation of the lockdown it was INR1.4-1.5m/day.

B. **Asset:** It has an asset light business model, where the fleet and charging machines are purchased by large institutions for: a) yield, b) tax rebate, and c) ESG investment. BluSmart leases Real Estate and avails an electricity connection for the Charging Station.

C. **Fleet:** Its fleet consist of Mahindra Verito and Tata Tigor vehicles. The range of Tata vehicle has improved post launch of the Electra technology (over the last 18 months) to 170km per charge (v/s 110km earlier).

D. **Cost of EV:** Over the last two years, the cost of an EV has fallen by ~25% to INR0.85m (net of subsidies) v/s INR1.5m at present. **Subsidy break-up:** National subsidy stands at INR1,000/kWh. On a 22kWh battery, INR0.22m is directly deducted from the invoice by OEMs and claimed directly from the government under Fame II. Subsidy differs from state to state, Delhi offers a subsidy of INR0.15m. Total discount on MRP is INR0.4-0.45m, including dealer discount.

E. **Running cost break-up**: On the basis of a 150m km drive, average running cost is ~INR1.1/km. An EV offers a mileage of 7.5km per kWH at INR4.5/unit in Delhi (60p/km) + charger depreciation (15-20p/km) + real estate (remaining cost).

F. **Maintenance cost** is close INR0.5/km (net of Tyre expense). Most of it is preventive maintenance and remains constant. **Battery replacement cost**: Considering battery life of 0.2m km (equal to the warranty by OEMs), a new battery pack costs ~INR0.25m. Post replacement, the vehicle is good for the next 0.2m km, with normal maintenance cost (v/s higher maintenance cost of a diesel vehicle after 0.2-0.3m km).

G. **Battery resale:** Tesla Powerwall uses a Tesla car battery for home invertor purposes. India can see a similar market for Car batteries in future as well.

H. **EV chargers:** It has 130 fast chargers with the highest (over 40%) utilization in the world. The same will increase in the future with increased EV penetration. Its own fleet is expected to contribute ~30% of utilization.

I. **Funding |** Seed capital: INR0.2b (Sep'19) + INR0.54b (Sep'20). **In process**: INR15b (energy giants) + INR7b (DII)

J. **Business nitty-gritties:**
   - Ride hailing business need higher density of cabs, therefore it is currently operating in limited geographies.
   - It provides better customer services, leading to high customer retention and low cost of customer acquisition. Customer acquisition cost is recovered in the first 1-2 rides. It has twice the number of trips/rider/month as compared to other players.
   - It is bidding/discussing with NHAI for setting up EV Charging Stations along highways and with Delhi government at Metro stations.

K. **Outlook:** The current Ride Hailing industry generates ~INR1b/day in revenue and is expected to grow by 3x by CY30. It expects to increase its fleet size to 2,500 vehicles by FY22 and grow with a differentiated asset ownership model and increasing EV penetration.

Group Landmark

Largest dealers of Mercedes, Jeep, and Honda. It also has the dealership of VW and Renault AL (CV). The company has a presence across Gujarat, Madhya Pradesh, Mumbai, Delhi NCR, Punjab, and Kolkata.

A. **Demand**: In Mumbai, despite the ensuing COVID-19 lockdown, its sales team is in touch with the consumer and is still getting 2-3 bookings per day v/s 10-12/day earlier. Operations continue at workshops (Thane/Nerul workshop operates at 25%/50% capacity). However, people are driving less as reflected in the elongated service cycle and not due to higher fuel prices. There was no material decline in inquires in the first fortnight of Apr'21. The management was expecting Apr'21 to be similar if not better than Mar'21, however sales will be impacted due to the lockdown.

B. **Replacement cycle**: Average age of a vehicle was 6-8 years earlier. The same had risen last year due to the deferment of demand due to COVID-19. However, customers are now replacing and upgrading their vehicles.

C. **Inventory and discount** levels at 3-4 weeks (v/s 6-8 weeks on an average) was partly impacted by supply issues and model mix. There is waiting of 2-8 weeks across brands and across all models. Incentive schemes are basic and minimal due to strong demand pull.

D. **Competitive landscape**: There is a consolidation among dealers and the competitive landscape has improved due to the COVID-19 pandemic.

E. **Renault**: Triber (seven-seater) and Kiger has done well. Kiger is the most affordable SUV in less than four meter segment. In Mumbai/Punjab, sales numbers are similar to Kwid and Kiger. The management said that customers are shifting to SUVs from sedans and hatchbacks.

F. **PV financing trend:** Average loan tenure has increased to 5-6 years from 3-4 years. Consumer are trying to keep their EMIs same and purchase a better vehicle. But they do insist on a pre-payment clause. Financing for the consumer is normal and there are no constraints.

G. **Dealer financing:** On an average, 25-30% of inventory funding limit has been withdrawn by the financier.

Healthcare

AIOCD AWACS

A. **On overall IPM:** IPM grew by 2.1% YoY in FY21. The top 20 companies contribute ~70% of IPM turnover. Smaller players have lost heavily, exceptions being the ones having drugs for direct/indirect/prophylactic treatment of COVID-19 or present in the Cardio-Diabetic segment. The share of Chronic has gradually improved to 34% of IPM in CY21 YTD from 31% in CY17.

B. **IPM brand performance:** Only two brands have annual sales more than INR5b, 57 brands have sales between INR2b and INR5b, and ~11,211 brands have annual sales less than INR1b. Zerodol and Zincovit registered the highest YoY growth. Performance of Becosules, Pantop, and Telma has been worthy of appreciation.

C. **New product launches**: Remdesivir and Favipiravir have led growth in this category over the past 24 months, relegating Remogliflozin to the third position. The contribution from new introductions has been the highest for ZYWL (3.9%), INTAS (2.3%), and DRRD (1.97%) as a percentage of sales. The failure rate of new introductions has been the lowest for TRP (4.2%), Mankind (5.3%), and SUNP (8.3%).

D. **COVID-19 impact**: Sales of COVID-19 products grew 64% YoY in FY21 and constituted 3% of IPM. Enoxaparin sales grew 70% YoY due to its use in COVID-19. Multivitamins, zinc, and calcium drugs contributed to growth in VMN therapy. While the lockdown in Mar'20 disrupted overall supply chain logistics as well as patient-doctor-MR connect, the intensity of YoY decline has been trending down over the past 3-6 months. The improvement is visible in therapies like Gastrointestinal, Dermatology, Gynecology, Urology, and Stomatological.

E. **Therapy-wise trends:** Cardiac is the largest contributor (14%) to IPM, growing at 11% YoY and surpassing the Anti-Infectives segment. Anti-Infectives, Respiratory, and Pain segments have shown major volume losses. Respiratory sales declined as people stayed indoors and were not exposed to allergens leading to Asthma. Distribution of Pain drugs was impacted initially, but now the supply chain remains steady.

F. **Anti-Diabetics** therapy was impacted from a reduced number of new patients due to COVID-19. Despite this, it has shown positive growth on a YoY basis, led by enhanced marketing efforts of new drug combinations. Vildagliptin, which had already gone off patent before COVID-19, is now seeing a rise in sales as the supply chain normalized post impact from the pandemic. Similarly, many SGLT2 diabetes drugs will be off-patent in the next 1-2 years and this is expected to lead to higher sales of these products.

G. **ABCD technologies/AWACS acquisition:** Twenty Pharma companies have come together to improve efficiency of the supply chain. Digitization of the supply chain would require large stockists as it is difficult to digitize smaller ones. This can result in consolidation among stockists.

NITI Aayog – Dr. K. Madan Gopal

A. **Initial response of COVID-19 in India:** Initiation of a lockdown in Mar'20 provided time for various government/non-government agencies to boost their Healthcare infrastructure. Subsequently, there has been a considerable amount of study on the virus and learnings from experiences within the country/other countries. This enabled strengthening the availability of Hospital beds, oxygen supply, as well as ICUs.

B. **Decentralization of COVID-19 management in the second wave:** Compared to the first phase of COVID-19 management by the central government, the second phase is managed at the state level. State government authorities in turn are delegating the responsibilities to districts for smoother administration.

C. **Empowered groups managing COVID-19:** The overall measures/COVID-19 management is currently channelized through six empowered groups (from 11 empowered groups formed in Mar'20). One group is dealing with medical infrastructure and a COVID-19 management plan. Another group is working on ensuring availability of essential medical equipment and augmenting human resources. The third group is coordinating with the private sector, NGOs, and international organizations in response-related activities. The fourth group is dealing with economic and welfare measures. The fifth group is looking at information, communication, public awareness, public grievances, and data management. The last group is dealing with strategic issues related to COVID-19 management, and facilitating supply chain and logistics management.

D. **Run up to the second wave:** While the number of daily active cases reduced considerably till Feb'21, it increased sharply over the past two months, led by super spreading events, reduced following of home isolation, and relaxed attitude towards wearing masks. Statistical models have been used to build the level of preparedness to combat COVID-19.

E. **COVID-19 preparedness in India:** During the first wave of COVID-19 last year and subsequent second wave in other countries, the Government of India had taken efforts to prepare Healthcare facilities for a daily case load of 1.5 lakh. Governments, both at the state and central level, are further strengthening the availability of beds/oxygen/medicine for treatment as well as medicines to tide over the second wave of COVID-19 in India.

F. It has been observed that 11-12% of active COVID-19 cases need hospitalization and 1% needs ICU beds. Considering that the antibodies last for 3-5 months, the scope for reinfection remains. This has been factored while determining the availability of Healthcare infrastructure to overcome the COVID-19 pandemic.

G. **COVID-19 vaccination in India:** Work on developing an indigenous COVID-19 vaccine started in Mar-Apr'20. The process of vaccine approval has been fast tracked to make it available to the Indian population. Vaccine availability, channelized in sync between the central and state governments, was prioritized for those in the higher age group (over 60) first. This was done as a higher fatality rate was observed in the age group of over 60 years, even though the infection rate is maximum in those between 18 years and 45 years. With vaccination being opened up for those over 18 years, it needs to be seen if priority now remains for the age group over 60 years. By Jun'21, vaccine production would touch ~115m doses per month. Supply would increase with the ramp-up of capacity by already approved vaccine suppliers and new approvals.

SK Group - Pharma distributor

A. **Shortage of COVID-19 medicines:** There is a considerable shortage of medicines used directly in the treatment of COVID-19. Even associated medicines like Azithromycin, vitamins, minerals, and nutrients are facing a shortage to some extent. It has been observed that the use of steroids has led to increase in demand for Insulin on account of COVID-19.

B. **Direct procurement by the government:** For COVID-19 medicines like Remedesivir, governments (both at the state and central level) are procuring directly from manufacturers without any intervention from private distributors. Hospitals have been asked to procure from government agencies. As this is different from the traditional supply chain set-up, it has led to disruption in terms of availability of medicines to some extent.

C. **Hotels converted into Hospitals:** While Hotels and Club Houses are utilized for Hospitalization purposes, the availability of medical equipment has been inadequate and falls short of managing the supply chain of medicines as well as Healthcare staff management.

D. **Impact on distributors:** Private distributors having a good on-ground presence, with cold chain facilities, are hoping to play a role in the private distribution of vaccines. The impact of labor migration has been lower in the case of the distribution business as many distributors have hired people from nearby areas and now the dependency on migrant workforce is lesser compared to last year.

E. **Trade Generics fetch higher margins:** On the Trade Generics front, higher margin is a big incentive for retail Chemists compared to ~20% margin in case of the Branded Generics segment.

F. **Expired products:** The ratio of expired products returned to manufacturers in case of Branded Generics is 0.7-1%. Excess channel filling also results in higher quantities of expired products. In the case of Branded Generics, the products left after the expiry date is taken back by manufacturers, while in the case of Trade Generics, the responsibility lies with the procurement agency.

G. **Promotional activities:** Marketing and promotional activities are on the virtual medium, thereby improving the patient-doctor connect. Even brand owners have upped their service factor, with enhanced communication with patients.

