

ASIAMONEY Brokers Poll 2020 (India)

Best Local Brokerage

Market snapshot

Equities - India	Close	Chg .%	CY20.%
Sensex	50,614	0.7	22.5
Nifty-50	14,896	0.7	22.3
Nifty-M 100	22,673	1.1	32.3
Equities-Global	Close	Chg .%	CY20.%
S&P 500	3,872	1.1	18.8
Nasdaq	13,778	1.2	51.5
FTSE 100	6,504	-0.1	-14.5
DAX	14,060	0.9	5.0
Hang Seng	11,564	-0.8	2.1
Nikkei 225	28,342	-1.1	19.8
Commodities	Close	Chg .%	CY20.%
Brent (US\$/Bbl)	59	0.5	-11.4
Gold (\$/OZ)	1,794	-2.2	18.2
Cu (US\$/MT)	7,826	-0.3	27.0
Almn (US\$/MT)	1,989	0.8	12.1
Currency	Close	Chg .%	CY20.%
USD/INR	73.0	0.0	2.4
USD/EUR	1.2	-0.6	6.7
USD/JPY	105.5	0.5	-3.0
YIELD (%)	Close	1MChg	CY20 chg
10 Yrs G-Sec	6.1	-0.01	-0.4
10 Yrs AAA Corp	6.8	-0.01	-0.9
Flows (USD b)	4-Feb	MTD	CY21
FII	0.27	1.82	3.53
DII	-0.11	-0.56	-2.09
Volumes (INRb)	4-Feb	MTD*	YTD*
Cash	970	988	812
F&O	84,556	51,725	38,585

Note: *Average



Today's top research idea

State Bank of India: Asset quality outlook encouraging; earnings set to gain pace

- ❖ SBIN reported a robust operating performance in a challenging environment. Loan growth is showing a healthy recovery in the Retail portfolio, with disbursements in many business segments surpassing pre-COVID levels. Deposit growth stood strong, while margin remains broadly stable.
- ❖ Asset quality outlook remains encouraging with controlled slippages (less than 0.1% of loans), low restructuring levels, and CE at 96.5% (in line with large peers). SBIN has prudently improved PCR (~68% of pro forma coverage) and holds unutilized COVID provisions of ~INR62b.
- ❖ It has a strong retail asset quality as witnessed during the COVID outbreak. The bank is well on track to keep credit cost under control, while recoveries from the resolution of large accounts can further support earnings. We believe the earnings normalization cycle for SBIN has begun as the uncertainty ushered by COVID-19 has receded significantly.
- ❖ We expect a moderation in credit cost at 1.5%/1.3% for FY22E/FY23E. Maintain Buy with a revised TP of INR475/share (1.2x Sep'22E ABV+INR155/share for subsidiaries).



Research covered

Cos/Sector	Key Highlights
State Bank of India	Asset quality outlook encouraging; earnings set to gain pace
Bulls and Bear (February 2021)	CY21 begins on a cautious note; Budget, corporate earnings key triggers
Bharti Airtel	Continued strong performance on market share wins
NTPC	In-line numbers, partly aided by higher other income
Hero MotoCorp	Above our expectations
Other Notes	H P C L Container Corpn. Tata Power Ipca Labs Trent Zee Entertainmen Dalmia Bharat Thermax Godrej Agrovet IIFL Wealth Mgt Strides Pharma Security & Intel Brigade Enterpr. Economy - Fuel or Engines

Chart of the Day: State Bank of India (Asset quality outlook encouraging)

SoTP-based pricing

Name	Stake (%)	Value for SBIN (INR b)	Value per share	% of total value	Rationale
SBI Bank	100	2,853	320	67	1.2x Sep'22E ABV
Life Insurance	56	547	61	13	2.5x Sep'22E EV
Cards	69	639	72	15	40x Sep'22E PAT
Asset Management	63	188	21	4	32x Sep'22E PAT
General Insurance	70	152	17	4	25x Sep'22E PAT
Yes Bank	30	122	13	3	
Capital Market/DFHI/Others		90	10	2	
Total Value of subsidiaries		1,739	194	41	
Less: 20% holding discount		348	39	8	
Value of subsidiaries (post holding discount)		1,391	155	33	
Target price		4,243	475		

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.



Kindly click on textbox for the detailed news link

1

India's tea output drops in 2020, lifts prices to a record high

Indian tea production in 2020 fell 9.7% from a year ago due to heavy flooding and coronavirus movement restrictions, lifting average prices by nearly a third to a record high, the state-run Tea Board said on Thursday. The price rise supported the beleaguered Indian tea...

2

Petrol, diesel price at fresh high

Petrol and diesel prices on Thursday climbed to fresh highs in the country as rates were hiked by the most in recent times, even as fuel retailers said the government can cut taxes to ease consumer burden. Petrol and diesel price was hiked by 35 paise per litre each after a gap of a week, according to price notification of state-owned fuel retailers...

3

Road construction touches record 30 km per day: Nitin Gadkari

Road construction has touched record 30 km per day, Union Minister Nitin Gadkari told the Lok Sabha on Thursday. While responding to queries raised by members during Question Hour, the Road Transport and Highways Minister also said Bharatmala Pariyojana is an important project that will change the face of the country...

4

India a phenomenal market for Unilever, second only to US: Alan Jope

India is a phenomenal market, where Hindustan Unilever (HUL) enjoys a long history and leadership position, Alan Jope, chief executive officer, Unilever, said in an investor call on Thursday. "Eighty four per cent of the India business has seen growing volume share and there is significant opportunity..."

5

HCL signs 5-year digital workplace services agreement with Airbus

IT services major HCL Technologies today said it has signed a five-year Digital Workplace Services agreement with Airbus. HCL will establish a modernized digital workplace to enhance the user experience and service quality for the majority of Airbus employees globally. "HCL was selected as Airbus' preferred partner as it was able to offer the broadest combination of standard functionality and innovation capabilities to generate greater efficiency and improved time to market," the company said in a statement...

6

GAIL bifurcation plan put on hold; company to monetise pipelines through InvIT

The Oil Ministry has put on hold a plan to bifurcate state-owned gas utility GAIL (India) Ltd so as not to dilute the firm's ability to finance the massive infrastructure building plan, a top official said on Thursday. GAIL is India's biggest natural gas marketing and trading firm...

7

Coal India signs pact with EESL for reducing carbon footprint, improving operational efficiency

State-owned CIL on Thursday said that it has entered into a pact with Energy Efficiency Services Ltd (EESL) for reducing its carbon footprint and improving the overall operational efficiency and profitability...



State Bank of India

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	SBIN IN
Equity Shares (m)	8,925
M.Cap.(INRb)/(USDb)	3169.1 / 41.1
52-Week Range (INR)	358 / 150
1, 6, 12 Rel. Per (%)	21/51/-8
12M Avg Val (INR M)	14051

Financials & Valuations (INR b)

Y/E March	FY21E	FY22E	FY23E
NII	1,132.1	1,240.0	1,404.5
OP	737.0	808.3	933.2
NP	221.1	309.3	404.5
NIM (%)	3.1	3.1	3.1
EPS (INR)	24.8	34.7	45.3
EPS Gr. (%)	52.6	39.9	30.8
ABV (INR)	218.0	248.4	290.2
Cons. BV (INR)	295.1	334.2	385.1

Ratios

RoE (%)	10.1	12.6	14.5
RoA (%)	0.5	0.7	0.8

Valuations

P/BV (x) (Cons.)	1.2	1.1	0.9
P/ABV (x)	0.9	0.8	0.7
P/E (x)	8.1	5.8	4.4

*Adjusted for subsidiaries

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	56.9	56.9	56.9
DII	24.8	25.2	24.2
FII	10.9	8.9	12.2
Others	7.4	9.0	6.7

FII Includes depository receipts

CMP: INR355 **TP: INR475 (+34%)** **Buy**

Asset quality outlook encouraging; earnings set to gain pace

Slippages + restructuring to remain within the guided range

- SBIN reported strong performance, with healthy NII growth (excluding one-time interest recovery during 3QFY20) and strong recovery in retail credit growth. On the asset quality front, controlled pro forma slippages (INR20.7b) and low restructuring request (0.8% of loans) underscores an encouraging asset quality outlook. Pro forma GNPA/NNPA ratio stood at 5.44%/1.81% (v/s 5.88%/2.08% in 2QFY21).
- We believe the earnings normalization cycle for SBIN has begun as the uncertainty ushered by COVID-19 has receded significantly. We expect a moderation in credit cost at 1.5%/1.3% for FY22E/FY23E. **Maintain Buy** with a revised TP of INR475/share (1.2x Sep'22E ABV+INR155/share for subsidiaries).

Strong operating performance; controlled slippages + higher coverage provides comfort

- SBIN reported a 3QFY21 PAT of INR52b (10% beat), aided by lower provisions due to controlled pro forma slippages. The bank still holds total unutilized COVID provisions of ~INR62b. On the operating performance front, NII grew at 3.7% YoY (in line). Excluding one-time interest recovery of INR40.4b during 3QFY20, growth stands at 21.4% YoY. Domestic margin stood stable QoQ at 3.34%.
- Other income (excluding treasury gains of INR9.6b) grew 11% QoQ. Opex grew 11% YoY led by INR26b of provisions towards wage-related settlement. C/I ratio stood at 54.5% v/s 50.6% in 3QFY20. Core PPOP (excluding one-time interest recovery) grew 21% YoY.
- Advances grew ~3% QoQ on the back of a 6% growth in Retail Loans, led by Home Loans (10% YoY), Xpress Credit (36% YoY), and Gold Loans, while Corporate Loan growth stood flat QoQ. Deposit growth remains strong ~14% YoY, with domestic CASA growing ~15%. Thus, the CASA mix stood ~45.2%.
- On the asset quality front, pro forma net slippages stood at INR20.7b (v/s ~INR144b in 2QFY21). Pro forma GNPA/NNPA ratio thus came at 5.44%/1.81% (v/s 5.88%/2.08% in 2QFY21). Total restructuring request received till Dec'20 stands at INR181b (0.8% of loans). Total slippages and restructuring till Dec'20 stood at INR412b (1.7% of loans), well within the guided range of INR600b. Total provisions towards pro forma slippages stood at INR52.6b (32% coverage), with provisions towards restructuring at 10%. The bank holds unutilized COVID provisions of ~INR62b. Pro forma PCR improved ~200bp QoQ to ~68%, with Corporate portfolio PCR improving to 89%.
- Collection efficiency** in the Domestic loan book stands ~96.5% as on Dec'20.

- **Subsidiaries performance remains mixed:** The performance of subsidiaries was mixed, with SBI AMC reporting a 39% YoY decline in PAT. SBI Cards PAT was down 52% YoY, affected by higher provisions and lower interest income. On the other hand, SBI General Insurance reported a PAT growth of 27% YoY. SBI Life posted a net premium growth of 18% YoY, led by renewal premium (24%) and single premium (16%).

Highlights from the management commentary

- SBIN does not expect a material increase in restructuring request in 4QFY21. One large Corporate account got restructured in 3QFY21.
- Total disbursements under ECLGS stood at INR230b (sanction of INR260b).
- Reversal of interest income would have an impact of 8-9bp on margin.

Valuation and view

- SBIN reported robust operating performance in a challenging environment. Loan growth is showing healthy recovery in retail portfolio, with disbursements in many business segments surpassing pre-COVID levels. Deposit growth stood strong, while margin remains broadly stable. Asset quality outlook remains encouraging, with controlled slippages, low restructuring levels, and CE at 96.5% (in line with large peers). SBIN has prudently improved PCR (~68% of pro forma coverage), while holding unutilized COVID provisions of ~INR62b. The bank is well on track to keep credit cost under control, while recoveries from resolution of large accounts can further support earnings. We maintain our FY22E/FY23E estimates and project RoA/RoE of 0.8%/14.5% by FY23E. **Maintain Buy** with a target price of INR475/share (1.2x Sep'22E ABV+INR155/share for subsidiaries).

Quarterly performance

(INR b)

Y/E March	FY20				FY21				FY20	FY21E	3Q FY21E	v/s our est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Interest Income	229.4	246.0	277.8	227.7	266.4	281.8	288.2	295.7	980.8	1,132.1	287.1	0%
% Change (YoY)	5.2	17.7	22.4	-0.8	16.1	14.6	3.7	29.9	11.0	15.4	3.4	
Other Income	80.2	120.2	91.1	160.8	95.0	85.3	92.5	138.8	452.2	411.5	96.7	-4%
Total Income	309.5	366.2	368.8	388.4	361.4	367.1	380.7	434.5	1,433.1	1,543.6	383.9	-1%
Operating Expenses	177.1	184.2	186.6	203.8	180.8	202.5	207.3	216.0	751.7	806.6	201.4	3%
Operating Profit	132.5	182.0	182.2	184.7	180.6	164.6	173.3	218.5	681.3	737.0	182.4	-5%
% Change (YoY)	10.6	30.9	44.3	9.0	36.3	-9.6	-4.9	18.3	22.9	8.2	0.1	
Other Provisions	91.8	131.4	72.5	135.0	125.0	101.2	103.4	108.6	430.7	438.3	118.9	-13%
Profit before Tax	40.6	50.6	109.7	49.7	55.6	63.4	69.9	109.8	250.6	298.8	63.5	10%
Tax Provisions	17.5	20.5	53.9	13.9	13.7	17.7	17.9	28.4	105.7	77.7	16.3	10%
Net Profit	23.1	30.1	55.8	35.8	41.9	45.7	52.0	81.5	144.9	221.1	47.2	10%
% Change (YoY)	NM	218.7	41.2	327.1	81.2	51.9	-6.9	127.6	NM	52.6	-15.4	
Operating Parameters												
Deposits (INR t)	29.5	30.3	31.1	32.4	34.2	34.7	35.4	36.2	32.4	36.2	35.4	-0.2%
Loans (INR t)	21.3	21.5	22.0	23.3	23.0	22.9	23.7	24.8	23.3	24.8	23.5	0.6%
Deposit Growth (%)	7.3	8.0	9.9	11.3	16.0	14.4	13.6	11.8	11.3	11.8	13.9	(24)
Loan Growth (%)	13.8	9.6	7.4	6.4	7.7	6.9	7.6	6.5	6.4	6.5	7.0	63
Asset Quality												
Gross NPA (%)	7.5	7.2	6.9	6.2	5.4	5.3	4.8	5.2	6.2	5.2	6.3	(155)
Net NPA (%)	3.1	2.8	2.7	2.2	1.9	1.6	1.2	1.8	2.2	1.8	2.0	(82)
PCR (%)	61.1	62.9	63.5	65.2	67.1	71.0	75.2	67.1	65.2	67.1	69.0	624

E: MOFSL estimates

Strategy: CY21 begins on a cautious note; Budget, corporate earnings key triggers

- Tested by elevated volatility, the market consolidates in Jan'21:** The Nifty ended its three-month winning streak in Jan'21, ending 2.5%, or 347 points lower, at 13,635. The month was characterized by extreme volatility, with the benchmark oscillating in a wide range (~1,150 points) and pulling back significantly from record highs. Much of market anxiety can be attributed to the caution ahead of the Union Budget. FII inflows were robust at USD2b. Domestic flows continue to remain negative (at USD1.6b). Over the last 12 months, midcaps are up 16% v/s a rise of 14% for the Nifty. Over the last five years, midcaps have underperformed by 12%.
- Earnings season a broad-based beat with upgrades across sectors:** As of 3 Feb'21, 118/31 MOFSL Universe/Nifty companies have announced their 3QFY21 results. Sales/EBITDA/PBT/PAT for the 31 Nifty companies grew -2%/20%/27%/25% YoY (v/s our estimate of -2%/14%/12%/6% YoY). Around 18 Nifty companies have beaten our PAT expectations, while six have missed. On the EBITDA front, 16 have surpassed, eight have missed, and seven have met our expectations. For the MOFSL Universe, sales/EBITDA/PBT/PAT growth stands at -1%/24%/37%/33% YoY (v/s our expectation of -1%/17%/21%/14% YoY).
- Pro-growth Budget with fiscal expansion and capex boost:** From an equity market perspective, the Budget has turned out well, with no negatives on the taxation front and several long-term structural initiatives that augur well for medium-term growth. The push for capex and investments could trigger the revival of an investment cycle, which may then spread to multiple sectors - Cement, Auto, BFSI, Metals, and Capital Goods.
- India among the laggards in Jan'21:** Among key global markets, Korea (+4%), MSCI EM (+3%), Taiwan (+3%), and Japan (+1%) closed higher in local currency terms in Jan'21. On the other hand, Brazil (-3%), India (-2%), Russia (-2%), Indonesia (-2%), the US (-1%), and the UK (-1%) were laggards. Over the last 12 months, MSCI EM (+25%) has outperformed MSCI India (+15%). Over the last 10 years, MSCI India has outperformed MSCI EM by 96%. MSCI India is trading at a 54% premium to MSCI EM, at its historical average.
- Autos, Capital Goods, and PSU Banks are the top performers in Jan'21:** Automobiles (+6%), Capital Goods (+4%), PSU Banks (+3%), Cement (+3%), and Technology (+2%) closed higher, while Metals (-5%), Healthcare (-5%), NBFCs (-5%), Private Banks (-4%), and Consumer (-3%) were the biggest losers. Tata Motors (+43%), UPL (+20%), Bajaj Auto (+16%), Grasim (+14%), and Bharti Airtel (+9%) were the top performers. Kotak Mahindra Bank (-14%), Asian Paints (-13%), Divi's Laboratories (-12%), Dr. Reddy's Laboratories (-12%), and Bajaj Finance (-11%) were the key laggards. In this edition, we take a deep-dive into the valuation metrics of Automobiles.
- Goldilocks? A Confluence of multiple positives:** The market has celebrated the Budget announcement and recouped their recent losses. With the Budget behind now, the focus will be back on corporate earnings, which are witnessing solid momentum, with a broad-based beat and upgrades. Confluence of economic recovery, containment of COVID-19, earnings beat, and an expansionary Budget have kept the market in good spirits. Cyclical earnings are driving earnings at the margin and with a capex boost in the Budget, it could continue to remain in favor in the near term. At 20.5x FY22 EPS, we believe the risk-reward is now balanced and valuations are factoring in an earnings recovery.
- Top Ideas: Large-caps:** ICICI Bank, SBI, Axis Bank, UltraTech Cement, M&M, L&T, Hindalco, Infosys, HCL Tech, Titan, Sun Pharma, and HUL. **Mid-caps:** Ashok Leyland, SAIL, Shriram Transport, JK Cement, AU Small Finance Bank, ICICI Securities, IEX, Crompton Consumer, Varun Beverages, and L&T Technology.



Bharti Airtel

Estimate changes	↔
TP change	↑
Rating change	↔

CMP: INR600

TP: INR720 (+20%)

Buy

Continued strong performance on market share wins

	BHARTI IN
Bloomberg Equity Shares (m)	5,456
M.Cap.(INRb)/(USDb)	3276.6 / 45.5
52-Week Range (INR)	623 / 381
1, 6, 12 Rel. Per (%)	11/-25/-8
12M Avg Val (INR M)	11329

- Bharti Airtel (BHARTI) displayed a good performance in 3QFY21 for the second quarter in a row, with a consol. EBITDA jump of 9% QoQ (5% beat). This was attributable to strong market share gains and ARPU improvement, aided by operating leverage in Mobile India. The Africa business also continued its good run.
- We marginally raise our FY22E consol. EBITDA, factoring in steady 20% EBITDA growth in FY22 over a stellar 28% growth in FY21. We roll over the valuation to FY23, revising TP to INR720 (INR650 earlier). **Maintain Buy.**

Financials & Valuations (INR b)

Y/E March	FY20	FY21E	FY22E
Sales	869.4	1,019.9	1,149.6
EBITDA	360.2	461.2	555.5
Adj. PAT	-40.7	4.3	25.3
EBITDA Margin (%)	41.4	45.2	48.3
Adj. EPS (INR)	-7.5	0.8	4.6
EPS Gr. (%)	-14.6	-110.6	483.5
BV/Sh. (INR)	141.4	115.9	120.5

Ratios

Net D:E	1.5	2.0	1.8
RoE (%)	NM	0.6	3.9
RoCE (%)	3.7	13.5	6.9
Payout (%)	0.0	0.0	0.0

Valuations

EV/EBITDA (x)	12.8	9.9	8.1
P/E (x)	NM	756.8	129.7
P/BV (x)	4.2	5.2	5.0
Div Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	56.2	56.2	62.7
DII	21.8	21.7	14.1
FII	17.8	17.6	16.5
Others	4.2	4.5	6.7

FII Includes depository receipts

India Wireless EBITDA up 10% QoQ despite no tariff hike

- BHARTI's consol. revenue was up 6% QoQ to INR265.2b (in-line on LTL). Consol. EBITDA was up 9% QoQ to INR120.5b (5% beat on LTL) on healthy operating leverage in the India Mobile and Africa businesses. The EBITDA margin was up 130bp QoQ to 45.5% (240bp above estimate).
- Subsequently, reported net profit stood at INR13.5b. Continued exceptional cost of INR45.6b was a key dampener. Excluding this and INR99b profit from the Indus Towers de-merger adjustment, adjusted net loss after minority stood at INR2.98b v/s INR7.4b loss QoQ (est. net profit of INR5.3b).
- **India Wireless:** Revenue was up 6.8% QoQ to INR147.8b (2% above est.), with strong market share gains led by 2%/5% growth in ARPU/subs. This was on an already high base of the sequential quarter, which made it more resounding.
- India Wireless EBITDA was up 10% QoQ to INR64.6b. (3% above est.), with incremental EBITDA margins at 60% (below 70%+ in previous quarters), as the management intensified marketing to gain market share.
- ARPU continued to see a steady uptick – it came in 2% higher QoQ (23% YoY) at INR166 (v/s est. INR164). Strong 4G subscriber adds of 14m further aided growth. ARPU has improved 8% since 4QFY20, without any tariff hike. Subscribers jumped strongly for the second quarter in a row by 14.2m (RJio added 1.7m); this highlights that BHARTI may have potentially continued to gain the lion's share out of VIL's subscriber loss.
- It reported high capex of INR68.6b (INR173b in 9MFY21) to cope with the strong data growth / subscriber adds. Moreover, an increase in interest cost softened FCF post interest to INR13.3b.
- Net debt increased by INR45b to INR1,145b, potentially due to a) an INR20b impact from Bharti Infratel's deconsolidation with the Indus merger, b) an INR30b investment in the Indus merger, and c) an increase in deferred spectrum liability, accounting for additional AGR liability. Including lease liabilities net debt increased to INR1,474b, raising net debt to EBITDA to over 3x on an FY21 basis.

