

Market snapshot



Equities - India	Close	Chg .%	CYTD.%
Sensex	74,339	0.7	2.9
Nifty-50	22,570	0.7	3.9
Nifty-M 100	50,229	0.5	8.8
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	5,048	-0.5	5.8
Nasdaq	15,612	-0.6	4.0
FTSE 100	8,079	0.5	4.5
DAX	17,917	-0.9	7.0
Hang Seng	6,120	0.3	6.1
Nikkei 225	37,628	-2.2	12.4
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	88	-0.7	13.6
Gold (\$/OZ)	2,332	0.7	13.1
Cu (US\$/MT)	9,742	0.9	15.1
Almn (US\$/MT)	2,537	-2.1	8.2
Currency	Close	Chg .%	CYTD.%
USD/INR	83.3	0.0	0.1
USD/EUR	1.1	0.3	-2.8
USD/JPY	155.7	0.2	10.4
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	7.2	0.02	0.0
10 Yrs AAA Corp	7.6	0.02	-0.2
Flows (USD b)	25-Apr	MTD	CYTD
FII	-0.3	6.68	0.3
DII	0.74	2.29	16.8
Volumes (INRb)	25-Apr	MTD*	YTD*
Cash	1,486	1111	1178
F&O	4,63,282	3,61,304	3,90,060

Note: Flows, MTD includes provisional numbers.

*Average



Today's top research idea

Bajaj Finance: Staring at a weaker year ahead; downgrade to Neutral

- ❖ While we admire BAF for being the strongest NBFC franchise with astute execution, our downgrade to Neutral rating on the stock is predicated on: 1) the near-term headwinds on AUM growth as the company is cutting down business in Rural B2C, and slower AUM growth in the B2B business due to the RBI ban on e-commerce and Insta EMI card; 2) NIM compression of ~35bp (vs. ~20bp earlier) in FY25E due to the expected rise in the cost of borrowings, difficulty in passing on the interest rate hikes to customers, and change in product mix; and 3) elevated credit costs from the B2C portfolio in almost all of FY25E.
- ❖ Downgrade the stock to Neutral with a TP of INR7,800 (premised on 4.3x FY26E P/BV).



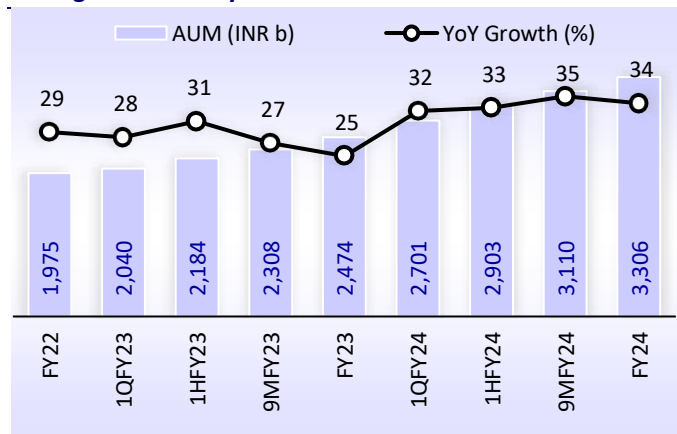
Research covered

Cos/Sector	Key Highlights
Bajaj Finance	Staring at a weaker year ahead; downgrade to Neutral
Bharti Airtel	Favourable market positioning
Nestlé India	Steady performance; but valuations expensive
Vedanta	In-line operational performance; higher tax outgo leads to miss on APAT
Other Updates	Macrotech Developers Tech Mahindra IndusInd Bank ACC Dalmia Bharat Laurus Labs AAVAS Financiers MAS Financial Services InterGlobe Aviation Coromandel International



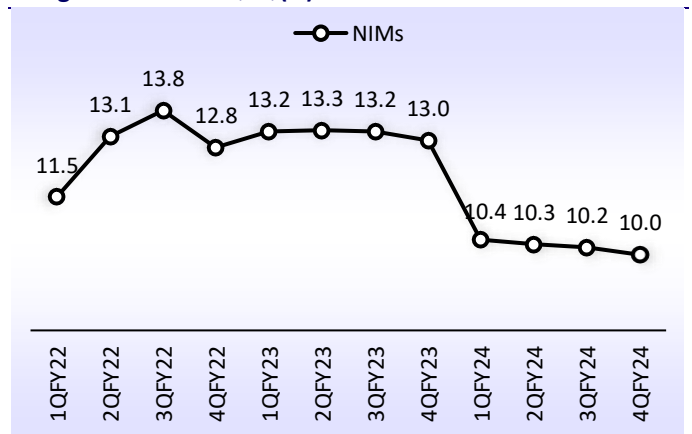
Chart of the Day: Bajaj Finance (Staring at a weaker year ahead; downgrade to Neutral)

AUM growth healthy at 34% YoY



Source: MOFSL, Company

Margin moderated QoQ (%)



Source: MOFSL, Company

Research Team (Gautam.Duggad@MotilalOswal.com)

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

Tata Steel to go ahead with £1.25-billion investment for Port Talbot furnace

In the FY 2023-24, Tata Steel UK recorded a negative EBITDA of £ 373 million and negative free cashflow of £ 623 million, the steelmaker said

2

IndiGo, Air India plan for up to 170 wide-body planes in little over a year

Air India and IndiGo have unveiled plans to acquire up to 170 wide-body aircraft, signaling a bullish outlook on expansion and India's aviation sector growth. This move also marks Airbus' entry into India's wide-body aircraft market

3

Tech Mahindra CEO Mohit Joshi chalks out 3-year plan to turn around business in phases

By FY27, Tech Mahindra has set a goal to expand EBIT margin to 15 percent and have higher topline growth as compared to peer average of top six-seven IT services play

4

ITC exploring hotel business expansion opportunity in Nepal, Sri Lanka, Middle East

Chairman and managing director Sanjiv Puri said ITC is looking to add more than 70 hotels over the next five years in India, mostly through management contracts. Its next greenfield hotel property will open in the coastal city of Puri in Odisha

5

Disney+ Hotstar eyes 450 million viewers from free streaming of T20 WC

"Disney+ Hotstar will stream the T20 World Cup for free on mobile, having achieved tremendous success with the 50-over WC in 2023," said a source close to the development, adding that CTV audiences will have to subscribe to either Rs 299/three months or Rs 499/three months plans to stream the event.

6

Higher generation capacity, gas-based plants to help meet India's high summer power demand: Fitch

India's power demand is expected to rise by 7-8% in Q2 2024 due to robust industrial activity, GDP growth, and above-normal temperatures.

7

Audi to hike vehicle prices by up to 2% from June

Audi plans to raise prices on its model range in India by up to 2% starting June 1, 2024, citing increased input and transportation costs. Balbir Singh Dhillon, Head of Audi India, stated that rising expenses necessitate the price hike, aiming for sustainable growth for the company and its dealers.



Bajaj Finance

Estimate change	↓
TP change	↓
Rating change	↓

CMP: INR7,295 TP: INR7,800 (+7%) Downgrade to Neutral

Staring at a weaker year ahead; downgrade to Neutral

Earnings in line; NIM contracts ~20bp QoQ

Bloomberg	BAF IN
Equity Shares (m)	615
M.Cap.(INRb)/(USDb)	4515.5 / 54.2
52-Week Range (INR)	8192 / 5929
1, 6, 12 Rel. Per (%)	6/-23/-7
12M Avg Val (INR M)	8035

Financials & Valuations (INR b)

Y/E March	FY24E	FY25E	FY26E
Net Income	363	445	555
PPP	239	296	373
PAT	144	175	226
EPS (INR)	234	283	365
EPS Gr. (%)	23	21	29
BV/Sh. (INR)	1,241	1,499	1,815

Ratios

NIM (%)	10.4	10.0	10.0
C/I ratio (%)	34.0	33.5	32.7
RoA (%)	4.4	4.2	4.3
RoE (%)	22.0	20.7	22.0
Payout (%)	15.4	14.8	13.1

Valuations

P/E (x)	31.2	25.8	20.0
P/BV (x)	5.9	4.9	4.0
Div. Yield (%)	0.5	0.6	0.7

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	54.7	54.8	55.9
DII	14.4	14.1	13.0
FII	20.7	21.0	19.3
Others	10.2	10.2	11.8

FII Includes depository receipts

- Bajaj Finance (BAF)'s 4QFY24 reported PAT grew ~21% YoY to ~INR38.2b (in line), while FY24 PAT rose ~26% YoY to INR144.5b.
- NII grew 28% YoY to ~INR80.1b (in line). Non-interest income was up 12% YoY, and net total income rose 25% YoY to ~INR97.1b (in line).
- BAF's 4QFY24 NIM (calc.) contracted ~20bp QoQ to ~10%.
- While the change in the AUM mix will be gradual, the AUM growth in FY25 will be supported by mortgages, commercial, SME, and newer product segments such as cars, LAP, and tractors. Higher growth in the secured product segments will keep yields under pressure. Further, we expect its CoB to increase for a large part of FY25.
- We have cut our FY25/FY26 PAT estimates by 7%/6% to factor in a higher NIM compression, a decline in fee income, and elevated credit costs. We model an AUM/PAT CAGR of ~27%/25% over FY24-FY26 and expect BAF to deliver an RoA/RoE of ~4.3%/22% in FY26.
- **Downgrade the stock to Neutral with a TP of INR7,800 (premised on 4.3x FY26E P/BV).** While we admire BAF for being the strongest NBFC franchise with astute execution, our downgrade to Neutral rating on the stock is predicated on: 1) the near-term headwinds on AUM growth as the company is cutting down business in Rural B2C, and slower AUM growth in the B2B business due to the RBI ban on e-commerce and Insta EMI card; 2) NIM compression of ~35bp (vs. ~20bp earlier) in FY25E due to the expected rise in the cost of borrowings, difficulty in passing on the interest rate hikes to customers, and change in product mix; and 3) elevated credit costs from the B2C portfolio in almost all of FY25E.
- In the very near term, the RBI revoking its ban on 'E-com' and 'Insta EMI Card' could be a trigger for the stock. Beyond that, we do not see any catalysts for this stock, which is trading at 4.0x FY26E P/BV and 20x P/E.
- Upside risks: 1) BAF delivering a much stronger AUM growth relative to its guidance of ~26-28%; and 2) the situation improving in the B2C business, resulting in lower-than-guided credit costs for FY25.

AUM growth at ~34% YoY; new customer acquisition hit by the ban

- BAF's total customer franchise stood at ~83.6m, up ~21% YoY/4% QoQ. New customer acquisitions remained healthy at ~3.2m (vs. ~3.1m YoY/3.85m QoQ). New loans booked rose ~4% YoY to ~7.9m (vs. ~7.6m in 4QFY23). The new loans booked during the quarter were lower by ~0.8m on account of restrictions placed by the RBI.
- Total AUM grew 34% YoY and ~6% QoQ to INR3.3t. The rural B2C business exhibited muted AUM growth given that BAF has cut business volumes in this segment in the face of higher delinquencies. The urban sales finance business was hit by the RBI embargo on e-commerce and digital Insta EMI Cards.

Minor improvement in operating cost ratio

- Opex grew 25% YoY to ~INR33b (in line), and the opex-to-NII was stable QoQ at ~34% in 4QFY24.
- BAF will continue to invest in digital and technology and it is planning to implement its key long-range strategy (LRS) megatrends – Account aggregator (8.1m consents), ONDC (Jun'24), Social commerce (Jul'24), and the Rewards platform (Jun'24) – to strengthen its competitive moat and cost optimization.
- Investments in the above and in building out the newer business lines will mean that the operating leverage benefits will be visible earliest only in FY26. We build a minor decline of ~50bp in the opex-to-NII ratio to ~33.5% in FY25.

Credit costs to remain elevated in FY25 due to the stressed pool of B2C business

- BAF's GS3 improved ~10bp QoQ to ~0.85%. However, the Stage 3 PCR further declined ~5pp QoQ to ~57%, resulting in an NS3 of 0.37%.
- Net credit costs in 4QFY24 stood at ~180bp (PY: ~145bp). BAF also utilized ~INR2.9b from the management overlay and held a management and macroeconomic overlay of INR3b as of Mar'24. Credit costs were higher due to the elevated Rural B2C delinquencies.
- Management guided for gross credit costs of 1.75-1.85% in FY25. We model net credit costs of 170bp/150bp in FY25E/FY26E.

Update on the RBI ban

- BAF has made the required changes in response to the regulatory restriction imposed by the RBI, on sanction and disbursal of loans under 'eCOM' and 'Insta EMI Card'. The company has formally requested the RBI for a review and removal of these restrictions.
- BAF, in addition to digital lending products, has implemented Key Fact Statements (KFS) for all its lending products effective 31st Mar'24, and made it available in 20 vernacular languages.

Highlights from the management commentary

- The Board of Directors of BHFL evaluated various options for meeting the mandatory listing conditions (including through a potential IPO). In this regard, the Board of BHFL has constituted a committee to undertake various actions and steps.