H. **Small companies stay nimble:** In the COVID-19 pandemic, smaller companies are more nimble and flexible while taking decisions. Larger companies face delays in decision-making from manufacturing to supply chain. MNCs face even more delays because of necessary approvals at the company as well as foreign parents' level. SANL and BOOT have good supply chain resilience in India**.**

Technology

DronaHQ

A. According to the management, by 2021, demand for apps in enterprises is expected to have grown 5x faster than the IT capacity to deliver it. Hence, low-code platforms are expected to benefit from this – as they help build custom software 10x faster with fewer engineers.

B. The management expects the low-code platform market size to increase to USD44.2b by 2027. It aspires to reach revenues of USD100m by 2025.

C. The company is confident of competing with large enterprise software products in the future. Furthermore, low-code platforms would not pose a threat to IT service companies given that this is a new tool the companies could take to market – they could do much more for their customers in a shorter time.

Future Focus

A. The company had a muted FY21 due to supply/demand pressures in IT Staffing. Margins were also impacted on pricing pressure in Legacy IT (Legacy is usually a volume driver and new technologies are margin drivers). The company witnessed margin pressure from customers in the first two quarters and cost pressure from consultants over the next two quarters.

B. The management has alluded to a supply crunch in the market owing to high demand. Furthermore, it is not possible to meet demand due to the lack of supply. The quality of supply is also lower than before.

C. Finding people skilled in specific technologies has become challenging. The company saw offer drop rates at 20% and stated that the average salary hike for outgoing employees is 20–30%. The management reported instances wherein the company had hiked a salary by 20%, but were outbid by an integrator who topped the offer with a 30% hike.

D. There is a lot of demand for avenues such as full-stack development and cloud services, but supply is unavailable. There is strong demand for larger companies, and they are bound to do well owing to their in-house training capabilities. Smaller companies are expected to witness supply constraints. It has become very difficult for staffing companies to undertake staffing for mid-tier IT companies.

Others

Astral Poly Technik Ltd.| (ASTRA IN, Mkt Cap USD4.4b, CMP INR1,654)

A. Credit offered by ASTRA to its distributors is 2-3%, and only to those distributors who are associated with it for over three years. Credit period to distributors have been reduced to 21 days from 45 days and corresponding cash discount has been increased to 2% from 1.5%.

B. **CPVC prices:** ASTRA is the market leader in the CPVC segment. Since Feb-Mar'21, the company has taken a price hike of 8-10% in the CPVC segment. The price difference between PVC and CPVC is ~30%. With increased focus on branding activities and celebrity endorsement, ASTRA has established itself as a strong brand-name, which has led to a strong brand recall.

C. One distributor covers a service area of up to 15km. The number of shops under each distributor is restricted to not more than 300-350 retail outlets.

D. About 70% of revenue is recorded through Real Estate players (builders) and rest through retail sales. Out of the overall plumbing cost for a Real Estate project, ~20% is occupied by plastic pipes.

E. A price increase is announced 10 days in advanced to distributors and an option is given to them to place an order from the company's old inventory.

Gopal Namkeen

A. The company is a large regional player in Gujarat and Maharashtra in the Packaged Snacks industry. It sources and manufactures most of its products in-house in line with its strategy to provide affordable products, while keeping the quality in check.

B. It works on low pricing – it has a low-margin strategy, with INR5 packet sizes contributing ~70% to total revenues.

C. The company currently has four manufacturing units with a total production capacity of 650 tons/day. Moreover, major capacity expansion is underway at the Nagpur plant (planned over several years), which would take the plant's capacity to 1,500 tons/day – making it the largest snack production unit in the world.

D. Operating margins expanded to 10% in FY20 from 4% in FY16; this is largely attributable to better sourcing practices and negotiations with vendors as well as efficient cost-cutting.

E. Margins are likely to have been severely impacted in FY21 by the increase in palm oil costs (25–30% of overall costs). Reduced weight would offset the rise in prices; the company expects prices to normalize over the next two quarters.

MART

A. The rural outlook remains buoyant. No disruption is seen in the ongoing rabi harvest season. With increases in MSP and MGNREGA and the expectation of a good monsoon, rural demand growth for FY21 is estimated at 6–7%, higher than the demand growth witnessed in most of the recent years since 2016.

B. Unlike last year, large gatherings have been fewer in number in rural India.

C. Demand for essential goods would be healthy in rural India, unlike last year – manufacturing and logistic issues had affected supply in 1QFY21.

D. The spread of COVID in rural India remains an overhang, unlike last year; this poses a major concern as the healthcare infrastructure is weak in these regions.

E. Three sectors are expected to see major traction in the coming years:

a. **Healthcare**: The impetus from COVID is expected to boost healthcare. Furthermore, 80% of doctor visits are for less severe conditions, the diagnosis and treatment for which could be provided over personal devices.

b. **Horticulture**: Diversification is seen from agriculture to horticulture owing to better yields in the latter. For instance, yield from an acre of chrysanthemums is 18x that from an acre of grain.

c. **Durables**: With people acquiring better electricity connections and with changing lifestyles, the Durables segment stands to gain.

Magicrete | Largest manufacturers of AAC (Autoclaved Aerated Concrete) Blocks in India

A. **Product portfolio overview:** Magicrete is disrupting the Construction market with innovation solutions like AAC (Autoclaved Aerated Concrete) blocks and is now moving to ALC (Autoclaved Aerated Lightweight Concrete) wall panels. It has entered the Construction Chemicals business as well. Total addressable market size stands at USD9.2b, with the current penetration levels of product offering less than 10%.

B. **Growth remains robust:** It is seeing strong growth thanks to the Housing Development projects undertaken by the government. 4QFY21 was the best quarter since the company's inception. It clocked INR490m/INR90m in sales/EBITDA in 4QFY21. It expects INR380m in FY22 EBITDA on the back of INR2.1b in revenue. Current capacity utilization stands at 100%.

C. **Competitive landscape:** Competition is very limited at present. All Cement companies are looking to get into these businesses, including UTCEM, JKLC, and SRCM.

D. **Distribution network highlights:** Almost 25%/30% of sales is through retail/distribution network and the intent is to take it to 50-60% over the next five years.

National Restaurant Association of India

A. Mr Katriar, President – NRAI, commented that the impact of the recently announced restrictions would last more than 2–3 weeks, closer to 5–6 weeks. He indicated that 1Q would be a washout quarter for dine-in players. With 2Q usually weak on account of the monsoons and 'Shraadh' period, actual recovery would only be seen in 2HFY22.

B. Liquidity is a serious concern for most players as banks and NBFCs have adopted the wait-and-watch strategy and are unwilling to provide funds. ~30% of restaurants shut shop last year, with such closures likely to be high in FY22 as well.

C. Survivors would benefit from the likely surge in 2HFY22 – as non-serious players exit the business. Negotiations with aggregators may also lead to better terms and outcomes. 'Revenge' consumption would also be significant. Even after the recovery in dine-ins, deliveries are not expected to return to pre-COVID levels. This would create net benefits, particularly for those with high hygiene standards.

D. Landlords, including malls, have turned more rational v/s last year, while employee costs have been made largely variable at most efficient players.

Pepperfry

A. The company achieved 37% revenue CAGR over the last five years (v/s 15% growth for the industry). EBITDA losses are down 88% over the last four years. Gross margin for its private label brand stands at 65%, while for other brands it stands at 55%. The company is on the cusp of achieving breakeven and expects to achieve long-term revenue CAGR of over 40%.

B. Solid Wood Furniture accounts for 70% of revenue, while MDF/Particle Board constitutes the rest. Private label accounts for 50% of revenue. B2C accounts for 99.7% of revenue, with no single vendor accounting for over 2% of supplies.

C. Pepperfry runs on a negative working capital cycle and has no significant capex planned over the next two years, which will propel FCF-to-EBITDA ratio to 85%. The management is also planning to launch its IPO in 12-18 months.

D. **Industry outlook** – India's Furniture business has been growing steadily at 15% p.a. over the last few years. The current market size stands at USD26b (inclusive of the USD21.5b unorganized market) up from USD21bn in CY19 (inclusive of USD18.3b unorganized market). The industry is witnessing a continuous shift to organized from the unorganized segment and has a gross margin of 50%.

SpiceXpress (a subsidiary of SpiceJet)

A. **Air Cargo market:** Currently, the Air Cargo business in India stands ~4mt and it is expected to touch ~10mt over the next five years, driven by growth in Manufacturing in India and opportunities to act as transit hub for Southeast Asia nations. Of this 4mt, 66%/34% is international/domestic cargo in volumes terms. However, international cargo share is 80-85% in revenue terms due to higher yields.

B. **Expect double-digit growth in the near term:** Prior to the outbreak to COVID-19, SpiceXpress was ancillary to the Passenger business (~7% of total revenue), with ~85% of Belly Cargo (fruits and vegetables) primarily on domestic routes. During the COVID-19 led lockdown, the company developed its international business. The company has grown its revenue by 6x in Dec'20 as compared to when it started. It expects the business to grow in double-digits over the next 2-3 years. It sees strong demand for Electronics, Auto Components, and Pharma business to drive growth. Currently, the company has a total of 18 aircraft, with a carrying capacity of 440-450t per day, and expects to add another 4-5 aircraft over the next two quarters.

C. **Pricing/margin to remain strong in the near-term:** Tight supply due to ~30% capacity reduction in Asia and ~11% growth in demand is likely to keep prices strong in the near term. The company expects to earn an EBITDA/PBT margin of 15-19%/9-11% from this business, which is much better than the Passenger business.

D. **Holds ~5% of global Air Cargo market share:** The company's share in the global Air Freight market is currently ~5%. It is currently operating on the Asia-Europe and Asia-USA routes and carrying cargoes of textile, Auto, Electronics and e-commerce companies.

Videotex International | Leading manufacturer and exporter of Consumer Electronic products

A. **An EMS player in the LED TV segment:** Videotex is a leading EMS player in the LED TV segment. Currently, 85% of the business in on an ODM basis, while OEM contributes 15%.

B. **Witnessing robust inquiries from leading brands:** Videotex is seeing strong demand from brands to partner as an OEM. The import ban by the government is leading to growth for the company as imports of TVs (completed units) are not possible anymore. The management believes they are able to add great value to the customer by bringing down the cost of production.

C. **Growth aspirations:** It aims to garner 20% market share in the Indian LED market over the next three years. The current size of the industry is 16-17m units.

D. **Industry trends:** Industry growth was flat last year as pent-up demand made up for the fall in demand during the COVID-led lockdown. It expects industry volume growth to be flat again at 16m units in FY22. However, revenue-wise, growth will continue to be strong due to price inflation. The latter **has been strong (80-100%) in TVs.**

E. **Impact from the second COVID-19 wave:** Demand has weakened due to the second COVID-19 wave and is likely to persist till 15th May'21.

VTION

A. **VTION provides real-time passive digital consumer behavior measurement data, with no human intervention via an interactive dashboard on a subscription service basis.** The company is leveraging its mobile phone platform, with an SDK embedded in the apps. VTION has two patents for its data collection technology: an Indian patent (received on 4th May'18) and a US patent (received on 26th Feb'21). It has diversified customer base with the likes of freecharge, Tata Sky, Spotify, and Big FM.

B. **Industry snapshot:** The Indian Advertising industry is expected to grow ~12% CAGR to USD18.9b by CY25. Digital marketing, which currently forms ~30% of the total Advertising industry, is expected to grow ~27.4% CAGR to USD8.25b (thus constituting ~44% of the total industry) by CY25. The Mobile phone constitutes ~47% of total media ad spends (with the balance on Desktop). Ad spend mix: In the Digital vertical, the largest spending is by FMCG (~27%) and e-commerce (~19%), followed by Consumer Durables and the BFSI sector (10-11% each).

C. **Company outlook:** Currently, VTION operates only in India, with plans to expand its reach in Asia-Pacific, Middle East, Africa, Australia, and South America. The company plans to launch their services on Smart TV and STBs by 1QFY22-end. The current sample size of 30,000 people is expected to expand further to ~100,000 people over the next one year.

World Gold Council

A. Organized players gained market share in CY20, and this trend is likely to continue.

B. Demand momentum in the March quarter was extremely strong. We estimate strong growth in jewelry demand in the coming years, similar to that seen over CY10–13 (after a weak CY08–09). Pent-up demand is high after nearly two years of modest industry demand.

