Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	56,931	1.1	19.2
Nifty-50	16,955	1.1	21.3
Nifty-M 100	29,659	1.5	42.3
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	4,697	1.0	25.0
Nasdaq	15,522	1.2	20.4
FTSE 100	7,342	0.6	13.6
DAX	15,593	0.9	13.7
Hang Seng	8,195	0.7	-23.7
Nikkei 225	28,562	0.2	4.1
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	75	2.5	46.7
Gold ($/OZ)	1,804	0.8	-5.0
Cu (US$/MT)	9,639	0.8	24.4
Almn (US$/MT)	2,811	2.8	42.4
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	75.6	-0.1	3.4
USD/EUR	1.1	0.4	-7.3
USD/JPY	114.1	0.0	10.5
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	6.5	0.00	0.6
10 Yrs AAA Corp	7.0	0.00	0.4
Flows (USD b)	**22-Dec**	**MTD**	**CY21**
FIIs	-0.11	-1.76	3.86
DIIs	0.21	2.88	10.63
Volumes (INRb)	**22-Dec**	**MTD***	**YTD***
Cash	513	622	757
F&O	73,067	76,553	54,551

Note: *Average

Today's top research idea

Zee Entertainment: ZEE - Sony merger – Turning into a dominant media player

Upgrade to Buy

- ZEE announced completion of the due diligence and final contours of the deal. SONY and ZEE's promoters will hold 51%/4% in the merged entity, while the rest will be held by the public.
- There will be a fresh capital infusion of INR113b (USD1.6b) by Sony, including the INR11b as non-compete fee to ZEE's promoters, which will be utilized to increase its stake to 4% from 2% in the merged entity.
- The merged entity is valued ~17x FY20 EV/EBITDA and 22x P/E. On a SoTP basis, the merged entity's linear business is estimated to be valued at 11-12x EV/EBITDA, with a negative value for the OTT business.
- The combined entity will be a leader in the broadcasting space, with a strong war chest for intensifying its OTT foray and an investment similar to that made by Netflix on its India content.
- A strategic partner like Sony will create ability to leverage largescale opportunities in the Indian media space.
- Subsequently we upgrade to Buy from Neutral with revise TP of INR425. Roadblocks in deal fruition could be a key risk.

Research covered

Cos/Sector	Key Highlights
Zee Entertainment	ZEE - Sony merger – Turning into a dominant media player
Quess Corp	Monster fund raise to add value but poses execution risk
Consumer	Commodity price inflation shot up after softening temporarily

Chart of the Day: Zee Entertainment (ZEE - Sony merger)

Shares issued to ZEE and BEPL in the swap ratio

SHARE SWAP	
Total shares held by Zee	960.5
Exchange Ratio	85:100
Total shares issued to zee	**816.4**
Total shares held by BEPL	1.8
Exchange Ratio	133:10
Total shares issued to BEPL	**24.0**

Source: MOFSL, Company

Research Team (Gautam.Duggad@MotilalOswal.com)

Kindly click on textbox for the detailed news link

1

MPC minutes: Continued policy support needed, says RBI governor Shaktikanta Das

Amid growing uncertainties over the global macroeconomic outlook and private consumption on the domestic front, continued policy support is warranted for a durable, broad-based and self-sustaining rebound, RBI governor Shaktikanta Das wrote in the minutes to the monetary policy.

2

Prices of agricultural commodities cool after Sebi ban on futures

The suspension of trading in futures and options of select agricultural commodities has not only led to a fall in prices, but also to scaling back of inventories by traders, who say the flow of imports will slow down since they do not have a hedging platform.

3

The big Picture: Zee, Sony seal the deal to become media giant

Zee Entertainment Enterprises (Zee) and Sony Pictures Networks India (SPNI), an indirect subsidiary of Sony Pictures Entertainment Inc, on Wednesday signed a definitive agreement to create one of the the country's largest media and entertainment company.

4

Foxconn's India subsidiary Bharat FIH files for Rs 5,000-crore IPO

Bharat FIH, a subsidiary of Foxconn group, has filed its draft red herring prospectus (DRHP) for its initial public offering (IPO). The Rs 5,004-crore IPO comprises a fresh issue of Rs 2,502 crore and an offer for sale (OFS) of Rs 2,502 crore.