Valuation and view

- Management's guidance for FY25 is below its long-term guidance on multiple metrics such as AUM growth, credit costs, RoA, and RoE. BAF's key product segments (until now) have been the secular growth segments. However, its foray into multiple newer products such as cars, tractors, CVs, and potentially MFI, could (in future) make its growth vulnerable to cyclicity despite having a well-diversified product mix.
- Despite a healthy PAT CAGR of ~25% over FY24-FY26E, and an RoA/RoE of 4.3%/22% in FY26E, we see limited upside catalysts. Consequently, we **downgrade the stock to Neutral with a TP of INR7,800 (premised on 4.3x FY26E BVPS).**

Quarterly Performance												(INR m)
Y/E March	FY23				FY24				FY23	FY24	4QFY24	Act V/s Est
	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24				
Interest Income	79,197	85,090	92,734	98,469	1,08,211	1,17,340	1,25,233	1,32,301	3,55,502	4,83,066	1,33,148	-1
Interest expenses	26,451	29,714	33,512	35,920	41,025	45,371	48,680	52,171	1,25,599	1,87,247	52,168	0
Net Interest Income	52,745	55,376	59,222	62,549	67,186	71,970	76,553	80,130	2,29,903	2,95,819	80,980	-1
YoY Growth (%)	42.5	29.1	25.3	30.2	27.4	30.0	29.3	28.1	31.2	28.7	29.5	
Other Operating Income	13,630	14,637	15,126	15,162	16,795	16,477	16,436	17,019	58,555	66,759	17,253	-1
Net Income	66,376	70,013	74,347	77,712	83,980	88,447	92,989	97,149	2,88,458	3,62,578	98,233	-1
YoY Growth (%)	47.8	31.2	23.9	28.1	33.3	26.3	25.1	25.0	31.8	25.7	26.4	
Operating Expenses	23,801	25,148	25,818	26,522	28,544	30,100	31,567	33,028	1,01,300	1,23,252	33,039	0
Operating Profit	42,575	44,865	48,529	51,190	55,437	58,347	61,422	64,121	1,87,158	2,39,326	65,194	-2
YoY Growth (%)	36.6	35.8	23.8	29.0	37.0	30.0	26.6	25.3	30.8	27.9	27.4	
Provisions and Cont.	7,547	7,342	8,413	8,594	9,953	10,771	12,484	13,100	31,897	46,307	13,069	0
Profit before Tax	35,028	37,523	40,117	42,611	45,484	47,576	48,939	51,037	1,55,279	1,93,036	52,142	-2
Tax Provisions	9,065	9,716	10,387	11,033	11,143	12,070	12,566	12,806	40,202	48,584	13,529	-5
Net Profit	25,963	27,807	29,730	31,578	34,341	35,507	36,373	38,232	1,15,077	1,44,452	38,613	-1
YoY Growth (%)	159.0	87.8	39.9	30.5	36.8	27.7	22.3	21.1	63.7	25.5	22.3	
Key Operating Parameters (%)												
Fees to Net Income Ratio	20.5	20.9	20.3	19.5	20.0	18.6	17.7	17.5	20.3	18.4		
Credit Cost	1.55	1.43	1.54	1.47	1.57	1.56	1.69	1.66	1.47	1.6		
Cost to Income Ratio	35.9	35.9	34.7	34.1	34.0	34.0	33.9	34.0	35.1	34.0		
Tax Rate	25.9	25.9	25.9	25.9	24.5	25.4	25.7	25.1	25.9	25.2		
Balance Sheet Parameters												
AUM (INR B)	2,040	2,184	2,308	2,474	2,701	2,903	3,110	3,306	2,474	3,306		
Change YoY (%)	28.3	30.8	27.4	25.3	42.3	32.9	34.7	33.6	25.3	33.6		
Loans (INR B)	1,984	2,127	2,254	2,423	2,653	2,857	3,064	3,263	2,423	3,263		
Change YoY (%)	29.5	32.3	29.0	26.6	44.1	34.3	35.9	34.7	26.6	34.7		
Borrowings (INR b)	1,721	1,833	2,013	2,154	2,352	2,544	2,639	2,895	2,154	2,895		
Change YoY (%)	29.1	26.4	30.7	30.4	47.8	38.8	31.1	34.4	30.4	34.4		
Loans/Borrowings (%)	115.3	116.1	112.0	112.5	112.8	112.3	116.1	112.7	112.5	112.7		
Asset Quality Parameters (%)												
GS 3 (INR B)	25.4	25.3	26.1	23.1	23.5	26.5	29.6	28.2	23.1	28.2		
Gross Stage 3 (% on Assets)	1.25	1.17	1.14	0.94	0.87	0.91	0.95	0.85	0.94	0.85		
NS 3 (INR B)	10.2	9.5	9.3	8.4	8.3	9.0	11.4	12.1	8.4	12.1		
Net Stage 3 (% on Assets)	0.51	0.44	0.41	0.34	0.31	0.31	0.37	0.37	0.35	0.37		
PCR (%)	59.9	62.3	64.2	63.8	77.4	66.0	61.7	57.0	63.8	57.0		
Return Ratios (%)												
ROAA (Rep)	5.3	5.4	5.4	5.4	5.4	5.16	4.92	4.84	4.7	4.4		
ROAE (Rep)	23.1	23.57	24	23.94	24.5	24.1	21.95	20.48	23.4	22.0		

E: MOFSL Estimates



Bharti Airtel

BSE SENSEX
74,339

S&P CNX
22,570

CMP: INR1,339

TP: INR1,570 (+17%)

Buy



Bloomberg	BHARTI IN
Equity Shares (m)	5673
M.Cap.(INRb)/(USDb)	7957.8 / 95.5
52-Week Range (INR)	1364 / 762
1, 6, 12 Rel. Per (%)	6/27/46
12M Avg Val (INR M)	5947

Financials & Valuations (INR b)

INRb	FY24E	FY25E	FY26E
Net Sales	1,512	1,654	1,820
EBITDA	793	880	986
Adj. PAT	106	182	227
EBITDA Margin (%)	52.4	53.2	54.1
Adj. EPS (INR)	18.9	32.6	40.6
EPS Gr. (%)	29	73	24
BV/Sh. (INR)	152	222	263

Ratios

Net D:E	2.3	1.1	0.7
RoE (%)	13.0	17.4	16.7
RoCE (%)	9.7	12.2	13.0
Div. Payout (%)	0.0	0.0	0.0

Valuations

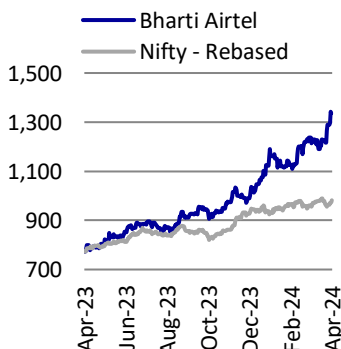
EV/EBITDA (x)	12.0	10.2	8.8
P/E (x)	70.9	41.0	33.0
P/BV (x)	8.8	6.0	5.1
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	53.5	54.6	55.0
DII	19.4	19.7	19.9
FII	24.4	22.7	21.0
Others	2.8	3.0	4.0

FII Includes depository receipts

Stock performance (one-year)



Favourable market positioning

Sector tailwinds to drive long-term growth

The consolidation in the telecom sector has been favorable for Bharti Airtel (BHARTI) as the company, after many years of weak returns on capital, is now set to see a swing in its fortunes. Consistent market share gains, organic ARPU improvements and controlled costs have boosted Bharti's EBITDA, offsetting the higher capex internally and continued deleveraging. Over the next couple of years, we believe that BHARTI will continue to benefit from the favorable market construct, which should result in improvements in FCF and ROCE. The company is expected to execute awaited tariff hikes in the next couple of quarters, which could act as a catalyst for the stock, in our view.

Tariff hike to support growth

We expect the awaited tariff hike (assuming 20%) to take place in the next couple of quarters after the general election, which could increase EBITDA by 12-15%. We currently do not factor in a material price hike in our model. A 20% price hike should increase BHARTI's ARPU to INR270 in FY26E. At 70% incremental margin, India Wireless EBITDA should rise to INR580b/INR688b in FY25E/FY26E. Factoring in a tariff hike, BHARTI could generate post-interest FCF of INR247b in FY25E and INR350b in FY26E, representing to a 3-5% FCF yield (highest in last 10 years).

Long-term growth story favorable for BHARTI

- Over the last four years (FY20-24E), BHARTI's India Mobile business posted a CAGR of 17%/29% in revenue/EBITDA, driven by multiple tariff hikes (strong 40% growth in ARPU), market share gains, 2G-to-4G subscriber shift, premiumization toward postpaid, and reduction in spectrum usage charges. However, in the last few quarters, growth has decelerated due to the absence of a tariff hike, slower market share gains and lower mix benefits as the base of 2G tariffs has gone up.
- We believe BHARTI and Reliance Jio (RJio) both should be the key beneficiaries in gaining subscriber/AGR market share: a) the heavy capex by the two strong players, underscoring the opportunity for the monetization of 5G and tariff hikes; and b) once Vodafone Idea's (VIL) debt moratorium (AGR + spectrum liability) expires in FY26E, its ~INR400b revenue size may offer a strong market share growth opportunity in two years. Further, in the long term, there should be opportunities to monetize heavy investments as the Indian telecom market size of INR2.3t is largely served by merely two sizeable players – RJio and BHARTI, with far lower competitive intensity.

How should VIL fund raise change the landscape?

VIL has successfully raised INR200b via equity in the combination of FPO and INR20.75b preferential allotment to promoter, Aditya Birla Group (ABG). VIL plans to raise additional INR250b via debt. Following are our views on this fundraise:

- **Near-term support for VIL:** VIL plans to utilize the funds for capex, which is a welcome move as it should improve its 4G capabilities; however, the magnitude of investment requirement and timelines may be key in arresting its market share loss. Further, VIL needs to significantly increase its EBITDA (INR84b in FY24E pre INDAS 116) to service ~INR300b AGR and spectrum annual instalment in FY26 and INR430b FY27 onward.
- **No risk to BHARTI from change in competitive landscape:** Unlike the risk of increasing market share competition, we believe the profitability consciousness will provide continued tariff hike opportunities over the next 2-3 years.

5G capex may remain prolonged but the cash flow may subside the impact

RJio and BHARTI together deployed 436k 5G base transceiver stations (BTS) by Mar'24, up 8x from 54k in Jan'23. We expect the large proportion of BTS deployment to be done by RJio as BHARTI has deployed 100k mobile broadband base stations (including 3G/4G/5G) in the last one year. We expect this gap in BTS deployment will keep the 5G capex prolonged and expect the consolidated capex to remain around INR400b for FY25-26. The positive factor is that the operating profit generation would be enough to fund the capex requirement internally, unlike during the 4G investment cycle.

Visibility for high FCF/ROCE

After 10 years, BHARTI is once again in a sweet spot. It is returning to a healthy monetization stage thanks to EBITDA improvement. We estimate its FCF yield (with tariff hike) at 3-5%, with RoCE at ~13%/15% in FY25/FY26. FCF has increased to INR52b in FY24E, despite 5G capex and deleveraging limited to INR135b. We expect BHARTI's cumulative OCF/FCF of INR1.3t/INR500b for the next two years. Moreover, inflows from the ~INR210b rights issue could help it reduce debt. Gross/net debt (excluding lease liability) currently stand at INR1.6t/INR1.3t, and we expect net debt to come down to INR500b in FY26. EBITDA improvement, together with a reduction in net debt, could result in ROCE improvement (with tariff hike) to ~15% in FY26E vs. 9.4% in FY24E, after many years of weak RoCE (lower-mid single digit).

Warrants better valuation in future

The stock is trading at 8.8x FY26E consolidated EV/EBITDA, with the India business trading at 11x and Africa at 3x. We factor in 10%/11% consol. revenue/EBITDA growth over FY24-26E (without factoring in tariff hike). Over the next 2-3 years, with a tariff hike, BHARTI has the opportunity to grow its EBITDA by 40-50% and halve its net debt. The company is well poised to gain from sector tailwinds, stemming from 1) market share gains, 2) improved ARPU led by premiumization and tariff hikes, and 3) non-wireless segments, including Home and Enterprise. The key catalysts would be ARPU hike and moderation in capex. We do not expect any major probability of earnings cuts; hence, the risk-reward looks favorable at the current valuation (without factoring in tariff hike). We assign FY26E EV/EBITDA of 12x/5x to India Mobile/Africa businesses and arrive at our SoTP-based TP of INR1,570. We reiterate our BUY rating on the stock. We believe two rounds of tariff hikes over the next two years could take India EBITDA to INR882b and Bharti TP to INR1,700 on 11x EV/EBITDA.