C. Decline in gold prices and the 2.5% net reduction in import duty announced in the Budget are aiding demand.

D. Companies, especially organized players, are far better prepared for the ongoing lockdown. The impact is a ‘brief interruption’ in a likely strong trend.

E. Weddings are likely to be postponed, but at current prices, wedding jewelry demand is likely to be healthy – driven by advance purchases.

Indus Towers

BSE SENSEX	S&P CNX
48,081	14,406

CMP: INR261 — Neutral

Revenue remains in line, tenancy additions stay strong

Conference Call Details

Date: 23th April 2021
Time: 02:30pm IST
Dial-in details:
+91-11-4444-9999

Financials & Valuations (INR b)

INR Billion	FY21	FY22E	FY23E
Net Sales	256.7	267.3	271.5
EBITDA	131.0	145.0	147.2
Adj. PAT	49.8	55.0	53.5
EBITDA Margin (%)	51.0	54.3	54.2
Adj. EPS (INR)	18.5	20.4	19.8
EPS Gr. (%)	-1.0	10.6	-2.9
BV/Sh. (INR)	58.9	63.2	66.9
Ratios			
Net D:E	0.3	0.0	-0.1
RoE (%)	29.6	33.5	30.5
RoCE (%)	25.0	28.7	27.3
Payout (%)	152.2	78.9	81.3
Valuations			
EV/EBITDA (x)	5.7	4.9	4.7
P/E (x)	14.1	12.8	13.2
P/BV (x)	4.4	4.1	3.9
Div. Yield (%)	9.3	5.3	5.3

EBITDA falls 4% QoQ (in line) as revenue from Rent/Energy decline QoQ

- Pro forma consolidated revenue declined 3.6% QoQ to INR64.9b (in line with our like-to-like estimate post consolidation). Rental revenue fell 4% QoQ (in line) to INR41b, due to a 5% decline in Rentals per month per tenant and partly cushioned by lower penalty and healthy (4.1k) tenancy additions (1.3% QoQ). Energy revenue fell 3% QoQ to INR23.5b (in line with our LTL estimate).
- Pro forma consolidated EBITDA declined 4% QoQ (in line with our LTL estimate) to INR34.1b, led by ~3% decline in both revenue and operating expenses.
- Rental EBITDA fell 5% QoQ to INR34b due to lower (INR1.8b) exit penalty charges and a 5% decline in revenue sharing per operator per month to INR42.4k. Energy EBITDA loss reduced to INR238m v/s INR562m QoQ.
- PBT/PAT rose 2.3%/0.3% QoQ to INR17.9b/INR13.6b (in line with our LTL estimate).
- Capex for 4QFY21 stood at INR12.9b (INR10.9b in 3QFY21) – the QoQ increase is due to the nationwide lockdown. Towers added in 4QFY21 stood at 3,715 (v/s 3,416 in 3QFY21), taking the total to 179,225.
- For FY21, revenue stood flat YoY at INR257b, EBITDA increased by 4% YoY to INR131b, while PAT declined 1% YoY to INR50b.

Key operating metrics

- Consolidated net tenancy additions stood at 4.1k in 4QFY21 v/s 4.2k in 3QFY21. Gross co-location exits stood at 896. Thus, gross additions stood at 5,024. Average sharing factor remained flat at 1.81x in 4QFY21.
- There were 4,711 co-locations exits for which notices were received, but actual exits have not happened yet.
- Rentals per tenant (per month) declined 5% QoQ to INR42,477.
- The company had a net debt of INR58b at the end of FY21.

Quarterly performance

(INR m)

Y/E March	FY20				FY21				FY20	FY21		Variance
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QFY21E	(%)
Revenue from operations	**37,119**	**36,376**	**64,432**	**63,063**	**60,859**	**63,591**	**67,361**	**64,918**	**255,624**	**256,729**	**67,725**	-4.1
YoY Change (%)	1.0	-0.8	77.0	75.2	64.0	74.8	4.5	2.9	75.3	1,615.8	7.4	
Total Expenditure	18,164	17,593	31,708	34,527	30,279	32,854	31,837	30,790	129,756	125,760	33,343	-7.7
EBITDA	**18,955**	**18,783**	**32,724**	**28,536**	**30,580**	**30,737**	**35,524**	**34,128**	**125,868**	**130,969**	**34,381**	-0.7
YoY Change (%)	24.7	26.4	117.6	91.4	61.3	63.6	8.6	19.6	109.7	1,800.9	20.5	
Depreciation	7,425	7,453	12,470	13,453	12,681	13,088	14,302	13,323	52,710	53,394	14,189	-6.1
Interest	1,125	1,251	3,012	2,760	3,205	3,297	3,900	3,619	11,953	14,021	3,900	-7.2
Other Income	651	349	562	840	339	816	1,056	772	2,777	2,983	1,152	-33.0
PBT	**11,056**	**10,428**	**17,804**	**13,163**	**15,033**	**15,168**	**18,378**	**17,958**	**63,982**	**66,537**	**17,444**	2.9
Tax	2,186	793	4,496	3,299	3,827	3,861	4,778	4,320	13,712	16,786	4,535	
Rate (%)	19.8	7.6	25.3	25.1	25.5	25.5	26.0	24.1	21.4	25.2	26.0	
Reported PAT	**8,870**	**9,635**	**13,308**	**9,864**	**11,206**	**11,307**	**13,600**	**13,638**	**50,270**	**49,751**	**12,909**	5.6
Adjusted PAT	**8,870**	**9,635**	**13,308**	**9,864**	**11,206**	**11,307**	**13,600**	**13,638**	**50,270**	**49,751**	**12,909**	5.6
YoY Change (%)	39.0	55.0	105.2	62.3	26.3	17.4	2.2	38.3	99.8	542.9	30.9	

E: MOFSL estimates

Retail

Recovery trends impacted

Cost focus and liquidity remains key

We hosted various stakeholders from the Apparel market – such as a) brand owners (major brands), b) CMAI (clothing association), and c) mall developers – to get their individual perspectives on the current situation on the ground and the outlook for the Apparel market. Here are the key takeaways:

- **Brand retailer Major Brands believes that although the second wave has displaced recovery trends, the large brands would come out of the pandemic stronger – as productivity in operations, e-commerce sales, and inventory clearance would play a key role.**
- **The CMAI painted a grim outlook – understandably – due to its representation of smaller players. It indicated that a large proportion of smaller players are closing down their businesses, plagued by an uncertain outlook, stretched working capital / liquidity, and rising RM cost.**
- **Mall developer R Retail Venture highlighted that the market was surprised by the pace of recovery from the previous lockdown. Therefore, it may not offer rental waivers across categories, but largely focus on rent deferment – Grade A malls have ~95% occupancies and stand strong, with major growth in small cities/towns, against the high liquidity woes of Grade B/C malls.**

Key takeaways from our meeting with Major Brands – Tushar Ved (Owner)

Mr. Tushar Ved,
VP, Major Brands

Major Brands is a leading franchisee for premier international fashion brands (such as Aldo, Charles & Keith, Inglot, Beverly Hills Polo Club, and Bath & Body Works) pan-India.

- Revenue recovery: Sales reached 70% LTL of pre-COVID levels in Oct/Nov/Dec'20 and 85–90% in Jan/Feb'21. The fresh lockdown has once again had an impact; sales are expected to reach 60–70% of 2019 levels in Aug'21 and 85–90% of 2019 levels in Oct/Nov'21 – owing to the festive season. The brands that can ride out the pandemic are likely to capture a larger share in the markets going ahead as many weaker brands are shutting shop.
- Productivity: An increase in productivity would be reflected with the return of revenue as conscious cost measures have been adopted by retailers. Talks of rental negotiations have been initiated for the ongoing lockdown but this is yet to be decided.
- E-commerce growing exponentially: E-Commerce sales surged 300% in FY20, accounting for 30–50% of total sales across categories. Over the next 2–3 years, online should form 30% of the overall business and could reach 50% in some categories. However, margins are currently impacted due to higher sales of discounted products.
- Resorting to inventory clearance: Retailers would need to resort to offering discounts to clear out the summer spring inventory; inventory for the autumn/winter season may be manageable as there is enough time to plan for it.

Mr. Rahul Mehta,
Chief Mentor & Previous President, CMAI

CMAI has pioneered Indian apparel industry over four decades with over 20K+ companies including readymade garment, manufacturers, exporters and retailers.

Key takeaways from our meeting with Chief Mentor, Clothing Manufacturing Association of India (CMAI)

- Badly hit during lockdown: Retailers were operating at 70–80% of pre-COVID sales over Jan–Feb'21. However, the industry has once again been put on the back foot due to fresh lockdowns being imposed; the impact from the second wave could be more severe given the already weak conditions of many players.
- RM price rise to hurt winter collection procurement cost: Due to high RM cost, winter'21 collections have been procured at high prices. This would lead to an increase in product prices, but store closures would put massive pressure on the industry.
- Low traction from global players: India has been unable to capitalize on the shift in apparel manufacturing from China due to the former's limited focus on technology, quality, and scale of operations. Manufacturing has shifted to other nations such as Bangladesh, Vietnam, and Cambodia.
- High credit period remains a concern: The credit cycle – which is generally high in the Apparel market – has been stretched further due to pandemic woes, thus squeezing liquidity.

Mr Vrushank Mehta,
CIO, R Retail Ventures

R Retail Ventures is a joint venture to develop Grade A shopping malls and retail store complexes across tier 1, 2, & 3 cities in India.

Key takeaways from our meeting with R Retail Venture – Runwal Group and Warburg Pincus JV (mall developers)

- Rental negotiations may not be as challenging as last year: Mall owners had entered into a revenue share arrangement with retailers until Mar'21, and these are now under negotiation. Mall owners are looking to offer deferments instead of waivers as retailers posted healthy recovery last year.
- Grade A malls see major shift from ailing grade B/C malls: Grade A mall occupancies are still at 90–95% levels, which provides comfort. On the other hand, the share of grade B/C malls would decrease. Grade B/C malls are 80–90% leveraged in terms of LTV – as banks continue to lend to retail and commercial players. Hence, revenue share would be inadequate to pay even six months' worth of EMI installments. As a result, these malls could be forced to convert into either office or residential spaces.
- 2HFY21 category-wise revenue trends: Revenue stood at 70–75% LTL in 2HFY21, with a lower contribution from cinemas and food courts, while jewelry and durables performed better. Furthermore, the festive season helped attract footfall.
- Growth opportunity: There is a huge growth opportunity for retail malls in India given their low presence in smaller cities. Furthermore, customer footfall is forcing the shift in the share of space from the regular grocery categories to other avenues such as cinemas, high-end stores, experience stores, etc.

MPC minutes – Rapidly rising COVID-19 cases is the single biggest risk to the ongoing economic recovery

- **The resolution of the Monetary Policy Committee (MPC) had come on expected lines, with the policy repo rate unchanged at 4% on 7th Apr'21. The reverse repo and Marginal Standing Facility (MSF) rates were also kept unchanged at 3.35% and 4.25%, respectively. Besides the decision on rates, all MPC members voted unanimously to continue with the accommodative stance as long as necessary.**
- **RBI also kept its GDP growth forecast unchanged at 10.5% (lower than the market consensus of 11%) and revised its inflation projections marginally to ~5% for FY22 (higher than the market consensus of 4.75%).**
- **Contrary to our expectation of no further monetary policy easing, the RBI announced a number of measures aimed at managing the yield curve and enhancing liquidity. These measures include conducting a secondary market G-Sec acquisition program (G-SAP 1.0), or what is popularly known as Open Market Operations (OMOs), to purchase government securities worth INR1t in 1QFY22, of which INR250b was purchased on 15th Apr'21; extension of on-tap Targeted Long-Term Repo Operations (TLTROs) up to 30th Sep'21; additional special refinance facility worth INR500b to All India Financial Institutions (AIFIs); among others.**
- **While the unchanged policy rates and stance were on expected lines, the tone of the monetary policy statement was rather dovish, contrary to our expectation. The rising second wave of COVID-19 cases may have caused the RBI to take a step back from the liquidity normalization process that it had started in Dec'20. In fact, RBI's major focus at this point in time seems to be more on yield curve management, given the massive government borrowing program in FY22. Its announcement of new liquidity measures and extension of a few indicates that monetary policy normalization might be delayed and be more gradual than earlier expected.**

Rising COVID-19 cases a cause for grave concern; management of the yield curve a major focus

- Minutes of the MPC meeting held between 5th Apr'21 and 7th Apr'21 reveals that the members view the sudden spike in COVID-19 cases since Mar'21 as the single biggest risk to the ongoing economic recovery. According to Shaktikanta Das, Governor, RBI, "The need of the hour is to effectively secure the economic recovery underway so that it becomes broad based and durable. The renewed jump in COVID-19 infections in several parts of the country and the associated localized and regional lockdowns adds uncertainty to the growth outlook."
- Going forward, success of vaccinations, universal adoption of preventive measures to severely limit the chances of transmission of the virus, and investment in health services to assure access to health care will define the course of the economic recovery.
- As part of the MPC's liquidity management strategy for FY22, the members believe the broad objective would be to ensure an orderly evolution of the yield curve and to avoid volatility in the G-Sec market.