5

Indian companies finally jump on the ESG bandwagon

If there is one common thread that ran through the ambitions of Indian companies in 2021, it was a race to adopt environmental, social and governance (ESG) norms, following mounting pressure from investors and regulators.

6

Income Tax raids at Oppo, Xiaomi, Rising Star, Dixon offices

The income tax department on Wednesday raided the premises of top Chinese smartphone brands Xiaomi and Oppo, which officials said followed "intelligence inputs" suggesting concealment of income and evasion of taxes by the companies.

7

Plan on table to halt new coal-fired power plants

India is considering a proposal to halt new coal-based power units as the country works out a plan to meet commitments made at COP26.

22 December 2021

Update | Sector: Media

Zee Entertainment

CMP: INR349 TP: INR425(22%) Upgrade to Buy

BSE SENSEX	S&P CNX
56,931	16,955

Stock Info

Bloomberg	Z IN
Equity Shares (m)	961
M.Cap.(INRb)/(USDb)	334.9 / 4.4
52-Week Range (INR)	379 / 167
1, 6, 12 Rel. Per (%)	19/52/39
12M Avg Val (INR M)	5359
Free float (%)	96.0

Financials Snapshot (INR b)

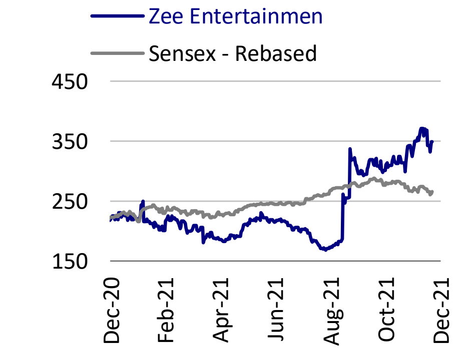
Y/E Mar	FY21	FY22E	FY23E	FY24E
Sales	77.3	82.9	91.7	102.0
EBITDA	17.9	19.4	21.5	24.2
Adj. PAT	10.6	13.3	15.2	16.9
EBITDA Margin (%)	23.2	23.4	23.4	23.7
Adj. EPS (INR)	11.1	13.9	15.8	17.6
EPS Gr. (%)	101.7	25.5	14.1	11.4
BV/Sh. (INR)	105.1	115.1	127.3	141.3
Ratios				
Net D:E	-0.1	-0.2	-0.2	-0.2
RoE (%)	10.9	12.6	13.1	13.1
RoCE (%)	10.1	12.3	12.9	13.0
Payout (%)	36.0	26.6	22.7	20.4
Valuations				
P/E (x)	31.6	25.1	22.0	19.8
P/B (x)	3.3	3.0	2.7	2.5
EV/EBITDA (x)	17.9	16.2	14.4	12.5
Div . Yield (%)	0.7	0.9	0.9	0.9
FCF Yield (%)	4.3	2.6	2.3	2.4

Shareholding pattern (%)

As On	Sep-21	Jun-21	Sep-20
Promoter	4.0	4.0	4.0
DII	16.1	18.6	11.3
FII	57.2	57.5	66.2
Others	22.7	19.9	18.5

FII Includes depository receipts

Stock performance (one-year)



ZEE - Sony merger – Turning into a dominant media player

- **ZEE announced completion of the due diligence and final contours of the deal. SONY and ZEE's promoters will hold 51%/4% in the merged entity, while the rest will be held by the public.**
- **There will be a fresh capital infusion of INR113b (USD1.6b) by Sony, including the INR11b as non-compete fee to ZEE's promoters, which will be utilized to increase its stake to 4% from 2% in the merged entity.**
- **The merged entity is valued ~17x FY20 EV/EBITDA and 22x P/E. On a SoTP basis, the merged entity's linear business is estimated to be valued at 11-12x EV/EBITDA, with a negative value for the OTT business.**
- **The combined entity will be a leader in the broadcasting space, with a strong war chest for intensifying its OTT foray and an investment similar to that made by Netflix on its India content.**
- **The deal addresses past corporate governance and Balance Sheet issues. A strategic partner like Sony will have the ability to leverage large scale opportunities in the Indian Media space.**
- **We upgrade ZEE to Buy from Neutral with a revised TP of INR425. Roadblocks in the fruition of the deal could be key risks.**