Nestlé India

Estimate changes	↔
TP change	↔
Rating change	↔

CMP: INR2,563 TP: INR2,400 (-6%) Neutral

Steady performance; but valuations expensive

Bloomberg	NEST IN
Equity Shares (m)	964
M.Cap.(INRb)/(USDb)	2470.8 / 29.7
52-Week Range (INR)	2771 / 2031
1, 6, 12 Rel. Per (%)	-3/-12/-3
12M Avg Val (INR M)	1982

Financials & Valuations (INR b)

Y/E Dec	FY24	FY25E	FY26E
Sales	243.9	212.3	236.7
Sales Gr. (%)	15.5	12.4	11.5
EBITDA	59.1	51.9	58.8
Margin (%)	24.2	24.5	24.8
Adj. PAT	39.6	34.5	39.4
Adj. EPS (INR)	41.0	35.8	40.9
EPS Gr. (%)	62.5	-12.9	14.2
BV/Sh.(INR)	34.6	39.0	44.1

Ratios

RoE (%)	136.5	97.1	98.3
RoCE (%)	140.9	100.1	100.0
Payout (%)	87.1	87.1	87.1

Valuations

P/E (x)	62.4	71.6	62.7
P/BV (x)	73.9	65.6	58.1
EV/EBITDA (x)	41.6	47.8	42.1
Div. Yield (%)	1.3	1.2	1.4

*Note: FY24 is 15-month period as the company changed its accounting year-end from December to March. However, FY25E growth is adjusted to 12 months in FY24E

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	62.8	62.8	62.8
DII	9.1	9.2	9.2
FII	12.1	12.1	12.1
Others	16.1	16.0	16.0

FII Includes depository receipts

- Nestle India (NEST) reported 9% YoY revenue growth (est. 8.5%) during the quarter ended Mar'24. The company has achieved 12% revenue CAGR over a five-year period (CY18-FY24). Domestic sales grew 9% YoY, well supported by pricing, mix, and volume growth. Export sales rose 19% YoY to INR2.3b for the quarter.
- GM expanded 300bp YoY to 56.8% (in line); GP was up 15% YoY. Input prices are witnessing inflationary pressures, with coffee and cocoa prices at all-time highs. Cereals, grains (MSP-led), and milk are also experiencing high inflation. NEST posted a strong gross margin recovery last year (up 300bp in the last 12 months); but FY25 may see some pressure on gross margin. EBITDA margin expanded 220bp YoY, while EBITDA rose 19% YoY to INR13.4b (est. INR12.8b).
- NEST has entered into a JV agreement with **Dr. Reddy's Laboratories** aimed at introducing its health science nutraceutical portfolio to consumers. This JV is likely to become operational in 2QFY25. The company has also launched **NESPRESSO coffees and machines** in India, with plans to open the first NESPRESSO boutique in Delhi.
- NEST has been strategically implementing its RURBAN strategy to expand its distribution reach in the untapped markets. There has been a broad-based growth across brands for the last few years. **Reiterate Neutral with a TP of INR2,400 (based on 60x P/E Mar'26E) due to expensive valuations.**

In-line performance; margin expansion continues

- **Domestic sales growth momentum intact:** NEST recorded 9% YoY net sales growth to INR52.7b (est. INR52.4b). Domestic sales grew 9% YoY, driven by strategic pricing and supported by a favorable product mix.
- **Broad-based growth across categories:** The growth was broad-based, with all segments supporting headline growth. The milk and nutrition product category achieved strong growth despite inflation. Prepared dishes and cooking aids sustained strong growth, led by MAGGI Noodles and MAGGI Masala-ae-Magic. Confectionery also demonstrated healthy performance fueled by KITKAT. Beverages also delivered a healthy performance during the quarter.
- **Export sales** increased 19% YoY to INR2.3b, primarily driven by MAGGI Noodles and Sauces, which witnessed an increase in demand in key markets including Canada, the US, Australia, New Zealand, and Singapore. NESCAFÉ SUNRISE also saw significant traction in established markets such as Singapore and Taiwan. The brand also entered Canada.
- Gross margin expanded 300bp YoY to 56.8% (in line), leading to a 220bp YoY expansion in EBITDA margin to 25.5% (est. 24.4%). EBITDA grew 19% YoY to INR13.4b (est. INR 12.8b).
- PBT grew 21% YoY to INR12.3b (est. INR11.7b), and Adj. PAT rose 22% YoY to INR9.1b (est. INR8.7b) during the quarter.
- The BOD recommended a final dividend of INR8.5/share.

Valuation and view

- There are no material changes to our FY24 and FY25 EPS estimates.
- The company has been building its strategy around its RURBAN concept; therefore, growth rates are higher in the RURBAN markets. The distribution penetration has been benefiting NEST across most of its categories. Packaged food penetration has improved in the tier-2 and rural markets.
- The GM trajectory has been volatile over the last three years. It was at 57% in CY21, but then dropped to 54% in CY22. Owing to the benign raw material inflation, NEST's GM expanded in CY23. We model ~56% margin in FY25-FY26.
- NEST's portfolio is relatively safe from local competition; thus, operating costs have not accelerated, unlike its FMCG peers. We believe the company will be able to sustain its EBITDA margin at ~25% for FY25/FY26.
- The stock trades at expensive valuations of 72x/63x FY25E/FY26E P/E. **Reiterate Neutral with a TP of INR2,400 (based on 60x P/E Mar'26E).**

Quarterly performance

Y/E December	CY22				FY24				Mar'24Q	CY22	FY24	Estimate Mar'24QE	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q					
Net Sales	39.9	40.5	46.0	42.6	48.3	46.6	50.4	46.0	52.7	169.0	243.9	52.4	0.5%
YoY Change (%)	10.6	16.4	18.5	13.6	21.0	15.1	9.5	8.1	9.0	14.6	15.5	8.5	
Gross Profit	22.1	21.8	24.2	23.4	26.0	25.5	28.5	27.0	29.9	91.5	136.9	29.8	
Margin (%)	55.3	53.9	52.7	54.9	53.8	54.8	56.5	58.6	56.8	54.1	56.1	56.8	
EBITDA	9.4	8.6	10.3	9.9	11.2	10.7	12.5	11.3	13.4	38.1	59.1	12.8	5.0%
Margins (%)	23.5	21.2	22.3	23.4	23.3	22.9	24.8	24.5	25.5	22.6	24.2	24.4	
YoY Growth (%)	0.5	0.9	6.5	14.5	19.8	24.5	21.6	13.5	19.4	6.1	23.9	13.8	
Depreciation	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	4.0	5.4	1.1	
Interest	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.2	0.3	1.5	1.5	0.2	
Other income	0.2	0.2	0.3	0.3	0.3	0.2	0.3	0.3	0.3	1.0	1.5	0.3	
PBT	8.2	7.4	9.2	8.8	10.2	9.5	11.4	10.3	12.3	33.6	53.7	11.7	5.2%
Tax	2.1	1.9	2.4	2.3	2.5	2.4	3.1	2.3	3.2	8.7	13.6	2.9	
Rate (%)	25.8	25.1	25.8	26.2	24.9	25.4	27.6	22.5	25.6	25.8	25.2	24.7	
Adjusted PAT	6.0	5.4	6.7	6.3	7.5	7.0	8.1	7.8	9.1	24.4	39.6	8.7	5.1%
YoY Change (%)	(0.9)	2.9	7.3	10.9	25.8	30.0	20.7	23.5	21.7	4.5	30.0	15.8	

E: MOFSL Estimates

Note - FY24 is 15-month period as the company changed its accounting year-end from December to March. However, FY25E growth is adjusted to 12 months in FY24E



Estimate change

TP change

Rating change

CMP: INR381

TP: INR360 (-6%)

Neutral

In-line operational performance; higher tax outgo leads to miss on APAT

Bloomberg	VEDL IN
Equity Shares (m)	3717
M.Cap.(INRb)/(USDb)	1416.4 / 17
52-Week Range (INR)	397 / 208
1, 6, 12 Rel. Per (%)	38/58/10
12M Avg Val (INR M)	3480
Free float (%)	38.1

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	1,390	1,440	1,528
EBITDA	304	352	386
EBITDA margin	21.9	24.5	25.3
APAT	49	95	114
Adj. EPS (INR)	13.3	25.4	30.6
EPS Gr (%)	-53.1	91.7	20.5
BV/Sh. (INR)	83	85	94

Ratios

Net D:E	1.9	1.9	1.6
RoE (%)	14.1	30.3	34.2
RoCE (%)	18.9	21.9	22.9
Payout (%)	309.8	89.9	71.3

Valuations

P/E (x)	28.7	15.0	12.4
P/BV	4.6	4.5	4.1
EV/EBITDA (x)	8.2	7.6	6.9
Div. Yield (%)	10.8	6.0	5.7
FCF Yield (%)	13.3	9.2	12.5

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	62.0	63.7	68.1
DII	13.2	11.3	10.3
FII	9.0	7.8	8.0
Others	15.9	17.2	13.6

FII Includes depository receipts

- VEDL reported consolidated net sales of INR355b, down 6% YoY, in line with our estimates. VEDL's consolidated EBITDA came in at INR87.7b (down 7 % YoY), in line with our estimate of INR85b. EBITDA was supported by higher volume and structural cost-saving initiatives across businesses, partially offset by muted revenue during the quarter.
- In 4QFY24, the EBITDA margin was lower by ~25bp YoY to 24.5% as compared to 24% in 3QFY24. APAT for the quarter stood at INR16b (down 50% YoY) and was 16% lower than our estimate of INR19b. Lower 'other income' and higher tax outgo adversely impacted APAT.
- VEDL's net debt stood at ~INR563b (down from INR625b in 3QFY24) and net debt/EBITDA stood at 1.5x in 4QFY24.
- During FY24, revenues declined 6% YoY to INR1,390b, while EBITDA registered a decline of 12% YoY to INR304b. APAT during the year stood at INR49b, down 53% YoY.
- The net sales of the aluminum segment came in at INR124b (YoY/QoQ: flat /+2%). The reported EBITDA stood at INR30b (YoY/QoQ: +61% / +4%) on account of sustained cost reduction for seventh consecutive quarter, reaching USD1,711/t in 4QFY24 (down ~USD940/t in the last seven quarters).
- VEDL commissioned train-I Lanjigarh refinery of 1.5MTPA, taking the total capacity to 3.5MTPA as of 4QFY24.

Highlights from the management commentary

- Aluminum and zinc continue to be the lowest cost businesses on a global scale, ranking in the first quartile of the global cost curve.
- The BALCO expansion is scheduled to be commissioned this year in 3QFY25.
- The Radhikapur coal block is likely to start operations in 4QFY25, having secured environmental clearance. The forest clearances are underway.
- For the Kurloi coal block – environmental clearance has been secured; forest clearance stage 1 is under progress and the mine should be operational by 4QFY25 as well. Ghograpalli mine shall be up and running in FY26.
- Management targets to spend USD1.9b for growth capex, which is to be split as USD0.4b for Oil and Gas business, USD0.4b for Zinc expansion projects, USD0.8b for aluminum and power, and the rest for others.
- Steel Asset sale is still under process – Regulatory and environment clearances still pending. Expect the clearances to be received by the end of Q1, post which the sale of the assets should take place.

- Debt levels have peaked for VEDL and deleveraging will be the key focus ahead. The guidance for EBITDA in FY25 stands at USD6.5b and at this pace, the company anticipates achieving an EBITDA of USD20b+ over the next three years, accompanied by cash flows of USD7-8b. This cash influx is expected to adequately cover both targeted capex and the USD3b debt reduction for VRL.
- The debt repayments will be done through internal accruals and not through any stake sale in assets. VRL has a debt obligation of USD1.7b (USD1.1b + USD0.6b interest) for the current fiscal.

Valuation and view

- VEDL performance in 4QFY24 came largely as anticipated across segments. Extending the maturity of bonds at HoldCo. by three years offers the company adequate liquidity comfort in the near term. The Capex plans are progressing well which would lead to further cost savings.
- VEDL currently trades at 6.9x FY26E EV/EBITDA. **We marginally increase our EBITDA estimates by 4% in FY26 to incorporate the improving outlook. We reiterate our Neutral rating on VEDL with a revised SoTP-based TP of INR360.**

Quarterly Performance (Consolidated)											(INR b)	
Y/E March	FY23				FY24				FY23	FY24	FY24	Vs. Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE	%	
Net Sales	386	367	341	379	337	342	355	355	1,473	1,390	338	5
Change (YoY %)	35.9	20.6	0.0	-4.8	-12.7	-6.7	4.2	-6.4	11.0	-5.7	(11)	
Change (QoQ %)	-3.0	-5.1	-7.0	11.2	-11.1	1.3	4.0	-0.1			(5)	
Total Expenditure	284	290	270	285	273	275	270	267	1,129	1,085	253	
EBITDA	102	77	71	95	64	67	85	88	344	304	85	3
Change (YoY %)	1.8	-25.7	-34.6	-30.6	-37.0	-12.7	20.7	-7.3	-23.2	-11.6	(10)	
Change (QoQ %)	-25.2	-24.5	-8.2	33.8	-32.1	4.6	27.0	2.8			(0)	
As % of Net Sales	26.4	21.0	20.7	24.9	19.0	19.7	24.0	24.7	23.4	21.9	25	
Finance cost	12	16	16	18	21	25	24	24	62	95	26	
DD&A	25	26	27	28	26	26	28	27	106	107	27	
Other Income	7	7	7	7	5	6	8	6	29	25	8	
PBT (before EO item)	73	41	35	56	23	22	41	42	205	128	40	6
EO exp. (income)	0	-2	-9	13	-18	-60	0	2	2	-76	-	
PBT (after EO item)	73	44	44	43	41	82	41	40	203	204	40	1
Total Tax	16.7	16.7	13.0	11.3	7.8	90.9	12.4	17.2	57.7	128	12	
% Tax	23.0	38.4	29.6	26.4	19.0	111.2	30.1	43.1	28.5	63.0	30	
PAT before MI and Asso.	56	27	31	31	33	-9	29	23	145	75	28	(19)
Profit from Asso.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	-	
Minority interest	11.7	8.8	6.3	12.5	6.7	8.7	8.6	9.1	39.3	33	9	
PAT after MI and Asso.	44	18	25	19	26	-18	20	14	106	42	19	
APAT	44	14	16	31	9	5	20	16	105	49	19	(16)
Change (YoY %)	-1.3	-69.4	-63.4	-49.5	-80.5	-65.7	29.0	-49.6	-46.2	-53.1	(40)	
Change (QoQ %)	-28.3	-67.8	9.6	99.6	-72.4	-43.3	312.5	-22.0			(7)	

Sources: MOFSL, Company

Note – 2QFY24 and FY24 financials have been adjusted by excluding one-time INR47.6 b revenue and EBITDA benefit recognized due to the award of final partial arbitration won in relation to contract for Rajasthan Block.