Exhibit 1: MPC kept the repo rate unchanged at 4%...

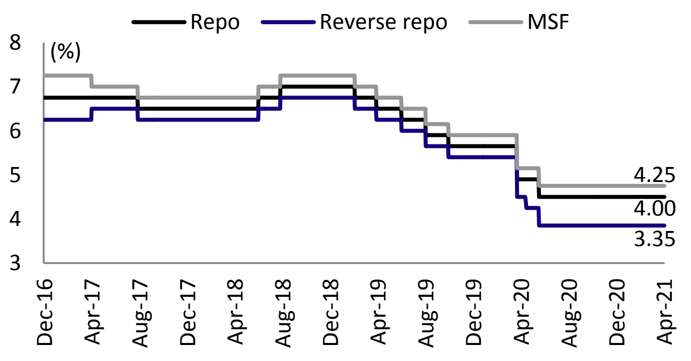
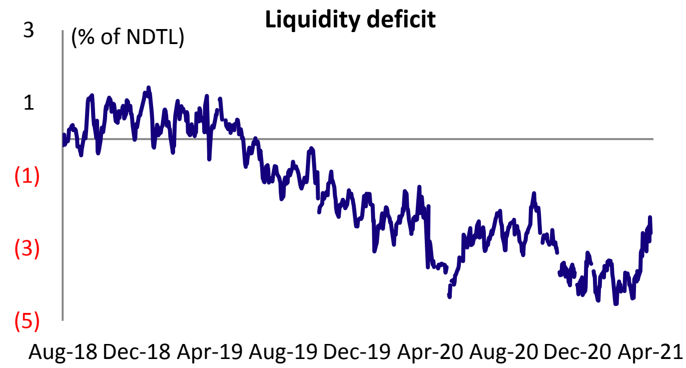


Exhibit 2: ...and liquidity surplus has narrowed off late



Source: RBI, CEIC, MOFSL

Exhibit 3: Individual arguments of MPC members

Members	Individual arguments
Mr. Shaktikanta Das	❖ Rapidly rising COVID-19 cases is the single biggest challenge to the ongoing recovery in the Indian economy. ❖ While strong domestic fundamentals and healthy foreign exchange reserves should bode well for the external sector, the speed of the domestic vaccination drive will be key in containing short-term risks to a domestic economic recovery and mitigating spillovers from global shocks. ❖ The resultant increase in monetary policy credibility has helped the MPC to respond effectively to the growth-inflation trade-offs posed by exceptional shock like COVID-19. ❖ **On Liquidity:** As part of the liquidity management strategy for 2021-22, RBI's objective would be to ensure an orderly evolution of the yield curve and to avoid volatility in the G-Sec market. ❖ RBI would continue to ensure ample surplus systemic liquidity and the system would remain in surplus even after meeting the requirements of all financial market segments and the productive sectors of the economy. ❖ **Forward Guidance:** Given the uncertainties and the fact that we are at the beginning of a new financial year, it is too early to give an explicit time-based forward guidance. The forward guidance in terms of securing a sustainable growth on a durable basis itself testifies to our commitment to continue to mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward.
Dr. Michael Debabrata Patra	❖ Monetary policy has to remain supportive of the economy until the recovery is more sure footed and its sustainability assured. ❖ **On inflation:** RBI would continue to look through the recent elevation in inflation and remain focused on reviving the economy on the path of strong and sustainable growth. ❖ An integral part of this approach would be to insulate domestic financial markets from global spillovers and volatility, so that congenial financial conditions continue to support growth.
Dr. Mridul K Saggar	❖ The retention of the target (CPI inflation target range of 2% to 6%) will go a long way in preserving macroeconomic stability and credibility of the framework. ❖ Ramping up vaccination, testing, and treatment hold the key to protecting economic recovery, and health policies have become the first line of defense. Monetary and fiscal policies can only play second fiddle. ❖ **On investment and consumption:** Though there is evidence of some small-ticket investments reflected in the pick-up in short cycle Capital Goods, an upturn in the capex cycle will require larger public investments that can crowd in private investments. Consumption needs support from removing credit frictions and more redistributive policies. ❖ **On inflation:** Momentum pressures for CPI may exacerbate in the near term if producers, hitherto absorbing a large part of cost push pressures, decide to pass on the price pressures to the retail level. ❖ **Central Government fiscal deficit:** It is equally important to understand that while increasing fiscal space to the extent possible is desirable, any revision in fiscal targets should be consistent with medium-term debt sustainability and should not impinge on the conduct of monetary policy, such as requiring direct monetization that has been eschewed even by countries with low inflation.
Prof. Jayant R Varma	❖ The economic recovery post the COVID-19 outbreak in CY20 remains uneven and incomplete, and the renewed jump in infections in certain parts of the country has increased the downside risk to the growth momentum. ❖ **On yield curve management:** A flattening of the yield curve remains an important goal, but it must be pursued using other instruments, which largely lie outside the remit of the MPC.
Dr. Ashima Goyal	❖ Compared to past pandemics, we have the advantage of fast creation of vaccines, but it will take some months for vaccination to reach critical mass. ❖ **On GDP:** The expected growth is high because of the base effect and does not imply sustained growth at potential. Only when we reach the latter will true recovery take place. ❖ In the rest of the world, credit leads investment. In India, it follows, and credit ratios are very low by world standards. With easier financing conditions and a healthier financial sector, there is a chance of a credit-led cycle this time. To the extent investment rises, potential growth will also rise with it. ❖ **On yield curve management:** India's cautious approach to capital account convertibility means that volatile fixed income flows are still capped at 6% of outstanding stocks of G-Secs. Large foreign exchange (FX) reserves, acquired during surges in inflows, are sufficient to counter outflows due to rising US G-Sec rates, without having to raise domestic rates. Sale of FX stocks will release space on RBI's Balance Sheet to buy more Indian G-Secs, consistent with its target for the creation of durable liquidity. RBI has the space to smooth volatility.
Dr. Shashanka Bhide	❖ The pace of recovery of output needed to offset the negative impact of the COVID-19 shock to the economy in terms of growth in income and employment will be substantial and sustained over many years. ❖ **On GDP:** The revival of economic activity in 3QFY21 points to the resilience in the economy, but a broad based recovery covering all production sectors and the micro, small, and medium enterprises and employment to support consumption demand is needed to sustain this revival. ❖ Success of vaccinations, universal adoption of preventive measures to severely limit the chances of transmission of the virus, and investment in health services to assure access to health care will define the course of economic recovery.

Source: RBI, MOFSL

ICICI Securities: Intra-day leverage business hit by margin rules; Vijay Chandok, MD & CEO

- Business has not been impacted in April so far
- Decline in market share has to do with new margin norm introduction
- Launched new plan in December that should gain traction
- Intra-day credit biz has been impacted
- Had gone digital in our customer acquisition in Q4
- Opening services to non-ICICI bank customers helped client addition
- Fee comes from distribution revenue and issuances; only issuance business has a non-secular character

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Wockhardt: Manufacturing AstraZeneca and other vaccines for UK; Habil Khorakiwala, Founder, Chairman & Group CEO

- Have started supply of vaccines to the UK Government
- We are manufacturing AstraZeneca and other COVID-19 vaccines for UK
- UK Government has tied-up with a number of manufacturers who will undertake fill & finish in Wockhardt plant
- Looking to manufacture COVID vaccine for India. We will roll out the vaccine in India in the next 6-8 months
- Currently in the stage of technology transfer, Government must allow all vaccines to be imported
- Do not have health infra to beat this kind of COVID-19 surge

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KEC International: Not facing any delays on order front; Vimal Kejriwal, MD & CEO

- Total order book & L-1 position at Rs. 25000 crore
- Not facing any delays on the order front
- Not seeing any significant issues in our factories owing to COVID
- New orders are in the same margin range of 8-10 percent
- There has been some reduction in manpower

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Kalyani Steels and Sarda Energy: Looking for another price hikes as costs have gone up; RK Goyal (MD, Kalyani Steel), Manish Sarda (Director, Sarda Group)

- Looking for another price hike as our costs have gone up (Kalyani Steels)
- Volatility in prices is very high (Kalyani Steels)
- Have been forced to take price hikes (Sarda Energy)
- NMDC and others have increased their prices (Sarda Energy)
- Have also seen the price of coal increase (Sarda Energy)
- Plates has seen increase of Rs. 4000/t (Sarda Energy)
- Demand of export markets has been good (Sarda Energy)
- Higher inputs have also led to increase in prices (Sarda Energy)

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V-Mart Retail: COVID second wave to hit first quarter business; will see 40-45% impact; Lalit Agarwal, CMD

- Second wave of COVID-19 had a larger impact on our business as it penetrated into smaller towns
- Retailers stocked up inventory after performance in March
- Difficult to predict the length of disruption
- 25% of stores are not operational
- Tier-I and Tier-II towns are the most impacted now
- Will lose at least 40-45% business in Q1
- Hope the pandemic stressed is contained by the second quarter

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Tejas Networks: Expect price hike in semiconductors; Sanjay Nayak, MD & CEO

- We built the momentum of the business last year
- Seeing good traction, especially in the international markets
- Not faced any challenges as of now when it comes to semiconductor shortage
- There could be a price hike in semiconductors in coming months
- We have only one sticky trade receivable and that's from BSNL
- Have collected 85% of our receivables from BSNL. Have now Rs. 122 crore of trade receivables pending from BSNL
- Should get the telecom PLI guidelines in the next few weeks
- Production capabilities are functioning given we are classified as critical infra

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AMUL: Demand for butter, cheese, ice-cream down 30-40% ; RS Sodhi

- Companies and consumer are better prepared for second wave of COVID-19
- Have not seen any panic buying
- Some product categories impacted with hotels and restaurants staying shut
- Have seen 50% decline in sales in hotels, restaurants & cafes business vs March
- Milk production, procurement, distribution hasn't been impacted
- Selling 20-25% more milk YoY
- Overall demand has been impacted by lower consumer income
- Seeing slight decline in demand for items which are not essential as milk
- Ice-cream demand is down 30-40%; butter, cheese demand down 40-50%
- Labour exodus isn't as much as last time

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PARLE: No panic buying like last time; labour migration lower; Mayank Shah

- Saw a mild surge in sales, but no panic buying as last time
- Seeing mild pantry loading for biscuits
- Pantry loading more to avoid stepping out, not uncertainty of availability
- Situation in rural still better vs urban giver lower population density