Highlights from management commentary

- **Mobile India to continue stellar growth:** This segment presents huge opportunity, with a) 300m feature phone subscribers available for upgrades, b) strong traction in postpaid subscribers, and c) the revamping of digital distribution by targeting micro markets.

- **Enterprise and Home businesses seeing strong opportunity:** The company has superior capabilities and offerings in these segments. An increased focus on network penetration in new cities and LCO partnership models should drive growth.
- **5G capex poses no threat:** The company has displayed market-readiness with the test launch in Hyderabad; it would be prudent about making incremental investments until the ecosystem/spectrum is available; the investments would be offset against a reduction in 4G capex.

Valuation and view

- BHARTI's superior execution quality is reflected in its strong performance over the past three quarters, with 8% ARPU growth without a tariff hike, leading to resounding EBITDA growth of 27% in Mobile India. It has certainly surprised with market share gains and quality customer acquisitions – 29m 4G subscriber additions (in 9MFY21) – which have supported ARPU growth.
- We believe that regardless of a price hike, it could deliver resounding growth as a delayed tariff hike may be compensated by market share gains – given its improving competitive position in the market. We partly capture this in our 20% consol. EBITDA growth estimate (5% ARPU growth in FY22) over an already sharp 28% increase in FY21. This certainly has an upward bias if the ongoing pace of market share gains continues.
- a) Efforts toward digital super app Airtel Thanks by widening capabilities through the partnership model and b) enhancing offerings to mine the growing base of 4G and Airtel Thanks customers are welcome and should further improve subscriber stickiness and ARPU. Also, the Enterprise and Home businesses certainly present good opportunity in the coming quarters.
- The derailment of FCF generation and deleveraging despite a good operational performance are the key dampeners.
- With the expectation of healthy FCF generation, BHARTI's position is hedged – do not see any urgent need for a price hike. We roll over the valuation to FY23E, assigning EV/EBITDA of 10x to the India Mobile business and 6x to the Africa business, arriving at an SOTP-based TP of INR720. Our higher target multiple for the India Mobile business captures expected gains from any potential increase in ARPU or market share, both of which may not be fully captured in our model.

Maintain Buy.

Consolidated - Quarterly Earnings Model

(INR b)

Y/E March	FY20				FY21				FY20	FY21E	3Q FY21E	Est Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue	207	211	213	237	239	251	265	265	869	1,020	267	-0.5
YoY Change (%)	3.3	3.5	5.5	15.1	15.4	18.6	24.2	11.6	7.6	17.3	28.6	
Total Expenditure	125	123	126	136	135	140	145	139	509	559	146	-0.9
EBITDA	83	89	87	102	104	111	121	126	360	461	121	-0.1
YoY Change (%)	23.1	41.9	40.2	53.3	25.7	24.9	38.3	23.9	39.8	28.0	38.4	-13
Depreciation	68	69	68	71	72	73	75	84	276	305	78	-3.2
Net Finance cost	32	29	33	41	35	38	40	29	135	142	36	9.0
Other Income	1	4	1	10	6	-2	-2	4	16	6	5	-132.1
PBT before EO expense	-15	-6	-13	0	4	-2	4	16	-34	21	12	-66.1
Extra-Ord expense	15	307	11	70	117	0	46	0	402	164	0	
PBT	-30	-313	-23	-70	-114	-2	-42	16	-437	-142	12	-445.8
Tax	-6	-85	-12	-20	38	4	43	6	-123	92	5	
Rate (%)	20.2	27.1	49.8	29.0	-33.6	-167.6	-103.7	40.0	28.2	-64.5	40.0	
Minority Interest & P/L of Asso. Cos.	5	2	6	3	7	7	5	-10	15	10	2	
Reported PAT	-29	-230	-10	-52	-159	-8	9	19	-322	-139	5	59.6
Adj PAT	-14	-11	-11	-5	-4	-7	-3	19	-41	4	5	-155.8
YoY Change (%)	366.1	16.4	3.8	-60.4	-68.8	-33.7	-72.4	-506.0	16.6	-110.6	-138.2	

E: MOFSL Estimates



Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR99 TP: INR139 (+40%) Buy

In-line numbers, partly aided by higher other income

Steady growth led by capacity additions; valuations attractive

- NTPC's 3QFY21 results highlight steady growth in its regulated business, partly aided by other income. S/A adj. PAT (excl. FC u/r) was up 16% YoY to INR33.7b.
- The co. has undertaken steps on the renewable front, with ~2GW of renewable capacities expected to be commissioned in FY22. It has recently been the lowest bidder in 1.4GW of renewable projects as well. With the THDC and NEEPCO additions and a pickup in capitalization, we expect a 9% earnings CAGR over FY20–23E. Maintain **Buy**, with TP of INR139 (DCF-based).

Other income aids profitability

- Adj. for one-offs, NTPC's S/A PAT (excl. FC u/r) was up 16% YoY to INR33.7b (in-line), partly aided by higher-than-expected other income. Other income rose 44% YoY to INR7.6b on the back of higher late-payment surcharge (LPS) income.
- LPS income stood at INR5.7b (v/s INR4.6b in the previous year) given the increased profile of DISCOM overdues. However, the co. noted it has lowered the LPS rate to 12% pa (v/s 18% pa earlier) for dues settled under the *Atmanirbhar* scheme.
- Profit from JVs was higher at INR2b, v/s INR0.8b in the previous year, led by better availability at Meja.
- PLF at coal-based plants was higher YoY at 64.3%. PLF incentives were also higher YoY at INR760m (v/s INR90m).
- Plant availability factors at coal-based plants rose YoY to 89.1% (v/s 88.3% in the previous year) given better coal availability. Fixed Cost under-recoveries (FC u/r) came in at ~INR700m (v/s recoveries of ~INR700m in the previous year), led by under-recoveries at Kahalgaon.
- The company commercialized 865MW in 3Q, led by the commercialization of Lara (800MW).
- NTPC has also approved an interim dividend of INR3/share.

Management commentary – overdues decline

- Overdues decreased to INR167b in Dec and have declined further to INR157b in Jan (v/s INR192b at the end of 2Q). The co. expects another INR80b to flow in from tranche 2 of the *Atmanirbhar* scheme.
- The FY21 commercialization target is set at 5.1GW, with a further 6GW in FY22. The FY22 target includes the commissioning of 1.8GW of solar.
- The co expects the issue at Kahalgaon to be resolved by end-March. It expects overall FC u/r to come in at INR3.5–4b at the end of FY21. The co. is also in touch with CERC to recover the INR0.8b impact due to high/low demand season regulations.

Bloomberg	NTPC IN
Equity Shares (m)	9,895
M.Cap.(INRb)/(USDb)	980.1 / 13.2
52-Week Range (INR)	119 / 74
1, 6, 12 Rel. Per (%)	-5/-19/-36
12M Avg Val (INR M)	2611

Financials & Valuations (INR b)

Y/E MARCH	2020	2021E	2022E
Sales	1,143	1,116	1,275
EBITDA	364.1	371.3	415.8
Adj. PAT	136.6	149.0	164.4
EBITDA Margin (%)	31.8	33.3	32.6
Cons. Adj. EPS (INR)	13.8	15.1	16.6
EPS Gr. (%)	19.2	9.1	10.3
BV/Sh. (INR)	120.1	126.9	135.4

Ratios

Net D:E	1.7	1.6	1.5
RoE (%)	11.9	12.2	12.7
RoCE (%)	6.5	7.3	7.5
Payout (%)	22.8	39.8	42.1

Valuations

P/E (x)	7.2	6.6	6.0
P/BV (x)	0.8	0.8	0.7
EV/EBITDA(x)	8.1	8.0	7.2
Div. Yield (%)	3.2	6.1	7.1
FCF Yield (%)	6.7	13.2	16.8

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	51.1	51.0	54.1
DII	33.6	35.0	30.6
FII	12.3	11.4	12.8
Others	3.0	2.6	2.5

FII Includes depository receipts

Valuations attractive; reiterate Buy

- NTPC has undertaken steps on the renewable front and emerged as the lowest bidder in 1.4GW of renewable projects as well. We expect capitalization to pick up pace, and drive a regulated equity CAGR of 11% over FY20–23E and boost RoE (+100bp accretion). Receivables, though, would remain the key monitorable; we expect the situation to improve as power demand recovers and money from the PFC-REC scheme flows through. The stock trades attractively at FY22E P/BV of 0.7x and dividend yield of ~7%. Maintain Buy, with DCF-based Target Price of INR139/share.

Quarterly Performance (standalone) – INR b

Y/E March	FY20				FY21				FY20	FY21E	FY21	var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Sales	247.0	236.3	250.9	291.0	242.6	250.2	254.3	291.2	1,025	1,038	256.0	-1
Change (%)	8.0	4.4	5.4	29.6	-1.8	5.9	1.3	0.1	9.0	1.3	2.0	
EBITDA	69.6	72.1	85.7	91.7	85.5	75.3	82.9	79.9	319.2	323.5	84.6	-2
Depreciation	20.5	21.2	23.2	21.3	25.3	25.3	25.6	26.7	86.2	102.9	26.8	
Interest	15.7	16.2	17.6	18.4	20.8	17.7	20.1	22.5	67.8	81.1	21.6	
Other income	3.3	8.9	5.3	10.3	5.7	13.5	7.6	4.7	27.8	31.4	5.4	40
Exceptional	0.0	0.0	0.0	0.0	-8.0	-5.6	0.0	0.0	0.0	-13.6	0.0	
PBT	36.7	43.7	50.2	62.4	37.0	40.1	44.8	35.3	192.9	157.3	41.7	7
Tax	10.7	11.0	20.3	49.8	12.3	5.1	11.7	4.2	91.8	33.3	10.1	
PAT	26.0	32.6	30.0	12.5	24.7	35.0	33.2	31.1	101.1	124.0	31.6	5
Change (%)	0.6	34.5	25.6	-71.2	-5.1	7.4	10.7	148	-13.9	22.6	5.5	
Adj. PAT (excl. FC u/r)	27.1	34.7	29.0	33.0	33.2	41.6	33.7	30.2	123.7	138.7	32.0	5
Change (%)	-8.6	24.5	13.6	3.9	22.7	19.7	16.1	-8.3	7.8	12.1	10.4	

Source: MOFSL, Company

Hero MotoCorp

BSE SENSEX 50,614 S&P CNX 14,896

CMP: INR3,441

Buy

Conference Call Details



Date: 5th Feb 2021
Time: 11:30 AM
Dial-in details+91 22 6280 1342/ +91 22 7115 8243

Financials & valuations (INR b)

Y/E March	FY20	FY21E	FY22E
Sales	288.4	308.2	366
EBITDA	39.6	38.3	47.9
Adj. PAT	30.6	28.1	35.2
Cons. Adj. EPS (INR)	153.0	140.5	176
EPS Gr. (%)	-9.7	-8.2	25.3
BV/Sh. (INR)	707.7	732.1	775.6
Ratios			
RoE (%)	22.6	19.5	23.4
RoCE (%)	22.0	19.1	22.9
Payout (%)	71.8	81.5	75.3
Valuations			
P/E (x)	22.5	24.5	19.5
P/BV (x)	4.9	4.7	4.4
Div. Yield (%)	2.6	2.8	3.2
FCF Yield (%)	5.9	3.8	5.0

Above our expectations; good all round beat leading to PAT of INR10.8b (v/s our estimate of INR9.5b)

- 3QFY21 revenue/EBITDA/PAT grew 19.8%/36.1%/23.2% YoY.
- Realizations grew 16.7% YoY (+2.6% QoQ) to ~INR52.9k (v/s our estimate of INR52.1k). The improvement was driven by price hikes undertaken by the company in Oct'20.
- Net revenue grew ~40% YoY to INR97.8b (v/s our estimate of INR96.2b).
- Gross margin declined 60bp QoQ (-390bp YoY) to 29.5% (v/s our expectation of 28.5%), benefitting from the price hike in Oct'20. Based on the commentary of HMCL's peers, commodity cost inflation wasn't material in 3QFY21.
- This translated to an EBITDA margin expansion of 80bp QoQ (-30bp YoY) to 14.5% (v/s our estimate of 13.4%), benefitting from the gross margin expansion as well as operating leverage benefits.
- EBITDA grew 36% YoY to INR14.1b (v/s our expectation of INR12.8b).
- Higher other income further boosted adjusted PAT growth by 23% YoY to INR10.8b (v/s our estimate of INR9.5b).
- The company announced a dividend of INR70/share (INR65 interim dividend + INR5 special dividend).
- HMCL invested INR0.9b in Ather Energy, taking its cumulative investment to INR5b.
- Valuation and view:** The stock trades at 24.5x/19.5x FY21E/FY22E EPS.

Excerpt from statement by Mr. Niranjan Gupta, Chief Financial Officer (CFO), Hero MotoCorp, "Our performance in 3QFY21 underlines our operational strength and ability to perform well, despite a challenging and volatile environment. The company has been able to drive profitable growth through improvement in market shares, acceleration of Leap-II saving initiatives, continued control on overheads, and cash flow management."

Quarterly performance

(INR b)

Y/E March	FY20				FY21				FY20	FY21E	3QFY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			
Total Volumes ('000 units)	1,843	1,691	1,541	1,277	563	1,815	1,845	1,675	6,352	5,898	1,845
Growth YoY (%)	-12.4	-20.7	-14.4	-28.3	-69.4	7.3	19.8	31.2	-18.8	-7.1	19.8
Net Realization	43,574	44,759	45,408	48,867	52,741	51,620	52,977	51,966	45,398	52,250	52,136
Growth YoY (%)	4.1	5.1	4.0	10.4	21.0	15.3	16.7	6.3	5.5	15.1	14.8
Net Op. Revenue	80.3	75.7	70.0	62.4	29.7	93.7	97.8	87.0	288.4	308.2	96.2
Growth YoY (%)	-8.8	-16.7	-11.0	-20.9	-63.0	23.7	39.7	39.5	-14.3	6.9	37.5
RM Cost (% sales)	69.6	67.7	66.6	69.2	70.5	71.1	70.5	73.2	68.3	71.5	71.5
Staff Cost (% sales)	5.8	6.2	6.7	7.0	12.9	5.5	5.3	5.8	6.4	6.2	5.5
Other Exp. (% sales)	10.1	11.6	11.8	13.2	13.0	9.7	9.8	9.2	11.6	9.9	9.7
EBITDA	11.6	11.0	10.4	6.6	1.1	12.9	14.1	10.2	39.6	38.3	12.8
Growth YoY (%)	-15.9	-20.1	-6.0	-38.3	-90.7	16.8	36.1	55.3	-19.7	-3.2	23.7
EBITDA Margin (%)	14.4	14.5	14.8	10.6	3.6	13.7	14.5	11.8	13.7	12.4	13.4
Other Income	1.7	2.1	1.8	1.7	1.5	1.4	2.0	0.9	7.3	5.8	1
Interest	0.0	0.1	0.1	0.0	0.1	0.0	0.0	0.1	0.2	0.2	0
Depreciation	2.4	2.0	2.0	1.7	1.7	1.7	1.7	1.8	8.2	6.9	2
PBT before EO Exp./(Inc.)	10.9	11.0	10.1	6.5	0.8	12.5	14.4	9.2	38.5	36.9	12.5
Effective Tax Rate (%)	32.9	15.7	13.0	4.6	22.9	23.7	24.8	22.8	20.6	23.9	23.9
Adj. PAT	6.3	9.2	8.8	6.2	0.6	9.5	10.8	7.1	30.6	28.1	9.5
Growth (%)	-30.5	-5.5	14.5	-15.0	-90.3	3.3	23.2	14.8	-9.7	-8.0	8.1

BSE SENSEX
50,614S&P CNX
14,896**CMP: INR230****Buy****Conference Call Details****Date:** 5th Feb 2021**Time:** 11:00am IST**Dial-in details:**

022 6280 1342

022 7115 8243

Lower than estimated refining/marketing margin resulted in a miss, core GRM at -USD1/bbl

- Reported EBITDA came in 43% below our estimate at INR33b (+62% YoY). Adjusted (for inventory) EBITDA stood at INR19.8b (v/s our estimate of -50%, +17% YoY).
- Forex gain stood at INR3b. Interest expense was lower at INR1.3b (-50% YoY). Reported PAT came in at INR23.5b (v/s our expectation of -36%, +215% YoY), with the tax rate at 25.4% for the quarter.
- HPCL reported refining throughput in line with our estimate at 4mmt (-4% YoY). However, reported GRM came in lower than our expectation at USD1.9/bbl (v/s our estimate of USD4.5).
- Marketing sales volumes were in line with our expectation at 10.4mmt (-2% YoY). While implied marketing margin was lower than our estimate at INR5.2/liter (v/s our expectation of INR6.7).
- **For 9MFY21**, reported EBITDA stood at INR112.6b (+84% YoY), PBT at INR101.8 (+154% YoY - due to forex gain), and adjusted PAT at INR76.5b (+193% YoY – on a lower tax rate).
- Refining throughput was down 5% YoY to 12mmt, while marketing sales were down 12% to 26.4mmt in 9MFY21.
- Reported GRM averaged USD2.4/bbl in 9MFY21 v/s USD1.85 in 9MFY20. Implied marketing margin averaged INR6.4/liter v/s INR4.1 in the preceding year.
- Debt at 3Q-end stood at INR333.4b (v/s INR346b at the end of 2QFY21). Excluding lease liability, debt stood at INR306.4b (v/s INR320b at the end of 2QFY21).
- **Buyback program update:** The company bought back ~2.5cr shares - representing ~1.65% of its total paid-up equity share capital (prior to the commencement of the buyback) till 31 Dec'20. As per the proposal, the board has agreed to buyback up to 10cr equity shares (amount not exceeding INR25b) - i.e. ~6.56% of its total paid-up equity share capital.