Macrotech Developers

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR1,212 **TP: INR1,415 (+17%)** **Buy**

Achieves guidance on pre-sales and debt

Aiming for 20% bookings growth in FY25

Bloomberg	LODHA IN
Equity Shares (m)	963
M.Cap.(INRb)/(USDb)	1206.6 / 14.5
52-Week Range (INR)	1309 / 440
1, 6, 12 Rel. Per (%)	3/42/144
12M Avg Val (INR M)	1271

Financials & Valuations (INR b)

Y/E Mar	FY24	FY25E	FY26E
Sales	103.2	140.7	185.6
EBITDA	26.8	37.3	52.9
EBITDA (%)	25.9	26.5	28.5
Net profit	16.3	24.1	35.9
EPS (INR)	16.9	25.0	37.3
EPS Growth (%)	6.0	47.9	49.0
BV/Share (Rs)	183.5	206.3	241.3

Ratios

Net D/E	0.3	0.2	0.0
RoE (%)	10.7	12.8	16.7
RoCE (%)	8.6	10.5	14.4
Payout (%)	14.0	9.0	6.0

Valuations

P/E (x)	71.6	48.4	32.5
P/BV (x)	6.6	5.9	5.0
EV/EBITDA (x)	45.5	32.3	22.2
Div Yield (%)	0.2	0.2	0.2

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	72.2	74.9	75.0
DII	3.3	3.2	4.4
FII	23.8	21.1	19.0
Others	0.7	0.8	1.6

- Macrotech Developers (LODHA) achieved bookings of INR42.3b (in line with estimate), up 40%/24% YoY/QoQ. Further, the company achieved its guidance, recording pre-sales of INR145b for FY24, up 20% YoY.
- Sales volumes for 4Q increased 32% YoY to 3.3msf and blended realization rose 6% during the same period. In FY24, the company achieved volume of 11msf, up 19% YoY, and raised prices by 5% at the portfolio level.
- The company had a successful foray in Bengaluru as both its projects received strong response with 63% of the total launched inventory getting absorbed, resulting in bookings of INR12b (8% of overall sales).
- In line with its medium-term target, the company expects to deliver a 20% growth in pre-sales to INR175b in FY25. The growth will be largely driven by ~INR300b of ready and ongoing inventory and 10msf of launches with a GDV of ~INR121b, which can increase further with project additions in FY25.
- **Financial Performance:** LODHA reported the highest ever quarterly revenue of INR40b, up 23% YoY (8% above estimate). For FY24, revenue stands at INR103b, up 9% YoY. EBITDA (excl. other income) increased 36% YoY to INR10.5b, 13% above our estimate, as margin improved 250bp YoY to 26%. However, PAT came in at INR6.6b, down 11% YoY, on account of higher depreciation and tax. Full-year PAT stood at INR16b, up 5% YoY.

Achieves significant reduction in leverage, aided by capital raise

- LODHA reported collections of INR35b, up 20%/36% YoY/QoQ and OCF increased 32%/100% YoY/QoQ to INR21b. In FY24, collections and OCF were flat at INR107b and INR57b, respectively.
- During the quarter, it spent INR14b on land and JV-related investments. In FY24, the company achieved business development of INR203b – higher than its guidance of INR175b – with an investment of INR41b.
- Aided by the recent capital raise of INR33b, net debt further reduced by INR41b (INR11b from operations and INR30b from capital raise) to INR30b, which is <0.2x of equity.

Key concall highlights

- **Guidance:** The company is aiming to achieve bookings of INR175b, up 20% YoY. Of this, 5% will be driven by pricing, 4-5% from volumes, and the remaining from market share gains. The company is conservatively aiming for INR40b from Bengaluru and Pune operations in FY25.
- **BD:** The company will have a war chest of INR70b (INR50b post tax OCF and INR20b debt) including headroom for debt and it is targeting to spend 50% on new BD.
- **Township projects:** The company achieved INR22b in sales across two townships and anticipates a 30% growth in FY25, given the progress in infrastructure. The company plans to launch its first premium category product in Palava in FY25, targeting a realization of INR10k psf on saleable area vs. the current price of INR6k psf within the township.

Valuation and view: well placed to deliver consistent performance; retain BUY

- We marginally trim our FY25E/FY26E bookings by 4% due to reduced launches. Overall, LODHA has been delivering a steady performance across its key parameters of pre-sales, cash flows, business development, profitability, and return ratios over the last two years.
- As it prepares itself to capitalize on the strong growth and consolidation opportunities, we expect LODHA to continue recording consistent operational performance.
- Further, the recent capital raise can provide firepower to target aggressive growth when opportunities arise. Our terminal growth rate of 5% in our DCF-based methodology is the least it can achieve in the long term, leaving further headroom for re-rating.
- **Reiterate BUY with an increased TP of INR1,415, indicating 17% upside potential.**

Financial Performance (INR m)

Y/E March	FY23				FY24E				FY23	FY24	FY24E	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Gross Sales	26,758	17,654	17,738	32,554	16,174	17,496	29,306	40,185	94,704	1,03,161	37,262	8
YoY Change (%)	67	-17	-14	-5	-40	-1	65	23	2.6	8.9	14.5	
Total Expenditure	22,091	13,414	13,701	24,837	12,874	13,335	20,479	29,716	74,042	76,404	27,989	
EBITDA	4,667	4,240	4,038	7,717	3,300	4,161	8,827	10,469	20,661	26,757	9,273	13
Margins (%)	17.4	24.0	22.8	23.7	20.4	23.8	30.1	26.1	21.8	25.9	24.9	
Adj. EBITDA (as per co.)	9,030	5,250	5,700	9,800	4,600	5,500	10,800	13,400	29,780	34,300	9,273	45
Margins (%)	33.7	29.7	32.1	30.1	28.4	31.4	36.9	33.3	31.4	33.2	24.9	
Depreciation	196	219	217	296	240	293	333	1,173	928	2,039	212	
Interest	1,193	1,249	1,176	1,172	1,241	1,231	1,168	1,158	4,791	4,798	1,101	5
Other Income	0	-42	1,286	163	544	55	281	654	1,408	1,534	376	74
PBT before EO expense	3,278	2,730	3,931	6,412	2,363	2,692	7,607	8,792	16,350	21,454	8,335	5
Extra-Ord expense	0	-11,774	0	0	0	0	1,049	0	-11,774	-1,049	0	
PBT	3,278	-9,044	3,931	6,412	2,363	2,692	6,558	8,792	4,576	20,405	8,335	5
Tax	559	270	-119	-1,080	556	624	1,439	2,115	-370	4,734	2,368	
Rate (%)	17.0	-3.0	-3.0	-16.8	23.5	23.2	21.9	24.1	-0.1	0.2	28.4	
MI & P/L of Asso. Cos.	6	16	0	58	15	40	67	7	80	180	33	
Reported PAT	2,713	-9,330	4,050	7,434	1,792	2,028	5,052	6,670	4,866	15,491	5,934	12
Adj PAT (as per co.)	1,200	3,670	3,000	7,500	1,700	2,100	5,700	6,670	15,370	16,170	5,934	12
YoY Change (%)	-2	28	8	31	42	-43	90	-11	21.9	5.2	-20.9	
Margins (%)	4.5	20.8	16.9	23.0	10.5	12.0	19.4	16.6	16.2	15.7	15.9	67bp

Operational Performance

Key metrics	FY23				FY24				FY23	FY24	FY24E	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Sale Volume (msf)	2.2	2.1	2.5	2.5	2.8	2.6	2.6	3.3	9.3	10.9	2.9	13
Sale Value (INRb)	28.1	31.5	30.7	30.3	33.5	35.3	34.1	42.3	120.6	145.2	41.6	2
Collections (INRb)	26.2	23.8	26.8	29.3	24.0	27.5	25.9	35.1	106.0	112.5	35.4	-1
Realization (INR/sft)	11,027	13,743	11,920	11,680	11,429	13,308	12,192	12,394	12,056	13,284	14,206	-13

Source: Company, MOFSL



Tech Mahindra

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR1,190 TP: INR1,210 (+2%) Neutral

Weak 4Q result; FY25 outlook remains muted

Results of new strategy would be keenly watched before any re-rating

Bloomberg	TECHM IN
Equity Shares (m)	919
M.Cap.(INRb)/(USDb)	1162.6 / 14
52-Week Range (INR)	1416 / 981
1, 6, 12 Rel. Per (%)	-8/-14/-8
12M Avg Val (INR M)	2884

Financials & Valuations (INR b)

Y/E Mar	FY24E	FY25E	FY26E
Sales	520	536	594
EBIT Margin (%)	7.6	10.1	12.3
Adj. PAT	36.2	44.8	59.3
Adj. EPS (INR)	41.1	50.8	67.3
PAT	23.6	44.8	59.3
EPS (INR)	26.8	50.8	67.3
EPS Gr. (%)	(51.0)	90.0	32.3
BV/Sh. (INR)	302.6	310.1	320.0

Ratios

RoE (%)	13.3	16.6	21.3
RoCE (%)	12.4	17.4	22.8
Payout (%)	97.3	85.0	85.0

Valuations

P/E (x)	34.3	27.7	20.9
P/BV (x)	4.7	4.5	4.4
EV/EBITDA (x)	21.0	16.8	13.2
Div Yield (%)	2.8	3.1	4.1

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	35.1	35.1	35.2
DII	29.7	29.2	26.0
FII	24.2	24.6	26.9
Others	11.1	11.1	11.9

FII Includes depository receipts

- Tech Mahindra (TECHM) reported 4QFY24 revenue of USD1.48b, down 0.8% QoQ in CC and below our estimate of +0.7% QoQ CC. CME remained weak and declined 2.8% QoQ despite a low base. Enterprise growth was mixed, with retail declining 9.6% QoQ and BFSI growing well at 3.5% QoQ.
- TECHM had another quarter of low profitability, with adj. EBIT margin at 7.4%, 100bp below our estimate of 8.4%. 4Q TCV remained weak at USD500m (+31% QoQ/-15% YoY).
- The management announced its vision for FY27, with goals to outgrow peers in revenue growth and achieve EBIT margin of 15% by FY27. It also aims for a 30%+ ROCE profile and expects to return >85% of FCF by FY27. The focus will be on scaling large accounts, winning multi-tower deals, driving synergies from past acquisitions, improving the cost structure, and achieving profitable and predictable growth. The management aspires to be among the Top-3 IT services companies in terms of margins beyond FY27.
- We remain positive about the restructuring at TECHM under the new leadership and believe the recent steps are in the right direction (i.e., SBU right-sizing, investment in top accounts, vertical delivery teams and employee investments). The improvement on account of re-structuring and revamped strategy would be keenly watched out for before any re-rating.
- The management alluded FY25 as the year of turnaround before stabilizing in FY26. Weak 4QFY24 exit and headwinds in key vertical (Communications) will remain a drag on FY25 revenue growth. In FY25, we expect TECHM to post one of the lowest growth rates among peers at 4.1% YoY USD CC before improving to 10.2% in FY26E.
- Though the management targets to reach 15% EBIT margin by FY27, absence of growth and near-term investments should prevent material improvement in near-term margins. We expect FY25/FY26 margins at 10.1/12.3%, which should translate to FY26E EPS of INR67.3, up meaningfully from FY24 (INR41.1) but marginally ahead of FY22 EPS of INR62.6.
- We remain on the sidelines as we feel the current valuation fairly factors in the uncertainties around growth and margin. We trim our FY25/FY26 EPS estimates by 0-1% post 4QFY24 results. **We remain Neutral on the stock with a TP of INR1,210 (18x FY26E EPS).**

Weak quarter, CME continues to bleed

- Revenue of USD 1.48b, down 0.8% QoQ CC and reported -1.6% QoQ, below our estimate of +0.7% QoQ CC
- IT service declined 2.0% QoQ, while BPO was flat QoQ
- CME continued to remain weak (-2.8% QoQ); Retail took a strong hit (-9.4% QoQ), BFSI grew 3.5% QoQ
- EBIT margin of 7.4%, missed our estimate of 8.4%. Net Employee declined by 795 QoQ
- Utilization (ex. trainees) -200 bps QoQ at 86%, LTM flat QoQ at 10%. NN Deal TCV down 15% YoY at USD500m
- Reported PAT at INR6.6b (down 50% YoY)

Key highlights from the management commentary

- The management is confident of improvement in YoY growth starting 1QFY25 and alluded 4QFY24 as low point for TECHM. The growth should accelerate in 2HFY25.
- The management indicated that FY25 will be year of turnaround followed by stabilization in FY26 and strong returns from FY27.
- The management plans to utilize various margin levers to achieve targeted 15% EBIT margin in FY27 which include – operational parameters (pyramid, subcon, offshore mix, utilization, overheads), productivity, focus on high margin business, delivery excellency and synergies with portfolio companies.
- Large part of margin improvement will be driven by delivery excellency.
- Post achieving 15% EBIT margin target in FY27, the management aspires to be among the Top-3 in term of margins.