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR) FY21E	EPS (INR) FY22E	EPS (INR) FY23E	EPS Gr. YoY (%) FY21E	EPS Gr. YoY (%) FY22E	EPS Gr. YoY (%) FY23E	P/E (x) FY22E	P/E (x) FY23E	P/B (x) FY22E	P/B (x) FY23E	ROE (%) FY22E	ROE (%) FY23E
Automobiles																
Amara Raja	Neutral	796	945	19	37.1	42.0	47.3	-4.1	13.2	12.6	19.0	16.8	3.0	2.7	16.6	16.8
Ashok Ley.	Buy	113	153	36	-0.8	3.8	7.0	-172.3	LP	82.7	29.5	16.1	4.2	3.6	15.2	24.1
Bajaj Auto	Neutral	3682	3906	6	162.8	200.5	217.0	-9.6	23.1	8.3	18.4	17.0	5.1	5.0	28.2	29.8
Bharat Forge	Buy	589	721	22	4.2	16.0	25.8	-54.2	278.2	61.3	36.9	22.9	4.6	4.0	13.0	18.6
Bosch	Neutral	13504	15550	15	289.1	481.1	555.4	-31.0	66.4	15.4	28.1	24.3	3.8	3.4	14.1	14.6
CEAT	Buy	1428	1970	38	103.8	118.7	140.7	81.9	14.3	18.6	12.0	10.1	1.6	1.4	13.8	14.4
Eicher Mot.	Buy	2338	3284	40	50.5	96.5	122.3	-24.6	91.3	26.6	24.2	19.1	4.8	3.9	21.7	22.7
Endurance Tech.	Buy	1284	1767	38	32.2	51.5	62.9	-15.5	60.3	22.0	24.9	20.4	4.7	4.1	20.3	21.4
Escorts	Neutral	1173	1509	29	86.6	92.8	100.6	60.5	7.1	8.4	12.6	11.7	2.0	1.7	17.3	16.1
Exide Ind	Buy	172	231	34	8.6	10.5	12.9	-13.2	21.9	22.7	16.4	13.4	2.0	1.8	12.1	13.3
Hero Moto	Buy	2848	3900	37	143.5	181.8	209.0	-6.2	26.7	14.9	15.7	13.6	3.5	3.3	23.4	24.9
M&M	Buy	800	960	20	34.0	39.7	50.0	13.5	16.6	25.9	20.2	16.0	2.3	2.2	12.4	14.0
Mahindra CIE	Buy	152	235	55	2.8	12.7	15.2	-70.1	352.0	19.3	11.9	10.0	1.1	1.0	9.4	10.1
Maruti Suzuki	Buy	6650	8708	31	160.7	266.7	322.8	-14.5	65.9	21.0	24.9	20.6	3.5	3.1	13.8	15.0
Motherson Sumi	Buy	213	242	14	2.5	7.5	9.8	-32.0	197.5	30.4	28.4	21.8	5.0	4.3	18.7	21.3
Tata Motors	Buy	295	415	41	-1.0	28.6	38.5	-95.9	LP	34.7	10.3	7.7	1.8	1.5	19.7	21.6
TVS Motor	Neutral	534	582	9	11.5	19.4	26.5	-11.4	68.6	36.5	27.5	20.1	5.4	4.4	21.2	24.2
Aggregate								**33.1**	**104.1**	**25.4**	**19.2**	**15.3**	**3.2**	**2.8**	**16.6**	**18.2**
Banks - Private																
AU Small Finance	Buy	1095	1350	23	41.3	40.2	52.6	82.5	-3	30.9	27.3	20.8	4.5	3.7	18.1	19.6
Axis Bank	Buy	659	900	37	18.8	45.9	63.4	212.2	144	38.1	14.4	10.4	1.8	1.5	13.2	15.9
Bandhan Bank	Neutral	310	370	20	15.8	24.8	36.5	-26.7	57	47.1	12.5	8.5	2.5	2.0	21.6	26.3
DCB Bank	Neutral	92	110	19	10.3	13.0	17.1	-5.5	26.1	31.7	7.1	5.4	0.7	0.6	10.9	12.8
Equitas Hold.	Buy	76	105	39	10.9	15.1	20.2	53.3	37.7	33.9	5.0	3.7	0.9	0.9	17.3	22.9
Federal Bank	Buy	72	110	53	7.8	11.3	14.4	1.0	43.8	28.2	6.4	5.0	0.8	0.7	13.2	15.0
HDFC Bank	Buy	1422	1800	27	56.6	67.6	82.6	17.8	19.4	22.2	21.0	17.2	3.3	2.9	17.0	17.8
ICICI Bank	Buy	579	770	33	25.4	31.6	39.8	106.6	24.5	26.1	18.3	14.5	2.4	2.1	14.1	15.5
IndusInd	Buy	836	1300	56	39.9	83.0	103.0	-41.5	108.2	24.0	10.1	8.1	1.4	1.2	14.7	15.9
Kotak Mah. Bk	Neutral	1737	2000	15	49.8	59.6	69.8	10.8	19.7	17.1	29.2	24.9	3.9	3.4	13.0	13.3
RBL Bank	Buy	176	300	70	9.9	17.5	24.7	-0.3	76.8	40.7	10.1	7.1	0.8	0.7	8.0	10.4
SBI Cards	Buy	944	1200	27	11.4	19.0	27.8	-18.6	66.3	46.7	49.7	33.9	11.2	8.6	25.1	28.7
Aggregate								**31.3**	**38.2**	**26.7**	**19.1**	**15.1**	**2.8**	**2.4**	**14.5**	**15.8**
Banks - PSU																
BOB	Neutral	63	75	19	6.1	9.5	16.2	412.7	57.3	69.7	6.6	3.9	0.4	0.4	5.8	9.3
SBI	Buy	337	500	49	30.9	45.2	54.7	39.3	47	20.9	7.4	6.2	1.0	0.9	13.8	14.6
Aggregate								**49.3**	**48**	**26**	**7**	**5.7**	**0.9**	**0.8**	**12.3**	**13.7**
NBFCs																
AAVAS Financiers	Neutral	2210	2400	9	35.4	43.4	55.5	11.3	22.7	27.8	50.9	39.8	6.4	5.5	13.4	14.8
Aditya Birla Cap	Buy	117	140	20	4.5	6.1	7.6	17.3	36.4	24.6	19.3	15.5	1.9	1.7	10.2	11.4
Bajaj Fin.	Neutral	4692	5000	7	73.2	147.0	186.7	-16.6	100.8	27.0	31.9	25.1	6.4	5.2	21.9	22.7
Can Fin Homes	Buy	508	730	44	35.3	36.2	40.3	25.1	2.6	11.3	14.0	12.6	2.2	1.9	17.2	16.4
Cholaman.Inv.&Fn	Buy	551	650	18	22.1	28.7	32.6	71.8	30.3	13.4	19.2	16.9	3.8	3.1	21.7	20.3
H D F C	Buy	2479	3300	33	55.3	63.8	73.5	12.4	15.3	15.3	38.9	33.7	3.7	3.5	12.6	13.2
HDFC Life Insur.	Neutral	679	650	-4	6.9	8.9	10.1	7.4	29.5	13.0	76.0	67.3	4.7	4.0	17.4	17.6
ICICI Pru Life	Buy	493	600	22	6.7	8.7	9.4	-10.1	30.2	7.8	56.6	52.5	2.1	1.8	14.7	14.6
IIFL Wealth Mgt	Buy	1067	1540	44	41.5	49.4	61.7	79.6	19.1	25.0	21.6	17.3	4.6	4.3	19.1	25.6
IndoStar	Neutral	310	355	15	9.5	12.4	17.6	-127.1	29.7	42.6	25.1	17.6	0.9	0.9	3.7	5.1
L&T Fin Holdings	Buy	90	125	38	3.4	9.9	13.0	-68.5	190.9	31.0	9.1	7.0	1.1	1.0	12.7	14.8
LIC Hsg Fin	Buy	387	520	34	60.7	67.6	72.7	27.5	11.4	7.5	5.7	5.3	0.8	0.7	15.7	14.9
Manappuram Fin.	Buy	143	205	43	20.7	24.1	28.1	18.1	16.4	16.9	6.0	5.1	1.4	1.1	25.1	23.8
MAS Financial	Buy	811	1020	26	26.4	32.4	38.0	-20.3	22.5	17.4	25.0	21.3	3.6	3.2	15.2	15.8
Max Financial	Buy	854	1000	17	15.9	21.7	27.5	9.8	36.3	26.5	39.3	31.1	2.6	2.2	18.8	19.2
M&M Fin.	Buy	175	230	32	6.5	9.5	14.6	-55.8	46.4	53.2	18.3	12.0	1.3	1.2	7.5	10.7
Muthoot Fin	Buy	1147	1500	31	92.9	106.3	124.1	23.4	14.4	16.7	10.8	9.2	2.6	2.1	26.3	25.0