Standalone quarterly earnings model

(INR b)

Y/E March	FY20				FY21				3Q Actual	Var	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE					
Net Sales	709.9	608.7	707.5	661.5	377.2	517.7	630.1	686.6	9%	-3%	33%	
YoY Change (%)	5.0	-9.8	-1.9	-2.6	-46.9	-14.9	-10.9	-3.0				
EBITDA	16.4	24.5	20.4	0.7	43.5	36.0	58.3	33.0	-43%	62%	-8%	
Margin (%)	2.3	4.0	2.9	0.1	11.5	7.0	9.2	4.8				
EBITDA adj. for inventory and one-offs	21.8	23.9	16.9	41.8	37.2	18.2	39.4	19.8	-50%	17%	8%	
Depreciation	8.2	8.1	8.7	8.1	8.7	8.7	9.5	8.8	-7%	2%	1%	
Forex loss	-1.9	1.2	1.7	7.7	0.0	-5.7	-0.2	-3.0				
Interest	2.1	2.9	2.5	3.4	3.2	2.6	3.5	1.3	-63%	-50%	-51%	
Other Income	4.2	3.9	4.1	4.2	5.6	2.4	3.9	5.7	47%	40%	133%	
PBT before EO expense	12.4	16.2	11.5	-14.3	37.3	32.9	49.4	31.6	-36%	174%	-4%	
Extra-Ordinary expense	0.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0				
PBT	12.4	16.2	11.5	-24.3	37.3	32.9	49.4	31.6	-36%	174%	-4%	
Tax	4.3	5.6	4.0	-24.6	9.1	8.1	12.4	8.0				
Rate (%)	34.6	34.9	35.1	101.1	24.5	24.7	25.2	25.4				
Reported PAT	8.1	10.5	7.5	0.3	28.1	24.8	36.9	23.5	-36%	215%	-5%	
Adjusted PAT	8.1	10.5	7.5	10.3	28.1	24.8	36.9	23.5	-36%	215%	-5%	
YoY Change (%)	-52.8	-3.6	201.8	-65.3	247.0	135.4	394.5	215.1				
Margin (%)	1.1	1.7	1.1	1.6	7.5	4.8	5.9	3.4				
Key Assumptions												
Refining throughput (mmt)	3.9	4.6	4.2	4.5	4.0	4.1	4.1	4.0	-2%	-4%	-1%	
Reported GRM (USD/bbl)	0.8	2.8	1.8	-1.2	0.0	5.1	4.5	1.9				
Core GRM (USD/bbl)	3.3	2.5	1.5	9.5	-0.9	2.7	2.0	-1.0				
Marketing sales vol. including exports (mmt)	10.1	9.4	10.6	9.6	7.6	8.4	10.4	10.4	0%	-2%	23%	
Marketing GM including inv. (INR/liter)	3.8	4.5	4.1	3.6	8.2	6.0	6.7	5.2	-22%	28%	-13%	

E: MOFSL estimates

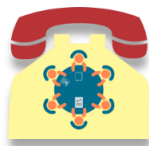
Container Corp

BSE SENSEX 50,614 S&P CNX 14,896

CMP: INR478

Buy

Conference Call Details



Date: 5th Feb 2021

Time: 11:00 AM IST

Dial-in details:

+91-22 6280 1384

Financials & Valuations (INR b)

Y/E MARCH	2021E	2022E	2023E
Sales	60.1	70.2	85.9
EBITDA	11.3	13.9	16.7
Adj. PAT	6.2	7.8	9.5
EBITDA Margin (%)	18.7	19.8	19.5
Adj. EPS (INR)	10.2	12.8	15.6
EPS Gr. (%)	(38.4)	25.2	21.6
BV/Sh. (INR)	171	178	186

Ratios

Net D:E	(0.3)	(0.3)	(0.4)
RoE (%)	6.1	7.3	8.5
RoCE (%)	6.3	7.6	8.7
Payout (%)	45.0	45.0	45.0

Valuations

P/E (x)	46.85	37.42	30.77
P/BV (x)	2.80	2.69	2.57
EV/EBITDA(x)	22.8	18.3	15.0
Div. Yield (%)	0.96	1.20	1.46
FCF Yield (%)	(0.14)	0.95	1.93

Higher realization drives EBITDA beat

- Total volumes were up by 6% YoY to 966,015 TEUs, with EXIM/domestic volumes at 804,557/161,458 TEUs (+5%/+12% YoY).
- Realization was up 8% YoY to INR18,155/TEU and was 11% higher than our expectation of INR16,295/TEU. EXIM/domestic realization per TEU stood at INR16,140/INR28,197, up 6%/14% YoY.
- Revenue grew 15% YoY to INR17.5b (v/s our estimate of +11%).
- EBITDA stood at INR3.7b, flat YoY. EBITDA margin stood at 21.2% v/s 24.3% in 3QFY20. There was a one-time employee cost of INR0.5b towards provision of post-retirement medical expenses of all employees. Adjusted of that, EBITDA stood at INR4.21b and margin at 24%.
- PAT was up 9% YoY at INR2.4b.
- Land licensing fee provision during 3QFY21 stood at INR1.2b (v/s INR1.4b in FY20).
- 9MFY21 revenue/EBITDA/adjusted PAT stood at INR44.5b/INR8.4b/INR4.9b and was down 9%/30%/31% YoY due to ~8% decline in volumes and increase in land licensing fees (INR3.5b in 9MFY21 v/s ~INR1.4b in FY20).

Quarterly performance

(INR m)

Y/E March	FY20				FY21			FY21 3QE	Variance vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Net Sales	16,389	17,387	15,276	15,686	11,891	15,027	17,538	15,795	11
YoY Change (%)	9.4	1.0	-2.9	-10.4	-27.4	-13.6	14.8	3.4	
EBITDA	4,033	4,255	3,717	4,744	1,590	3,129	3,719	3,177	17
Margin (%)	24.6	24.5	24.3	30.2	13.4	20.8	21.2	20.1	
YoY Change (%)	25.9	5.3	11.3	23.9	-60.6	-26.5	0.0	-14.5	
Depreciation	1,253	1,278	1,263	1,336	1,260	1,272	1,364	1,309	
Interest	112	81	60	108	85	85	84	75	
Other Income	583	637	626	952	588	713	822	650	
PBT before EO expense	3,250	3,532	3,021	4,253	833	2,486	3,092	2,443	27
Extra-Ordinary expense	0	8,611	0	206	0	0	0	0	
PBT	3,250	-5,079	3,021	4,047	833	2,486	3,092	2,443	27
Tax	971	-1,858	1,266	1,102	217	610	714	635	
Rate (%)	29.9	36.6	41.9	27.2	26.0	24.5	23.1	26.0	
Reported PAT	2,278	-3,220	1,755	2,945	616	1,876	2,379	1,808	32
Adjusted PAT	2,340	2,543	2,175	3,062	616	1,876	2,379	1,808	32
YoY Change (%)	-7.3	-24.3	-20.8	-13.1	-73.7	-26.2	9.4	-16.9	
Margin (%)	14.3	14.6	14.2	19.5	5.2	12.5	13.6	11.4	

E: MOFSL estimates



Tata Power

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	TPWR IN
Equity Shares (m)	2,705
M.Cap.(INRb)/(USDb)	286.5 / 3.7
52-Week Range (INR)	91 / 27
1, 6, 12 Rel. Per (%)	8/46/35
12M Avg Val (INR M)	1635

Financials & Valuations (INR b)

Y/E MARCH	2020	2021E	2022E
Sales	291.4	333.2	418.1
EBITDA	79.4	77.5	80.3
Adj. PAT	10.2	12.5	17.2
EBITDA Margin (%)	27.3	23.3	19.2
Cons. Adj. EPS (INR)	3.8	3.9	5.4
EPS Gr. (%)	78.2	4.3	37.2
BV/Sh. (INR)	66.8	67.8	71.4
Ratios			
Net D:E	2.6	1.8	1.7
RoE (%)	5.9	6.3	7.7
RoCE (%)	7.1	7.1	7.0
Payout (%)	41.2	33.1	24.2
Valuations			
P/E (x)	23.8	22.9	16.7
P/BV (x)	1.3	1.3	1.3
EV/EBITDA(x)	9.3	9.0	8.6
Div. Yield (%)	1.7	1.5	1.5
FCF Yield (%)	21.2	30.9	13.6

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	46.9	46.9	36.2
DII	24.5	26.7	26.7
FII	12.4	10.9	21.0
Others	16.2	15.6	16.1

FII Includes depository receipts

CMP: INR90

TP: INR105 (+17%)

Buy

Beat on interest reduction and Odisha profitability

Deleveraging playing out; Maintain Buy

- The improvement in TPWR's 3QFY21 earnings was led by interest cost reduction and profitability in its Odisha distribution business. Adjusted PAT stood at INR3.7b and was significantly higher v/s our estimate of INR2.3b.
- Divestment-related measures and infusion of INR26b from the promoter has aided debt reduction. The EPC business is recovering and is expected to pick-up, led by the healthy order book at Tata Power Solar. Possible benefits from the merger of CGPL and Tata Power Solar with itself and favorable InvIT valuations provide scope for further upside. **Maintain Buy with a TP of INR105 per share.**

Profit improve on interest reduction and Odisha business

- Adjusted PAT at INR3.7b (3QFY20: INR1.7b) was well ahead of our expectation of INR2.4b. The beat on our estimate was led by three key factors: a) a sharp decline in interest cost, b) better coal JV- Mundra hedge, and c) profitability at CESU.
- Interest cost fell 9% QoQ to INR9.7b, given the recent debt reduction and lower borrowing costs as against our expectation of flattish sequential trajectory. CESU posted a profit of INR0.3b v/s our loss estimate of INR0.1b.
- Mundra-Coal JV hedge performed better with Mundra (EBITDA) and coal JVs (PAT) coming in at INR4.7b as against our expectation of INR4b, despite the sale of international ships.
- Reported PAT is 15% lower YoY at INR1.6b, adjusted for INR2.1b of exceptional items, but includes INR1.1b for an unfavorable MERC order.
- Net debt reduced to INR395b (v/s INR471b as of FY20-end), led by divestment-related measures and infusion of INR26b from the promoter.

Highlights from the management commentary

- CESU earned a profit of INR0.3b, with 24-25%/33.9% 3Q/FY21 YTD AT&C. TPWR's management expects CESU's performance to be better than the decided trajectory.
- The company is close to finalizing its InvIT and hopes to announce it soon. It would look to transfer 3.4GW of projects to the InvIT, of which 2.7GW are currently operational.
- TPWR expects its solar EPC order book to be completed over the next 1-2 years.

Debt reduction playing out; see a favorable risk-reward at current levels

- We raise our FY21E/FY22E estimate by 15%/6%, taking into account higher profitability for its EPC business and Odisha DISCOMs.
- Net debt reduced to INR395b (from INR471b in FY20). Debt reduction should lead to lower interest costs. With a pick-up in its EPC business, we expect EPS to rise by 24% CAGR over FY20-23E. We maintain a Buy on TPWR and raise our TP to INR105, taking into account: a) the recent takeover of Odisha DISCOMs, b) higher EPC profitability, c) benefits from the merger of CGPL and Tata Power Solar with itself, and d) higher valuations for the renewable business (8x EV/EBITDA v/s 7.5x earlier).

Consolidated quarterly performance (INR m)

Y/E March	FY20				FY21E				FY20	FY21E	FY21 vs Est 3QE (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	76,317	76,778	70,710	66,708	64,530	82,898	75,979	109,819	291,364	333,226	78,149	-3
YoY Change (%)	4.4	2.2	-8.2	-7.7	-15.4	8.0	7.5	64.6	-1.4	14.4	1.8	
Total Expenditure	54,647	54,218	52,661	50,410	47,217	62,886	57,773	92,664	211,936	255,705	59,956	
EBITDA	21,671	22,560	18,050	16,298	17,313	20,012	18,206	17,155	79,428	77,521	18,193	0
Margins (%)	28.4	29.4	25.5	24.4	26.8	24.1	24.0	15.6	27.3	23.3	23.3	
Depreciation	6,200	6,544	6,719	6,583	6,445	6,989	7,383	6,482	26,336	27,299	6,784	9
Interest	11,439	11,300	11,292	10,907	10,894	10,650	9,656	9,480	44,937	40,678	10,831	-11
Other Income	1,079	1,072	650	672	874	1,518	1,049	1,240	5,626	4,682	979	7
Rate regulated activity	-2,000	-3,490	1,002	2,601	2,185	1,228	1,423	0	-1,887	0	0	
PBT before EO expense	3,111	2,299	1,691	2,080	3,034	5,119	3,639	2,433	11,895	14,226	1,557	134
Extra-Ord expense	-1,095	-747	279	5,690	0	0	-2,113	5,545	4,099	3,433	0	
PBT	2,017	1,552	1,970	7,770	3,034	5,119	1,526	7,979	15,994	17,658	1,557	-2
Tax	1,924	520	1,176	1,491	1,894	3,176	1,027	-909	8,253	5,188	274	
Rate (%)	95	33	60	19	62	62	67	-11	51.6	29.4	18	
MI & P/L of Asso. Cos.	1,612	1,725	1,132	1,465	1,154	1,045	1,132	167	6,535	3,498	1,052	
Reported PAT	1,704	2,757	1,927	7,744	2,294	2,988	1,632	9,054	14,276	15,969	2,335	-30
Adj PAT	2,799	3,504	1,647	2,054	2,294	2,988	3,745	3,509	10,177	12,536	2,335	60

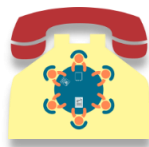
*Note: Sum of four quarters for FY20 does not match due to restatements

BSE SENSEX 50,614
S&P CNX 9,422

CMP: INR2000

Buy

Conference Call Details



Date: 5th Feb 2021
Time: 11:00 am IST
Dial-in details:
+91-22-6280 1384

Financials & Valuations (INR b)

Y/E MARCH	2021E	2022E	2023E
Sales	56.1	62.1	69.4
EBITDA	16.0	16.1	18.5
Adj. PAT	11.6	11.9	13.9
EBIT Margin (%)	24.7	22.2	23.1
Cons. Adj. EPS (INR)	92.2	94.0	110.0
EPS Gr. (%)	79.4	1.9	17.1
BV/Sh. (INR)	365.6	445.4	539.0
Ratios			
Net D:E	0.0	-0.1	-0.2
RoE (%)	28.3	23.2	22.4
RoCE (%)	25.8	21.6	21.2
Payout (%)	14.9	15.0	15.0
Valuations			
P/E (x)	21.7	21.3	18.2
EV/EBITDA (x)	15.7	15.2	11.0
Div. Yield (%)	0.7	0.7	0.8
FCF Yield (%)	2.6	2.8	3.6
EV/Sales (x)	4.5	4.0	2.7

Marginally better than our estimates

- 3QFY21 sales were up 16% YoY at INR14.1b (v/s our estimate of INR13.8b), led by growth in the Institutional/API segment/Generic Formulation exports.
- Institutional exports grew 190% YoY to INR1.4b (10% of sales).
- API grew 23% YoY to INR3.5b (25% of sales) for the 3QFY21.
- Exports (Generics Formulation) grew 12% YoY to INR2.2b (15% of sales).
- Domestic Formulation sales grew 8% YoY to INR5.2b (37% of sales).
- Branded Formulation exports declined 31% YoY to INR775m (6% of sales).
- Other operating income and revenue from subsidiaries grew 17% YoY to INR1b.
- Gross margin (GM) declined 160bp YoY and stood at 63.4% due to changes in the product mix.
- Despite the decline in GM, EBITDA margin expanded ~350bp YoY to 26% due to strong operating leverage (other expenses down 340bp) and decline in staff cost (-170bp as a percentage of sales).
- EBITDA grew 34% YoY to INR3.7b (v/s our estimate of INR3.5b).
- PAT grew 34% YoY to INR2.7b (v/s our expectation of INR2.5b).
- Sales/EBITDA/adjusted PAT grew 20%/78%/88% to INR43b/INR13.2b/INR9.6b in 9MFY21.

Things to watch out for

- Outlook on operating expense with an increase in promotional activity.
- Outlook on the Branded Generics segment
- Update on number of products launched under its own label in the UK market.
- Outlook on capex plan for the fiscal.
- Update on any progress on the regulatory front.

Quarterly performance

Y/E March	(INR m)											Change (%)
	FY20				FY21				FY20	FY21E	3QFY21E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Revenue (Core)	10,782	12,839	12,129	10,738	15,344	13,611	14,098	13,036	46,487	56,090	13,801	2.2
YoY Change (%)	23.2	26.9	20.5	22.1	42.3	6.0	16.2	21.4	23.2	20.7	13.8	
EBITDA	1,987	2,659	2,737	2,197	5,883	3,602	3,669	2,831	9,580	15,986	3,464	5.9
YoY Change (%)	40.4	29.8	32.8	33.5	196.1	35.5	34.1	28.9	33.6	66.9	26.6	
Margin (%)	18.4	20.7	22.6	20.5	38.3	26.5	26.0	21.7	20.6	28.5	25.1	
Depreciation	461	496	508	639	510	521	535	565	2,105	2,132	530	
EBIT	1,526	2,162	2,228	1,558	5,373	3,081	3,134	2,266	7,475	13,854	2,934	6.8
YoY Change (%)	60.7	35.6	39.0	30.0	252.0	42.5	40.7	45.5	39.8	85.3	31.7	
Margin (%)	14.2	16.8	18.4	14.5	35.0	22.6	22.2	17.4	16.1	24.7	21.3	
Interest	46	42	40	37	27	23	23	55	165	128	28	
Other Income	112	148	181	137	121	-16	154	122	578	380	120	
PBT before EO Expense	1,592	2,268	2,369	1,658	5,466	3,041	3,265	2,333	7,888	14,105	3,026	
One-off (gain)/Expense	-91	0	0	536	0	-171	0	0	445	-171	0	
PBT after EO Expense	1,683	2,268	2,369	1,123	5,466	3,212	3,265	2,333	7,442	14,276	3,026	
Tax	374	319	369	292	999	526	567	376	1,353	2,468	514	
Rate (%)	23.5	14.1	15.6	17.6	18.3	17.3	17.4	16.1	17.2	17.5	17.0	
Reported PAT	1,310	1,949	2,001	830	4,468	2,686	2,698	1,957	6,090	11,808	2,512	7.4
Minority Interest	-16	-18	-25	-23	-7	-16	-43	-5	-78	-70	-20	
Adjusted PAT after Minority Int.	1,223	1,931	1,975	1,352	4,461	2,528	2,655	1,952	6,485	11,595	2,492	6.5
YoY Change (%)	44.2	37.2	47.2	37.6	264.7	30.9	34.4	44.4	41.6	78.8	26.1	
Margin (%)	11.3	15.0	16.3	12.6	29.1	18.6	18.8	15.0	14.0	20.7	18.1	



Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	TRENT IN
Equity Shares (m)	332
M.Cap.(INRb)/(USDb)	237.8 / 3.3
52-Week Range (INR)	809 / 368
1, 6, 12 Rel. Per (%)	-7/-15/-13
12M Avg Val (INR M)	543

Financials & Valuations (INR b)

Y/E March	FY20	FY21E	FY22E
Sales	34.9	26.3	46.6
EBITDA	5.4	1.7	7.2
Adj. PAT	1.1	-1.3	1.6
EBITDA Margin (%)	15.6	6.5	15.5
Adj. EPS (INR)	3.0	-3.5	4.5
EPS Gr. (%)	2.1	NM	NM
BV/Sh. (INR)	71.9	68.1	72.9

Ratios

Net D:E	0.7	0.8	0.6
RoE (%)	5.3	-5.4	6.8
RoCE (%)	8.9	1.3	7.6
Payout (%)	33.5	0.0	0.0

Valuations

P/E (x)	224.3	NM	149.7
EV/EBITDA (x)	48.2	153.6	36.0
EV/Sales (X)	7.5	9.9	5.6
Div Yield (%)	0.1	0.0	0.0

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	37.0	37.0	37.0
DII	10.0	14.6	15.9
FII	29.4	23.1	20.9
Others	23.6	25.2	26.2

FII Includes depository receipts

CMP: INR669 TP: INR660 (-1%) Neutral

Healthy margin recovery drives earnings

- While revenue fell 17% YoY (in line), EBITDA saw a massive 26% beat on gross margin (GM) improvement of 570bp, benefiting from a provision write back of INR140m (190bp gain) and potential reduction in discounted sales. Adjusting for write-backs, EBITDA fell 4% YoY (16% beat).
- Its historic, industry-leading growth should resume in FY22 as aggressive store additions have already resumed. We have raised our FY22E EBITDA estimate by 18%, factoring in 28%/30% revenue/EBITDA growth over FY20. **Maintain Neutral.**

Revenue recovering gradually; EBITDA shoots up on strong GM

- Standalone revenue fell 16.6% YoY (v/s 27%/16% decline in SHOP/VMART) to INR7.2b (in line). Within this, Westside's revenue fell 22% to INR5.8b, while the same for Zudio grew ~30% in 3QFY21 to about INR1.2b as per our workings. All stores are now operational with certain local restrictions.
- GM was up 570bp YoY at 56.4%. Adjusting for reset/write-back of INR140m in provisions, which were created in 1QFY21, GM grew 380bp to 54.4%, a beat of 640bp.
- EBITDA grew 3.7% YoY (v/s a 52%/11% decline in SHOP/VMART) to INR1.8b (26% beat). EBITDA margin expanded 490bp YoY to 24.8%. Adjusting for provisions, EBITDA fell 4%, 16% beat.
- Negotiations with landlords over rentals during the COVID-19 led lockdown period has resulted in aggregate savings of INR190m/INR770m for 3Q/9MFY21. The same has been accounted for in other income.
- Reported PBT rose 10% YoY to INR1b. On pre Ind AS 116 basis and adjusted for provisions, PBT stood at INR1b, up 21% YoY.
- Reported PAT stood at INR797m, up 43% YoY (51% beat).
- The company opened 28 new stores in 9MFY21, adding gross Zudio/Westside/Landmark stores of 20/6/2. In 3QFY21, it added a net 3/13/1 Westside/Zudio (standalone)/Landmark stores, taking the total store count to 169/101/15.