Valuation and view

- Though restructuring efforts are in in right direction and FY27 strategy is in place, investors will await the results on account of these efforts before we see any material rerating in the name.
- We value the stock at 18x FY26E EPS. **We maintain our Neutral rating on the stock.**

Quarterly performance

Y/E March	FY23				FY24				FY24	FY25E	FY24	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4Q	(%/bp)
Revenue (USD m)	1,633	1,638	1,668	1,668	1,601	1,555	1,573	1,548	6,277	6,461	1,594	-2.9
QoQ (%)	1.5	0.3	1.8	0.0	-4.0	-2.8	1.1	-1.6	-5.0	2.9	1.3	-293bp
Revenue (INR b)	127	131	137	137	132	129	131	129	520	536	132	-2.7
YoY (%)	24.6	20.7	19.9	13.2	3.5	-2.0	-4.6	-6.2	-2.4	3.1	-3.5	-263bp
GPM (%)	28.3	27.9	28.7	28.9	25.7	22.5	23.9	27.0	24.8	26.2	25.0	203bp
SGA (%)	13.5	12.8	13.1	14.2	13.5	11.5	13.6	16.1	13.7	12.7	13.2	288bp
Adj. EBITDA	19	20	21	20	16	14	14	14	58	72	16	-9.7
EBITDA Margin (%)	14.8	15.1	15.6	14.7	12.2	10.9	10.3	10.9	11.1	13.5	11.8	-85bp
Adj. EBIT	14	15	16	15	12	9	9	9	40	54	11	-14.7
EBIT Margin (%)	11.0	11.4	12.0	11.2	8.8	7.3	7.0	7.4	7.6	10.1	8.4	-103bp
Other income	1	2	1	2	1	2	0	3	5	5	1	138.1
ETR (%)	22.8	21.4	27.3	22.9	21.8	9.9	17.6	23.4	18.5	25.0	25.0	-162bp
Adj. PAT	11	13	13	13	10	10	7	10	36	45	9	5.0
QoQ (%)	-24.9	15.8	-1.0	2.6	-28.2	2.3	-26.5	34.9			28.5	647bp
YoY (%)	-16.4	-2.2	-5.3	-11.6	-15.5	-25.3	-44.6	-27.1	-28.5	23.7	-30.6	350bp
Extra-Ordinary Item	0.0	-0.2	0.0	-2.1	-2.6	-4.8	-2.1	-3.1	-12.6	0.0	0.0	
Reported PAT	11	13	13	11	7	5	5	7	24	45	9	-28.4
EPS (INR)	12.8	14.8	14.7	15.0	10.8	11.0	8.1	11.0	41.1	50.8	10.4	5.6

E: MOFSL estimates



IndusInd Bank

Estimate change	↔
TP change	↓
Rating change	↔

CMP: INR1,496 TP: INR1,850 (+24%) Buy

In-line earnings; asset quality remains stable

Contingency buffer moderates; Fresh slippages decline QoQ

- IndusInd Bank (IIB) reported an in-line 4QFY24 performance. PAT grew 15% YoY to INR23.5b (in line), aided by healthy revenue growth and lower provisions (aided by reversal of INR3b of contingent provisions).
- Loan growth was healthy at 18.4% YoY to INR3.4t, with healthy traction in the consumer finance segment. Deposits grew 14.4% YoY to INR3.8t, led by term deposits. The CASA ratio moderated 61bp QoQ to 37.9%.
- Fresh slippages moderated ~19% QoQ to INR14.3b, primarily driven by a decline in slippages in the corporate book to INR1.6b and consumer finance book to INR12.7b. GNPA/NNPA ratios remained stable at 1.92%/0.57%. Restructured book declined 8bp QoQ to 0.4%.
- We estimate IIB to deliver a ~21% earnings CAGR over FY24-26, leading to RoA/RoE of 2.1%/16.8% by FY26. We **reiterate our BUY rating on the stock with a TP of INR1,850.**

PPoP in line; NIMs moderated to 4.26%

- IIB reported 4QFY24 PAT of INR23.5b (up 15% YoY; in line), aided by healthy other income (up 16.5% YoY) and lower provisions (down 8% YoY).
- NII rose 15% YoY to INR53.8b (in line), while other income grew 16.5% YoY; however, treasury income stood at INR2.2b (vs INR2.3b in 3QFY24). Total revenue grew 16% YoY to INR78.8b. NIMs saw a slight moderation of 3bp to 4.26%. The management expects to maintain NIM in the range of 4.2-4.3%.
- Operating expenses rose 24% YoY to INR38b. The C/I ratio thus increased 79bp QoQ to 48.2%. PPoP grew 9% YoY to INR40.8b (in line).
- On the business front, loans grew 5% QoQ (up 18% YoY), led mainly by the consumer finance segment (up 6% QoQ). In the consumer business, commercial vehicle/credit card segments clocked healthy growth of 4.3%/4.8% QoQ. The microfinance business grew 9.6% QoQ. The bank's retail-to-wholesale mix was stable at 56:44. Deposits grew 14.4% YoY (up 4.3% QoQ), with the CASA mix moderating 61bp QoQ to 37.9% and the retail deposit mix as per LCR moderating to 44%.
- Fresh slippages moderated ~19% QoQ to INR14.3b in 4QFY24 from INR17.7b in 3QFY24. GNPA/NNPA ratios remained stable at 1.92%/0.57%, while PCR stood at 71%. The bank utilized INR3b of contingent provisions and now holds INR10b of contingency buffer. Restructured book declined 8bp QoQ to 0.4%.

Bloomberg	IIB IN
Equity Shares (m)	776
M.Cap.(INRb)/(USDb)	1164.4 / 14
52-Week Range (INR)	1695 / 1065
1, 6, 12 Rel. Per (%)	-3/-12/6
12M Avg Val (INR M)	4954

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
NII	206.2	238.9	288.0
OP	158.6	184.3	226.2
NP	89.8	106.9	131.7
NIM (%)	4.2	4.3	4.5
EPS (INR)	115.5	137.4	169.3
EPS Gr. (%)	20.3	18.9	23.2
BV/Sh. (INR)	810	931	1,084
ABV/Sh. (INR)	792	912	1,062

Ratios

RoE (%)	15.3	15.8	16.8
RoA (%)	1.8	1.9	2.1

Valuations

P/E (X)	13.0	10.9	8.8
P/BV (X)	1.8	1.6	1.4
P/ABV (X)	1.9	1.6	1.4

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	15.1	15.1	15.2
DII	26.3	24.5	24.8
FII	45.0	47.1	46.9
Others	13.6	13.2	13.2

FII Includes depository receipts

Highlights from the management commentary

- The bank received repayments of INR9.9b against telco exposure and now has a contingent buffer of INR10b, which is independent of any corporate exposure. Slippages have reduced across segments, with credit costs of 1.1% in 4Q and 1.13% in FY24.
- IIB utilized INR3b from the contingency buffer and aims for additional standard provisions of 1.5% for the MFI book and 0.5% for the MHCV book.
- The bank anticipates RoA between 1.8% and 2.2%. The high CI ratio was due to investments in new business, which should moderate in the next few quarters.

Valuation and view

IIB reported an in-line performance, led by healthy income growth and controlled provisions. The asset quality ratios remained stable and fresh slippages moderated, primarily in the corporate book. The management has guided for loan growth of 18-23% over FY23-26. Healthy provisioning in the MFI portfolio and moderation in the overall slippage run rate will keep credit cost under control. Additionally, the presence of a contingent provisioning buffer of 0.29% of loans provides comfort. IIB is well positioned to benefit on margins as and when the rate cycle turns. **We estimate a 21% earnings CAGR over FY24-26, leading to RoE of 16.8% in FY26. We reiterate our BUY rating on IIB with a TP of INR1,850 (premised on 1.7x FY26E ABV).**

Quarterly performance

(INR b)

	FY23				FY24E				FY23	FY24	FY24E	V/S our
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4Q	Est	
Net Interest Income	41.3	43.0	45.0	46.7	48.7	50.8	53.0	53.8	175.9	206.2	54.9	-2%
% Change (YoY)	15.8	17.6	18.5	17.2	18.0	18.0	17.8	15.1	17.3	17.2	17.5	
Other Income	19.3	20.1	20.8	21.5	22.1	22.8	24.0	25.1	81.7	94.0	24.5	3%
Total Income	60.6	63.1	65.7	68.2	70.8	73.6	76.9	78.8	257.6	300.1	79.3	-1%
Operating Expenses	26.3	27.7	28.9	30.7	32.5	34.5	36.5	38.0	113.5	141.5	37.7	1%
Operating Profit	34.3	35.4	36.9	37.6	38.3	39.1	40.4	40.8	144.2	158.6	41.6	-2%
% Change (YoY)	9.9	10.0	11.3	11.2	11.7	10.3	9.7	8.6	10.6	10.0	10.7	
Provisions	12.5	11.4	10.6	10.3	9.9	9.7	9.7	9.5	44.9	38.8	9.3	2%
Profit before Tax	21.8	24.0	26.2	27.3	28.4	29.3	30.7	31.3	99.3	119.8	32.3	-3%
Tax	5.5	6.0	6.6	6.8	7.2	7.3	7.7	7.8	24.9	30.0	8.1	-4%
Net Profit	16.3	18.1	19.6	20.4	21.2	22.0	23.0	23.5	74.4	89.8	24.2	-3%
% Change (YoY)	60.5	57.4	58.2	45.9	30.3	22.0	17.2	15.0	54.9	20.6	18.2	
Operating Parameters												
Deposit (INR b)	3,031	3,155	3,253	3,361	3,470	3,595	3,688	3,846	3,361	3,846	3,848	0%
Loan (INR b)	2,480	2,601	2,728	2,899	3,013	3,155	3,271	3,433	2,899	3,433	3,429	0%
Deposit Growth (%)	13.4	14.6	14.3	14.6	14.5	13.9	13.4	14.4	14.6	14.4	14.5	-6
Loan Growth (%)	17.7	17.8	19.3	21.3	21.5	21.3	19.9	18.4	21.3	18.4	18.3	15
Asset Quality												
Gross NPA (%)	2.4	2.1	2.1	2.0	1.9	1.9	1.9	1.9	2.0	1.9	1.9	4
Net NPA (%)	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.5	2
PCR (%)	72.0	71.5	70.6	70.6	70.6	70.6	70.6	70.6	69.4	70.6	71.2	-63

E: MOFSL Estimates



Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR2,580 TP: INR2,600 (+1%) Neutral

Performance in line; volume surprised positively

Cement sales volume grew 23.5% YoY in 4Q

Bloomberg	ACC IN
Equity Shares (m)	188
M.Cap.(INRb)/(USDb)	484.4 / 5.8
52-Week Range (INR)	2760 / 1700
1, 6, 12 Rel. Per (%)	3/18/22
12M Avg Val (INR M)	1205

- ACC’s 4QFY24 EBITDA grew ~80% YoY to INR8.4b (+3% vs. our estimate). Its EBITDA/t grew 45% YoY to INR802 (-6% vs. estimate), due to lower-than-estimated realization. Realization was down ~9%/7% YoY/QoQ to INR5,171 (-4% vs. estimate). OPM was up 5.8pp YoY to 15.5% (est. ~16%). Adj. PAT stood at INR4.9b (+72% YoY; 4% above our estimates).
- The management remains positive on industry outlook as higher budgetary allocation to infrastructure, government’s push for affordable housing, and pick up in construction activities are expected to drive cement demand. It targets to increase green energy share to 60% by FY28 from ~9% in FY24.
- We largely maintained our EBITDA estimates for FY25/FY26. ACC trades at 11.5x/10x FY25E/FY26E. We value ACC at 10x FY26E EV/EBITDA to arrive at our TP of INR2,600. We reiterate our **Neutral** rating on the stock.