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR) FY21E	EPS (INR) FY22E	EPS (INR) FY23E	EPS Gr. YoY (%) FY21E	EPS Gr. YoY (%) FY22E	EPS Gr. YoY (%) FY23E	P/E (x) FY22E	P/E (x) FY23E	P/B (x) FY22E	P/B (x) FY23E	ROE (%) FY22E	ROE (%) FY23E
Piramal Enterp.	Buy	1657	2210	33	119.6	129.5	159.6	-587.6	8.3	23.3	12.8	10.4	1.0	1.0	8.6	9.7
PNB Housing	Neutral	359	400	12	64.0	71.0	88.2	66.7	10.8	24.2	5.1	4.1	0.6	0.5	12.8	14.3
Repco Home Fin	Buy	312	430	38	49.7	51.3	55.6	10.9	3.2	8.4	6.1	5.6	0.8	0.7	14.4	13.7
SBI Life Insurance	Buy	914	1050	15	12.9	13.3	17.8	-9.2	3.3	33.6	68.5	51.3	2.5	2.1	18.3	19.0
Shriram City Union	Buy	1427	1650	16	156.3	193.1	246.7	3.1	23.6	27.7	7.4	5.8	1.0	0.9	14.6	16.2
Shriram Trans.	Buy	1325	1700	28	100.1	130.7	149.4	-9.3	30.6	14.3	10.1	8.9	1.3	1.2	14.2	14.3
Aggregate								**19.9**	**31.7**	**19.8**	**20.1**	**16.8**	**2.7**	**2.4**	**13.4**	**14.3**
Capital Goods																
ABB	Buy	1390	1565	13	11.9	20.6	27.1	-28.4	73.7	31.4	67.4	51.3	7.5	6.7	11.1	13.2
Bharat Elec.	Buy	126	150	19	6.9	8.5	9.4	-5.9	23.3	9.6	14.8	13.5	2.5	2.3	17.1	16.8
BHEL	Sell	45	26	-42	-2.5	1.3	1.9	-41.3	LP	43.5	33.9	23.6	0.5	0.5	1.6	2.3
Cummins	Sell	856	515	-40	19.0	22.5	25.8	-18.2	18.3	14.4	38.0	33.2	5.1	4.9	13.5	14.8
Engineers India	Buy	71	85	20	5.6	7.5	7.6	-17.0	32.6	1.2	9.5	9.3	1.9	1.9	19.3	19.1
K E C Intl.	Sell	837	740	-12	9.8	20.3	26.8	-36.0	107.4	32.1	41.2	31.2	9.0	8.0	21.8	25.8
Larsen & Toubro	Buy	1336	1685	26	81.4	66.1	77.8	19.7	-18.8	17.6	20.2	17.2	2.3	2.1	11.4	12.2
Siemens	Neutral	1801	1640	-9	21.3	35.0	36.9	-32.6	64.5	5.5	51.5	48.8	6.1	5.6	11.9	11.4
Thermax	Neutral	1347	1190	-12	22.4	33.2	39.6	18.7	48.3	19.1	40.6	34.1	4.5	4.1	11.0	12.0
Aggregate								**-19.4**	**54.9**	**16.0**	**24.2**	**20.9**	**2.5**	**2.3**	**10.4**	**11.1**
Consumer Durables																
Blue Star	Buy	357	485	36	8.4	10.6	12.1	19.9	27.1	13.7	33.6	29.6	10.3	8.5	30.5	28.7
CG Cons. Elec.	Neutral	1005	1100	9	16.5	19.6	22.0	40.7	18.8	12.2	51.3	45.8	10.9	9.4	21.2	20.6
Havells	Buy	409	450	10	22.0	26.3	30.0	0.0	19.5	14.2	15.5	13.6	2.7	2.3	17.5	16.9
Orient Electric	Buy	277	365	32	5.3	6.5	8.1	42.8	23.1	25.0	42.6	34.1	12.0	10.2	28.2	29.8
Voltas	Neutral	940	1170	24	14.3	21.5	24.6	-14.6	50.3	14.5	43.8	38.2	6.1	5.5	13.9	14.3
Whirlpool India	Buy	2091	3020	44	27.3	45.5	54.9	-27.4	66.8	20.8	46.0	38.1	8.0	6.8	17.4	17.8
Aggregate								**6.4**	**36.1**	**16.0**	**45.0**	**38.8**	**8.9**	**7.7**	**19.8**	**19.9**
Cement																
Ambuja Cem.	Neutral	295	310	5	9.0	9.4	11.3	24.2	4.0	20.9	31.5	26.0	2.7	2.5	8.8	9.9
ACC	Buy	1832	2205	20	78.4	101.1	106.4	8.5	28.9	5.2	18.1	17.2	2.4	2.2	14.1	13.3
Birla Corp.	Buy	920	1305	42	73.0	82.2	101.0	11.3	12.6	22.9	11.2	9.1	1.2	1.1	11.4	12.6
Dalmia Bhar.	Buy	1479	1860	26	45.4	45.8	70.6	295.4	0.9	54.1	32.3	21.0	2.3	2.1	7.4	10.6
Grasim Inds.	Neutral	1300	1510	16	83.9	99.0	113.0	-5.0	18.1	14.1	13.1	11.5	2.2	2.1	4.1	5.0
India Cem	Neutral	164	167	2	6.5	5.0	6.5	847.1	-23.8	31.9	33.0	25.0	0.9	0.9	2.7	3.5
J K Cements	Buy	2858	3360	18	86.2	105.0	123.4	37.7	21.8	17.6	27.2	23.2	5.2	4.3	20.9	20.4
JK Lakshmi Ce	Buy	398	550	38	25.7	27.6	36.4	14.1	7.1	32.2	14.5	10.9	2.0	1.7	15.0	17.0
Ramco Cem	Neutral	974	970	0	33.4	34.9	41.4	30.8	4.4	18.7	28.0	23.5	3.6	3.2	13.8	14.5
Shree Cem	Neutral	28526	27500	-4	645.3	740.3	861.1	48.3	14.7	16.3	38.5	33.1	5.9	5.1	16.4	16.5
Ultratech	Buy	6094	8110	33	190.8	229.4	287.0	43.6	20.2	25.1	26.6	21.2	3.3	3.0	14.0	15.3
Aggregate								**24.0**	**15.9**	**19.7**	**23.1**	**19.3**	**3.0**	**2.7**	**13.0**	**14.0**
Consumer																
Asian Paints	Neutral	2510	2750	10	34.5	39.5	45.8	18.9	14.7	16.0	63.5	54.8	18.7	16.7	31.1	32.2
Britannia	Buy	3753	4575	22	81.7	79.4	91.5	39.3	-2.8	15.2	47.2	41.0	18.7	17.1	41.1	43.5
Colgate	Buy	1515	1810	19	36.1	40.0	45.3	20.4	10.7	13.3	37.9	33.4	24.9	24.9	65.6	74.3
Dabur	Buy	566	665	17	9.8	11.3	13.3	13.4	16.0	17.0	49.9	42.7	12.4	11.1	26.2	27.6
Emami	Buy	509	580	14	17.2	17.0	18.7	38.8	-1.5	10.3	30.0	27.2	10.6	10.5	35.3	38.8
Godrej Cons.	Neutral	704	720	2	16.8	17.7	20.6	18.4	5.8	15.9	39.7	34.2	8.2	7.9	21.2	23.5
HUL	Buy	2350	2690	14	34.1	41.7	48.9	9.3	22.1	17.3	56.4	48.1	10.9	10.9	19.7	22.6
ITC	Neutral	206	220	7	10.3	13.1	14.8	-17.0	27.1	12.6	15.7	13.9	3.7	3.6	24.2	26.2
Jyothy Lab	Neutral	142	158	11	5.7	5.9	6.2	25.7	3.8	4.9	24.0	22.9	4.1	4.0	17.2	17.6
Marico	Buy	411	490	19	9.0	9.8	11.4	10.4	9.0	16.2	42.0	36.1	12.9	11.9	31.1	34.2
Nestle	Neutral	16779	18300	9	217.4	249.2	291.9	7.6	14.6	17.1	67.3	57.5	75.6	69.3	115.5	125.8
Page Inds	Neutral	29891	28800	-4	301.9	457.3	523.0	-1.9	51.5	14.4	65.4	57.1	36.9	35.7	56.4	62.5
Pidilite Ind.	Neutral	1785	1675	-6	22.6	24.4	29.3	-2.4	8.3	20.1	73.0	60.8	14.1	12.1	20.5	21.4

		CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
Company	**Reco**	**(INR)**	**(INR)**	**Downside**	**FY21E**	**FY22E**	**FY23E**	**FY21E**	**FY22E**	**FY23E**	**FY22E**	**FY23E**	**FY22E**	**FY23E**	**FY22E**	**FY23E**
P&G Hygiene	Buy	13601	14580	7	180.8	232.9	280.4	32.5	28.8	20.4	58.4	48.5	33.2	29.2	60.3	64.1
Tata Consumer	Buy	666	680	2	10.3	13.0	15.2	29.6	26.3	16.3	51.0	43.8	4.0	3.8	8.1	8.9
United Brew	Sell	1123	972	-13	7.2	15.3	20.6	-55.8	113.9	34.5	73.3	54.5	7.5	7.0	10.6	13.2
United Spirits	Buy	518	725	40	5.7	12.9	17.1	-47.6	126.8	32.5	40.1	30.2	7.4	6.0	18.5	19.7
Varun Beverages	Buy	891	1140	28	13.7	27.5	36.7	-15.7	100.4	33.8	32.4	24.3	6.1	4.9	20.4	22.4
Aggregate								**1.6**	**20.8**	**15.6**	**41.3**	**35.7**	**9.7**	**9.2**	**23.4**	**25.7**
Healthcare																
Alembic Phar	Neutral	1004	1050	5	58.6	51.7	56.6	33.3	-11.8	9.4	19.4	17.7	3.5	3.0	19.9	18.9
Alkem Lab	Buy	2798	3400	21	126.6	135.6	151.3	32.7	7.1	11.6	20.6	18.5	3.9	3.4	20.4	19.5
Ajanta Pharma	Buy	1829	2060	13	70.5	78.6	91.1	37.9	11.4	15.9	23.3	20.1	4.5	3.8	20.7	20.5
Aurobindo	Buy	993	1100	11	53.0	60.7	68.1	7.9	14.4	12.3	16.4	14.6	2.3	2.0	15.1	14.7
Biocon	Neutral	400	400	0	6.0	8.9	11.8	-2.5	48.3	31.6	44.7	34.0	6.0	5.4	14.2	16.7
Cadila	Buy	552	550	0	20.0	23.2	24.6	36.1	16.1	6.0	23.8	22.4	3.6	3.2	16.2	15.2
Cipla	Neutral	944	900	-5	33.7	36.7	41.9	71.6	9.0	14.2	25.7	22.5	3.6	3.2	14.0	14.0
Divis Lab	Buy	3754	4450	19	75.9	98.0	127.3	55.0	29.2	29.9	38.3	29.5	9.1	7.3	26.2	27.5
Dr Reddy's	Neutral	5200	5410	4	153.7	188.2	213.8	17.0	22.4	13.6	27.6	24.3	4.2	3.6	16.3	16.1
Gland Pharma	Buy	2658	2900	9	57.7	72.6	92.3	15.9	25.7	27.1	36.6	28.8	6.2	5.1	18.5	19.4
Glenmark	Neutral	568	525	-7	35.4	36.1	41.1	44.0	1.9	14.0	15.7	13.8	2.0	1.8	13.7	13.8
GSK Pharma	Neutral	1457	1480	2	29.0	35.3	40.1	2.9	21.8	13.5	41.3	36.3	11.7	10.3	28.4	28.3
Granules India	Buy	332	430	29	21.7	25.5	29.3	66.5	17.3	15.3	13.0	11.3	3.0	2.4	25.4	23.8
IPCA Labs	Buy	2102	2480	18	94.4	94.3	101.4	83.8	-0.1	7.6	22.3	20.7	4.7	3.9	23.1	20.7
Jubilant Pharmova	Buy	817	910	11	56.6	60.3	69.1	-5.3	6.5	14.6	13.6	11.8	2.7	2.2	21.7	20.6
Laurus Labs	Buy	453	470	4	18.4	22.5	27.4	285.4	22.5	21.4	20.1	16.6	6.7	5.0	38.7	34.4
Lupin	Buy	1061	1200	13	25.3	39.4	45.6	8.6	55.4	15.7	26.9	23.3	3.3	3.0	12.8	13.4
Strides Pharma	Buy	914	970	6	24.8	43.3	53.6	63.6	74.3	23.7	21.1	17.1	2.7	2.4	13.4	14.9
Sun Pharma	Buy	640	740	16	25.6	26.8	29.9	56.2	4.4	11.6	23.9	21.4	2.9	2.6	12.9	12.9
Torrent Pharma	Neutral	2577	2510	-3	73.0	88.0	99.8	30.1	20.6	13.4	29.3	25.8	6.7	5.7	24.5	23.8
Aggregate								**36.7**	**15.0**	**15.0**	**25.2**	**21.9**	**3.9**	**3.4**	**15.6**	**15.6**
Infrastructure																
Ashoka Buildcon	Buy	84	145	73	13.2	11.2	12.8	-4.6	-15.0	14.6	7.5	6.5	0.7	0.7	10.2	10.7
IRB Infra	Neutral	105	122	16	3.9	5.9	9.7	-79.2	51.2	64.0	17.7	10.8	0.5	0.5	3.1	4.9
KNR Constructions	Buy	200	265	33	9.1	12.8	16.5	26.0	40.4	28.4	15.6	12.1	2.6	2.1	17.8	19.1
Aggregate											**13.2**	**10.0**	**1.0**	**0.9**	**7.2**	**8.8**
Media																
PVR	Neutral	1094	1300	19	-92.2	17.1	36.7	-386.6	LP	113.8	63.8	29.8	3.1	2.8	5.0	10.0
Sun TV	Buy	456	565	24	38.6	40.0	40.0	10.9	3.6	0.1	11.4	11.4	2.6	2.5	24.0	22.5
Zee Ent.	Neutral	192	220	14	8.9	17.4	19.8	62.1	95.7	13.6	11.1	9.7	1.7	1.5	15.9	15.9
Aggregate								**-16.1**	**60.7**	**10.4**	**13.1**	**11.9**	**2.2**	**2.0**	**16.7**	**16.6**
Metals																
Hindalco	Buy	356	430	21	23.5	35.9	41.0	34.6	52.7	14.0	9.9	8.7	1.7	1.4	18.1	17.5
Hind. Zinc	Neutral	302	268	-11	18.8	27.2	26.3	16.5	44.8	-3.1	11.1	11.5	3.5	3.2	33.2	28.9
JSPL	Buy	442	452	2	57.1	42.7	40.2	-835.5	-25.3	-5.8	10.3	11.0	1.3	1.1	13.1	11.0
JSW Steel	Buy	641	610	-5	31.7	62.2	59.4	251.0	96.1	-4.5	10.3	10.8	2.7	2.2	29.6	22.5
Nalco	Buy	57	71	25	4.1	6.9	6.6	450.3	68.5	-4.4	8.2	8.6	1.0	1.0	12.5	11.7
NMDC	Buy	141	170	20	21.9	24.6	20.0	42.8	12.5	-18.6	5.7	7.0	1.3	1.2	23.4	17.2
SAIL	Buy	94	106	13	13.8	18.5	16.8	LP	35	-9.3	5.1	5.6	0.8	0.7	15.8	13.0
Tata Steel	Neutral	921	891	-3	69.3	103.0	93.3	665.4	49	-9.5	8.9	9.9	1.3	1.1	14.9	12.0
Vedanta	Neutral	227	221	-2	26.0	28.9	27.5	196.6	11	-4.7	7.8	8.2	1.3	1.2	17.1	15.3
Aggregate								**173.5**	**35.8**	**-5.1**	**8.6**	**9.1**	**1.5**	**1.3**	**17.3**	**14.8**
Oil & Gas																
Aegis Logistics	Buy	286	330	16	7.1	10.7	13.3	139.6	49.3	25.1	26.8	21.4	4.7	4.1	18.5	20.4
BPCL	Buy	418	520	24	41.9	34.4	42.0	65.5	-18.0	22.1	12.2	10.0	1.9	1.7	16.0	17.8
Castrol India	Buy	120	170	42	5.9	8.5	8.5	-29.6	44.4	-0.3	14.0	14.1	7.5	6.8	56.2	50.3

Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
GAIL	Buy	133	170	28	10.2	15.8	16.7	-38.1	55.0	6.1	8.4	7.9	1.1	1.0	14.9	14.7
Gujarat Gas	Buy	531	560	5	17.0	20.0	23.3	-1.8	17.2	17.0	26.6	22.8	6.7	5.4	28.3	26.3
Gujarat St. Pet.	Buy	246	390	59	15.0	16.8	17.9	-23.5	11.9	6.3	14.6	13.7	1.7	1.5	12.1	11.6
HPCL	Neutral	234	277	19	56.3	40.3	42.0	135.5	-28.3	4.2	5.8	5.6	1.0	1.0	18.4	18.5
IOC	Buy	88	142	62	15.8	15.5	18.9	53.5	-1.8	22.1	5.7	4.6	0.8	0.7	13.7	15.8
IGL	Neutral	512	520	2	14.5	18.1	18.8	-10.6	24.6	4.1	28.3	27.2	5.2	4.5	19.9	17.9
Mahanagar Gas	Buy	1092	1290	18	63.4	78.4	80.6	-21.1	23.8	2.8	13.9	13.5	2.9	2.6	22.0	20.1
MRPL	Neutral	37	39	6	-1.0	4.0	7.2	-93.7	LP	81.1	9.2	5.1	0.8	0.7	8.8	14.5
Oil India	Buy	116	155	33	17.9	19.7	22.0	-21.8	10.4	11.6	5.9	5.3	0.5	0.5	8.7	9.3
ONGC	Buy	103	125	21	10.7	21.8	23.8	-18.4	104.3	9.0	4.7	4.3	0.6	0.5	12.4	12.3
PLNG	Buy	230	325	41	18.0	22.1	23.9	-2.6	22.9	8.0	10.4	9.6	2.7	2.5	27.1	26.9
Reliance Ind.	Buy	1906	2330	22	65.9	101.6	122.8	-0.9	54.2	20.9	18.8	15.5	2.2	1.9	12.1	13.1
Aggregate								**9.1**	**38.0**	**16.6**	**12.6**	**10.8**	**1.6**	**1.4**	**12.5**	**13.1**
Retail																
Avenue Supermarts	Neutral	2716	2900	7	16.9	28.8	37.8	-15.7	70.1	31.3	94.3	71.8	12.1	10.3	14.2	16.0
Aditya Birla Fashion	Buy	177	230	30	-2.4	0.0	0.4	1,208.1	LP	2,039.9	######	467.8	20.2	19.4	0.2	4.2
Jubilant Food.	Neutral	2877	2915	1	18.0	38.2	53.0	-19.9	111.9	38.5	75.3	54.3	24.2	19.1	32.1	35.2
Shoppers Stop	Neutral	190	220	16	-34.1	-13.9	-15.0	131.8	Loss	Loss	NM	NM	-114.4	-11.4	-262.6	163.8
Titan Company	Buy	1481	1800	22	11.3	23.0	30.0	-34.0	104.6	30.3	64.3	49.3	16.5	14.6	27.5	31.4
Trent	Neutral	747	660	-12	-3.5	4.7	8.4	-217.4	LP	79.1	159.9	89.3	10.2	9.1	7.1	11.5
V-Mart Retail	Buy	2580	3500	36	-12.0	22.6	40.9	-144.1	LP	80.5	114.0	63.1	9.8	8.5	9.0	14.4
Westlife Develop	Neutral	418	455	9	-5.9	1.7	6.2	PL	LP	256.5	239.5	67.2	12.6	10.6	5.4	17.1
Aggregate								**-65.4**	**317.9**	**38.3**	**87.4**	**63.2**	**13.3**	**11.6**	**15.2**	**18.3**
Technology																
Cyient	Buy	688	810	18	33.8	42.6	50.6	0.1	26.0	18.8	16.2	13.6	2.6	2.4	16.0	18.2
HCL Tech.	Buy	961	1285	34	46.2	55.0	64.2	13.4	19.1	16.7	17.5	15.0	4.0	3.7	24.2	25.9
Infosys	Buy	1351	1600	18	45.6	53.2	63.5	17.1	16.8	19.4	25.4	21.3	6.9	6.3	28.3	30.9
L & T Infotech	Neutral	3875	3715	-4	107.0	121.1	142.8	23.6	13.1	17.9	32.0	27.1	8.5	7.0	29.1	28.4
L&T Technology	Buy	2552	3040	19	63.7	88.8	108.6	-17.8	39.3	22.3	28.7	23.5	7.0	5.9	26.7	27.5
Mindtree	Neutral	2033	2180	7	67.4	77.7	90.6	75.7	15.3	16.7	26.2	22.4	6.7	5.7	27.4	27.5
Mphasis	Buy	1643	2020	23	64.4	75.7	91.4	2.0	17.5	20.8	21.7	18.0	4.3	3.8	21.0	22.8
Coforge	Neutral	2878	2735	-5	77.2	98.7	113.9	2.1	27.9	15.4	29.2	25.3	5.6	4.8	20.3	20.3
Persistent Sys	Buy	1874	2150	15	56.2	73.7	85.8	26.1	31.2	16.4	25.4	21.8	4.8	4.2	20.4	20.5
TCS	Neutral	3119	3250	4	86.7	109.0	124.9	0.6	25.7	14.6	28.6	25.0	12.5	11.8	45.4	49.1
Tech Mah	Neutral	968	1085	12	52.6	59.8	67.9	8.9	13.7	13.5	16.2	14.3	3.0	2.6	19.9	19.9
Wipro	Neutral	487	455	-6	18.8	20.0	23.9	14.3	6.5	19.9	24.4	20.3	4.9	4.9	20.2	24.0
Zensar Tech	Neutral	268	290	8	15.5	17.9	20.7	32.9	15.4	15.8	14.9	12.9	2.3	2.0	16.3	16.6
Aggregate								**8.7**	**18.4**	**16.6**	**25.7**	**22.0**	**7.3**	**6.8**	**28.4**	**30.7**
Telecom																
Bharti Airtel	Buy	531	720	36	0.8	4.5	7.9	-111.3	435.8	73.8	117.3	67.5	4.4	4.1	3.8	6.3
Indus Towers	Neutral	261	-		18.5	20.4	19.8	19.6	10.3	-2.9	12.8	13.2	4.1	3.9	33.5	30.5
Vodafone Idea		8			-8.5	-7.5	-6.8	12.9	Loss	Loss	NM	NM	-0.6	-0.4	73.2	39.1
Tata Comm	Neutral	1124	975	-13	48.1	58.7	68.8	355.4	22.0	17.2	19.1	16.3	18.9	8.8	196	73.4
Aggregate								**Loss**	**Loss**	**Loss**	**-34**	**-50.9**	**9.0**	**12.5**	**-26.7**	**-24.5**
Utiltites																
Coal India	Buy	125	178	42	18.3	24.5	30.9	-32.4	34.0	25.7	5.1	4.1	1.7	1.4	34.3	35.1
CESC	Buy	581	777	34	97.4	97.1	104.3	-0.4	-0.3	7.4	6.0	5.6	0.7	0.7	12.1	12.3
Indian Energy Exchange	Buy	360	355	-1	7.1	8.3	9.8	19.2	17.1	17.9	43.2	36.7	20.3	17.4	50.6	51.2
JSW Energy	Neutral	100	85	-15	4.8	5.9	6.9	-5.8	22.2	18.4	17.0	14.4	1.3	1.2	7.7	8.8
NHPC	Neutral	24	26	10	2.9	3.0	3.5	0.5	4.1	17.9	7.9	6.7	0.7	0.7	9.0	10.0
NTPC	Buy	99	141	42	15.5	16.8	18.1	12.0	9.0	7.7	5.9	5.5	0.7	0.7	12.8	13.1
Power Grid	Buy	204	248	22	23.9	25.9	27.2	13.0	8.5	5.0	7.9	7.5	1.4	1.3	18.7	18.2

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR) FY21E	FY22E	FY23E	EPS Gr. YoY (%) FY21E	FY22E	FY23E	P/E (x) FY22E	FY23E	P/B (x) FY22E	FY23E	ROE (%) FY22E	FY23E
Torrent Power	Buy	384	463	21	22.8	31.1	31.7	-18.5	36.4	1.9	12.3	12.1	1.7	1.5	14.1	13.0
Tata Power	Buy	94	120	27	3.8	5.4	5.5	1.5	40.7	3.2	17.5	17.0	1.4	1.3	7.9	7.7
Aggregate								**-5.7**	**15.0**	**13.2**	**6.7**	**5.9**	**1.1**	**1.0**	**16.3**	**17.1**
Others																
BSE	Buy	601	770	28	33.0	47.5	53.9	32.4	43.9	13.5	12.7	11.1	1.1	1.0	8.5	9.1
Concor	Buy	551	662	20	12.6	16.0	19.9	-24.1	27.2	24.0	34.4	27.7	3.1	3.0	9.2	11.0
Coromandel Intl	Buy	734	1030	40	47.7	55.9	60.6	31.3	17.2	8.3	13.1	12.1	3.4	2.9	28.4	25.8
EPL	Buy	222	334	50	8.5	11.3	13.4	24.6	33.0	18.3	19.7	16.6	3.7	3.2	20.0	20.6
Indiamart Inter.	Buy	7986	9220	15	104.4	118.3	143.1	103.5	13.3	21.0	67.5	55.8	17.1	11.8	49.0	39.8
Indian Hotels	Buy	99	139	40	-6.9	0.6	1.9	-354.6	LP	197.8	156.4	52.5	3.3	3.1	2.1	6.1
Interglobe	Neutral	1542	1530	-1	-143.5	45.1	95.6	2,123.6	LP	112	34	16.1	31.7	11.6	156.5	105.4
Info Edge	Neutral	4826	4600	-5	21.9	30.2	41.0	31.0	37.7	35.9	159.9	117.7	13.3	12.4	8.5	10.9
Godrej Agrovet	Buy	494	640	30	16.3	20.0	23.6	23.1	22.6	17.8	24.7	21.0	4.2	3.7	18.0	18.9
Kaveri Seed	Buy	596	633	6	52.2	53.2	57.6	21.1	2.1	8.1	11.2	10.4	3.0	2.7	27.9	27.4
Lemon Tree Hotel	Buy	30	49	63	-1.7	0.0	0.6	1,308.3	Loss	LP	NM	53.0	3.4	3.2	-0.4	6.3
MCX	Buy	1456	1970	35	44.7	45.3	61.7	-3.6	1.3	36.1	32.1	23.6	5.2	4.7	16.9	20.9
Quess Corp	Buy	545	745	37	12.4	33.3	43.0	-32.1	168.3	29.4	16.4	12.7	2.1	1.7	17.6	18.9
PI Inds.	Buy	2568	2612	2	51.1	65.6	79.2	69.9	28.3	20.7	39.2	32.4	6.3	5.4	17.4	17.9
SIS	Buy	358	620	73	22.7	23.0	28.6	40.4	1.4	24.5	15.6	12.5	1.2	1.0	18.1	18.6
SRF	Buy	6106	6317	3	194.8	233.3	282.3	25.5	19.8	21.0	26.2	21.6	4.5	3.8	18.6	19.0
Tata Chemicals	Buy	735	552	-25	16.3	34.8	44.5	-48.6	113.9	27.6	21.1	16.5	1.4	1.3	6.7	8.2
Team Lease Serv.	Buy	3080	3980	29	51.7	72.9	99.5	5.8	40.9	36.5	42.3	31.0	6.7	5.5	17.2	19.5
Trident	Buy	14	19	41	0.7	1.0	1.4	6.8	52.5	29.1	12.9	10.0	1.7	1.5	14.4	16.3
UPL	Neutral	591	583	-1	42.1	49.8	58.3	21.0	18.2	17.0	11.9	10.1	1.4	1.2	19.0	19.1