Deal contours

- Fund infusion: SPNI, via a rights issue of INR79.5b, and ZEE's promoters, through a new share issue of INR11b, will infuse INR90.5b in the combined entity. This, along with the existing cash on the books of the merged entity, will form the USD1.575b (INR113.4b) growth capital to be infused in the merged entity.
- SPNI to fund ZEE promoters' 2% additional stake for INR11b (INR300/share): Sony, via its subsidiary, will pay a non-compete fee of INR11b to ZEE's promoters, which will be used to infuse primary equity capital into SPNI, thereby increasing their stake by 2.11% to 3.99%.
  - Increase in ZEE promoter's stake to 20% may be market linked: ZEE has agreed to limit its stake to 20% in the combined entity. The press release clarified that the deal does not provide the promoters any pre-emptive or other rights to acquire equity of the combined entity from Sony, the combined company, or any other party. This was a key bugbear for Invesco.
- SPNI/ZEE to hold 50.9%/3.99% stake: Sony through its subsidiaries will indirectly hold majority stake (50.86%) in the combined entity. ZEE's promoters will hold 3.99% and public shareholding will stand at 45.15%.
  - This will be on the basis of: a) A 10:1 stock split, along with a bonus issue to SPNI's shareholders. b) Overall equity infusion of INR90.5b by both companies. c) Share swap of 85:100 for ZEE's shareholders and 133:10 for BEPL's shareholders.

- At ZEE's current market capitalization, this implies a post-money enterprise value of INR523.6b for the merged entity.
- The leadership of the combined entity will be driven by ZEE's current MD and CEO Mr. Punit Goenka. The majority of the board of directors of the combined company will be nominated by Sony and will include SPNI's current Managing Director and CEO, Mr. N.P. Singh. On closure of the deal, Mr. Singh will assume the role of Chairman, Sony Pictures India (a division of SPE).

Deal process

- Regulatory and shareholder/creditor approvals will now be sought and may take 3-4 quarters to fructify.
- Shareholders and creditor approval: ZEE needs to secure the consent of three-fourth of its shareholders for the deal to be passed. (https://www.mca.gov.in/MinistryV2/mergers+and+acquisitions.html).
- Invesco holds a 20% stake, so securing their approval will be crucial.
- MIB and CCI approval: A couple of mergers in the Radio industry took over two years to fructify. So, this deal could take some time. CCI's approval should take lesser time.

What's in it for each company's stakeholders?

ZEE

- While ZEE had a healthy Balance Sheet and market position, the merged entity will have a better market standing (revenue and cost synergies), given its scale and ability to intensify its OTT foray. The combined entity will have revenue of INR140-150b and EBITDA generating capability of 35% in the linear business, i.e. ~INR50b.
- It will have a wider portfolio across genres, including general entertainment, movies, and sports. SPNI, a unit of Japan's Sony Corporation, operates 26 channels, including sports, while ZEE has 49 channels. The company over time could use its leverage to boost its competitive position and synergies.
- As per our estimate, both ZEE and Sony's current combined OTT spend would be a sizeable ~INR30b annually. This could be far better utilized as a merged entity to ensure a steady flow of movie content and other genres.
- The new entity will have an independent board elected by Sony. Given ZEE's history of various related party transactions and non-core investments, this deal may address most concerns.

Sony

- Sony gets two things. a.) A business at a reasonable price. ZEE is currently valued below 20x, a far cry from its peak valuation. b) Better management leadership to drive the broadcasting business, considering ZEE's industry leading performance over the years.
- Promoter: This allows the promoter to improve their shareholding and address corporate governance concerns. It also provides a strong partner to invest in new opportunities in the changing Media landscape.

OTT opportunity and merged entity's capabilities

- The OTT opportunity is evident from the 29m unique OTT subscribers paying for 53m OTT video subscriptions as of CY20. The same is doubling annually. Around 1,200 hours of original content is created annually for OTT platforms at a cost of INR10.2b across 220 titles, excluding acquired movie rights. The overall video subscription market was valued ~INR43b in CY20. This is now nearly 15% of the TV broadcasting market and is expected to double in two years.