Financials & Valuations (INR b)

Y/E Dec	FY24	FY25E	FY26E
Sales	199.5	211.5	225.3
EBITDA	30.6	36.5	40.1
Adj. PAT	18.7	22.5	24.9
EBITDA Margin (%)	15.3	17.2	17.8
Adj. EPS (INR)	99.3	119.7	132.5
EPS Gr. (%)	88.7	20.5	10.7
BV/Sh. (INR)	852	964	1,083

Ratios

Net D:E	-0.2	-0.3	-0.4
RoE (%)	12.4	13.2	12.9
RoCE (%)	14.6	13.5	13.3
Payout (%)	6.6	11.7	10.6

Valuations

P/E (x)	26.0	21.6	19.5
P/BV (x)	3.0	2.7	2.4
EV/EBITDA(x)	14.7	11.5	9.9
EV/ton (USD)	147	137	122
Div. Yield (%)	0.3	0.5	0.5
FCF Yield (%)	3.3	5.7	5.2

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	56.7	56.7	56.7
DII	24.8	24.3	19.7
FII	6.2	6.2	10.1
Others	12.3	12.8	13.6

FII Includes depository receipts

Realization declined 7% QoQ; EBITDA/t came in at INR802 (est. INR853)

- Revenue/EBITDA/adj. PAT stood at INR54b/INR8.4b/INR4.9b (up 13%/80%/72% YoY and up 5%/3%/4% vs. our estimates) in 4QFY24. Cement volumes grew 23.5% YoY to 10.4mt (up 9% vs. our estimate). RMC revenue declined 7% YoY to INR3.2b (12% below our estimate). The RMC segment reported EBIT margin of 5% in 4QFY24 as compared to losses both on YoY/QoQ basis.
- Realization declined 9% YoY/ 7% QoQ (4% below our estimates). Opex/t dipped 15% YoY, led by 15%/14%/18% YoY decline in variable cost/freight cost/other expenses. Employee cost declined 23% YoY/8% QoQ to INR1.6b. EBITDA/t stood at INR802 vs. INR554/1,017 in YoY/QoQ. OPM was up 5.8pp YoY to 15.5%. Depreciation/interest cost increased 33%/333% YoY, whereas ‘Other Income’ grew 4% YoY to INR1.2b.
- ACC’s FY24 revenue was up 12% YoY to INR200b, led by a 20% increase in volume and a 7% drop in realization. EBITDA grew 138% YoY to INR31b and OPM was up 8pp YoY to 15.3%. Adj. PAT grew 211% YoY to INR18.7b. Its net cash increased by INR3.85b QoQ to INR46.7b as of Mar’24.

Highlights from the management commentary

- Kiln fuel cost was up ~3% QoQ to INR1.91/Kcal (down 19% YoY). The WHRS share in total power consumption increased to ~9% (up 4.1pp YoY) in FY24.
- Work on the WHRS facility at Chanda (18 MW) & at Wadi (21.5 MW) is on track and will be commissioned in 2QFY25. This will take the total capacity of WHRS to 86MW, driving up the WHRS % in the total power mix to ~25%.

Valuation and view

- ACC’s performance in 4QFY24 was in line with our estimate as lower-than-estimated realization was offset by higher volume and opex/t below our estimates. We believe that higher volume growth is led by MSA with ACEM, and we anticipate better clarity once ACEM’s consolidated numbers are reported.
- ACC trades at reasonable valuations of 11.5x/10x FY25E/FY26E EV/EBITDA and USD137/USD122 FY25E/FY26E EV/ton. We value ACC at 10x FY26E EV/EBITDA to arrive at our TP of INR2,600. Maintain **Neutral**.

Standalone quarterly performance

(INR b)

Y/E December/ March	FY23*					FY24				FY23*	FY24	MOFSL 4QE	Var. (%)
	1Q	2Q	3Q	4Q	5Q	1Q	2Q	3Q	4Q				
Cement Sales (mt)	7.90	7.59	6.85	7.70	8.42	9.40	8.10	8.88	10.44	38.6	36.9	9.56	9
Change (YoY %)	(0.9)	11.0	4.3	2.8	6.6	23.8	18.2	15.3	24.0	31.3	19.5	12.4	
Net Sales	44.3	44.7	39.9	45.4	47.9	52.0	44.3	49.2	54.0	222.1	199.5	51.2	5
Change (YoY %)	3.1	15.0	6.4	7.4	8.2	16.4	11.2	8.4	12.7	37.5	(10.2)	6.9	
EBITDA	6.3	4.3	0.2	3.8	4.7	7.7	5.5	9.0	8.4	19.2	30.6	8.1	3
Margin (%)	14.3	9.5	0.4	8.3	9.7	14.8	12.4	18.4	15.5	8.6	15.3	15.9	(40)
Depreciation	1.5	1.6	1.7	1.7	1.7	2.0	2.1	2.3	2.3	8.4	8.8	2.4	(3)
Interest	0.1	0.1	0.2	0.2	0.2	0.3	0.3	0.3	0.7	0.8	1.5	0.4	93
Other Income	0.6	0.5	0.7	0.4	1.2	0.8	2.1	0.8	1.2	3.4	4.9	0.9	40
PBT before EO Item	5.3	3.0	-1.0	2.3	3.9	6.2	5.2	7.2	6.6	13.4	25.2	6.3	5
EO Income/(Expense)	0.0	0.0	-0.2	-0.8	-0.7	0.0	0.0	0.0	0.0	-1.6	0.0	0.0	
PBT after EO Item	5.3	3.0	-1.2	1.5	3.3	6.2	5.2	7.2	6.6	11.8	25.2	6.3	5
Tax	1.4	0.8	-0.3	0.4	0.9	1.6	1.3	1.9	-0.9	3.1	3.9	1.5	
Rate (%)	25.9	25.8	26.0	26.1	27.8	25.5	25.5	26.6	(13.2)	26.4	15.7	24.6	
Reported PAT	3.9	2.2	-0.9	1.1	2.4	4.6	3.8	5.3	7.5	8.7	21.2	4.7	58
Adjusted PAT	3.9	2.2	-0.8	1.7	2.9	4.6	3.8	5.3	4.9	9.9	18.7	4.7	4
Margin (%)	8.8	5.0	-1.9	3.7	6.0	8.9	8.7	10.7	9.1	4.5	9.4	9.2	
Change (YoY %)	(30.1)	(60.5)	NM	(47.4)	(26.6)	108.8	NM	212.1	72.0	(47.6)	88.7	65.2	

Source: MOSFL, Company *Note: FY23 is 15-month period as the company changed its accounting year-end from December to March

Per ton analysis, including RMC (INR/t)

Y/E December/ March	FY23*					FY24				FY23*	FY24	MOFSL 4QE	Var. (%)
	1Q	2Q	3Q	4Q	5Q	1Q	2Q	3Q	4Q				
Blended Realization	5,603	5,887	5,821	5,892	5,690	5,533	5,475	5,538	5,171	5,755	5,407	5,359	(4)
Change (YoY %)	4.1	3.7	2.0	4.4	1.5	(6.0)	(5.9)	(6.0)	(9.1)	4.7	(6.1)	(4.9)	
Raw Material	1,141	1,105	1,240	1,673	1,874	1,520	1,598	1,512	1,683	1,414	1,569	1,627	3
Staff Cost	244	285	308	266	252	210	240	201	157	269	199	193	(19)
Power and fuel	1,316	1,727	1,922	1,466	1,119	1,196	1,093	1,141	931	1,487	1,083	1,002	(7)
Freight	1,334	1,427	1,442	1,308	1,231	1,245	1,177	1,084	1,058	1,339	1,136	1,101	(4)
Other expenditure	767	783	887	687	661	544	689	583	541	750	583	583	(7)
Total Expenditure	4,801	5,327	5,798	5,401	5,136	4,715	4,798	4,521	4,369	5,258	4,569	4,507	(3)
EBITDA	802	560	23	491	554	818	677	1,017	802	497	838	853	(6)
Change (YoY %)	(25.6)	(56.2)	(97.9)	(33.7)	(31.0)	46.0	2,907.5	107.0	44.8	(51.3)	68.5	55.4	

Source: MOSFL, Company *Note: FY23 is 15-month period as the company changed its accounting year-end from December to March



Dalmia Bharat

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR1,806 TP: INR2,300 (+27%) Buy

Volume growth strong; soft pricing remains a key challenge

Management guides for weak cement prices in 1HFY25

Bloomberg	DALBHARA IN
Equity Shares (m)	187
M.Cap.(INRb)/(USDb)	338.8 / 4.1
52-Week Range (INR)	2431 / 1767
1, 6, 12 Rel. Per (%)	-10/-30/-33
12M Avg Val (INR M)	763
Free float (%)	44.2

Financial Snapshot (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	146.9	158.4	181.0
EBITDA	26.4	29.3	36.9
Adj. PAT	7.7	9.8	13.3
EBITDA Margin (%)	18.0	18.5	20.4
Adj. EPS (INR)	41.1	52.3	71.0
EPS Gr. (%)	12.6	27.2	35.8
BV/Sh. (INR)	875	914	967

Ratios

Net D:E	0.0	0.1	0.1
RoE (%)	4.8	5.8	7.6
RoCE (%)	5.4	6.1	7.4
Payout (%)	21.9	24.9	25.3

Valuations

P/E (x)	43.9	34.5	25.4
P/BV (x)	2.1	2.0	1.9
EV/EBITDA(x)	12.0	11.2	9.3
EV/ton (USD)	86	84	84
Div. Yield (%)	0.5	0.7	1.0
FCF Yield (%)	-0.3	-1.2	0.9

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	55.8	55.8	55.9
DII	12.8	11.2	8.7
FII	11.3	12.9	12.8
Others	20.0	20.0	22.6

FII Includes depository receipts

- Dalmia Bharat (DALBHARA)'s 4QFY24 EBITDA declined 7% YoY to INR6.5b (18% miss), while EBITDA/t stood at INR743 (vs. estimated INR965). Adj. Profit (after MI) was in line at INR2.5b (down 3% YoY), due to higher other income (up 2.9x YoY).
- Management expects the cement price to remain soft in 1HFY25, amid the impending general elections followed by monsoons. It believes that price recovery can happen only in 3QFY25. Focusing on brand-building activities led to higher marketing expenses. The acquisition of JPA's cement assets is taking longer than expected due to procedural delays; however, management expects the process to be completed by 2QFY25. Further expansion plans are under discussion, and it will take a few more quarters to provide more details on the same.
- Though we are not expecting cement prices to drop further, prevailing weak prices have led us to cut our EBITDA estimates by 10%/7% for FY25/FY26. We have not yet factored in the JPA cement asset acquisition in our assumptions. The current valuations of 11x/9x FY25E/FY26E EV/EBITDA appear attractive. **We reiterate our BUY rating with a revised TP of INR2,300 (earlier INR2,500).** The completion of the acquisition of JPA's cement assets and the clarity of expansion plans will be the key triggers for stock performance.

Volume increases 19% YoY; but realization dips 7% YoY

- DALBHARA's consolidated revenue/EBITDA/adj. PAT stood at INR43b/INR6.5b/INR2.5b (up 10%/down 7%/down 3% YoY and up 3%/down 18%/down 1% vs. our estimates) in 4QFY24. Sales volume grew 19% YoY to 8.8mt (6% above our estimate). Realization at INR4,894/t (down 7% YoY and 7.7% QoQ) was 3% below our estimate during the quarter.
- Variable cost was down 8% YoY (1% higher than our estimate). Other expense/t was down 2% YoY, while freight cost/t increased 4% YoY. Opex/t declined 4% YoY (flat QoQ; 2% above our estimate). OPM contracted 2.9pp YoY to 15.2% and EBITDA/t declined 22% YoY to INR743. Other income jumped 2.9x YoY and finance cost grew 47% YoY.
- **In FY24**, the company's revenue grew 9% YoY, driven by 12% YoY growth in volume and ~3% YoY decline in realization. EBITDA grew 14% YoY to INR26b, due to higher volumes and easing cost pressures (Opex/t declined 4% YoY). OPM increased 1pp YoY to 18%, and EBITDA/t was up 2% YoY to INR917. Adjusted PAT (after MI) grew 13% YoY to INR7.7b.

Highlights from the management commentary

- Strong volume growth was fueled by market share gains in core markets and incremental volumes from tolling arrangements with JPA's cement plants. The company's volume growth should be 1.5x of the industry growth rate.
- Fuel consumption cost stood at INR1.45/Kcal vs. INR1.50/Kcal in 3QFY24. It may decline by ~1-2% QoQ due to stable petcoke prices.
- Capex is pegged at INR35b-40b in FY25, largely attributable to expansion in Bihar, the northeast, and maintenance capex. Additional cash outflow is likely to be INR35b for acquiring JPA's cement assets in FY25.