Valuation and view

- TRENT has a better liquidity profile v/s its peers and is currently enjoying a net cash position. This enables the management to eye aggressive store additions as evident in its 3QFY21 earnings. Zudio recovered faster as it caters to the value retailing segment in lower tier cities.
- We have factored in a FY22E revenue/EBITDA growth of 28%/30% (over FY20) on the back of aggressive growth in Zudio, leading to increased revenue contribution (to 23% in FY22E v/s 15% in FY20), and a stable 6% growth in Westside.
- We have revised our SoTP-based TP to INR660, valuing TRENT at an FY23E EV-to-EBITDA of 24x for the standalone entity (including Zudio), Zara at 10x EBITDA, Star at 1x EV-to-sales. TRENT's superior execution and healthy Balance Sheet warrants a premium valuation, but it already trades at a rich valuation of 28x FY23E EV-to-EBITDA, leaving limited upside for the stock. Hence, we remain **Neutral.**

Standalone quarterly earning model

(INR m)

Y/E March	FY20				FY21				FY20	FY21E	3QFY21E	Var v/s our est(%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Revenue	7,672	8,180	8,697	7,228	963	4,521	7,254	8,152	31,777	20,891	7,662	-5
YoY Change (%)	29.9	32.8	32.5	8.1	-87.4	-44.7	-16.6	12.8	132.9	39.3	-11.9	
Total Expenditure	6,033	6,852	6,962	6,298	2,155	4,457	5,454	6,857	26,145	18,923	6,237	-13
EBITDA	1,639	1,328	1,735	929	-1,191	64	1,800	1,295	5,632	1,967	1,425	26
EBITDA Margin (%)	21.4	16.2	20.0	12.9	-123.7	1.4	24.8	15.9	17.7	9.4	18.6	
Depreciation	536	585	579	612	585	578	578	585	2,311	2,327	571	1
Interest	597	598	593	595	574	583	606	624	2,383	2,386	540	12
Other Income	359	433	382	344	529	364	426	322	1,518	1,641	389	9
PBT	865	578	946	67	-1,822	-733	1,042	409	2,455	-1,105	703	48
Tax	286	195	389	40	-428	-252	245	103	909	-332	177	
Rate (%)	33.0	33.7	41.1	60.6	23.5	34.4	23.5	25.2	37.0	30.0	25.2	
Reported PAT	579	383	557	26	-1,395	-481	797	306	1,546	-773	526	51
Adjusted PAT	579	383	557	26	-1,395	-481	797	306	1,546	-773	526	51
YoY Change (%)	51.1	16.3	38.0	-83.9	-340.7	-225.6	42.9	1,061.1	160.3	-192.2	-5.6	

E: MOFSL estimates



Zee Entertainment

Estimate changes



TP change



Rating change



CMP: INR249

TP: INR265 (+6%)

Neutral

Bloomberg	Z IN
Equity Shares (m)	961
M.Cap.(INRb)/(USDb)	239.5 / 3.2
52-Week Range (INR)	268 / 114
1, 6, 12 Rel. Per (%)	9/40/-22
12M Avg Val (INR M)	5051
Free float (%)	96.0

Financials & Valuations (INR b)

Y/E March	FY21E	FY22E	FY23E
Sales	78.6	90.7	101.2
EBITDA	15.7	24.2	27.4
Adj. PAT	9.7	16.4	18.7
EBIT Margin (%)	19.9	26.7	27.1
Cons. Adj. EPS (INR)	7.3	17.1	19.4
EPS Gr. (%)	32.5	135.2	13.8
BV/Sh. (INR)	101.0	114.4	130.3

Ratios

Net D:E	-0.1	-0.1	-0.2
RoE (%)	10.2	15.9	15.9
RoCE (%)	9.4	15.7	15.8
Payout (%)	49.6	21.1	18.5

Valuations

P/E (x)	34.3	14.6	12.8
P/BV (x)	2.5	2.2	1.9
EV/EBITDA (x)	14.7	9.2	8.0
Div. Yield (%)	1.2	1.2	1.2
FCF Yield (%)	3.0	4.8	3.2

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	4.0	4.0	4.9
DII	12.2	11.3	12.0
FII	65.8	66.2	67.4
Others	18.1	18.5	15.8

FII Includes depository receipts

Sharp recovery in ads; margin guidance lowered

- Zee Entertainment (ZEEL)'s revenue/EBITDA grew 6.3%/13% YoY, adjusted for a one-time INR5.5b content syndication deal, as ad revenue witnessed sharp recovery (up 6% YoY).
- We revise our EBITDA estimate by 9%/5% for FY21/FY22E, building in faster recovery, but high content investment would keep EBITDA margins lower at 27% (v/s >30% historically) in FY22E. Maintain Neutral.

One-time revenues lead to 27% EBITDA growth

- Consolidated revenues increased 33% YoY to INR27.2b (36% beat), led by recovery in ad revenue and a one-time content syndication deal of INR5.5b (excluding which LTL revenue growth stands at 6.3% YoY).
- Advertisement revenues increased 6% YoY (44% QoQ) to INR13b, led by sharp recovery during the festive season. Domestic subscriptions also grew 6.3% YoY on LTL (adjusted for the reclassification of music revenues).
- On an LTL basis, programming costs grew 11% YoY, adjusted for INR4.7b cost – attributable to a one-time content syndication deal (higher than LTL ad/subs revenue growth). Total opex grew 4% YoY.
- EBITDA, thus, grew 27% YoY to INR7b (40% beat), with margins at 26.2% (-140bps YoY). Adjusting for the one-time deal related earnings, LTL EBITDA stood at INR6.4b, up 13% YoY (24% beat), with margins at 29.3%.
- The company also reported FV loss of INR839m due to a change in the market price of redeemable preference shares.
- Reported PAT increased 14% YoY to INR4b (15% beat), while adjusted PAT declined 14% YoY to INR4.8b, largely on high FV adjustments.
- Cash and investments rose to INR18b in 3QFY21 (from INR15b in 2QFY21).
- Inventory declined 6% QoQ to INR48b.

Highlights from management commentary

- **Ad and subscription growth:** Strong revival was seen in ad revenues across categories as economic activity picked up. Subscription growth is expected in the low-to-mid teens post the resolution of NTO 2.0.
- **Margin guidance:** Incremental investments in a new channel, the Digital business, and the Movie business would lead to margin dilution, and the earlier guidance for a 30% EBITDA margin would be difficult to achieve.
- **Plans to scale up Movie biz:** It plans to achieve this with 35–40 movie releases a year going ahead. While this would be a low-margin biz, the company aims to make sustainable profits in the long term.
- **Increase in receivables:** This is not linked to the syndication revenue but the reversal of a low base over the last couple of quarters. The amount from the sale of overseas mutual fund investments has been received, while receivables from related parties have reduced.

Valuation and view

- While revenue recovery has been encouraging, a) high investments in content acquisition in the recent past, b) acceleration in low-margin movie production, and c) investments in the Digital platform are likely to keep margins contained at 27% in FY22, much lower than 32–34% historically (more on this in [our recent note](#)).
- On the positive side, it has remained committed to bringing in increased governance and transparency toward investments, although the cleanup is still in process.
- We increase our FY21E/FY22E EBITDA estimates by 9%/5%, led by quicker recovery in ad revenues, and roll forward our estimates to FY23E. We factor in 54%/69% growth in EBITDA/PAT in FY22 on a low base of FY21E. The stock trades at 13x FY22E EPS of INR19. This is a far cry from its historic multiples of >25–30x around three years ago. Any potential re-rating would be governed by a consistent and disciplined investment approach – restricted to the non-core business – and an improving EBITDA/FCF profile.
- For now, we value ZEE at 14x FY23E EPS, with Target Price of INR265. **Maintain Neutral.**

Consol. - Quarterly Perf.

Y/E March	(INR m)											
	FY20				FY21E				FY20	FY21	3Q FY21E Est (%)	v/s
	1Q	2Q	3Q	4QE	1Q	2Q	3Q	4Q				
Revenue	20,081	21,220	20,487	19,511	13,120	17,227	27,294	20,985	81,299	78,626	20,060	36.1
YoY Change (%)	13.3	7.4	-5.5	-3.4	-34.7	-18.8	33.2	7.6	2.5	-3.3	-2.1	
Total Expenditure	13,484	14,291	14,829	22,349	10,921	14,090	20,137	17,804	64,953	62,952	14,939	34.8
EBITDA	6,598	6,929	5,658	-2,839	2,199	3,137	7,157	3,181	16,346	15,674	5,121	39.8
EBITDA Margin (%)	32.9%	32.7%	27.6%	-14.5%	16.8%	18.2%	26.2%	15.2%	20.1%	19.9%	25.5%	1
Depreciation	690	583	656	778	719	651	652	662	2,706	2,684	684	-4.7
Interest	205	180	200	864	45	13	21	402	1,449	481	120	-82.4
Other Income	1,039	681	710	407	264	379	276	251	2,836	1,170	325	-15.2
Fair Value through P&L gain/(loss)	679	-88	-401	-2,787	-1,123	-207	-839	0	-2,597	-2,170	0	
PBT before EO expense	7,420	6,760	5,110	-6,860	576	2,644	5,920	2,369	12,430	11,509	4,641	27.6
Extra-Ord expense	0	1,706	0	1,137	0	970	0	0	2,843	970	0	
PBT	7,420	5,054	5,110	-7,997	576	1,674	5,920	2,369	9,587	10,539	4,641	27.6
Tax	2,146	921	1,622	-372	284	740	1,937	596	4,317	3,557	1,168	65.8
Rate (%)	28.9	18.2	31.7	4.7	49.2	44.2	32.7	25.2	45.0	33.8	25.2	
MI & P/L of Asso. Cos.	-31	1	-6	42	-11	-7	-16	42	5	7	-6	
Reported PAT	5,306	4,132	3,494	-7,667	304	942	3,999	1,731	5,265	6,975	3,479	14.9
Adj PAT	4,596	5,616	3,889	-4,671	1,416	1,683	4,822	1,773	9,429	9,693	3,473	38.8
YoY Change (%)	32.2	37.4	-25.9	-257.4	-69.2	-70.0	24.0	-137.9	-40.2	2.8	-10.7	

Dalmia Bharat

BSE SENSEX 50,614 S&P CNX 14,896

CMP: INR1265

Buy

Conference Call Details



Date: 5th February 2021
Time: 10:30 am IST
Dial-in details:
+91-7045671221

Financials & Valuations (INR b)

Y/E MARCH	2021E	2022E	2023E
Sales	101.4	116.9	133.8
EBITDA	26.4	27.6	32.2
Adj. PAT	8.0	8.1	12.3
EBITDA Margin (%)	26.1	23.6	24.1
Adj. EPS (INR)	43.1	43.6	66.5
EPS Gr. (%)	275.1	1.1	52.6
BV/Sh. (INR)	592.5	631.8	693.4
Ratios			
Net D:E	0.3	0.2	-0.0
RoE (%)	7.4	7.1	10.0
RoCE (%)	6.3	6.5	8.9
Payout (%)	7.0	8.1	6.1
Valuations			
P/E (x)	29.4	29.1	19.1
P/BV (x)	2.1	2.0	1.8
EV/EBITDA(x)	10.1	9.3	7.4
EV/ton (USD)	120.1	98.9	85.4
Div. Yield (%)	0.2	0.3	0.3
FCF Yield (%)	3.0	4.7	9.5

EBITDA up 51% YoY; net debt-to-EBITDA ratio down to 0.56x

- Revenue/EBITDA/adjusted PAT rose 18%/51%/658% YoY and 6%/13%/9% above our estimate to INR28.6b/INR6.9b/INR1.8b.
- Volume was up 14% YoY to 5.8mt (v/s our estimate of 5.56mt), led by market share gains and strong demand in East India. Sales of Premium offerings grew 66% YoY.
- Realization beat our estimates by 2% and came in at INR4,926/t (+4% YoY), but was down 2% QoQ on account of pricing pressure in East and South India.
- Unitary costs were up 5% QoQ to INR3,734/t (-3% YoY), led by a 18%/10% increase in power and fuel cost/other expenses (at INR860/INR733 per tonne). The impact was partially offset by better fixed cost absorption.
- EBITDA/t declined 19% QoQ to INR1,191 (+33% YoY) and was 8% higher than our estimate.
- Gross debt repayment of INR6.3b in 3Q has bought down net debt-to-EBITDA ratio to 0.56x from 1.02x in 1QFY21.
- With the commercialization of 3mt Odisha clinker unit, installed capacity has risen to 28.5mt.
- Of the planned grinding capacity expansion of 8mt in East, 1.1mt has been commissioned, while 2.25mt at Bengal Cement Works is undergoing trial runs. The balance will be commissioned in a phased manner.
- Revenue/EBITDA/adjusted PAT stood at INR72.4b/INR20.1b/INR6b in 9MFY21, up 1%/26%/ 205% YoY, while volume grew 1% to 14.26mt.

Quarterly performance

Y/E March	FY20				FY21			3QFY21E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Sales Dispatches (mt)	4.55	4.47	5.10	5.17	3.66	4.80	5.80	5.56	4
YoY Change (%)	0.9	8.2	14.1	-7.2	-19.6	7.4	13.7	9.0	
Realization (INR/t)	5,576	5,002	4,741	4,803	5,393	5,021	4,926	4,841	2
YoY Change (%)	6.2	-1.6	-2.1	-5.9	-3.3	0.4	3.9	2.1	
QoQ Change (%)	9.3	-10.3	-5.2	1.3	12.3	-6.9	-1.9	-3.6	
Net Sales	25,370	22,360	24,180	24,830	19,740	24,100	28,570	26,910	6
YoY Change (%)	7.1	6.5	11.7	-12.6	-22.2	7.8	18.2	11.3	
Total Expenditure	18,710	17,610	19,610	19,750	13,600	17,080	21,660	20,787	4
EBITDA	6,660	4,750	4,570	5,080	6,140	7,020	6,910	6,123	13
Margin (%)	26.3	21.2	18.9	20.5	31.1	29.1	24.2	22.8	
Depreciation	3,420	4,060	4,050	3,750	3,010	3,020	3,290	3,240	
Interest	1,160	1,030	950	1,240	730	730	910	1,000	
Other Income	440	490	680	560	550	410	460	400	
PBT before EO Expense	2,520	150	250	650	2,950	3,680	3,170	2,283	39
Extra-Ordinary expense	0	0	0	0	0	0	0	0	
PBT after EO Expense	2,520	150	250	650	2,950	3,680	3,170	2,283	
Tax	1,000	-210	-10	410	1,070	1,360	1,340	571	
Rate (%)	39.7	-140.0	-4.0	63.1	36.3	37.0	42.3	25.0	
Reported PAT	1,520	360	260	240	1,880	2,320	1,830	1,712	7
Minority + associate	50	90	20	-20	-20	0	10	40	
PAT Adjusted for EO items	1,470	270	240	260	1,900	2,320	1,820	1,672	9
YoY Change (%)	172.1	-2,883.5	-14.3	-88.6	29.3	759.3	658.3	596.8	

E: MOFSL estimates



Thermax

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR1,210 TP: INR1,100 (-9%) Neutral

Revenue in line; order inflows key to future outlook

Bloomberg	TMX IN
Equity Shares (m)	113
M.Cap.(INRb)/(USDb)	144.2 / 1.7
52-Week Range (INR)	1219 / 644
1, 6, 12 Rel. Per (%)	26/30/-7
12M Avg Val (INR M)	77

- TMX's 3QFY21 revenue was in line with our estimate, with higher beat on operating profit owing to favorable revenue mix and higher volume. Margin beat was across segments, with higher margin in the Energy segment due to partial execution of a high margin international order.
- Order inflows declined 3% YoY in 3QFY21, with order pipeline slightly higher as compared to the same period last year. Recovery was seen across sectors like Cement, Steel, Distilleries, F&B, and Pharmaceuticals. In 9MFY21, order inflows stood at INR32.9b, down 28% YoY.
- Order book stood at INR52.1b (down 4% YoY) with book-to-bill of 1.1x. Weak ordering environment, coupled with order book depletion, is a significant risk to our FY22-23E revenue estimate. On account of a higher margin assumption, we increase our FY22E/FY23E EPS estimate by 3%/10%. Maintain **Neutral** with a TP of INR1,100/share, based on 28x Mar'23E EPS.

Financials & Valuations (INR b)

Y/E Mar	2020	2021E	2022E
Sales	57.3	50.6	60.0
EBITDA	4.1	3.6	5.2
PAT	2.1	2.5	3.7
EBITDA (%)	7.1	7.2	8.7
EPS (INR)	18.9	22.4	33.2
EPS Gr. (%)	-30.6	18.7	48.3
BV/Sh. (INR)	268.9	278.3	301.3

Ratios

Net D/E	-0.1	-0.1	-0.2
RoE (%)	7.0	8.0	11.0
RoCE (%)	7.2	8.3	11.2
Payout (%)	38.5	42.6	26.5

Valuations

P/E (x)	64.0	53.9	36.3
P/BV (x)	4.5	4.3	4.0
EV/EBITDA (x)	32.8	36.2	24.8
Div Yield (%)	0.6	0.7	0.7
FCF Yield (%)	3.5	2.0	2.5

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	62.0	62.0	62.0
DII	14.5	13.3	17.7
FII	17.7	16.4	13.1
Others	5.9	8.4	7.3

FII Includes depository receipts

Favorable revenue mix aids operating profit

- Revenue stood at INR14.1b, flat YoY and in line with our estimate. **Gross margin was higher at 46.7% (+230bp YoY), owing to better mix.** EBITDA stood at INR1.5b, up 30% YoY (34% above our expectation). **EBITDA margin stood at 10.5% (+250bp YoY).** An exceptional item of INR200m was due to impairment of goodwill in Thermax Netherlands. PBT stood at INR1.4b (+34% YoY). The effective tax rate stood at 26.2% (v/s 19.4% YoY). **Adjusted PAT stood at INR1b, up 23% YoY.**
- **Segment performance: a) Energy:** Revenue stood at INR10.6b, down 5% YoY. EBIT margin stood at 9.1% (+330bp YoY). **b) Environment:** Revenue stood at INR2.5b, up 28% YoY. EBIT margin stood at 7.1% (+190bp YoY). **c) Chemicals:** Revenue stood at INR1.1b, down 5% YoY. EBIT margin stood at 26.1% (+140bp YoY).

Highlights from the management commentary

- TMX has taken a write-off in its European subsidiary (Danstoker). The management aims to break-even in Danstoker and its Indonesian subsidiary in FY22.
- The overall margin increase was on a favorable revenue mix and higher volumes sold across segments.
- The impact of FGD orders will be visible in revenue and margin of the Environment segment from here on. Margin for these orders are below the average margin for this segment.
- Around 90% of the order book is fixed price contracts. Around 30% of orders are less than INR50m of the total order book.

Valuation and view

- We estimate revenue/EBITDA/adjusted PAT CAGR of 15%/30%/33% over FY21-23E, factoring in improved performance from Danstoker as well as a low base of FY21, as TMX has seen a disproportionate impact of COVID-19. Weak ordering environment, coupled with order book depletion, is a significant risk to our FY22-23E revenue estimate. On account of higher margin assumption, we increase our FY22E/FY23E EPS estimate by 3%/10%. Maintain **Neutral** with a target price of INR1,100/share, based on 28x Mar'23E EPS.

Quarterly performance

Y/E March	FY20				FY21E				FY20	FY21E	(INR M)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			MOSL 3QE	Var. Vs Est
Sales	13,925	16,059	14,101	13,230	6,649	11,412	14,106	18,444	57,313	50,611	14,621	-3.5%
Change (%)	34.5	12.5	-1.8	-36.2	-52.2	-28.9	0.0	39.4	-4.0	-11.7	3.7	
EBITDA	991	1,303	1,132	636	-114	793	1,476	1,480	4,062	3,636	1,100	34.2%
Change (%)	42.9	18.4	5.5	-62.8	-111.5	-39.1	30.4	132.9	-11.2	-10.5	-2.9	
As of % Sales	7.1	8.1	8.0	4.8	-1.7	7.0	10.5	8.0	7.1	7.2	7.5	
Depreciation	262	281	316	308	280	287	291	299	1,166	1,156	320	
Interest	44	38	19	49	40	47	57	26	150	169	35	
Other Income	216	220	258	307	209	228	282	340	1,000	1,059	300	
Extra-ordinary Items	-	-	-	-	-	(200)	(209)	-	-	(409)	-	
PBT	901	1,204	1,054	586	-225	687	1,411	1,496	3,745	3,369	1,045	35.1%
Tax	273	947	205	196	-72	175	369	376	1,621	848	263	
Effective Tax Rate (%)	30.3	78.7	19.4	33.4	32.1	25.5	26.2	25.1	43.3	25.2	25.2	
Reported PAT	628	257	850	390	-153	312	833	1,120	2,125	2,113	781	6.6%
Change (%)	28.2	(65.5)	13.2	(69.2)	(124.3)	21.6	(2.0)	187.0	(34.7)	(0.6)	(8.0)	
Adj PAT	628	257	850	390	-153	512	1,042	1,120	2,125	2,521	781	33.3%
Change (%)	29.8	(62.3)	30.4	(68.6)	(124.3)	99.2	22.6	187.0	(30.6)	18.7	(8.0)	

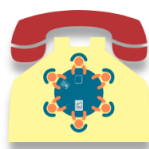
Godrej Agrovet

BSE SENSEX 50,614 S&P CNX 14,896

CMP: INR532

Buy

Conference Call Details



Date: 5th Feb 2021

Time: 3:00pm IST

Dial-in details:

+91-22 6280 1141

Below than expected performance

3QFY21 performance

- Consolidated revenue declined 14% YoY to INR15.3b (v/s our estimate of INR17.5b).
- EBITDA margin expanded 170bp YoY to 7.4% (v/s our expectation of 8.3%). EBITDA stood at INR1,124m, up 12% YoY (v/s our estimate of INR1,454m).
- Adjusted PAT increased 19% YoY to INR616m (v/s our expectation of INR796m), aided by higher other income and lower interest cost.

Segment performance (3QFY21)

- Animal Feed business revenue declined 23% YoY to INR7,833m. EBIT margin expanded 140bp YoY to 4.9%. EBIT stood at INR382m, up 9% YoY.
- Palm Oil business fell 17% YoY to INR1,878m. EBIT margin contracted 310bp YoY to 16.3%. EBIT stood at INR305m, down 30% YoY.
- The Crop Protection business grew 1% YoY to INR2,209m. EBIT margin contracted 130bp YoY to 16.1%. EBIT stood at INR356m, down 6% YoY.
- The Dairy business fell 10% YoY and stood at INR2,567m, with an EBIT margin of 2.6%. EBIT stood at INR68m in 3QFY21 v/s an EBIT loss of INR7m last year.