- The merged entity's ability to spend INR30b annually is similar to Netflix's INR30b India content investment over the last two years. As per our estimates, the combine MAU of ZEE5 and SonyLIV is about 140m compared to ~192m for Hotstar's entertainment content. Thus, the merged entity could certainly have a strong wherewithal to compete in the market.

Valuation and view

- The merged entity will get a strong board, along with senior management (current MD: Mr. Goenka) that has a very strong operational background. There is a possible upside from the merged entity's higher competitive position in the market and synergy gains, given that both the companies have a significant potential to improve profitability. The stock is still trading below 20x, including SPNI. Improving corporate governance and operational performance could significantly aid in the long run. But the deal may take 3-4 quarters to fructify, given the long haul of structural changes to the business, board, and leadership, which may take time to drive incremental earnings.
- At ZEE's current m-cap, this implies a post-money enterprise value of INR524b for the merged entity, implying an EV/EBITDA of 17x on a FY20 basis and a P/E of 22x. Considering the stable state 35% EBITDA margin for the linear broadcasting business, the OTT business garners negative value. This could be in for a big change given the merged entity's strong war chest and ability to invest in content to drive growth. We upgrade our rating to Buy with a revised TP of INR425/share (at 25x Sep'23E EPS).

Valuation based on P/E

Valuation	Sept'21
EPS	17
PE multiple (x)	25
Target Price (INR)	425
CMP (INR)	349
Upside (%)	22%

Source: MOFSL, Company

22 December 2021
Update | Sector: Others

Quess Corp

BSE SENSEX	S&P CNX
56,931	8,879

QUESS WINNING TOGETHER

Bloomberg	QUESS IN
Equity Shares (m)	147
M.Cap.(INRb)/(USDb)	117.8 / 1.6
52-Week Range (INR)	990 / 415
1, 6, 12 Rel. Per (%)	-10/-11/54
12M Avg Val (INR M)	255

Financials & Valuations (INR b)

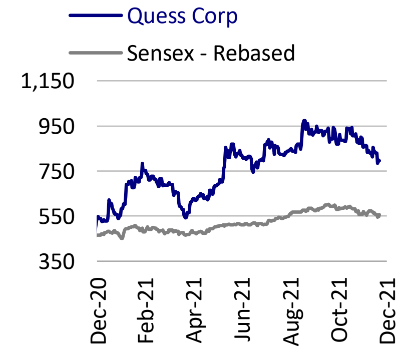
Y/E March	FY21E	FY22E	FY23E
Sales	108.4	135.8	172.1
EBITA	5.8	6.8	10.0
EBIT Margin (%)	3.2	3.5	4.3
PAT	2.1	3.6	6.8
EPS (INR)	14.9	25.5	47.8
EPS Growth (%)	-18.6	71.3	87.8
BV/Share (INR)	206.7	238.8	299.0
Ratios			
RoE (%)	9.2	14.4	22.4
RoCE (%)	7.7	14.3	20.9
Valuations			
P/E (x)	62.7	36.6	19.5
P/BV (x)	4.5	3.9	3.1
EV/EBITDA (x)	22.9	19.4	13.0
EV/Sales (x)	1.2	1.0	0.8

Shareholding pattern (%)

As On	Sep-21	Jun-21	Sep-20
Promoter	51.8	55.2	55.3
DII	13.8	14.4	15.7
FII	22.1	17.3	15.6
Others	12.3	13.0	13.5

FII Includes depository receipts

Stock performance (one-year)



CMP: INR796 TP: INR1,100 (+38%) Buy

Monster fund raise to add value but poses execution risk

On 22nd Dec'21, Quess Corp. announced a fund infusion in its Monster.com subsidiary from Meridian Investments and Volrado Venture Partners at a pre-money valuation of INR6.0b, much higher than its 2018 acquisition cost of c.INR896m. The funding will be channelized to expand Monster's presence in the job search and training market.