Valuation and View

- We expect cement prices to improve in 2HFY25. We believe that there should be no further drop in prices in 1HFY25. There has been a delay in the completion of the announced acquisition of JPA's cement assets, which along with the delay in details of future expansion plans has led to a derating in valuation multiples in the last few quarters.
- The management maintains its guidance of increasing its capacity to 75-80mtpa by FY27, and we believe that it may announce expansion plans in the South region in the next few months. The stock is currently trading at 11x/9x FY25E/ FY26E EV/EBITDA. The current valuations appear attractive. **We reiterate our BUY rating with a revised TP of INR2,300 (earlier INR2,500), premised on 12x FY26E EV/EBITDA.**

Quarterly Performance (Consolidated)

Y/E March	FY23				FY24				FY23	FY24	FY24	(INR b)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE	Var. (%)	
Net Sales	33.0	29.7	33.6	39.1	36.3	31.5	36.0	43.1	135.4	146.9	41.7	3
YoY Change (%)	27.4	15.1	22.7	15.7	10.0	6.0	7.4	10.1	20.0	8.5	6.5	
Total Expenditure	27.2	25.9	27.1	32.1	30.1	25.6	28.3	36.5	112.2	120.5	33.7	8
EBITDA	5.9	3.8	6.4	7.1	6.2	5.9	7.8	6.5	23.2	26.4	8.0	-18
Margins (%)	17.7	12.8	19.2	18.1	17.0	18.7	21.6	15.2	17.1	18.0	19.2	-403bp
Depreciation	3.1	3.3	3.3	3.4	4.0	4.0	3.7	3.3	13.1	15.0	3.8	-14
Interest	0.5	0.6	0.7	0.6	0.8	1.0	1.1	0.9	2.3	3.9	1.1	-14
Other Income	0.2	0.4	0.4	0.4	0.5	0.9	0.6	1.2	1.4	3.2	0.7	82
PBT before EO Expense	2.5	0.3	2.9	3.5	1.9	1.7	3.6	3.5	9.2	10.7	3.8	-6
Extra-Ord expense	0.0	0.0	0.0	-3.9	0.0	0.0	0.0	0.0	-3.9	0.0	0.0	
PBT after EO Expense	2.5	0.3	2.9	7.3	1.9	1.7	3.6	3.5	13.0	10.7	3.8	-6
Tax	0.6	-0.2	0.7	1.3	0.4	0.5	1.0	0.3	2.4	2.2	1.0	
Prior period tax adjustment	0.0	-0.3	0.0	0.0	0.0	0.0	0.1	-0.6	-0.3	-0.6	0.0	
Rate (%)	25.5	23.3	25.5	36.5	22.2	27.9	24.7	26.7	29.6	15.0	27.1	
Reported PAT (pre minority)	1.9	0.5	2.1	6.1	1.4	1.2	2.7	3.2	10.6	8.5	2.7	17
Minority + associate	-0.1	-0.1	0.1	0.2	0.1	0.1	0.0	0.1	0.2	0.3	0.2	
PAT Adj for EO items	2.0	0.3	2.0	2.6	1.3	1.2	2.7	2.5	6.9	7.7	2.6	-1
YoY Change (%)	-30.4	-87.4	286.5	-1.9	-33.3	325.0	33.8	-3.1	-16.5	12.6	-1.9	
Per ton analysis (blended) INR/t												
Sales Dispatches (m ton)	6.2	5.8	6.3	7.4	7.0	6.2	6.8	8.8	25.7	28.8	8.3	6
YoY Change (%)	26.8	13.7	10.5	12.1	12.4	6.9	7.9	18.9	15.3	12.1	12.2	
Net realization	5,326	5,122	5,325	5,286	5,209	5,079	5,300	4,894	5,268	5,101	5,021	-3
YoY Change (%)	0.5	1.2	11.0	3.2	-2.2	-0.8	-0.5	-7.4	4.1	-3.2	-5.0	
RM Cost	677	760	587	1,014	812	860	921	1,111	771	939	885	26
Employee Expenses	319	326	306	258	319	365	325	230	300	302	276	-17
Power, Oil & Fuel	1,535	1,538	1,530	1,177	1,294	1,126	1,068	898	1,432	1,082	1,098	-18
Freight and Handling Outward	1,100	1,028	1,114	1,111	1,161	1,018	1,093	1,159	1,090	1,112	1,121	3
Other Expenses	748	817	765	772	739	761	749	753	775	750	677	11
Total Expenses	4,381	4,469	4,303	4,331	4,324	4,129	4,154	4,151	4,367	4,185	4,057	2
EBITDA	945	653	1,022	955	885	950	1,146	743	901	916	965	-23

Source: Company, MOFSL Estimates



Laurus Labs

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR426 **TP: INR480 (+13%)** **Buy**

Product mix and reduced operating leverage hurt profitability

Benefits from investments made over FY22-24 to gain momentum

Bloomberg	LAURUS IN
Equity Shares (m)	532
M.Cap.(INRb)/(USDb)	229.5 / 2.8
52-Week Range (INR)	471 / 279
1, 6, 12 Rel. Per (%)	5/1/17
12M Avg Val (INR M)	953

Financials & valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	50.4	58.6	69.0
EBITDA	7.8	11.6	15.3
Adj. PAT	1.6	4.6	7.4
EBIT Margin (%)	7.8	13.5	16.5
Cons. Adj. EPS (INR)	3.0	8.6	13.7
EPS Gr. (%)	-79.6	185.3	59.2
BV/Sh. (INR)	76.4	83.7	95.2

Ratios

Net D:E	0.6	0.5	0.5
RoE (%)	4.0	10.8	15.3
RoCE (%)	4.6	9.0	11.9
Payout (%)	15.6	15.6	15.6

Valuations

P/E (x)	140.9	49.4	31.0
EV/EBITDA (x)	32.6	21.8	16.7
Div. Yield (%)	0.1	0.3	0.4
FCF Yield (%)	-0.4	1.2	0.5
EV/Sales (x)	5.0	4.3	3.7

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	27.2	27.2	27.2
DII	11.8	11.1	9.7
FII	26.0	25.4	22.4
Others	35.1	36.3	40.6

FII includes depository receipts

■ Laurus Labs (LAURUS) delivered better-than-expected revenue in 4QFY24. However, EBITDA/PAT missed our estimates due to lower sales in the CDMO segment and weak pricing in the other API segment. The USD100m investment in CDMO is ongoing, with: a) supplies from animal health facilities to commence from FY25, and b) the facility qualification for intermediate manufacturing in the crop protection segment to be completed by end- FY25.

■ We cut our earnings estimates by 26%/9% to factor in: 1) the gradual pick-up in CDMO business, b) the delay in ANDA approvals, and c) increased competition in the API segment. We value LAURUS at 31x 12M forward earnings to arrive at our TP of INR480.

■ LAURUS invested INR26b over FY22-24 in the areas of CDMO (INR9b), API-CDMO combined (INR10.4b), and drug product/FDF (INR6.5b). Even assuming a current asset turn of 0.9x, the sales potential of these investments is INR23.4b, conservatively. While there has been a considerable decline in earnings over FY22-24, we expect the commercial benefits from investments to start contributing meaningfully over the next 2-3 years, thereby improving the return ratios as well. **Reiterate BUY.**

Revenue grows YoY after four quarters of decline

■ LAURUS's 4QFY24 revenue was up 4.3% YoY to INR14.4b (our est. INR13.8b). Synthesis business (16% of sales) was up 4% YoY to INR2.4b. FDF sales grew 9% YoY to INR4.3b (30% of sales). API sales (52% of sales) rose 4% YoY to INR7.5b. Bio-division sales declined 37% YoY to INR290m.

■ The gross margin (GM) was stable at 49.8% on a YoY basis.

■ However, EBITDA margin contracted 390bp YoY to 16.8% (our est: 20.7%) on lower operating leverage (other expenses/employee costs rose 260bp/150p YoY as a % of sales). EBITDA declined 15.4% YoY to INR2.4b (est. INR2.9b).

■ PAT declined at a higher rate of 28% YoY to INR756m (our est: INR1.1b) on account of a higher depreciation and a higher tax rate.

■ For FY24, the company's revenue/EBITDA/PAT declined 16.6%/51.2%/79.6% YoY to INR50.4b/INR7.8b/INR1.6b.

Highlights from the management commentary

■ With the increased scope of business and part of succession planning, the Board of Directors has proposed the appointments of Mr. Krishna Chava and Ms. Soumya Chava as Additional Director/ED.

■ The company would be investing USD40m to build an additional facility for fermentation (capacity: 2m liters).

■ LAURUS has formed a JV with KRKA to enhance its generic portfolio and market presence. The JV would invest EUR50m over the next three years to build a formulation facility in Hyderabad. The near-term needs of the JV would be met at the Vizag site.

Consolidated - Quarterly Earnings Model

(INR b)

Y/E Mar (INRb)	FY23				FY24E				FY23	FY24	FY24	vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	15.4	15.8	15.4	13.8	11.8	12.2	11.9	14.4	60.4	50.4	13.8	4.1
YoY Change (%)	20.4	30.9	50.2	-3.1	-23.2	-22.3	-22.6	4.3	22.4	-16.6	0.2	
Total Expenditure	10.8	11.3	11.4	11.0	10.2	10.4	10.1	12.0	44.5	42.6	11.0	
EBITDA	4.5	4.5	4.0	2.9	1.7	1.9	1.8	2.4	15.9	7.8	2.9	-15.7
YoY Change (%)	14.9	30.1	41.5	-28.0	-63.3	-58.1	-55.0	-15.4	11.9	-51.2	0.3	
Margins (%)	29.5	28.5	26.1	20.7	14.1	15.3	15.2	16.8	26.4	15.4	20.7	
Depreciation	0.7	0.8	0.8	0.9	0.9	0.9	1.0	1.0	3.2	3.8	1.0	
EBIT	3.8	3.7	3.2	2.0	0.8	0.9	0.8	1.4	12.7	3.9	1.9	-26.3
YoY Change (%)	13.8	30.2	44.2	-40.0	-80.1	-74.3	-74.0	-29.9	8.3	-69.0	-4.9	
Margins (%)	24.9	23.3	20.7	14.4	6.4	7.7	6.9	9.7	21.0	7.8	13.6	
Interest	0.3	0.4	0.4	0.5	0.4	0.4	0.5	0.5	1.7	1.8	0.5	
Other Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	0.3	0.0	
PBT before EO expense	3.6	3.3	2.8	1.5	0.4	0.5	0.3	1.1	11.1	2.4	1.5	-27.2
Extra-Ord expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
PBT	3.6	3.3	2.8	1.5	0.4	0.5	0.3	1.1	11.1	2.4	1.5	-27.2
Tax	1.0	0.9	0.7	0.4	0.1	0.1	0.1	0.3	3.1	0.7	0.3	
Rate (%)	29.0	28.7	26.9	27.1	30.0	27.0	27.3	29.8	28.2	28.8	22.5	
Reported PAT	2.5	2.3	2.0	1.1	0.3	0.4	0.2	0.8	8.0	1.6	1.1	-33.8
Adj PAT	2.5	2.3	2.0	1.1	0.3	0.4	0.2	0.8	8.0	1.6	1.1	-33.8
YoY Change (%)	4.5	14.6	31.0	-54.6	-89.4	-84.2	-88.6	-28.1	-4.3	-79.6	8.6	
Margins (%)	16.4	14.8	13.1	7.6	2.3	3.0	1.9	5.3	13.2	3.2	8.3	

E: MOFSL Estimates

Key performance Indicators (Consolidated)

(INR b)

Y/E March	FY23				FY24E				FY23	FY24	FY24
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
API	5.8	6.8	6.3	7.1	6.0	6.3	5.7	7.5	26.1	26.0	6.8
YoY Change (%)	6.2	29.0	49.1	32.5	2.4	(7.5)	(9.2)	4.3	28.0	(0.3)	(5.2)
Custom Synthesis	5.8	7.2	6.4	2.3	2.5	2.2	2.1	2.4	21.7	9.2	2.9
YoY Change (%)	195.9	364.5	210.1	(36.7)	(56.7)	(68.9)	(67.0)	3.5	136.3	(57.5)	26.8
Formulation	3.5	1.5	2.5	3.9	2.9	3.3	3.7	4.3	11.4	14.1	3.6
YoY Change (%)	(33.0)	(69.9)	(33.2)	(20.0)	(18.3)	122.8	47.4	9.4	(39.4)	24.0	(8.1)
Cost Break-up											
RM Cost (% of Sales)	42.4	44.9	46.6	50.3	49.4	47.5	45.6	50.2	45.9	48.3	45.7
Staff Cost (% of Sales)	9.9	9.3	9.5	9.7	13.5	13.4	13.0	11.2	9.6	12.7	11.1
Other Cost (% of Sales)	18.2	17.3	17.8	19.3	22.9	23.8	26.2	21.9	18.1	23.6	22.4
Gross Margin (%)	57.6	55.1	53.4	49.7	50.6	52.5	54.4	49.8	54.1	51.7	54.3
EBITDA Margin (%)	29.5	28.5	26.1	20.7	14.1	15.3	15.2	16.8	26.4	15.4	20.7
EBIT Margin (%)	24.9	23.3	20.7	14.4	6.4	7.7	6.9	9.7	21.0	7.8	13.6

E: MOFSL Estimates



AAVAS Financiers

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR1,605 TP: INR1,750 (+9%) Neutral

High other income and low credit costs drive PAT beat

Green shoots in disbursement volumes; spread decline bottoming out

- AAVAS Financiers (AAVAS)'s 4QFY24 PAT grew 13% YoY to ~INR1.43b (10% beat) and NII rose 7% YoY to ~INR2.4b (in line). FY24 PAT was up ~14% YoY at ~INR4.9b.
- Other income grew 38% YoY in 4Q, aided by higher assignment income of INR550m (INR450m in 4QFY23) and fee income of ~INR285m (~INR155m in 4QFY23).
- Reported yield for FY24 rose ~5bp to ~13.15% mainly due to ~25bp increase in Retail PLR, effective from 1st Mar'24. However, reported spreads continued to decline as the cost of borrowings continued to increase.
- Opex rose ~19% YoY to INR1.43b (in line). The opex-to-avg. AUM ratio declined to ~3.4% (vs. 3.5% in 4QFY23 and 3.4% in 3QFY24). The management targets to bring down the opex-to-assets ratio to ~3% in the medium term. We estimate the opex-to-avg. assets ratio to decline to ~3.3% by FY26.
- We estimate a ~23% CAGR in AUM and a ~24% CAGR in PAT over FY24-26, with RoA/RoE of 3.4%/16% in FY26. With strong disbursements (shared earlier in the business update) and profitability in 4QFY24, the stock is now trading at 2.5x FY26E P/BV. While AAVAS is on an improving trajectory, we will remain vigilant in tracking the consistency of disbursements/AUM growth and potential of (any residual) IT transformation impacting the new business volume trajectory. **Reiterate Neutral with a TP of INR1,750 (based on 2.7x FY26E BVPS).**

Disbursements gained momentum; AUM rose ~22% YoY

- AUM grew 22% YoY/8% QoQ to ~INR173b. Disbursements grew 20% YoY to ~INR18.9b. The annualized run-off in the loan-book stood at ~16.5% (~15.5% in 4QFY23 and ~16% in 3QFY24).
- Securitization during the quarter amounted to INR4b (INR3.2b in 4QFY23) and securitization margins were flat QoQ.
- Due to the tech transformation, average TAT in 4QFY24 declined to 8 days compared to 11 days in FY23. Further, the management sounded confident of sustaining strong disbursements in 1HFY25, with the green shoots of higher sanctions and the tech transformation.