Consolidated quarterly earning model

(INR m)

Y/E March	FY20				FY21				FY20	FY21E	3QFY21E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Gross Sales	17,026	18,511	17,827	14,930	15,542	17,239	15,262	16,075	68,294	64,117	17,475	-13
YoY Change (%)	14.7	16.5	22.6	7.3	-8.7	-6.9	-14.4	7.7	15.4	-6.1	-2.0	
Total Expenditure	15,607	17,314	16,821	14,448	13,882	15,508	14,137	14,879	64,189	58,406	16,021	
EBITDA	1,419	1,197	1,006	482	1,659	1,732	1,124	1,196	4,104	5,712	1,454	-23
Margin (%)	8.3	6.5	5.6	3.2	10.7	10.0	7.4	7.4	6.0	8.9	8.3	
Depreciation	351	375	371	384	366	391	390	405	1,481	1,552	395	
Interest	102	125	108	82	128	96	63	85	416	372	90	
Other Income	102	113	93	159	83	83	131	128	468	424	79	
PBT before EO expense	1,068	811	621	175	1,248	1,328	802	834	2,675	4,212	1,048	
Extra-Ordinary expense	0	0	0	-681	0	0	0	0	-681	0	0	
PBT	1,068	811	621	856	1,248	1,328	802	834	3,357	4,212	1,048	
Tax	356	-213	168	169	338	345	220	210	480	1,113	264	
Rate (%)	33.3	-26.2	27.1	19.7	27.1	26.0	27.4	25.2	14.3	26.4	25.2	
Minority Interest and Profit/Loss of Asso. Cos.	-48	-16	-63	-58	25	-88	-34	0	-185	-97	-12	
Reported PAT	760	1,040	516	746	885	1,070	616	624	3,062	3,195	796	
Adjusted PAT	760	1,040	516	228	885	1,070	616	624	2,544	3,195	796	-23
YoY Change (%)	-5.3	10.4	26.1	-10.2	16.5	2.9	19.4	173.6	5.7	25.6	54.3	
Margin (%)	4.5	5.6	2.9	1.5	5.7	6.2	4.0	3.9	3.7	5.0	4.6	



IIFL Wealth

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	IIFLWAM IN
Equity Shares (m)	87
M.Cap.(INRb)/(USD\$)	93.8 / 1.3
52-Week Range (INR)	1600 / 685
1, 6, 12 Rel. Per (%)	-3/-27/-44
12M Avg Val (INR M)	49

Financials & Valuations (INR b)

Y/E March	2020	2021E	2022E
Net Revenues	9.2	9.0	11.2
Opex	5.7	5.6	6.5
Core PBT	3.6	3.4	4.7
PAT	2.0	3.6	4.3

Ratios

PBT margin (bp)	26	21	24
PAT margin (bp)	15	22	22
RoE (%)	6.8	13.2	19.1
Div. Payout (%)	100	241	207

Valuations

P/E (x)	46.3	25.8	21.7
P/BV (x)	3.1	3.8	4.6
Div. Yield (%)	1.9	9.3	9.5

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	22.9	23.0	24.1
DII	1.9	1.7	0.4
FII	21.9	21.1	18.8
Others	53.3	54.3	56.6

FII Includes depository receipts

CMP: INR1,070 TP: INR1,250 (+17%) Buy

A mixed quarter

- IIFL Wealth Management (IIFLWAM)'s 3QFY21 PAT grew 32% YoY to INR966m. The 21% beat was driven by healthy revenue and higher other income, partially offset by an increase in operating expenses.
- In 9MFY21, core revenue (excluding other income) was largely flat at INR6.5b, while PAT was up ~30% YoY to INR2.7b. Excluding the impact of other income, core operating profit was down 10% YoY to INR2.3b. Our earnings estimates remain largely unchanged for FY22/FY23E. We expect a 19% core PBT CAGR over FY20–23E. Reiterate **Buy, with TP of INR1,250 (20x FY23E EPS)**.

Net flows down QoQ; AUM reaches INR2t

- After a strong performance in 2QFY21 (INR60b), net new flows declined sharply to INR20b. This was driven by sharp net outflows in Distribution as well as in the RIA/Estate Planning segment.
- Driven by MTM gains, **total gross AUM increased 7% to INR2t from INR1.87t sequentially**. Notably, the company has changed its classification of AUM to include AMC assets sourced by its own team.
- Annual Recurring Revenue (ARR) assets continue to drive AUM growth – **ARR assets grew 14% QoQ to INR905b v/s 2% growth reported in Transactional/Brokerage Revenue (TBR) assets**. Note that in 9MFY21, the share of ARR assets in total AUM increased 400bp to 45%.
- IIFL ONE continues to gain traction, with AUM up 17% QoQ / 61% YoY to ~INR260b. **The share of the Discretionary portfolio (this portfolio is the highest yielding) in IIFL ONE increased to 32% from 22% sequentially**.

Segmental yield intact; opex disappoints

- ARR yield was intact at 73bp. **In the AMC segment, yield continues to expand (up to 77bp from 63bp over the past two quarters)**. TBR yield was also largely stable at ~30bp.
- Total opex grew 15% QoQ to INR1.53b – 20% above our estimates. This was driven by 12%/23% QoQ growth in employee expenses / opex to INR1.1b/INR430m**. We await clarity from the management on the same.

Other highlights

- The NBFC's loan book remains largely range-bound at ~INR30b. With lower cost of funds, spreads improved 40bp QoQ to 2.5%.
- The company announced an interim dividend of INR30/share. Total dividend in FY21 amounts to INR70/share.
- RM count declined to 205 from 231 QoQ and 288 YoY.

Key concall takeaways

- It is on course to achieve INR110–120b net inflows in FY21. It targets INR120–150b net new flows on a run-rate annual basis.
- It is projecting lower retention yield for FY22 due to the assumption of lower TBR revenue from slower capital market activity and on account of lower other income.

Valuation and view

■ Over the past decade, IIFLWAM has evolved into one of the leading wealth management franchises in the country, giving tough competition to the private sector and foreign banks. Over the past five years, it has become one of the largest alternate asset managers in India with unique product offerings. With IIFL ONE, the company is looking to revolutionize the way wealth management is offered in India. **Traction on IIFL ONE remains healthy; however, improving the retention ratio is important.** While in the near term, net inflows could be modest, we expect these to improve over the medium term. FY22 could see moderation in TBR and other income, offset by healthy traction in ARR revenue. We largely maintain our FY22/FY23E EPS estimates. Buy, with TP of INR1,250 (25x FY22E EPS).

Quarterly performance (INR m)

Y/E March	FY20				FY21				FY20	FY21E	3QFY21E	Act. Vs Est. %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Revenues	2,108	2,316	2,210	2,570	1,990	2,110	2,400	2,493	9,204	8,993	2,234	7
Change (%)	-27.5	-13.7	1.0	5.0	-5.6	-8.9	8.6	-3.0	-10.0	-2.3	1.1	
ARR Assets Income	1,286	1,249	1,390	1,420	1,280	1,390	1,550	1,721	5,345	5,941	1,490	4
TBR Assets Income	823	1,067	820	1,150	710	720	850	772	3,860	3,052	744	14
Operating Expenses	1,269	1,304	1,450	1,630	1,300	1,330	1,530	1,479	5,650	5,639	1,276	20
Change (%)	-11.0	-7.2	12.4	38.6	2.4	2.0	5.5	-9.3	6.7	-0.2	-12.0	
Cost to Income Ratio (%)	60.2	56.3	65.6	63.4	65.3	63.0	63.8	59.3	61.4	62.7	57.1	
Operating Profits	839	1,011	760	940	690	780	870	1,014	3,554	3,354	958	-9
Change (%)	-43.4	-20.9	-15.4	-26.1	-17.8	-22.9	14.5	7.9	-28.0	-5.6	26.0	
Other Income	62	-191	230	-790	400	350	410	240	-690	1,400	125	
Profit Before Tax	901	820	990	150	1,090	1,130	1,280	1,254	2,865	4,754	1,083	18
Change (%)	-40.3	-47.1	-4.1	-88.3	20.9	37.8	29.3	736.0	-46.7	66.0	9.4	
Tax	287	136	258	171	271	257	314	299	853	1,141	287	10
Tax Rate (%)	31.8	16.6	26.1	114.2	24.8	22.7	24.6	23.8	29.8	24.0	26.5	
PAT	615	684	732	-21	819	873	966	955	2,012	3,613	796	21
Change (%)	-43.8	-31.9	-8.6	-102.5	33.3	27.6	32.0	NM	-46.1	79.6	8.8	
PAT Margins (%)	29.2	29.5	33.1	-0.8	41.2	41.4	40.2	38.3	21.9	40.2	35.6	
Key Oper. Parameters (%)												
Net AUM (INR B)	1,423	1,439	1,508	1,388	1,583	1,671	1,775	1,832	1,388	1,583	1,713	4
Change (%)	24.3	19.7	15.9	1.6	11.2	16.2	17.7	32.0	1.6	14.0	13.6	
ARR Assets	635	640	704	626	732	791	905	980	626	732	849	7
TBR Assets	979	993	1,017	943	1,036	1,080	1,100	1,105	943	1,036	1,045	5
Less: Double Counting	191	194	214	181	185	200	230	254	181	185	181	27
Yield on AUM-Calculated %*	0.60	0.65	0.60	0.71	0.54	0.52	0.56				0.53	
ARR Assets	0.84	0.78	0.83	0.85	0.75	0.73	0.73				0.73	
TBR Assets	0.34	0.43	0.33	0.47	0.29	0.27	0.31				0.28	

Source: MOFSL, Company



Strides Pharma

Estimate change	
TP change	
Rating change	

CMP: INR887 TP: INR980 (+11%) BUY

Bloomberg	STR IN
Equity Shares (m)	90
M.Cap.(INRb)/(USDb)	79.5 / 1.1
52-Week Range (INR)	1000 / 271
1, 6, 12 Rel. Per (%)	-11/55/59
12M Avg Val (INR M)	711
Free float (%)	70.3

Slower US/Africa biz drag down earnings

Robust growth outlook for other regulated market business

- Strides Pharma (STR)'s 3QFY21 performance came in below estimates due to the COVID-related impact on the US and Africa biz. Recovery in the Other Regulated (OTR) business was led by healthy volume traction. At the strategic level, STR would de-merge its Biotech business under Stelis Biopharma and intends to list this, thereby unlocking value for shareholders.
- We cut our earnings estimate by 19%/7%/5% for FY21/FY22/FY23, accounting for weak Flu season related demand in the US and slower offtake of medicines related to Acute therapies in the Africa business. We roll forward our TP to INR980 on an SOTP basis. We remain positive on a healthy product pipeline in regulated markets, new product additions in the Institutional segment, and an improving outlook for Stelis. Maintain Buy.

Financials & Valuations (INR b)

Y/E MARCH	2021E	2022E	2023E
Sales	32.9	38.6	42.7
EBITDA	6.4	8.2	9.3
Adj. PAT	2.3	3.9	4.9
EBIT Margin (%)	13.2	15.4	16.2
Cons. Adj. EPS (INR)	25.8	44.1	54.4
EPS Gr. (%)	70.0	70.9	23.2
BV/Sh. (INR)	306.8	340.2	381.4

Ratios

Net D:E	0.3	0.2	0.1
RoE (%)	8.8	13.6	15.1
RoCE (%)	9.4	12.0	13.1
Payout (%)	24.2	24.2	24.2

Valuations

P/E (x)	34.3	20.1	16.3
EV/EBITDA (x)	15.3	11.8	10.1
Div. Yield (%)	0.7	1.0	1.2
FCF Yield (%)	3.4	4.9	7.7
EV/Sales (x)	3.0	2.5	2.2

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	29.7	29.7	31.3
DII	16.7	15.3	20.1
FII	25.2	27.0	27.2
Others	28.5	28.1	21.5

FII Includes depository receipts

Change in product mix leads to decline in profitability

- STR's 3QFY21 sales were up 13.6% to INR8.3b (our est.: INR8.7b).
- Emerging Market (EMs) sales were up 61% YoY to INR1.5b (18% of sales). OTR sales were up 37% YoY to INR3b (36% of sales). US sales declined 16% YoY to INR3.9b (46% of sales). Adjusted for Ranitidine sales in 3QFY20, US sales grew 10% YoY.
- The gross margin (GM) contracted 650bp YoY to 57.9% due to a change in the product mix.
- The EBITDA margin was down 550bp YoY to 19.2% (our estimate: 21%) due to lower GMs, partially offset by lower other expenses (-110bp as a % of sales).
- EBITDA was down 12% YoY to INR1.6b (our estimate: INR1.8b).
- PBT before one-off expenses was down 22% YoY to INR854m.
- STR reported net exceptional loss of INR131m on account of the write-down of inventory/other expenses due to the Ranitidine recall (INR476m). This was partially offset by gains from exchange on foreign currency loans, derivatives, and deferred consideration (INR360m).
- Adj. PAT was down ~40% to INR458m (our est.: INR785m).
- For 9MFY21, sales/EBITDA was up 13%/4%YoY to INR24b/INR35b, but adj. PAT declined 7.4% YoY to INR1.5b.

Highlights from management commentary

- Aditya Puri would be the Chairman of the Stelis board. STR's promoter has committed USD50m for growth toward Stelis. Overall, USD100m would be needed to fund all of its programs over the next three years.
- Stelis is on track to achieve breakeven in FY22. STR would complete its already committed investments in Stelis before Mar'21.
- Stelis' post-money valuation from the last transaction is USD155m.
- STR has decided not to invest in the Injectables platform under Steriscience.
- US sales guidance is now at ~USD220m for FY21.
- Effective tax rate would be 10-12%.
- Net debt reduced by INR643m QoQ to INR13b.

Valuation and view

- We cut our earnings estimate by 19%/7%/5% for FY21/FY22/FY23, factoring in subdued demand for some products in US Generics and tepid sales in the Acute portfolio of EM on account of COVID.
- Overall, we expect a 53% earnings CAGR over FY20–23, led by a 9% sales CAGR in the US, 22% sales CAGR in OTR, and 37% sales CAGR in EM – supported by 230bp margin expansion.
- We roll our price target to INR980 on a 12M forward SOTP basis (EV/EBITDA of 12x for the Regulated / Other Regulated segment, 8x for the Institutional segment). We remain positive on STR on the back of its continued focus on broadening product offerings in regulated markets and an improving outlook for the Biotech business under Stelis. Maintain Buy.

Consolidated - Quarterly Earnings Model

(INR m)

Y/E March	FY20				FY21E				FY20	FY21E	FY21 3QE	vs Est %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	6,858	7,151	7,324	6,186	7,818	7,936	8,320	8,845	27,520	32,919	8,716	-4.5
YoY Change (%)	3.4	37.6	28.5	0.4	14.0	11.0	13.6	43.0	26.3	19.6	19.0	
Total Expenditure	5,621	5,685	5,516	5,350	6,308	6,363	6,726	7,102	22,172	26,500	6,885	
EBITDA	1,237	1,466	1,808	837	1,510	1,572	1,594	1,743	5,347	6,419	1,830	-12.9
YoY Change (%)	188.9	203.2	150.6	-9.4	22.1	7.2	-11.8	108.2	109.3	20.1	1	
Margins (%)	18.0	20.5	24.7	13.5	19.3	19.8	19.2	19.7	19.4	19.5	21.0	
Depreciation	429	420	435	453	491	528	525	537	1,737	2,081	530	
EBIT	808	1,046	1,374	384	1,019	1,044	1,069	1,206	3,610	4,338	1,300	-17.8
YoY Change (%)	485.8	498.0	210.2	-38.8	26.1	-0.2	-22.2	214.4	161.2	20.3	-5	
Margins (%)	11.8	14.6	18.8	6.2	13.0	13.2	12.8	13.6	13.1	13.2	14.9	-13.9
Interest	353	404	396	403	369	369	347	360	1,557	1,445	380	
Other Income	103	130	122	177	123	129	132	143	531	527	145	
PBT before EO expense	557	772	1,100	157	773	804	854	988	2,584	3,420	1,065	-19.8
Extra-Ord expense	93	-845	-171	1,888	-488	-180	126	0	965	-542	0	
PBT	464	1,617	1,270	-1,731	1,261	984	729	988	1,619	3,962	1,065	-31.6
Tax	31	74	113	-105	33	61	108	115	113	317	133	
Rate (%)	6.7	4.6	8.9	6.0	2.6	6.2	14.8	11.7	7.0	8.0	12.5	
MI & (P)/L of Asso. Cos.	178	213	235	421	192	262	270	77	1,046	800	147	
Reported PAT from Cont. Ops.	254	1,331	922	-2,048	1,036	662	351	796	460	2,845	785	-55.3
Adj. PAT from Continuing Ops.	341	524	767	-274	560	493	458	796	1,358	2,309	785	-41.7
YoY Change (%)	-995.6	NA	203.3	NA	64.1	-5.9	-40.3	NA	72.1	70.0	2.4	
Margins (%)	5.0	7.3	10.5	-4.4	7.2	6.2	5.5	9.0	4.9	7.0	9.0	



Estimate change	↑
TP change	↔
Rating change	↔

CMP: INR404 TP: INR620 (+54%) Buy

Strong beat led by robust growth in the International business

Healthy cash conversions during 3QFY21

Bloomberg	SECIS IN
Equity Shares (m)	147
M.Cap.(INRb)/(USDb)	59.7 / 0.8
52-Week Range (INR)	624 / 314
1, 6, 12 Rel. Per (%)	-10/-23/-44
12M Avg Val (INR M)	47

Financials & Valuations (INR b)

Y/E Mar	2021E	2022E	2023E
Sales	91.4	105.1	118.3
EBITDA margin	6.0	6.4	6.6
PAT	3.4	3.5	4.3
EPS (INR)	22.7	23.4	29.1
EPS Gr. (%)	40.6	3.1	24.5
BV/Sh. (INR)	253.3	304.6	368.2

Ratios

RoE (%)	22.0	18.4	18.9
RoCE (%)	15.9	14.1	14.7
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	18.1	17.5	14.1
P/BV (x)	1.6	1.3	1.1
EV/EBITDA (x)	11.8	9.1	7.3
EV/Sales (x)	0.7	0.6	0.5

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	73.3	73.7	74.3
DII	6.7	6.7	6.6
FII	12.3	12.5	11.1
Others	7.6	7.1	7.9

FII Includes depository receipts

- SIS reported strong growth of 8% YoY (6% beat to our estimate), led by 26.5% growth in the International business as Aviation and Special Events-related businesses resumed. While India Security and Facilities Management business saw healthy QoQ growth, they continue to remain down 2% and 15% YoY, respectively.
- We continue to see a pick-up in growth in the India business (Security and FM) in FY22, helped by a quick rebound in macroeconomic activity. Given the strong performance in Dec'20 (4% above average revenue of the preceding two months), our estimate of ~15% YoY growth in FY22 may be conservative. We continue to build in 6-7% growth in the Australia business next year as expected reduction in ad-hoc business should partially depress a recovery in the normal business.
- On the margin side, we were encouraged by the 20bp QoQ improvement and continue to expect a 40bp YoY improvement in FY22 (to 6.4%) as positive operating leverage in the India business should more than compensate for the expected moderation in International business margin, which has benefitted from the ad-hoc business in FY21.
- Cash conversion of 145% for 3QFY21 (and 140% for 9MFY21) was positive and led to a INR160m reduction in net debt for the India business. International business saw only INR460m of net debt addition, despite payment of INR2b for the remaining 49% stake in SXP. We expect cash conversion to return to normal levels in FY22 (50-60%) as business growth in India picks-up.
- Given the multi-dimensional opportunity, we value the company at INR620/share (51% upside), derived by assigning 8x forward EV/EBITDA multiple to the International business (in line with global peers) and DCF on the India business.

Big beat in revenues led by strong growth in the International business

- Revenue increased 8.2% YoY to INR23.5b (v/s our expectation of 2.2% growth). EBITDA rose 10% YoY to INR1.5b (v/s our estimate of +3.5% YoY). PAT grew 26.5% YoY to INR990m (v/s our expectation of +12% YoY).
- Revenue growth was led by 27% YoY growth in the International business (v/s our estimate of 15% YoY growth).
- India Security/FM business grew sequentially by 11.4%/10.7%. However, the same was still down 2%/15% YoY.
- EBITDA margin rose 20bp/10bp QoQ/YoY to 6.2% (in line with our expectation).
- Margin was flattish in the India Security and FM business. For the FM business, margin increased 190bp QoQ, led by positive operating leverage.
- Consolidated PAT for 3QFY21 stood at INR990m, a QoQ growth of 26.5%, and PAT margin at 4.2%
- Net debt came in at INR4.9b, implying a net debt-to-EBITDA ratio of 0.92x (below the management's guidance of 1x).

- Net debt for the India business fell INR160m, but rose by only INR460m in the International business despite an INR2b payment for balance stake in SXP.
- OCF-to-EBITDA ratio for 3QFY21 stood at 145%.
- RoCE in 3QFY21 stood at 19%.
- The management guided for annual interest cost reduction target of 20% on an annualized basis due to lower cost of borrowing.
- SIS plans to raise up to INR2.5b through NCDs to replace the older liability of INR1.5b coming up for renewal.