- **Fund raise is positive but poses higher risk**: In 2QFY22, Monster.com contributed 1.2% of Quess' revenues and nothing to PAT given its breakeven status. Hence, post-money valuation of INR6.6b (after first stage) is positive as it accounts for 5% of Quess' current market INR 118b.
- Conversely, we view Monster's expansion within job search and training space as concerning due to the dominating presence of Naukri in this market. Given the gap in capability and branding, Monster needs to deploy this fund quickly, and might require future funding to disrupt Naukri's monopoly. Thus, we see this as a key execution risk. We are currently not factoring this in our valuation for Quess.

Details of the transaction

- **Fund infusion structured with multiple levers:** The fund infusion in Monster.com (Exhibit 1) will happen via a combination of Compulsory Convertible Preference Shares (CCPS) and Compulsory Convertible Debentures (CCD), with CCPS investment of INR625m from external investors being the first stage. Quess' stake in Monster will reduce to 90.6% after this stage.
- **CCD and top-up option valuation to be decided later:** After this, there will be a CCD round of INR500m , split in 25:75 ratio between the investors and Quess, with valuation dependency on the next round of funding (at 25% discount to the next round with floor and cap valuations of INR6.0b and INR7.5b, respectively). Investors also have an option to top up to INR375m (including CCD) within four months at a pre-money valuation of INR6.0b.

Valuation and view: Maintain Buy with an unchanged TP of INR1,100

- Strong hiring trends have led to robust demand recovery. We noticed similar trends in the immediate aftermath of the GFC/demonetization – when staffing companies benefitted from positive hiring trends in certain verticals. Such a trend would likely play out over the near term, supporting business services firms such as Quess.
- Further, Quess should be among the biggest direct beneficiaries in the medium term, as both the center and state governments look to liberalize and formalize the labor markets.
- Resurgence of covid remains a risk which might impact near term growth.
- We welcome the corrective steps taken by the new management to address some of the investor concerns. The improvement in cash conversion / RoE should drive a re-rating. Our TP implies 23x FY23E EPS. Maintain Buy.

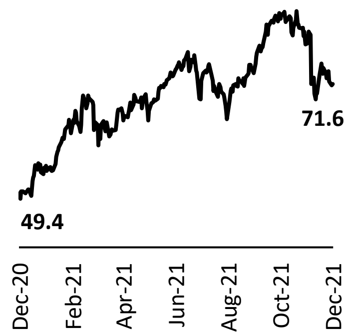
Structure of the deal

	INR m
Pre-money valuation (INR m)	**6,000**
Acquisition value (2018, $m)	14
Acquisition value (2018, INR m)	896
Investor contribution – CCPS	**625**
Investor shareholding	9.4%
Quess shareholding	90.6%
CCD – to be drawn after business plan approval	**500**
Investor contribution – CCD	125
Quess contribution	375
Investor shareholding – post CCD (at base valuation)	11.5%
Quess shareholding – post CCD	88.5%
Top-up option (within four months of closing)	375
Total investor contribution on top-up (no CCD in this case)	**1,000**
Investor shareholding (post top-up)	13.6%

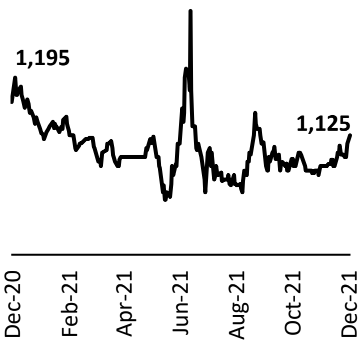
Source: MOFSL, Company

Consumer

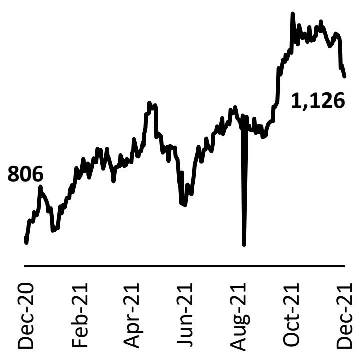
Brent Crude Index



Mentha Oil (INR/kg)



Palm Fatty Acid (USD/MT)



Commodity price inflation shot up after softening temporarily

In this sector update, we analyze the price movements of key commodities and identify companies under our coverage that could benefit from or be impaired by them.