Index and MOFSL Universe stock performance

Index	1 Day (%)	1M (%)	12M (%)
Sensex	**0.8**	**-3.4**	**53.2**
Nifty-50	**0.8**	**-2.2**	**56.8**
Nifty Next 50	**0.1**	**-0.5**	**46.9**
Nifty 100	**0.7**	**-2.0**	**55.4**
Nifty 200	**0.6**	**-1.8**	**58.3**
Company	**1 Day (%)**	**1M (%)**	**12M (%)**
Automobiles	**0.1**	**-4.9**	**77.7**
Amara Raja Batt.	-0.6	-8.9	42.7
Ashok Leyland	0.0	-0.7	151.2
Bajaj Auto	2.3	0.4	54.5
Bharat Forge	2.4	-1.3	129.1
Bosch	0.6	-5.9	30.0
CEAT	1.9	-7.8	74.0
Eicher Motors	-0.1	-12.7	70.6
Endurance Tech.	-0.3	-13.9	126.3
Escorts	-2.9	-13.9	56.5
Exide Inds.	-0.9	-9.2	16.7
Hero Motocorp	0.8	-7.9	50.8
M & M	-1.3	-6.3	134.9
Mahindra CIE	-0.2	-6.4	87.0
Maruti Suzuki	0.1	-6.4	28.4
Motherson Sumi	4.1	3.2	190.7
Tata Motors	-1.1	-2.8	288.1
TVS Motor Co.	-0.5	-8.1	76.5
Banks-Private	**1.8**	**-6.0**	**59.9**
AU Small Fin. Bank	5.1	-10.4	106.7
Axis Bank	1.2	-8.0	52.8
Bandhan Bank	0.0	-12.2	55.7
DCB Bank	-0.4	-12.4	4.7
Equitas Holdings	-1.0	-12.8	60.4
Federal Bank	-0.5	-7.1	62.7
HDFC Bank	2.3	-3.2	53.2
ICICI Bank	3.6	1.0	72.3
IndusInd Bank	-1.1	-13.7	101.1
Kotak Mah. Bank	2.3	-4.8	50.9
RBL Bank	1.1	-21.7	67.7
SBI Cards	-2.2	-2.9	77.3
Banks-PSU	**0.7**	**-9.4**	**49.0**
BOB	-0.2	-13.0	30.5
SBI	2.1	-8.3	78.5
Company	**1 Day (%)**	**1M (%)**	**12M (%)**
NBFCs	**2.1**	**-3.6**	**59.3**
Aditya Birla Cap	-0.1	-3.1	137.1
Bajaj Fin.	1.8	-12.9	118.5
Cholaman.Inv.&Fn	2.2	-3.4	265.6
Can Fin Homes	-0.8	-15.7	74.8
HDFC	2.7	-2.2	49.1
HDFC Life Insur.	-0.9	-0.2	34.8
Indostar Capital	3.5	-5.5	15.6
L&T Fin.Holdings	-0.3	-9.0	64.0
LIC Hsg Fin	1.1	-6.7	47.0
M&M Fin.	2.4	-17.4	90.2
Muthoot Fin	0.5	-7.4	51.0
Manappuram Fin.	1.1	-8.5	40.4
MAS Financial Serv.	5.8	-8.1	25.2
Max Financial	0.7	1.1	94.2
ICICI Pru Life	3.0	12.5	33.1
ICICI Sec	6.9	9.6	41.3

Note: Sectoral performance are of NSE/BSE Indices

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	**0.6**	**-1.7**	**61.0**
Nifty Midcap 100	**0.5**	**-0.7**	**83.0**
Nifty Smallcap 100	**0.9**	**0.1**	**107.0**
Nifty Midcap 150	**0.4**	**-0.7**	**81.2**
Nifty Smallcap 250	**0.7**	**0.3**	**98.3**
Company	**1 Day (%)**	**1M (%)**	**12M (%)**
IIFL Wealth Mgt	-3.3	-11.6	21.6
PNB Housing	-0.2	-8.7	72.8
Repco Home	0.8	-3.1	171.3
SBI Life Insuran	1.8	1.6	29.7
Shriram City Union	-0.3	0.3	94.6
Shriram Trans.	-1.4	-4.0	124.2
Capital Goods	**0.1**	**-5.4**	**71.2**
ABB	-0.2	0.1	53.4
Bharat Elec.	1.4	-1.5	64.7
BHEL	1.1	-14.4	109.4
Cummins	2.7	-4.1	108.2
Engineers India	-0.1	-5.9	7.0
K E C Intl	-2.2	-8.6	123.6
L&T	0.4	-4.5	56.7
Siemens	0.4	-2.2	59.1
Thermax	1.8	-0.4	91.9
Consumer Durables	**-1.5**	**-2.1**	**58.4**
Blue Star	0.6	-6.4	49.0
CG Cons. Elec.	-2.9	-8.6	63.3
Havells	0.2	-2.9	94.2
Voltas	-0.1	-5.8	86.7
Whirlpool India	-2.8	-8.7	13.6
Orient Electric	-1.1	-14.5	50.0
Cement	**0.9**	**6.2**	**118.1**
Ambuja Cem.	-0.1	-0.3	67.2
ACC	0.4	-1.5	48.8
Birla Corp.	-2.3	10.4	116.7
Dalmia Bhar.	2.1	-6.7	180.8
Grasim Inds.	0.7	-8.1	154.9
India Cem	-0.7	-1.1	58.5
J K Cements	-0.1	2.3	149.3
JK Lakshmi Ce	-0.4	-2.2	96.4
Ramco Cem	0.8	0.0	73.9
Shree Cem	-2.7	5.8	47.9
Ultratech	-1.8	-9.4	77.2
Consumer	**-0.7**	**-1.6**	**16.6**
Asian Paints	-1.8	3.5	38.4
Britannia	0.6	5.4	27.1
Colgate	-0.5	-4.0	0.6
Dabur	-0.3	6.2	12.6
Emami	-1.2	4.9	149.8
Godrej Cons.	-3.0	1.3	32.4
HUL	-1.8	-0.1	-1.5
ITC	1.1	-8.9	12.9
Jyothy Lab	-0.1	-0.4	21.4
Marico	0.7	2.4	33.2
Nestle	-1.8	1.1	-4.9
Page Inds	-1.1	0.6	71.1
Pidilite Ind.	0.8	1.3	16.1
P&G Hygiene	-0.2	4.4	26.7
Tata Consumer	-2.0	7.4	101.6
United Brew	-0.7	-10.4	21.4

Company	1 Day (%)	1M (%)	12M (%)
United Spirits	-0.7	-4.5	-4.2
Varun Beverages	-4.0	-10.9	36.9
Healthcare	**-0.4**	**12.9**	**42.7**
Alembic Phar	0.8	9.6	57.4
Alkem Lab	2.2	6.8	10.1
Ajanta Pharma	1.6	2.9	41.6
Aurobindo	0.6	18.9	54.4
Biocon	-0.4	-0.6	10.8
Cadila	-0.7	28.0	66.7
Cipla	-0.5	22.2	60.8
Divis Lab	-0.8	10.2	57.5
Dr Reddy’s	0.9	19.4	28.2
Gland Pharma	0.6	6.8	
Glenmark	-0.6	23.4	78.4
GSK Pharma	1.8	2.2	1.4
Granules	-0.7	6.8	106.8
IPCA Labs	-2.6	14.6	34.7
Jubilant Pharmo	1.9	17.2	150.8
Laurus Labs	2.2	25.5	383.2
Lupin	-2.7	4.5	31.6
Strides Pharma	1.5	13.9	173.3
Sun Pharma	-0.7	8.3	35.0
Torrent Pharma	-1.1	5.2	5.4
Infrastructure	**0.3**	**-4.5**	**50.2**
Ashoka Buildcon	-0.4	-18.6	30.6
IRB Infra.Devl.	1.1	-6.8	36.7
KNR Construct.	-1.2	-2.2	91.4
Media	**1.8**	**-8.0**	**30.9**
PVR	1.3	-17.7	12.2
Sun TV	-2.3	-5.8	21.3
Zee Ent.	-2.5	-10.2	27.0
Metals	**1.7**	**15.3**	**166.6**
Hindalco	-1.0	4.9	228.5
Hind. Zinc	6.4	8.4	80.8
JSPL	2.4	37.7	419.8
JSW Steel	3.3	43.8	297.8
Nalco	0.1	3.9	68.4
NMDC	2.5	10.1	89.1
SAIL	5.7	28.2	257.4
Tata Steel	3.0	23.9	243.0
Vedanta	0.3	1.3	197.6
Oil & Gas	**0.7**	**-5.0**	**30.3**
Aegis Logistics	-0.6	-3.2	73.0
BPCL	2.5	-4.8	17.3
Castrol India	-1.2	0.5	1.9
GAIL	-1.0	-2.8	58.0
Gujarat Gas	-2.4	4.2	98.3
Gujarat St. Pet.	-1.5	-4.9	29.4
HPCL	0.4	-1.2	9.8
IOC	-0.1	-11.5	5.7
IGL	1.5	-0.7	14.6
Mahanagar Gas	1.4	-2.9	17.4
MRPL	-0.9	-8.9	14.9
Oil India	-0.4	-2.2	35.1
ONGC	0.3	-5.9	57.8
PLNG	4.5	0.4	3.5
Reliance Ind.	0.2	-7.6	41.1
Aditya Bir. Fas.	1.6	-13.9	47.0

Company	1 Day (%)	1M (%)	12M (%)
Retail			
Avenue Super.	-2.3	-5.7	18.4
Jubilant Food	1.8	-0.1	90.5
Shoppers St.	-1.5	-14.1	5.0
Titan Co.	-2.8	1.4	55.5
Trent	1.6	-6.5	57.9
V-Mart Retail	-1.8	-7.5	54.1
Westlife Develop	-1.3	-10.2	43.0
Technology	**-0.2**	**-0.8**	**105.4**
Cyient	0.7	1.7	220.1
HCL Tech.	0.0	-1.7	107.8
Infosys	0.0	-1.4	110.4
L&T Infotech	-2.3	-5.3	173.3
L&T Technology	-2.2	-1.7	116.3
Mindtree	-0.5	1.6	177.9
Mphasis	-1.1	-1.6	144.3
Coforge	-4.5	-1.4	165.2
Persistent Sys	-1.7	-4.5	286.0
TCS	-0.8	-0.3	76.1
Tech Mah	-1.6	-4.4	86.7
Wipro	3.5	17.5	172.5
Zensar Tech	0.7	-8.2	197.4
Telecom	**0.4**	**-0.3**	**21.1**
Bharti Airtel	0.1	0.6	5.9
Indus Towers	1.7	0.8	55.6
Idea Cellular	0.2	-15.7	113.4
Tata Comm	-0.6	-2.8	197.6
Utiltites	**0.4**	**-6.1**	**60.8**
Coal India	0.4	-7.8	-11.2
CESC	-0.4	-2.8	-3.9
Indian Energy Ex	2.0	1.1	130.3
JSW Energy	-1.1	15.3	148.9
NHPC Ltd	0.0	-1.7	11.8
NTPC	0.3	-9.8	1.6
Power Grid	0.0	-8.9	25.5
Tata Power	0.9	-10.0	190.2
Torrent Power	1.7	-10.1	29.5
Others			
BSE	1.6	5.7	64.5
Coromandel Intl	-0.5	-3.2	35.6
Concor	0.2	-1.9	50.1
EPL Ltd	5.4	4.0	28.4
Indiamart Inter.	2.8	-0.1	252.9
Godrej Agrovet	1.9	-0.4	30.5
Indian Hotels	3.4	-13.4	27.8
Interglobe	-0.8	-10.0	60.5
Info Edge	1.2	3.2	93.3
Kaveri Seed	1.9	20.6	60.1
Lemon Tree Hotel	-0.3	-22.3	73.3
MCX	-0.9	-9.8	47.0
Piramal Enterp.	-2.8	-12.6	97.3
PI Inds.	0.7	11.8	74.3
Quess Corp	0.5	-21.8	162.3
SIS	-0.9	-12.4	-10.1
SRF	-0.8	15.6	77.2
Tata Chemicals	1.4	-3.8	194.1
Team Lease Serv.	-3.0	-11.8	90.5
Trident	-0.2	-7.0	172.9
UPL	-0.1	-5.9	67.3

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