Key highlights from the management commentary

- The management has identified eight distressed sectors that it does not wish to operate in and eight sectors which are expected to be the biggest beneficiaries going forward. This process is intended to change the customer portfolio and assist in better working capital.
- The management expects India Security business margin to continue in the 6-6.5% range, while those in the International business may reduce given the reduction in ad-hoc revenue. However, permanent revenue in the International business is expected to completely offset the foregone ad-hoc revenue.
- The management alluded that it will hold cash in case some opportunities come up, otherwise it will use it to pare down debt in 4QFY21.

Valuation and view

- Over the medium term, as both the Centre and state governments look forward to liberalizing and formalizing labor markets, SIS should be among the biggest direct beneficiaries.
- We value SECIS at INR620 per share using Sum of The Parts, with EV of INR640 using: 1) DCF for India Security business (INR300), 2) EV/EBITDA multiple of 8x (INR190) for the International Security business (in line with global peers), and 3) DCF for the Facilities Management business (INR150). Adjusting for net debt per share of INR15, we arrive at our target price of INR620 per share.
- Our TP implies a target P/E multiple of ~27x/21x for FY22E/FY23E. We view this as reasonable, given its strong growth profile and unique resilience to macroeconomic shocks.

Consol.d - Quarterly Perf.

(INR M)

Y/E March	FY20				FY21				FY20	FY21	Est. 3Q	Var (%/bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Gross Sales	20,084	20,889	21,782	22,097	21,667	21,579	23,575	24,571	84,852	91,393	22,270	5.9
YoY Change (%)	24.6	23.6	18.6	13.0	7.9	3.3	8.2	11.2	19.6	7.7	2.2	600bp
Total Expenditure	18,837	19,652	20,447	20,713	20,459	20,282	22,106	23,086	79,648	85,933	20,888	5.8
EBITDA	1,247	1,237	1,335	1,385	1,209	1,297	1,469	1,485	5,204	5,460	1,382	6.3
Margins (%)	6.2	5.9	6.1	6.3	5.6	6.0	6.2	6.0	6.1	6.0	6.2	0bp
Depreciation	294	326	333	331	285	283	277	290	1,283	1,136	295	-6.1
Interest	371	378	382	386	373	333	286	381	1,517	1,372	343	-16.8
Other Income	2	-21	47	504	231	665	384	166	531	1,446	361	6.3
PBT	584	512	667	1,172	782	1,346	1,291	979	2,935	4,398	1,106	16.7
Tax	-188	-249	-112	1,186	200	268	299	196	636	963	221	35.2
Rate (%)	-32.3	-48.6	-16.9	101.2	25.6	19.9	23.2	20.0	21.7	21.9	20.0	320bp
MI & P/L of Asso. Cos.	-23	0	4	-25	-3	3	-2	-4	-44	-5	-7	-75
Reported PAT	749	762	783	-39	579	1,081	990	780	2,255	3,430	878	12.8
YoY Change (%)	89.7	74.0	32.5	-105.4	-22.7	42.0	26.5	-2,094.4	-6.8	52.1	12.1	1,440bp
Margins (%)	3.7	3.6	3.6	-0.2	2.7	5.0	4.2	3.2	2.7	3.8	3.9	30bp

Brigade Enterprises

BSE SENSEX
50,614S&P CNX
14,896

CMP: INR264

Buy

Conference Call Details

Date: 5th February 2021

Time: 02:30pm IST

Dial-in details:

+91 22 6280 1209

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Financials & Valuations (INR b)

INR	FY20	FY21E	FY22E
Sales	26.3	18.0	28.7
EBITDA	6.6	4.8	7.7
EBITDA Margin (%)	25.2	26.5	26.7
Adj PAT	1.5	(0.0)	1.5
EPS (INR)	7.1	(0.1)	7.3
EPS Gr (%)	(39)	NM	NM
BV/Share	112	112	118
Ratios			
Net D:E	1.6	1.5	1.4
RoE (%)	6.6	(0.1)	6.4
RoCE (%)	6.2	3.7	6.0
Valuations			
P/E (x)	37.1	-2858	36.3
P/BV (x)	2.4	2.4	2.3
EV/EBITDA	13.6	18.8	11.4
EV/Sales (x)	3.4	5.0	3.1

Strong operational performance driven by Residential
Operational performance

- **Residential:** BRGD reported pre-sales of 1.53msf (up 41% YoY) and booking value of INR9,232m (up 53%) in 3QFY21, which is the highest sales in a quarter. Average price realization (INR/sf) stood at INR6,022, up 8% YoY.
- **Leasing (office and retail):** Office leasing business remains stable, with rent collection at 99% in 3QFY21 for office leasing assets and an active leasing pipeline of ~1msf. Tenant occupancy at malls was higher, with consumption at 70% of pre-COVID levels.
- **Hospitality:** Average occupancy for the Hospitality segment stood at 27% in 3Q (v/s 15% in 2QFY21). There was a marked improvement in operations at hotels, with a gross operating profit (GOP) of INR41m and GOP margin at 16% v/s -45% in 2QFY21. Holiday Inn Express & Suites, Bengaluru OMR started operations with 129 keys and has achieved 26% occupancy.
- **Project pipeline:** BRGD has an upcoming project pipeline of 2.62msf projects across different cities like Bengaluru, Chennai, and Hyderabad.
- **Collection:** Residential collection was up 29% QoQ to INR INR5,173m in 3QFY21.
- For 9MFY21, pre-sales volume was down 8% YoY, while pre-sales value is up 1% YoY.

Financial performance

- Revenue increased 17% YoY to INR6,446m (v/s our estimate of INR5,781m) in 3QFY21. Its Residential business grew 45% YoY, while Leasing/Hospitality businesses declined 10%/68% in 3QFY21.
- EBITDA fell 5% YoY to INR1,484m (v/s our expectation of INR1,536m). EBITDA margin contracted 515bp YoY to 23% (v/s our estimate of 26.6%).
- PBT was down 64% YoY to INR127m due to increased depreciation (up 18%) and lower other income (down 45%).
- BRGD reported an exceptional loss of INR400m pertaining to provisions made against investments in Tier II bonds of Lakshmi Vilas Bank (LVB).
- Adjusted PAT was down 67% YoY in 3QFY21 (v/s our expectation of INR232m).
- Net debt (BRGD's share) remained stable at INR29.5b in 3QFY21 (v/s INR29.9b in 2QFY21). Cost of debt fell 25bp to 9%.

Consolidated quarterly earning model

(INR m)

Y/E March	FY20				FY21				FY20	FY21E	3QFY21E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Gross Sales	7,087	7,353	5,523	6,359	2,033	3,108	6,446	7,109	26,322	18,697	5,781	12%
YoY Change (%)	1.4	-11.0	-19.7	-16.3	-71.3	-57.7	16.7	11.8	-11.5	-29.0	4.7	
Total Expenditure	5,264	5,451	3,967	5,008	1,559	2,234	4,962	5,215	19,689	13,970	4,245	
EBITDA	1,823	1,902	1,556	1,352	474	874	1,484	1,895	6,632	4,727	1,536	-3%
Margin (%)	25.7	25.9	28.2	21.3	23.3	28.1	23.0	26.7	25.2	25.3	26.6	-354bps
Depreciation	383	473	501	563	556	562	591	564	1,920	2,272	565	
Interest	796	940	863	805	891	821	856	913	3,403	3,481	900	
Other Income	83	163	164	84	105	113	90	166	494	474	160	
PBT before EO expense	727	653	356	67	-868	-397	127	584	1,803	-553	231	
Extra-Ordinary expense	0	0	0	205	0	0	400	0	205	400	0	
PBT	727	653	356	-138	-868	-397	-273	584	1,597	-953	231	
Tax	269	281	-49	-28	-219	-86	-52	137	474	-219	54	
Rate (%)	37.0	43.1	-13.7	NM	25.2	21.6	19.1	23.5	29.7	23.0	23.5	
MI and Profit/Loss of Asso. Cos.	46	-2	-89	-137	-122	-140	-59	-14	-182	-336	-55	
Reported PAT	412	374	493	27	-527	-171	-161	461	1,306	-398	232	
Adjusted PAT	412	374	493	182	-527	-171	162	461	1,461	-90	232	-30%
YoY Change (%)	-34.7	-45.3	0.9	-69.5	NM	-145.7	-67	153.4	-39.1	-106.1	-53.0	
Margin (%)	5.8	5.1	8.9	2.9	-25.9	-5.5	2.5	6.5	5.6	-0.5	4.0	

E: MOFSL estimates

Decoding the Capital Expenditure Budget

Average growth of 9.5% in FY21 and FY22 similar to pre-COVID levels

- One of the most appreciated features of the Union Budget 2021–22 is the focus on improving the quality of government expenditure, by raising capital expenditure (or capex) from INR3.4t in FY20 to INR4.4t in FY21RE and further to INR5.5t in FY22BE. This is much higher than expectations and implies massive growth of 65% YoY over two years, taking the capital expenditure to 16% of total expenditure in FY22BE (from 12.5% in the pre-COVID era).
- However, three important adjustments are needed to understand the true extent of the investment push by the central government: a) Capital expenditure has two parts – capital outlays and loans & advances (L&A). From the perspective of national accounts, the former is classified as central government (CG) investments. While L&A accounted for 7–9% of capex pre-COVID, it is as high as 24% of capex in FY21RE on account of ‘Special Loan for COVID-related resource gap’ to the Ministry of Railways (MoR), totaling INR794b. Details suggest that it is more likely to be revenue expenditure than investment spending. b) Furthermore, while capex is budgeted to increase by INR1.15t in FY22, the combined capex for the Defense, Railways and Road sectors is broadly unchanged. CG has allocated INR204b as capital infusion to BSNL/MTNL and included an unallocated amount of INR447b, which we believe may not have a genuine investment multiplier. c) Lastly, while CG investments are expected to grow sharply, the capital outlays of central public sector enterprises (CPSEs) – excluding the Food Corporation of India (FCI) – in FY22BE are budgeted at just 3% higher v/s FY20, with 6% growth in FY21RE and a 3% fall in FY22BE.
- With these adjustments, our estimates therefore suggest combined capital outlays are pegged to grow 6.6% YoY in FY21 (vis-à-vis 7.2% growth in FY20) and 12.3% YoY in FY22. If these targets are achieved, it would mean average growth of 9.5% YoY over FY21–22, similar to the pre-COVID period (FY17–20).

Capital expenditure of the central government is budgeted to rise from INR3.4t in FY20 to INR4.4t in FY21RE and further to INR5.5t in FY22BE

Headline data suggests very strong capex growth in FY21/FY22...: One of the highly appreciated features of the [Union Budget 2021-22](#) is the CG’s focus on improving the quality of its expenditure, by pushing capital expenditure from INR3.4t in FY20 to INR4.4t in FY21RE and further to INR5.5t in FY22BE. This is much higher than expectations and implies massive growth of 65% YoY over two years, taking capital expenditure to 16% of total expenditure in FY22 (from 12.5% in the pre-COVID era).

...however, some adjustments are needed: While these headline numbers suggest a very strong focus on infrastructure, details reveal that some adjustments are necessary to understand the true extent of the investment push by CG. In particular, there are three adjustments:

While total capex is estimated to grow by a very strong 31% YoY in FY21RE, capital outlays are expected to grow by just 6.7% YoY v/s 11% growth in FY20

- a. **Separate capital outlays from loans & advances:** Capital expenditure by CG has two components – capital outlays (true investment spending by CG) and L&A (investments of the recipient). Normally, L&A accounts for only 7–9% of CG capital spending; however, it is pegged at as much as 24% of capex in FY21RE. This implies that while total capex is estimated to grow by a very strong 31% YoY in FY21RE, capital outlays are expected to grow by just 6.7% YoY v/s 11% growth in FY20 (*Exhibit 1*).



Shree Cement: Infra spending outlined in Budget 2021 will be good for nation-building; HM Bangur, MD

- Budget 2021 surprised us positively; it is a highly growth-oriented budget
- Infra spending outlined in Budget 2021 will be good for nation building
- More money has been made available in the system will spur growth
- Have seen solid cement demand on the ground in the last 2-3 months
- Capital expenditure has increased which is aiding cement offtake
- East India seeing solid cement demand traction on a low base
- Pet coke prices have gone up 70% in past 8 months
- Do not expect margin to expand from these levels
- Will surpass 25 mt sales volume target in FY21
- Expect cement prices to move up 4% annually

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PI Industries: Confident of achieving revenue growth of 20% for next few years; Mayank Singhal, VC & MD

- Do not think margin is sustainable at current levels
- Expect revenue growth of 20% going ahead
- Have expanded our horizon by entering the specialty chemicals segment
- Looking at pharma assets which are in the higher end of business chain like API
- Revenue contribution from new molecules will take around 2-3 years
- Confident of achieving revenue growth of 20% for next few years

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Birla Corp: Targeting double-digit volume growth for FY22; demand seen in rural infra; Aditya Saraogi, CFO

- Expect to see sales volume of 13 mt in FY21
- Targetting double-digit sales volume growth for FY22
- Seeing cement demand coming from rural and infra segments
- Tier-II and III cities are also doing well in terms of demand

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Manappuram Finance: Will maintain NIMs at current levels; VP Nandakumar, MD & CEO

- Will maintain Net Interest Margin at current levels
- Gross NPA in MFI business will be maintained at 5%
- We are consistently bringing down borrowing costs
- West Bengal's exposure in MFI book is at 12%

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Astral Poly: Confident of 15% growth for next year; Hiranand Savlani, CFO

- Strong performance will continue, growth in January was over 30%
- Can maintain double-digit growth for the next 2-3 years
- Confident of 15% growth for next year
- Do not directly deal with the Government for sales
- Boost in Affordable Housing & 'Nal Se Jal' scheme to be a trigger for growth
- Will continue with double-digit growth in pipes business
- Infra sector is slow currently, expect it to pick up from next year

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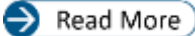


NO MAGIC PILL TO REVIVE DEMAND OVERNIGHT

- The budget took a longer-term view to restart the consumption cycle through structural reforms. Big investments announced in various infrastructure projects such as roads, public transportation and ports are expected to not only boost demand for steel and cement but also for local labour
- On Tuesday, Tata Consumer Products Ltd, which sells Tata Sampann brand of spices and pulses, and beverages under Tata Tea, Tetley, Eight O'Clock and Tata Coffee, saw its December-quarter revenue increase by 23.1% year-on-year (y-o-y). Its India food business registered a 19% value growth and 12% volume growth, while packaged beverages recorded a 43% value growth and 10% volume growth. Tata Consumer's earnings align with strong numbers posted by other fast-moving consumer goods companies such as Hindustan Unilever Ltd, Dabur, Marico and Emami, which saw a sustained growth in rural markets on the back of government benefits in cash and kind. Executives at these firms admitted improvement in urban markets, too, as demand for winter creams and personal care products increased.
- Marico said it was seeing a faster-than-expected recovery in consumer sentiment with rural sales outpacing urban demand. Marico's domestic volumes grew 15% y-o-y during the quarter, while Dabur India reported its highest-ever quarterly revenue and profits with 18.1% volume growth. Sector specialists said that with such healthy growth rates marking firms selling groceries, staples, health, hygiene and personal care products, the government probably didn't deem it fit to offer any magic pill in the budget to boost consumption overnight. No direct handouts were announced to push demand.
- Instead, the budget took a longer-term view to restart the consumption cycle through structural reforms. Big investments announced in various infrastructure projects such as roads, public transportation and ports are expected to not only boost demand for steel and cement but also for local labour. So, employment generation will not be limited to the metros but will be spread across the country. A post-budget note by Deloitte said that among the demand-generation measures, it counts providing minimum wages to all categories of workers where they will be covered by the Employees' State Insurance Corporation. It also includes extending social security to gig economy/platform workers among such measures. Allowing women to work in all categories with adequate protection will further generate employment and demand, it said, adding that the government has further boosted labour-intensive industries such as textiles and fisheries.
- During the peak of the pandemic in 2020, the government had put more money in the hands of the rural consumer via increased allocation towards the rural jobs programme, MGNREGA. While it fuelled rural demand for consumer goods, no such dole has come for the urban poor comprising millions in the informal sector who lost their livelihoods.
- Yet, analysts said budget 2021 will further lift rural economy with the increased provision, from ₹30,000 crore to ₹40,000 crore, for a rural infrastructure development fund.
- Integrating 1,000 mandis with the electronic national market and increasing farm credit was also done with an eye on rural impetus. Back in the cities,

improved sales of consumer durables could also kick off their capex cycle. Capacity expansion at their end could create more jobs, the analysts said. Though such measures may not be the booster dose for instant recovery, they will help see demand firm up in about 12 months, said Arvind Singhal, chairman, Technopak Advisors.

- Amit Adarkar, CEO at Ipsos India, agreed that budget initiatives on increasing FDI limit in insurance sector, its divestment and privatization focus, increased spending on healthcare and infrastructure are bound to create a business environment stimulating investments and growth in the medium to long term. Yet, Adarkar flagged a couple of immediate concerns: first, there are no major announcements that could facilitate immediate job creation. During the past 10 months, consumer outlook around employment has remained subdued. "Unless this outlook improves significantly, sustained renewal of consumer demand may be under pressure," he said.
- Second, retail inflation has been a reality in 2020 and continues to be so in 2021. In the absence of any significant relief on the personal taxation front, 2021 may not put additional money in people's pockets to spend. To make things worse, the proposed cess on fuel and gold to fund agricultural infrastructure may increase inflationary pressure. "It will also be interesting to see the medium-term impact of the government's divestment/privatization plans on job creation. On the one hand, these initiatives could boost private sector investments and create new jobs. On the other hand, a renewed focus on efficiency may see job losses," Adarkar said.