Agri and non-agri commodity prices increased moderately in 3QFY22, before stabilizing towards the quarter end

- The high 3QFY21 sales base for companies under our coverage may pose a challenge from a topline perspective. Nevertheless, discretionary categories are likely to report strong growth aided by improving mobility, a good festive season, and expected pent-up wedding demand. The management teams of a few companies are anticipating a brief slowdown in rural demand, which is likely to dent the growth prospects for the consumer companies with a sizeable rural customer base. With commodity inflation refusing to ebb even in 3QFY22, we expect most of the companies under our coverage to see a YoY contraction in their gross margins. To combat the higher input costs, companies continued to take price hikes during the quarter; however, the effects will materialize with a lag. Even as the nationwide vaccination drive continues in full swing, early fears of a new COVID wave are beginning to brew. However, we believe companies are better equipped now, than in the past, to handle such disruptions.
- **Crude prices inched higher but moderated towards the end of 3Q:** Crude prices continue to rise sequentially (+9.2% QoQ in 3QFY22). The increase is even sharper versus 3QFY21, with prices being 78.6% higher YoY owing to the low base of 3QFY21 (average of USD44.6/bbl). However, in recent weeks, crude prices corrected 10% MoM to USD73/bbl (monthly average for Dec'21 to date).
- **The agri commodities basket continued to inch higher but appeared to have stabilized in Dec'21:** Prices of palm oil, SMP, and barley saw a double-digit sequential rise along with wheat and cashew prices that registered sequential growth. Palm oil price rose 53.9% YoY and 16.9% QoQ in 3QFY22, touching a fresh high of MYR5,444/MT in Nov'21. At MYR4,838/MT, current palm oil price has receded from its peak but remained elevated nonetheless. SMP price is moving upwards and has risen 19.7% YoY and 14.7% QoQ in 3QFY22. Barley price has continued to inch upwards recording a new high of INR2,397/quintal in Dec'21. Tea price has corrected sharply by 12.3% YoY and 2.7% sequentially in 3QFY22.
- **Non-agri commodities basket continues to witness sharp inflation:** Price of vinyl acetate monomer (VAM) recorded the sharpest increase (+142% YoY and +42.4% QoQ) until Nov'21 with prices averaging USD2,700/MT for QTD 3QFY22. Titanium dioxide (TiO_2) price has continued to rise sharply (+61.2% YoY and +28.6% QoQ) in 3QFY22. Price of palm fatty acid distillate (PFAD) rose 54.5% YoY and 17.3% QoQ. Gold price (MCX) declined 4.9% YoY, but was flat QoQ.
- **The entire commodity cost basket, on an average, witnessed some degree of inflation (+33.5% YoY/+8.3% QoQ).** While the agri basket saw moderate sequential inflation (+18.8% YoY and +5.5% QoQ) – mostly driven by higher palm oil, SMP, and barley – prices seem to have stabilized in Dec'21. The non-agri basket, however, continues to see sharp inflation both on a YoY (+57.2%) and sequential (+ 12%) basis.

Impact on our top picks: GCPL, BRIT, DABUR, HUVR and MRCO

- **GCPL**: Higher palm oil prices are expected to impact GCPL's 3QFY22 margin (YoY), as prices remain elevated. Mix improvement along with some price hikes taken (albeit with a lag) should offset higher raw material prices to some extent as long as palm oil prices do not continue to rise. Other commodity costs, however, continue to remain manageable.
- **BRIT** witnessed inflation in its major raw materials in 3QFY22. Higher prices for edible oil, wheat, sugar, and SMP (to some extent) are likely to put pressure on its margins as biscuits account for >80% of its sales. One major reason for rising input costs was delayed Rabi sowing in this season. According to our channel checks, BRIT initiated some meaningful price hikes and grammage reduction initiatives during the quarter, in line with management commentary.
- **DABUR:** Higher crude price-related packaging costs are likely to put some pressure on its 3QFY22 gross margin. DABUR had already taken price hikes across segments in 2QFY22 to offset higher raw material costs. This move along with targeted FY22 cost savings amounting to ~INR1b should protect its margins from eroding.
- **HUVR:** While palm oil price has retreated from its last-month peak, it remains at an elevated level. Tea price continued to soften with the arrival of the new crop in Jul'21, in line with management's earlier guidance. HUVR took another round of price hikes in 3QFY22, which should partly offset input cost inflation QoQ.
- **MRCO:** Input costs continue to ease in 3QFY22 (data available up to Sep'21). Copra price was 8.8% lower sequentially underpinned by a good harvest. Some of the earlier price increases taken by MRCO should help to bolster its margins.