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
Automobiles																
Amara Raja	Neutral	960	869	-9	37.4	41.9	48.3	-3.3	12.0	15.1	22.9	19.9	3.6	3.2	16.6	17.1
Ashok Ley.	Buy	136	113	-17	0.0	4.1	6.4	-99.5	73,551.4	57.4	33.2	21.1	4.9	4.3	15.6	21.7
Bajaj Auto	Neutral	4220	4000	-5	165.2	206.9	223.6	-8.3	25.2	8.0	20.4	18.9	4.9	4.4	25.7	24.6
Bharat Forge	Buy	629	622	-1	5.2	17.1	23.7	-43.4	227.3	38.9	36.8	26.5	4.8	4.3	13.8	17.1
Bosch	Neutral	16333	14550	-11	296.8	448.1	519.6	-29.1	51.0	16.0	36.5	31.4	4.5	4.1	13.1	13.7
CEAT	Buy	1667	1575	-5	99.5	113.0	131.3	74.4	13.5	16.2	14.8	12.7	1.9	1.6	13.3	13.7
Eicher Mot.	Buy	2961	2787	-6	50.7	83.5	105.7	-24.2	64.6	26.6	35.5	28.0	6.3	5.3	19.2	20.6
Endurance Tech.	Buy	1446	1606	11	30.7	48.3	57.3	-19.4	57.5	18.8	30.0	25.2	5.4	4.7	19.2	19.8
Escorts	Neutral	1402	1470	5	85.7	91.8	98.1	58.8	7.1	6.8	15.3	14.3	2.4	2.1	17.2	15.7
Exide Ind	Buy	203	233	15	8.6	10.6	13.0	-12.9	22.6	22.6	19.2	15.7	2.4	2.1	12.4	13.7
Hero Moto	Buy	3441	-		140.5	176.0	199.8	-8.2	25.3	13.5	19.5	17.2	4.4	4.1	23.4	24.9
M&M	Buy	867	844	-3	30.5	37.6	41.3	103.7	23.2	9.8	23.1	21.0	2.5	2.4	10.4	11.1
Mahindra CIE	Buy	165	204	24	2.4	10.8	13.2	-74.6	350.7	22.3	15.3	12.5	1.2	1.1	8.3	9.3
Maruti Suzuki	Buy	7640	9000	18	164.5	269.9	333.4	-12.5	64.1	23.5	28.3	22.9	4.0	3.6	14.0	15.5
Motherson Sumi	Buy	158	189	20	2.0	6.8	8.7	-46.8	244.1	27.9	23.3	18.2	3.8	3.3	17.2	19.4
Tata Motors	Buy	326	350	7	-7.7	20.4	30.0	-69.6	LP	47.0	16.0	10.9	1.8	1.5	11.8	15.2
TVS Motor	Neutral	653	585	-10	11.4	21.0	26.6	-12.5	84.7	26.9	31.1	24.5	6.6	5.4	23.0	24.2
Aggregate								30.8	112.9	24.2	23.5	18.9	3.4	3.0	14.6	16.0
Banks - Private																
AU Small Finance	Buy	964	1050	9	42.5	40.0	53.3	87.8	-6	33.3	24.1	18.1	4.3	3.5	19.5	21.2
Axis Bank	Buy	744	750	1	23.3	43.0	61.5	285.9	85	42.9	17.3	12.1	2.0	1.7	12.3	15.4
Bandhan Bank	Neutral	346	370	7	17.3	29.6	39.7	-19.7	70	34.3	11.7	8.7	2.7	2.1	24.9	27.0
DCB Bank	Neutral	116	110	-5	10.2	12.1	16.4	-6.4	18.5	35.9	9.6	7.1	0.9	0.8	10.2	12.5
Equitas Hold.	Buy	82	65	-20	10.3	13.8	17.7	43.8	34.8	28.0	5.9	4.6	0.9	0.9	15.7	19.7
Federal Bank	Buy	86	100	17	8.0	11.2	14.3	3.3	39.9	27.8	7.6	6.0	0.9	0.8	13.2	14.8
HDFC Bank	Buy	1578	1720	9	57.1	69.1	82.5	18.8	21.1	19.4	22.8	19.1	3.8	3.2	17.8	18.2
ICICI Bank	Buy	628	700	12	25.8	31.0	39.0	109.9	20.3	25.7	20.2	16.1	2.6	2.3	13.8	15.2
IndusInd	Buy	1032	1200	16	43.4	86.9	108.2	-36.4	100.2	24.6	11.9	9.5	1.7	1.5	15.3	16.5
Kotak Mah. Bk	Neutral	1911	1800	-6	49.8	59.6	71.3	10.8	19.6	19.7	32.1	26.8	4.3	3.7	13.0	13.7
RBL Bank	Buy	257	270	5	9.5	16.8	25.3	-4.8	77.8	50.1	15.3	10.2	1.1	1.0	7.7	10.7
Aggregate								36.5	34.0	25.6	20.4	16.3	3.0	2.6	14.5	15.7
Banks - PSU																
BOB	Neutral	82	75	-9	5.9	10.3	17.3	397.7	75.5	67.5	8.0	4.8	0.5	0.5	6.3	9.8
SBI	Buy	355	475	34	24.8	34.7	45.3	12.0	40	30.5	5.8	4.4	1.1	0.9	12.6	14.5
Aggregate								47.9	40	33	8	6.0	0.9	0.8	11.7	13.8
NBFCs																
AAVAS Financiers	Neutral	1991	2000	0	35.4	43.4	55.5	11.3	22.7	27.8	45.9	35.9	5.7	5.0	13.4	14.8
Aditya Birla Cap	Buy	90	100	11	4.5	5.1	5.9	17.9	14.6	15.2	17.6	15.3	1.5	1.3	8.7	9.1
Bajaj Fin.	Neutral	5502	5000	-9	73.2	147.0	186.7	-16.6	100.8	27.0	37.4	29.5	7.5	6.1	21.9	22.7
Can Fin Homes	Buy	505	650	29	35.3	36.2	40.3	25.1	2.6	11.3	13.9	12.5	2.2	1.9	17.2	16.4
Cholaman. Inv. & F n	Buy	464	530	14	22.1	28.7	32.6	71.8	30.3	13.4	16.2	14.2	3.2	2.6	21.7	20.3
H D F C	Buy	2708	3300	22	54.6	63.2	72.7	11.0	15.7	15.2	42.9	37.2	4.1	3.8	12.4	13.1
HDFC Life Insur.	Neutral	681	650	-5	7.0	8.4	9.7	8.9	20.2	15.1	81.1	70.4	4.7	4.0	17.5	17.4
ICICI Pru Life	Buy	477	575	21	8.3	9.5	11.0	11.8	14.2	16.1	50.1	43.2	2.1	1.9	14.8	14.6
IIFL Wealth Mgt	Buy	1070	1250	17	41.0	49.0	62.0	77.6	19.5	26.5	21.6	17.3	4.6	4.3	19.1	25.6
IndoStar	Neutral	361	306	-15	3.4	12.2	18.3	-109.6	264.7	50.0	29.5	19.7	1.1	1.0	3.8	5.4
L&T Fin Holdings	Buy	93	90	-4	4.7	10.8	15.2	-57.0	130.7	40.8	8.6	6.1	1.1	0.9	13.5	16.5
LIC Hsg Fin	Buy	452	520	15	60.7	67.6	72.7	27.5	11.4	7.5	6.7	6.2	1.0	0.9	15.7	14.9
Manappuram Fin.	Buy	182	210	16	20.7	24.6	28.7	18.2	18.7	16.8	7.4	6.3	1.7	1.4	25.6	24.2
MAS Financial	Buy	913	1040	14	28.6	34.4	40.9	-13.7	20.1	19.1	26.6	22.3	4.0	3.5	15.9	16.7
Max Financial	Buy	720	830	15	12.4	14.5	17.7	-14.8	16.9	22.7	49.8	40.6	2.3	1.9	17.2	17.5
M&M Fin.	Buy	182	185	2	6.5	9.5	14.6	-55.8	46.4	53.2	19.1	12.4	1.4	1.3	7.5	10.7
Muthoot Fin	Buy	1184	1500	27	88.4	104.7	122.6	17.4	18.5	17.1	11.3	9.7	2.7	2.2	26.2	25.0



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
Piramal Enterp.	Buy	1522	1960	29	109.8	128.1	147.9	-547.7	16.7	15.4	11.9	10.3	1.1	1.0	9.4	10.0
PNB Housing	Neutral	361	400	11	63.0	70.5	87.7	64.0	11.9	24.3	5.1	4.1	0.6	0.6	12.8	14.2
Repco Home Fin	Buy	263	340	29	46.6	49.4	54.7	3.9	6.0	10.8	5.3	4.8	0.7	0.6	14.0	13.7
SBI Life Insurance	Buy	865	1050	21	13.5	19.2	24.2	-5.3	42.2	26.4	45.1	35.7	2.4	2.0	18.0	18.7
Shriram City Union	Buy	1414	1400	-1	146.0	182.3	224.7	-3.7	24.9	23.2	7.8	6.3	1.0	0.9	13.9	15.1
Shriram Trans.	Buy	1420	1575	11	103.7	131.3	149.8	-6.0	26.6	14.1	10.8	9.5	1.4	1.3	14.2	14.3
Aggregate								18.6	31.5	19.4	21.9	18.3	2.9	2.6	13.5	14.3
Capital Goods																
ABB	Buy	1518	1370	-10	9.7	21.6	27.3	-41.3	121.7	26.6	70.4	55.6	7.9	7.1	11.2	12.8
Bharat Elec.	Buy	141	150	6	6.8	8.6	9.4	-7.2	25.4	9.7	16.4	15.0	2.8	2.5	17.1	16.9
BHEL	Sell	42	27	-36	-1.0	1.4	2.2	-75.3	LP	55.0	29.2	18.9	0.5	0.5	1.7	2.7
Blue Star	Sell	802	680	-15	9.2	18.0	25.3	-39.8	95.8	40.5	44.4	31.6	8.7	7.8	19.6	24.8
CG Cons. Elec.	Buy	413	485	17	8.4	10.6	12.1	19.9	27.1	13.7	38.9	34.2	11.9	9.8	30.5	28.7
Cummins	Sell	786	515	-34	19.0	22.5	25.8	-18.2	18.3	14.4	34.9	30.5	4.7	4.5	13.5	14.8
Engineers India	Buy	75	85	14	5.6	7.5	7.6	-17.0	32.6	1.2	10.0	9.8	2.1	2.0	19.3	19.1
Havells	Neutral	1135	1100	-3	16.5	19.6	22.0	40.7	18.8	12.2	58.0	51.7	12.3	10.6	21.2	20.6
K E C Intl	Buy	414	450	9	22.0	26.3	30.0	0.0	19.5	14.2	15.7	13.8	2.7	2.3	17.5	16.9
L&T	Buy	1529	1625	6	81.2	66.0	77.7	19.4	-18.7	17.7	23.2	19.7	2.6	2.4	11.4	12.2
Siemens	Neutral	1849	1515	-18	21.3	33.9	35.8	-32.6	59.1	5.7	54.6	51.7	6.3	5.7	11.5	11.1
Thermax	Neutral	1210	1100	-9	22.4	33.2	39.6	18.7	48.2	19.3	36.3	30.5	4.0	3.7	11.0	12.0
Voltas	Neutral	1003	820	-18	13.5	18.7	21.0	-19.1	38.3	12.1	53.6	47.8	6.6	6.0	12.3	12.6
Aggregate								-12.8	45.9	16.0	29.5	25.4	3.3	3.0	11.1	11.8
Cement																
Ambuja Cem.	Neutral	273	250	-8	9.2	8.8	10.6	19.0	-4.4	20.8	31.1	25.8	2.5	2.3	8.2	9.2
ACC	Buy	1750	1980	13	74.8	84.2	92.3	3.5	12.6	9.7	20.8	18.9	2.4	2.2	12.0	11.9
Birla Corp.	Buy	821	900	10	71.7	79.6	93.3	9.2	11.1	17.2	10.3	8.8	1.1	1.0	11.0	11.7
Dalmia Bhar.	Buy	1265	-		43.1	43.6	66.5	275.1	1.1	52.6	29.0	19.0	2.0	1.8	7.1	10.0
Grasim Inds.	Neutral	1187	1110	-6	78.9	92.2	107.8	-10.7	16.9	17.0	12.9	11.0	2.0	1.9	3.2	4.5
India Cem	Neutral	173	160	-7	6.1	5.1	7.2	785.5	-15.7	39.7	33.6	24.1	0.9	0.9	2.8	3.8
J K Cements	Buy	2276	2250	-1	81.0	102.9	119.5	29.5	27.0	16.1	22.1	19.0	4.2	3.5	20.6	19.9
JK Lakshmi Ce	Buy	358	440	23	25.4	26.1	32.6	12.7	2.7	24.7	13.7	11.0	1.8	1.6	14.3	15.4
Ramco Cem	Neutral	868	805	-7	33.1	32.6	38.7	29.6	-1.5	18.9	26.6	22.4	3.3	2.9	12.9	13.7
Shree Cem	Neutral	27186	24300	-11	663.0	702.8	784.7	52.4	6.0	11.6	38.7	34.6	5.6	4.9	15.6	15.1
Ultratech	Buy	6183	6650	8	189.0	225.6	277.8	42.2	19.4	23.2	27.4	22.3	3.4	3.1	13.8	14.9
Aggregate								20.4	12.2	19.6	22.6	18.9	2.8	2.5	12.3	13.4
Consumer																
Asian Paints	Neutral	2402	2790	16	34.8	40.1	46.4	20.2	15.1	15.9	60.0	51.7	17.8	15.8	31.4	32.4
Britannia	Neutral	3580	3890	9	81.3	79.6	90.8	38.7	-2.2	14.1	45.0	39.4	17.8	16.3	41.2	43.2
Colgate	Buy	1620	1810	12	36.1	40.0	45.3	20.4	10.7	13.3	40.5	35.8	26.6	26.6	65.6	74.3
Dabur	Buy	526	640	22	9.9	11.4	13.3	15.0	14.4	17.0	46.3	39.6	11.5	10.3	26.2	27.5
Emami	Buy	502	560	12	16.9	17.0	18.7	36.5	0.2	10.1	29.6	26.9	10.5	10.5	35.5	39.0
Godrej Cons.	Neutral	769	790	3	16.3	18.1	20.4	15.4	10.9	12.5	42.4	37.7	9.9	9.9	23.3	26.3
HUL	Buy	2247	2690	20	34.1	41.7	48.9	9.3	22.1	17.3	53.9	46.0	10.4	10.4	19.7	22.6
ITC	Neutral	230	200	-13	10.2	13.0	14.5	-17.6	27.2	11.5	17.7	15.8	3.9	3.7	22.9	24.0
Jyothy Lab	Neutral	158	151	-4	5.7	5.9	6.2	25.7	3.8	4.9	26.6	25.4	4.5	4.4	17.2	17.6
Marico	Buy	415	490	18	8.7	9.8	11.4	6.4	13.1	16.2	42.3	36.4	13.1	12.1	31.5	34.5
Nestle	Neutral	17073	16440	-4	226.4	249.6	288.8	9.5	10.2	15.7	68.4	59.1	62.2	56.0	96.5	99.7
Page Inds	Neutral	29591	24400	-18	259.1	433.4	487.9	-15.8	67.3	12.6	68.3	60.7	32.4	29.4	47.4	48.5
Pidilite Ind.	Neutral	1760	1635	-7	22.7	25.5	29.7	-1.6	12.3	16.4	68.9	59.2	13.7	11.8	21.3	21.4
P&G Hygiene	Buy	12289	14000	14	180.8	232.9	280.4	32.5	28.8	20.4	52.8	43.8	30.0	26.4	60.3	64.1
Tata Consumer	Buy	588	661	12	10.5	13.3	15.5	32.1	26.3	16.5	44.2	38.0	3.5	3.3	8.2	9.1
United Brew	Sell	1289	975	-24	7.2	15.3	20.6	-55.8	113.9	34.5	84.2	62.6	8.6	8.0	10.6	13.2
United Spirits	Buy	590	725	23	5.7	12.9	17.1	-47.6	126.8	32.5	45.6	34.4	8.4	6.8	18.5	19.7
Varun Beverages	Buy	904	1100	22	13.2	23.8	36.2	-18.8	80.4	52.2	38.0	24.9	6.3	5.1	17.8	22.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
Aggregate								1.3	21.2	14.9	40.2	35.0	9.2	8.7	23.0	24.9
Healthcare																
Alembic Phar	Neutral	946	1070	13	59.4	52.4	57.3	35.1	-11.8	9.4	18.1	16.5	3.3	2.8	20.1	19.0
Alkem Lab	Buy	2976	3570	20	133.2	144.1	155.6	39.6	8.2	7.9	20.7	19.1	4.1	3.5	21.3	19.6
Ajanta Pharma	Buy	1811	2030	12	69.6	78.1	90.5	36.1	12.2	15.9	23.2	20.0	4.4	3.8	20.6	20.4
Aurobindo	Buy	927	1100	19	56.3	61.5	68.7	14.6	9.1	11.8	15.1	13.5	2.3	2.0	16.6	16.0
Biocon	Neutral	410	385	-6	6.0	9.3	12.0	-2.5	54.4	29.2	44.0	34.1	6.1	5.5	14.7	16.9
Cadila	Buy	479	565	18	20.4	23.4	25.0	38.5	15.1	6.8	20.5	19.1	3.1	2.8	16.2	15.4
Cipla	Neutral	834	900	8	33.6	36.6	41.8	71.1	9.0	14.3	22.8	20.0	3.2	2.8	14.0	13.9
Divis Lab	Buy	3679	4450	21	77.7	99.6	127.6	58.8	28.1	28.1	36.9	28.8	8.8	7.1	26.4	27.3
Dr Reddy's	Neutral	4666	5070	9	158.1	180.0	210.6	20.3	13.9	17.0	25.9	22.1	3.8	3.3	15.6	15.9
Glenmark	Neutral	501	495	-1	33.1	33.1	38.4	34.4	0.1	16.0	15.2	13.1	1.8	1.6	12.8	13.2
GSK Pharma	Neutral	1456	1480	2	27.6	35.0	40.1	-2.1	26.8	14.7	41.6	36.3	11.9	10.4	28.6	28.8
Granules India	Buy	347	460	32	22.5	26.3	30.3	72.5	17.1	15.1	13.2	11.5	3.1	2.5	26.0	24.2
IPCA Labs	Buy	2001	-		92.2	94.0	110.0	79.4	1.9	17.1	21.3	18.2	4.5	3.7	23.2	22.4
Jubilant Life	Buy	909	1020	12	50.3	65.8	81.4	-15.9	30.7	23.7	13.8	11.2	2.0	1.7	15.1	16.3
Laurus Labs	Buy	347	470	36	18.3	22.5	27.4	282.5	23.4	21.4	15.4	12.7	5.1	3.8	38.7	34.5
Lupin	Buy	1051	1180	12	25.3	39.4	45.6	8.6	55.4	15.7	26.7	23.1	3.3	3.0	12.8	13.4
Strides Pharma	Buy	887	980	11	25.8	44.1	54.4	69.9	70.9	23.4	20.1	16.3	2.6	2.3	13.5	15.1
Sun Pharma	Buy	632	740	17	25.7	26.8	29.9	56.5	4.4	11.6	23.6	21.1	2.9	2.6	12.9	12.9
Torrent Pharma	Neutral	2683	2675	0	76.6	96.2	106.3	36.4	25.6	10.5	27.9	25.2	6.8	5.8	26.4	24.8
Aggregate								38.9	14.2	15.0	23.5	20.4	3.7	3.2	15.7	15.7
Infrastructure																
Ashoka Buildcon	Buy	103	125	22	12.2	11.1	12.7	-11.3	-9.4	14.8	9.2	8.1	0.9	0.8	10.0	10.4
IRB Infra	Neutral	109	122	12	3.9	5.9	9.7	-79.2	51.2	64.0	18.3	11.2	0.6	0.5	3.1	4.9
KNR Constructions	Buy	227	195	-14	8.7	12.5	14.9	20.0	43.8	18.6	18.1	15.3	2.9	2.5	17.5	17.6
Aggregate										14.8	11.6	1.1	1.0	7.1	8.4	
Media																
PVR	Neutral	1492	1620	9	-98.0	18.9	40.3	-404.6	LP	113.8	79.1	37.0	6.1	5.3	8.1	15.3
Sun TV	Buy	549	550	0	35.5	41.1	40.5	2.0	15.8	-1.4	13.3	13.5	3.4	3.2	26.4	24.2
Zee Ent.	Neutral	249	265	6	7.3	17.1	19.4	33.2	134.2	13.5	14.6	12.8	2.2	1.9	14.6	12.8
Aggregate								-29.2	86.0	9.4	15.5	14.2	2.7	2.5	17.6	17.3
Metals																
Hindalco	Buy	262	318	21	22.9	32.1	35.6	31.2	40.1	10.7	8.2	7.4	1.2	1.1	16.4	15.7
Hind. Zinc	Neutral	295	268	-9	18.8	27.2	26.7	16.6	44.7	-1.7	10.8	11.0	3.4	3.1	33.3	29.2
JSPL	Buy	289	385	33	54.5	33.8	35.3	-801.9	-38.1	4.7	8.5	8.2	0.9	0.8	10.6	10.0
JSW Steel	Buy	400	435	9	30.7	43.9	40.2	239.7	43.1	-8.6	9.1	10.0	1.8	1.6	21.8	16.7
Nalco	Buy	52	51	-1	3.0	4.3	5.0	317.9	45.3	14.4	11.9	10.4	1.0	0.9	8.3	9.2
NMDC	Buy	116	145	25	19.5	20.7	15.4	27.1	6.3	-25.5	5.6	7.6	1.0	0.9	18.7	12.6
SAIL	Buy	64	81	26	12.9	11.2	9.0	-	-13	-20.1	5.7	7.2	0.5	0.5	9.8	7.3
Tata Steel	Neutral	656	687	5	46.9	82.9	83.0	417.7	77	0.1	7.9	7.9	0.9	0.9	12.6	11.4
Vedanta	Neutral	176	182	3	24.4	24.4	24.1	177.9	0	-0.9	7.2	7.3	1.0	1.0	14.8	14.1
Aggregate								148.8	20.5	-4.3	8.1	8.5	1.2	1.1	14.5	12.7
Oil & Gas																
Aegis Logistics	Buy	295	330	12	6.2	10.7	13.3	107.7	72.3	25.1	27.6	22.1	4.9	4.3	18.7	20.6
BPCL	Neutral	419	415	-1	42.7	35.2	42.7	68.7	-17.7	21.4	11.9	9.8	1.8	1.6	16.0	17.5
Castrol India	Buy	131	170	30	5.9	8.5	8.5	-29.6	44.4	-0.3	15.3	15.4	8.2	7.4	56.2	50.3
GAIL	Buy	131	160	22	9.3	15.7	16.6	-43.7	69.1	6.2	8.3	7.9	1.1	1.0	14.4	14.0
Gujarat Gas	Buy	381	460	21	16.1	18.9	20.9	-7.0	17.1	10.7	20.2	18.2	4.9	4.0	27.3	24.3
Gujarat St. Pet.	Buy	205	320	56	17.2	17.8	18.9	-12.4	3.4	6.4	11.5	10.8	1.4	1.2	12.5	11.9
HPCL	Buy	229	-		63.2	36.5	37.8	164.5	-42.3	3.5	6.3	6.1	1.0	1.0	16.6	16.6
IOC	Buy	104	142	37	15.8	15.6	19.0	53.6	-1.0	21.8	6.6	5.4	0.9	0.8	13.8	15.9
IGL	Neutral	545	510	-6	15.6	17.8	19.0	-4.2	14.6	6.5	30.6	28.7	5.5	4.8	19.4	17.9



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
Mahanagar Gas	Buy	1101	1200	9	61.3	78.4	71.7	-23.7	27.9	-8.6	14.0	15.4	2.9	2.6	22.0	18.0
MRPL	Neutral	36	38	5	-2.2	4.0	7.2	-85.5	LP	81.2	9.1	5.0	0.8	0.7	9.0	14.8
Oil India	Buy	118	130	10	12.4	16.3	19.4	-45.7	31.3	18.9	7.2	6.1	0.5	0.5	7.3	8.4
ONGC	Buy	98	110	13	11.1	18.1	19.6	-15.4	63.7	8.0	5.4	5.0	0.5	0.5	10.4	10.4
PLNG	Buy	250	340	36	18.0	21.4	23.7	-2.5	19.0	10.5	11.7	10.6	3.0	2.7	26.2	26.8
Reliance Ind.	Buy	1924	2325	21	68.2	100.7	121.9	2.5	47.8	21.0	19.1	15.8	2.2	1.9	12.0	13.0
Aggregate								11.3	29.2	16.9	13.3	11.4	1.6	1.4	11.9	12.6
Retail																
Avenue Supermarts	Neutral	2963	2850	-4	17.6	30.5	38.4	-12.4	73.5	25.8	97.1	77.2	13.0	11.1	15.0	16.1
Aditya Birla Fashion	Buy	159	200	26	-3.9	-0.7	0.1	2,040.2	Loss	LP	NM	1,508.7	20.8	20.5	-9.9	1.4
Jubilant Food.	Neutral	2829	2920	3	15.8	38.3	53.1	-30.1	143.1	38.5	73.8	53.3	24.2	19.1	32.8	35.8
Shoppers Stop	Neutral	205	220	7	-34.1	-15.4	-15.0	131.8	Loss	Loss	NM	NM	-65.1	-11.3	-338.3	141.0
Titan Company	Buy	1514	1750	16	9.0	22.5	29.2	-47.1	149.0	29.9	67.4	51.8	17.2	15.2	27.3	31.1
Trent	Neutral	669	660	-1	-2.2	5.3	8.8	-173.8	LP	66.0	125.2	75.9	8.5	7.6	7.5	11.3
V-Mart Retail	Buy	2493	2870	15	-10.6	25.0	43.4	-139.0	LP	73.8	99.9	57.5	9.3	8.0	9.8	15.0
Westlife Develop	Neutral	465	480	3	-6.3	1.6	6.1	-	LP	274.8	283.9	75.7	14.2	12.0	5.1	17.2
Aggregate								-67.2	330.5	36.9	89.6	65.5	14.0	12.2	15.7	18.7
Technology																
Cyient	Buy	657	660	0	33.2	43.7	47.3	-1.5	31.5	8.3	15.0	13.9	2.3	2.1	16.1	15.6
HCL Tech.	Buy	958	1300	36	48.0	56.5	65.0	18.0	17.5	15.1	17.0	14.7	4.0	3.7	24.6	25.9
Infosys	Buy	1280	1600	25	46.4	56.9	67.2	19.3	22.6	18.0	22.5	19.1	7.7	7.3	34.8	39.2
L & T Infotech	Neutral	4300	3780	-12	107.3	128.2	151.1	23.9	19.5	17.8	33.5	28.5	9.3	7.7	30.6	29.7
L&T Technology	Buy	2616	2830	8	64.3	91.0	109.0	-17.0	41.5	19.7	28.7	24.0	7.2	6.0	27.3	27.4
Mindtree	Neutral	1714	1765	3	65.9	75.3	84.1	71.9	14.2	11.7	22.8	20.4	6.1	5.1	29.3	27.2
Mphasis	Buy	1590	1950	23	65.1	79.5	91.8	3.1	22.1	15.4	20.0	17.3	4.1	3.7	22.0	22.7
Coforge	Neutral	2547	2690	6	78.9	102.1	116.9	4.4	29.4	14.5	24.9	21.8	4.9	4.2	20.9	20.7
Persistent Sys	Buy	1690	1800	6	56.5	70.0	81.9	26.8	23.9	17.1	24.2	20.6	4.4	3.8	19.4	19.8
TCS	Neutral	3187	3175	0	87.9	111.9	127.0	2.0	27.3	13.5	28.5	25.1	13.0	12.2	47.6	50.8
Tech Mah	Neutral	969	1095	13	52.6	60.4	68.6	8.8	14.8	13.6	16.1	14.1	3.0	2.6	20.1	20.0
Wipro	Neutral	430	450	5	18.5	21.6	23.9	12.5	17.1	10.6	19.9	18.0	4.6	4.6	23.2	25.8
Zensar Tech	Neutral	237	265	12	15.6	17.9	20.3	33.6	14.7	13.4	13.2	11.7	2.0	1.8	16.3	16.3
Aggregate								10.3	22.4	14.6	24.1	21.0	7.5	7.0	31.1	33.3
Telecom																
Bharti Airtel	Buy	600	720	20	0.8	4.6	8.2	-110.7	475.0	78.0	129.7	73.6	4.9	4.6	3.9	6.5
Indus Towers	Neutral	254	245	-3	18.2	20.8	20.0	17.6	14.5	-3.8	12.2	12.7	4.2	3.9	35.8	32.1
Vodafone Idea		12			-8.1	-7.5	-8.6	7.5	Loss	Loss	NM	NM	-0.9	-0.5	76.6	48.4
Tata Comm	Neutral	1052	950	-10	48.1	58.7	68.8	355.4	22.0	17.2	17.9	15.3	17.7	8.2	196	73.4
Aggregate								Loss	Loss	Loss	-39	-34.0	9.8	15.8	-25.0	-46.5
Utilities																
Coal India	Buy	144	192	34	20.2	25.7	30.7	-25.6	27.2	19.8	5.6	4.7	2.0	1.6	35.2	34.5
CESC	Buy	616	873	42	97.3	96.9	103.9	-0.5	-0.4	7.2	6.4	5.9	0.7	0.7	12.1	12.2
Indian Energy Exchange	Buy	257	280	9	6.6	7.8	8.8	10.4	19.0	12.9	32.8	29.1	14.8	12.8	48.3	47.2
JSW Energy	Buy	72	84	16	4.8	5.9	6.9	-5.8	22.2	18.4	12.3	10.4	0.9	0.9	7.7	8.8
NHPC	Neutral	24	22	-9	2.9	2.9	3.4	1.2	-0.3	19.0	8.4	7.0	0.7	0.7	8.5	9.6
NTPC	Buy	99	139	40	15.1	16.6	17.9	9.1	10.3	7.8	6.0	5.5	0.7	0.7	12.7	12.9
Power Grid	Buy	205	222	8	23.1	24.5	25.9	9.1	6.4	5.7	8.4	7.9	1.4	1.4	17.9	17.6
Torrent Power	Buy	321	380	18	20.2	29.2	30.3	-27.8	44.4	3.6	11.0	10.6	1.4	1.3	13.4	12.6
Tata Power	Buy	90	105	17	3.9	5.4	6.1	3.7	38.5	13.0	16.7	14.8	1.3	1.2	7.7	8.2
Aggregate								-4.3	13.2	12.0	6.8	6.0	1.1	1.0	16.2	16.8
Others																
Brigade Enterpr.	Buy	264	-		0.0	7.3	4.3	-100.3	LP	-41.5	36.1	61.8	2.3	2.2	6.4	3.6
BSE	Buy	614	780	27	38.1	47.6	53.4	52.9	25.0	12.1	12.9	11.5	1.1	1.0	8.4	9.0



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
Concor	Buy	478	-		10.2	12.8	15.6	-38.4	25.2	21.6	37.4	30.7	2.7	2.6	7.3	8.5
Coromandel Intl	Buy	768	1071	39	49.5	55.1	59.5	36.2	11.2	8.0	14.0	12.9	3.6	3.0	27.8	25.3
EPL	Buy	219	333	52	8.6	11.3	13.3	25.8	31.4	18.4	19.4	16.4	3.6	3.2	20.0	20.5
Indiamart Inter.	Buy	9218	9000	-2	105.1	120.4	145.3	104.9	14.5	20.7	76.6	63.4	19.7	13.6	49.8	40.4
Indian Hotels	Buy	120	143	19	-6.8	0.8	2.0	-348.7	LP	165.4	155.5	58.6	3.9	3.7	2.5	6.5
Interglobe	Neutral	1671	1525	-9	-143.5	45.2	95.3	2,122.5	LP	111	37	17.5	34.2	12.6	156.3	105.0
Info Edge	Neutral	4788	5040	5	20.4	27.4	40.9	21.9	34.6	49.2	174.5	117.0	13.4	12.5	7.8	11.0
Godrej Agrovet	Buy	532	-		17.6	20.7	24.2	32.7	17.7	17.1	25.7	21.9	4.5	3.9	18.4	19.1
Kaveri Seed	Buy	561	631	13	52.6	53.0	57.3	22.1	0.8	8.1	10.6	9.8	2.8	2.5	27.7	27.2
Lemon Tree Hotel	Buy	42	46	8	-1.6	0.0	0.4	1,216.5	Loss	LP	NM	111.0	4.8	4.6	0.0	4.2
MCX	Buy	1583	2050	30	46.6	48.3	64.2	0.4	3.8	32.8	32.7	24.7	5.6	5.0	17.9	21.5
Oberoi Realty	Buy	574	648	13	20.0	32.2	40.0	5.3	61.2	24.4	17.8	14.3	2.0	1.8	11.9	13.2
Phoenix Mills	Buy	810	828	2	2.9	19.4	32.9	-86.6	577.4	69.1	41.6	24.6	2.5	2.3	6.1	9.6
Qess Corp	Buy	635	745	17	13.3	34.1	43.9	-27.0	156.3	28.7	18.6	14.4	2.4	2.0	17.9	19.2
PI Inds.	Buy	2250	2659	18	51.0	66.8	80.6	69.6	31.0	20.6	33.7	27.9	5.5	4.7	17.7	18.1
SIS	Buy	404	620	54	22.7	23.4	29.1	40.6	3.1	24.4	17.5	14.1	1.3	1.1	18.4	18.9
SRF	Buy	5709	6315	11	193.0	233.3	282.3	24.4	20.9	21.0	24.5	20.2	4.2	3.5	18.6	19.0
S H Kelkar	Buy	127	146	15	8.5	10.4	12.6	101.5	23.2	20.5	12.1	10.1	1.8	1.6	15.5	17.0
Tata Chemicals	Buy	530	547	3	16.1	34.7	44.3	-49.0	115.0	27.7	15.3	12.0	1.0	1.0	6.7	8.2
Team Lease Serv.	Buy	3131	3090	-1	52.6	84.0	113.6	7.6	59.7	35.3	37.3	27.6	6.6	5.4	19.6	21.5
Trident	Buy	15	19	31	0.7	1.0	1.3	5.6	52.0	22.0	14.0	11.5	1.9	1.6	14.2	15.3
UPL	Neutral	548	574	5	41.4	49.0	57.4	19.0	18.2	17.2	11.2	9.6	1.3	1.1	18.8	18.9



Index	1 Day (%)	1M (%)	12M (%)
Sensex	0.7	5.1	24.1
Nifty-50	0.7	5.4	24.3
Nifty Next 50	1.6	2.2	21.0
Nifty 100	0.8	5.0	23.9
Nifty 200	0.9	5.1	24.2
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	1.1	15.4	34.1
Amara Raja Batt.	0.4	-0.6	23.5
Ashok Leyland	1.1	30.5	72.0
Bajaj Auto	-0.4	19.8	33.4
Bharat Forge	-0.8	13.8	25.2
Bosch	-1.3	22.5	16.7
CEAT	3.5	47.1	71.9
Eicher Motors	1.5	11.5	51.8
Endurance Tech.	0.9	0.6	34.5
Escorts	1.3	6.8	65.6
Exide Inds.	-0.5	3.6	7.9
Hero Motocorp	1.7	13.0	39.7
M & M	4.0	15.7	50.3
Mahindra CIE	-1.0	-6.6	-6.0
Maruti Suzuki	0.7	-0.8	6.1
Motherson Sumi	-0.3	-4.6	17.8
Tata Motors	-1.5	70.6	96.8
TVS Motor Co.	1.3	31.8	43.7
Banks-Private	0.9	11.1	12.7
AU Small Fin. Bank	0.3	9.1	-8.3
Axis Bank	1.4	19.1	4.1
Bandhan Bank	1.1	-12.7	-20.9
DCB Bank	0.8	-5.5	-34.6
Equitas Holdings	1.5	19.0	-24.9
Federal Bank	4.8	21.2	-4.7
HDFC Bank	0.2	11.4	28.4
ICICI Bank	0.8	18.0	18.3
IndusInd Bank	-1.7	15.0	-18.9
Kotak Mah. Bank	3.2	-2.8	12.6
RBL Bank	0.3	7.4	-19.3
Banks-PSU	5.9	20.2	-1.9
BOB	6.4	24.7	-5.8
SBI	5.7	26.3	16.0
Company	1 Day (%)	1M (%)	12M (%)
NBFCs	1.2	9.3	16.8
Aditya Birla Cap	1.2	1.2	-4.8
Bajaj Fin.	4.8	5.5	21.8
Cholaman.Inv.&Fn	0.9	4.8	39.8
Can Fin Homes	2.8	2.5	4.4
HDFC	0.1	5.0	15.4
HDFC Life Insur.	-1.0	-2.2	18.8
Indostar Capital	2.3	9.4	28.3
L&T Fin.Holdings	0.8	3.2	-12.1
LIC Hsg Fin	0.9	18.5	15.1
M&M Fin.	-1.3	-2.0	-19.0
Muthoot Fin	1.3	-4.8	53.6
Manappuram Fin.	5.1	5.5	5.2
MAS Financial Serv.	1.5	-1.1	-12.7
Max Financial	2.8	4.5	49.1
ICICI Pru Life	-0.4	-5.5	1.3
ICICI Sec	-2.9	-10.9	-9.9

Note: Sectoral performance are of NSE/BSE Indices

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	0.9	5.1	24.7
Nifty Midcap 100	1.1	6.0	26.6
Nifty Smallcap 100	1.5	4.9	23.8
Nifty Midcap 150	1.3	5.7	28.6
Nifty Smallcap 250	1.4	4.7	26.4
Company	1 Day (%)	1M (%)	12M (%)
IIFL Wealth Mgt	0.1	1.6	-20.1
PNB Housing	0.9	-3.3	-12.4
Repco Home	2.9	8.1	-20.3
SBI Life Insuran	-0.2	-5.2	-5.1
Shriram City Union	-2.4	31.3	5.1
Shriram Trans.	-3.1	31.9	39.1
Capital Goods	1.6	13.5	29.4
ABB	5.2	20.1	15.7
Bharat Elec.	1.3	7.1	66.1
BHEL	6.3	3.8	5.8
Blue Star	-0.2	-0.6	-0.3
CG Cons. Elec.	0.6	10.6	45.6
Cummins	2.9	29.1	39.1
Engineers India	1.1	-5.8	-19.4
Havells	2.0	23.3	86.5
K E C Intl	1.9	9.8	24.2
L&T	0.0	16.4	18.4
Siemens	3.0	15.9	25.1
Thermax	19.2	31.4	17.3
Voltas	-0.1	18.6	43.4
Cement	1.2	5.1	33.3
Ambuja Cem.	1.4	7.9	31.8
ACC	1.3	6.7	17.6
Birla Corp.	1.4	11.5	4.8
Dalmia Bhar.	1.7	11.3	44.2
Grasim Inds.	-0.5	23.2	49.5
India Cem	3.9	-2.1	118.3
J K Cements	1.2	15.6	64.6
JK Lakshmi Ce	0.1	3.6	-0.1
Ramco Cem	0.8	8.7	8.0
Shree Cem	4.6	13.1	11.0
Ultratech	1.8	16.1	38.1
Consumer	2.5	-0.3	12.2
Asian Paints	-2.1	-12.8	27.0
Britannia	1.8	0.7	10.8
Colgate	0.7	2.8	19.2
Dabur	0.3	-3.2	4.5
Emami	3.2	18.3	67.1
Godrej Cons.	3.0	1.4	17.4
HUL	0.6	-7.4	4.3
ITC	6.1	7.8	6.6
Jyothy Lab	1.2	6.9	3.1
Marico	-0.2	-0.5	35.0
Nestle	-0.5	-7.2	3.8
Page Inds	1.9	3.8	20.6
Pidilite Ind.	1.2	-1.4	13.0
P&G Hygiene	8.2	11.8	6.0
Tata Consumer	1.4	-2.6	54.8
United Brew	-0.3	8.9	0.1
United Spirits	1.9	1.0	-8.5
Varun Beverages	0.7	-5.3	10.0



Company	1 Day (%)	1M (%)	12M (%)
Healthcare	0.3	-3.1	56.8
Alembic Phar	-1.5	-11.0	53.1
Alkem Lab	1.2	0.3	26.0
Ajanta Pharma	0.7	9.9	53.6
Aurobindo	0.7	-4.1	87.2
Biocon	2.1	-12.4	41.2
Cadila	0.2	-1.4	81.5
Cipla	-1.7	0.3	86.0
Divis Lab	-0.2	-4.8	87.5
Dr Reddy's	0.3	-11.5	43.9
Glenmark	0.0	-2.5	59.7
GSK Pharma	-0.2	-8.9	0.6
Granules	1.0	-3.6	138.0
IPCA Labs	-1.8	-7.5	69.8
Jubilant Life	0.1	16.0	82.2
Laurus Labs	1.5	-3.4	296.3
Lupin	1.3	2.4	45.7
Strides Pharma	-1.1	-5.5	83.5
Sun Pharma	0.3	4.5	48.4
Torrent Pharma	0.4	-4.0	39.1
Infrastructure	0.8	8.9	24.4
Ashoka Buildcon	-3.7	10.3	-4.3
IRB Infra.Devl.	0.7	-7.2	1.4
KNR Construct.	4.1	36.2	61.6
Media	2.0	7.5	1.1
PVR	-0.9	6.7	-23.9
Sun TV	6.3	10.8	14.9
Zee Ent.	2.2	13.9	1.8
Metals	1.9	-0.4	31.4
Hindalco	1.8	3.1	38.3
Hind. Zinc	2.0	20.7	52.8
JSPL	1.1	0.3	57.3
JSW Steel	1.9	-0.7	55.0
Nalco	1.6	9.5	21.5
NMDC	5.3	-4.8	7.0
SAIL	1.4	-18.7	38.6
Tata Steel	0.5	-5.3	45.1
Vedanta	1.6	3.6	27.2
Oil & Gas	1.3	2.4	5.0
Aegis Logistics	0.9	15.4	27.9
BPCL	1.0	6.0	-12.5
Castrol India	1.3	6.0	-15.4
GAIL	0.1	2.1	9.9
Gujarat Gas	2.3	0.7	30.3
Gujarat St. Pet.	1.7	-6.5	-16.3
HPCL	1.9	2.9	-0.9
IOC	1.7	10.5	-9.0
IGL	-0.1	7.6	6.1
Mahanagar Gas	1.6	1.7	-8.2
MRPL	4.3	-0.4	-14.6
Oil India	3.7	5.2	-8.4
ONGC	4.7	0.8	-7.9
PLNG	1.1	-0.8	-7.3
Reliance Ind.	-0.3	-3.4	36.2
Aditya Bir. Fas.	5.3	-4.7	-29.6
Retail			
Avenue Super.	3.0	2.1	37.5
Jubilant Food	7.0	2.9	46.4

Company	1 Day (%)	1M (%)	12M (%)
Shoppers St.	-1.4	-0.9	-46.5
Titan Co.	-0.7	-2.4	18.7
Trent	-1.5	-1.5	11.5
V-Mart Retail	1.4	0.4	23.2
Westlife Develop	4.0	5.3	-3.3
Technology	-0.4	1.8	56.4
Cyient	4.8	25.1	36.7
HCL Tech.	-0.2	-2.2	63.3
Infosys	-0.5	-0.7	62.4
L&T Infotech	-0.2	11.8	121.9
L&T Technology	2.0	6.6	54.1
Mindtree	0.9	1.5	89.0
Mphasis	0.2	4.7	73.8
Coforge	1.1	-10.3	32.5
Persistent Sys	1.6	11.2	136.0
TCS	-0.4	4.9	51.2
Tech Mah	-1.3	-3.2	19.5
Wipro	-0.8	8.5	78.9
Zensar Tech	2.0	-1.3	44.0
Telecom	-0.6	11.9	20.1
Bharti Airtel	-1.4	16.1	15.7
Indus Towers	2.3	5.1	5.6
Idea Cellular	-0.8	2.0	131.2
Tata Comm	5.5	-5.4	153.0
Utilities	2.6	6.5	17.1
Coal India	4.6	4.6	-21.4
CESC	-2.9	-1.4	-13.7
Indian Energy Ex	1.9	12.3	52.0
JSW Energy	0.8	6.5	14.2
NHPC Ltd	2.3	-2.0	-1.6
NTPC	1.9	0.1	-11.5
Power Grid	-0.5	9.0	5.7
Tata Power	6.5	13.1	58.8
Torrent Power	-0.4	0.4	5.4
Others			
Brigade Enterpr.	2.8	4.4	12.9
BSE	-0.9	-5.1	16.0
Coromandel Intl	-2.1	-6.5	24.2
Concor	3.0	15.8	-15.5
EPL Ltd	0.4	-16.1	22.0
Indiamart Inter.	11.4	26.4	290.4
Godrej Agrovet	0.0	-1.9	-8.2
Indian Hotels	-2.3	-5.0	-14.6
Interglobe	3.0	-4.2	18.3
Info Edge	-0.4	-1.1	61.5
Kaveri Seed	1.7	6.4	19.8
Lemon Tree Hotel	2.7	-5.0	-22.3
MCX	0.5	-11.3	25.6
Oberoi Realty	2.6	-2.7	6.4
Piramal Enterp.	0.5	3.0	7.3
Phoenix Mills	-1.6	4.6	-5.7
PI Inds.	-0.1	-0.4	45.4
Qess Corp	5.5	19.6	1.6
SIS	-0.3	-4.8	-20.1
SRF	1.7	0.5	52.4
S H Kelkar	1.1	1.4	15.3
Tata Chemicals	2.2	8.2	63.2
Team Lease Serv.	15.5	15.3	26.4
Trident	2.5	12.7	135.9
UPL	-1.8	15.8	5.0

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