Other materially impacted companies: APNT, PIDI, NEST, HMN, and UBBL

- **APNT and PIDI**: VAM price continued to surge (+142% YoY and +42% QoQ) and is likely to impact PIDI negatively, as it is a key raw material. TiO2 (a key raw material for APNT) and crude prices too are seeing inflationary trends both on a YoY and QoQ basis. Other crude-based raw materials for APNT are also likely to see double-digit inflation. However, the healthy sales growth outlook and steep price increases taken by both APNT and PIDI will offset some negative impact on their EBITDA margins, as would the cost reduction measures.
- **NEST:** SMP, a key raw material for NEST, has seen prices rising nearly 15% sequentially. Along with sequentially higher palm oil and wheat prices, NEST's 4QCY21 margins are expected to come under pressure.
- **HMN** is likely to be a key beneficiary of the ongoing decline in mentha oil costs. However, there have been inflationary pressures in other input costs.
- **UBBL and GSKCH:** Sharp increase in barley costs could affect the gross margins of UBBL and GSKCH (now merged with HUVR). However, discussions with the UBBL management indicated that advanced purchases of barley earlier in CY21 would restrict the margin erosion. However, if barley price sustains at this higher level, UBBL's FY23 margins may come under pressure.

Blue Star: Bets on demand uptick; Omicron fear hastening B2B segment deal closures; B Thiagarajan, MD

- Demand continues to remain good
- Dealers are stocked up for the season sales
- Customers asking for faster delivery in B2B segment
- Not seeing any impact of new variant as of now
- No additional price hikes planned as of now as commodity prices now being stable

Read More

Metro Brands: Hopeful of maintaining high-teen growth, plans 260 new stores; Nissan Joseph, CEO and Farah Malik, MD

- All the categories are doing well
- Will continue to see high-teen growth that we've been seeing over last 10 years
- We are amongst the top 3 brands on e-commerce platforms
- E-commerce is now 12% of sales vs 1.5% pre-pandemic
- Our stores have increased the bouquet of offerings to customers
- 90% of our offline sales are full-priced sales
- We were able to get some relief on rent during the COVID period
- Plan on opening 260 stores in next 2-and-half years
- We tweak our merchandise basis the demand

Read More

Amber Enterprise: Will be cash flow positive from next year; Jasbir Singh, Chairman & CEO

- Seeing more optimism from customer for upcoming season
- Will see good jump in volume in forthcoming season next year
- Pasio India Private Limited is a good pick for us and is at reasonable price
- Expect Pasio India's revenue to inch towards Rs 190-200 crore this year
- Will not be looking at providing own branded products
- Generating cash and will be cash positive from next year onwards

Read More

Sheela Foam: Sees increase in demand, improvement in margin over FY21; Rahul Gautam, MD

- TDI prices during the quarter declined from Rs 237/kg to Rs 200/kg, now back to Rs 220/kg
- See decent demand in Q3 for the company
- FY22 revenue likely to be around Rs 3000 crore
- See margin improving over FY21
- Capex of Rs 200 crore to come on stream in Q3
- E-commerce is between 10-11% of sales, ad spends at 3-4% of sales
- Demand in Australia is shaping well; demand increasing in Spain
- Not supplying to Ikea for the time being

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Ugro Capital: 50% of assets would come under co-lending post April 2022; Shachindra Nath, Executive CMD

- 80% of the loans originated by company are taken over by company
- MSME is a highly under-served market
- MSME min has defined retail, wholesale trade segment for bank's PSL
- Run-rate of monthly disbursals is at Rs 300-320 crore
- Will exit March 2022 with monthly disbursals of Rs 500 crore
- 50% of assets would come under co-lending post April 2022

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