Highlights from the management commentary

- **Focus on three key areas:** Delivering well-diversified geographic growth, adopting tech-led opex-light approach, and delivering RoA of >3%
- Yields on LAP and MSME loans are ~200-300bp higher than those on home loans. **Home loan yields stood at ~12.5% and non-home loan yields at ~15%.**

Valuation and View

- AAVAS reported RoA/RoE of ~3.3%/~14% in FY24. The company's constant endeavor to improve its technological edge and relentless focus on asset quality have made it a standout player among peers. Notably, its 1+DPD remains within the guided levels, driven by its prudent underwriting process and efficient collection efforts.

Bloomberg	AAVAS IN
Equity Shares (m)	78
M.Cap.(INRb)/(USD\$)	127.1 / 1.5
52-Week Range (INR)	1818 / 1307
1, 6, 12 Rel. Per (%)	16/-14/-21
12M Avg Val (INR M)	596

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	9.1	10.9	13.3
PPP	6.5	8.0	9.9
PAT	4.9	6.0	7.5
EPS (INR)	62.0	76.0	95.3
EPS Gr. (%)	14	23	25
BV/Sh. (INR)	477	553	648

Ratios (%)

NIM	5.8	5.6	5.6
C/I ratio	45.6	44.2	42.4
Credit cost	0.19	0.20	0.17
RoA	3.3	3.3	3.4
RoE	13.9	14.8	15.9

Valuation

P/E (x)	25.9	21.2	16.9
P/BV (x)	3.4	2.9	2.5

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	26.5	39.1	39.1
DII	24.0	15.3	12.5
FII	34.8	32.3	38.8
Others	14.7	13.3	9.5

FII Includes depository receipts

■ Given the investments being made in sourcing, distribution, and technology, we expect AAVAS to embark on a strong disbursement growth trajectory from FY25 onward. The stock trades at 2.5x FY26E P/BV and any re-rating in valuation multiples will depend on stronger AUM growth and pristine asset quality. Maintain **Neutral** with a revised TP of INR1,750 (based on 2.7x FY26E BVPS).

Quarterly performance

INR m

Y/E March	FY23				FY24E				FY23	FY24	4QFY24E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	3,148	3,287	3,585	3,861	4,128	4,259	4,373	4,586	13,882	17,347	4,646	-1
Interest Expenses	1,347	1,410	1,504	1,650	1,866	2,036	2,166	2,216	5,910	8,284	2,281	-3
Net Income	1,802	1,877	2,082	2,211	2,262	2,223	2,208	2,371	7,971	9,063	2,365	0
YoY Growth (%)	20	15	32	23	26	18	6	7	22	14	7	
Other income	380	664	534	641	540	716	719	882	2,220	2,856	787	12
Total Income	2,182	2,541	2,616	2,852	2,802	2,938	2,926	3,252	10,191	11,919	3,152	3
YoY Growth (%)	37	21	20	18	28	16	12	14	23	17	11	
Operating Expenses	1,026	1,147	1,201	1,203	1,339	1,308	1,349	1,434	4,577	5,430	1,439	0
YoY Growth (%)	53	33	32	14	30	14	12	19	31	19	20	
Operating Profits	1,156	1,394	1,415	1,649	1,464	1,631	1,577	1,818	5,614	6,489	1,713	6
YoY Growth (%)	26	13	12	22	27	17	11	10	17.3	15.6	4	
Provisions	9	16	35	64	57	65	80	43	124	245	67	-35
Profit before Tax	1,147	1,378	1,380	1,586	1,407	1,565	1,497	1,775	5,490	6,244	1,646	8
Tax Provisions	254	310	307	318	310	348	331	349	1,189	1,338	344	1
Profit after tax	892	1,068	1,073	1,268	1,097	1,217	1,166	1,426	4,301	4,907	1,302	10
YoY Growth (%)	49	16	20	10	23	14	9	13	20.1	14.1	3	
Key Parameters (%)												
Yield on loans	12.7	12.9	13.0	13.1	13.3	13.2	13.1	13.1	13.7	13.6		
Cost of funds	6.9	7.0	7.3	7.6	7.7	7.9	8.0	8.1	6.6	7.5		
Spread	5.8	5.9	5.8	5.5	5.6	5.3	5.1	5.1	7.1	6.1		
NIM - YTD	7.7	8.2	8.2	8.3	8.0	8.0	7.9	7.9	6.2	5.8		
Credit cost	0.0	0.1	0.1	0.2	0.2	0.2	0.20	0.1	0.1	0.2		
Cost to Income Ratio (%)	47.0	45.1	45.9	42.2	47.8	44.5	46.1	44.1	44.9	45.6		
Tax Rate (%)	22.2	22.5	22.2	20.1	22.0	22.2	22.1	19.7	21.7	21.4		
Balance Sheet Parameters												
AUM (INR B)	118.9	125.4	130.9	141.7	146.5	153.2	160.8	173.1	141.7	173.1		
Change YoY (%)	23.7	23.6	23.3	24.8	23.2	22.1	22.9	22.2	24.8	22.2		
AUM mix (%)												
Home loans	71.1	70.9	70.1	69.9	69.8	69.7	69.3	69.3	69.9	69.3		
Mortgage loans	28.9	29.1	29.9	30.1	30.2	30.3	30.7	30.7	30.1	30.7		
Loans (INR B)	95.9	100.8	105.5	114.8	119.1	124.0	129.9	140.0	114.8	140.0		
% of AUM	80.6	80.4	80.6	81.0	81.3	81.0	80.8	80.9	26.8	22.0		
Disbursements (INR B)	10.9	11.5	12.0	15.8	10.7	12.6	13.6	18.9	50.2	55.8		
Change YoY (%)	136.5	27.2	26.5	22.9	-2.3	9.7	13.3	19.7	39.5	11.1		
Borrowings (INR B)	82.9	85.7	91.6	98.9	106.8	111.4	114.7	124.0	98.4	123.4		
Change YoY (%)	27.8	24.1	26.7	24.0		30.0	25.2	25.4	23.4	25.4		
Borrowings/Loans (%)	86.4	85.0	86.8	86.2	89.6	89.9	88.3	88.5	85.7	88.1		
Debt/Equity (x)	2.9	2.8	2.9	3.0	3.2	3.2	3.2	3.3	3.0	3.3		
Asset Quality (%)												
GS 3 (INR M)	1,045	1,113	1,204	1,067	1,193	1,295	1,425	1,319	1,067	1,193		
G3 %	1.08	1.10	1.13	0.92	1.00	1.04	1.09	0.94	0.92	1.00		
NS 3 (INR M)	805	848	917	780	872	939	1,033	939	780	872		
NS3 %	0.84	0.84	0.87	0.68	0.73	0.76	0.79	0.67	0.68	0.73		
PCR (%)	22.9	23.8	23.9	26.9	26.9	27.5	27.5	28.8	26.9	26.9		
ECL (%)	0.67	0.64	0.64	0.62	0.64	0.64	0.65	0.60	0.62	0.64		
Return Ratios - YTD (%)												
ROA (Rep)	3.2	3.4	3.4	3.5	3.2	3.3	3.2	3.3	3.5	3.3		
ROE (Rep)	12.5	13.4	13.6	14.1	13.2	13.6	13.5	13.9	14.2	13.9		

E: MOFSL Estimates



MAS Financial Services

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR308 TP: INR390 (+26%) Buy

Consistent execution with improvement in direct retail

Earnings in line; NIM and spreads expand QoQ

- 4QFY24 PAT grew ~23% YoY to INR681m (in line). FY24 PAT at INR2.48b rose ~23% YoY. PPOP stood at INR1.13b (in line) and grew 27% YoY.
- Operating expenses jumped ~46% YoY to INR555m, with the C/I ratio and the opex-to-AUM ratio increasing to 33% and 2.2%, respectively. Credit costs stood at INR214m, translating into annualized credit costs of 0.9% (vs. 1.1% in 3Q)
- MASFIN's credit rating was upgraded to CARE AA- (Stable) from CARE A+ (Positive). The company is building capabilities in the north and south regions and will look to diversify geographically over the medium term.
- Direct retail distribution improved to ~67%, which the management expects to increase to 70-75% over the next few years. The company has ingredients in place to deliver healthy AUM growth, maintain its margin trajectory, and keep asset quality stable, resulting in benign credit costs. We estimate PAT CAR of ~27% with RoA/RoE of 3%/18% in FY26. Reiterate BUY with a TP of INR390 (based on 2.7x FY26E BV).

Bloomberg	MASFIN IN
Equity Shares (m)	164
M.Cap.(INRb)/(USDb)	50.6 / 0.6
52-Week Range (INR)	388 / 229
1, 6, 12 Rel. Per (%)	4/-13/6
12M Avg Val (INR M)	79

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Total income	6.1	7.9	9.8
PPP	4.2	5.5	7.0
PAT	2.5	3.2	4.0
EPS (INR)	15.1	19.7	24.4
EPS Gr. (%)	23.3	30.2	24.1
BVPS (INR)	105	123	145

Ratios (%)

NIM	6.2	6.2	6.1
C/I ratio	31.0	30.0	29.0
RoA on AUM	3.0	3.1	3.0
RoE	15.6	17.3	18.3
Payout	10.0	10.2	9.8

Valuations

P/E (x)	20	16	13
P/BV (x)	2.9	2.5	2.1
Div. yield (%)	0.5	0.7	0.8

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	73.7	73.7	73.7
DII	14.4	8.4	11.0
FII	1.8	1.6	1.6
Others	10.1	16.2	13.7

FII Includes depository receipts

Healthy disbursement momentum; AUM rose ~25% YoY

- Standalone AUM grew ~5% QoQ and ~25% YoY to ~INR101b. AUM in HFC rose ~44% YoY to INR6b. AUM of micro-enterprise loans/SME loans/2Ws grew 13%/25%/21% YoY. Salaried personal loans stood at ~6% of the AUM mix, and MASFIN expects to keep it below ~10% of the mix.
- Its thrust on distribution and branch expansion continued, with direct retail distribution contributing ~67% of the AUM mix as of Dec'23.

Sequential expansion in NIM and spreads

- CoF (calc.) declined ~40bp QoQ to 9.3%, while yields (calc.) declined ~25bp to 14.3%, driving ~15bp expansion in spreads to ~5% (4.8% in 3Q).
- The management expects the cost of borrowings to remain stable at current levels in the next fiscal year. The majority of its borrowings are linked to MCLR. The credit rating upgrade will help the company negotiate the spreads above MCLR whenever bank loans come up for repricing or when it takes a new sanction from banks. We expect NIMs of 6.2%/6.1% for FY25/FY26.

Minor decline in 1+dpd; asset quality stable

- 1+dpd declined ~5bp QoQ to 5.7% in 4QFY24. Total standalone Covid-related provisions stood at ~INR188m (~0.25% of on-book loans).
- GNPA/NNPA (basis AUM) were stable QoQ at 2.25%/1.5%. PCR on Stage 3 assets declined ~250bp QoQ to ~39%.

Other highlights

- The average ticket size of micro enterprise loans rose to ~INR53k (~42k in 3Q).
- RoTA increased ~5bp QoQ to ~2.95% in 4QFY24.

HFC subsidiary:

- MAS Housing reported AUM of ~INR6b, which grew ~44% YoY.
- GS3 increased to ~0.9% (~0.8% in 3Q)

Key highlights from the management commentary

- Continued to guide for 20-25% CAGR in AUM over the medium term. Guidance for RoA of 2.75%-3.0% (which factors in any future credit rating upgrade).
- The management will set up a team to implement the core banking solution (CBS) and will share an update in the next few quarters.

Valuation and view

- We model a standalone AUM/PAT CAGR of 23%/27% over FY24-FY26E, with RoA/RoE of 3.0%/18.3% in FY26E. The company has maintained a high earnings quality, backed by healthy AUM growth. With improvement in economic activity, we expect its earnings growth to be strong in future.
- MASFIN has developed a niche expertise to serve the MSME market and continues to demonstrate healthy loan growth momentum, while its asset quality is perhaps the best among MFI and SME lending peers.
- **Reiterate BUY with a TP of INR390 (premised on 2.7x FY26E BV).** Key risk: Slowdown in the economic environment leading to a sluggish loan growth and deterioration in asset quality.

Quarterly Performance

(INR M)

Y/E March	FY23				FY24E				FY23	FY24	4Q FY24E	Act. v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue from Operations	1,983	2,300	2,515	2,703	2,801	2,982	3,206	3,295	9,491	12,246	3,567	-8
Interest Income	1,677	1,941	2,183	2,325	2,362	2,490	2,651	2,757	8,066	10,223	2,974	-7
Gain on assignments	157	178	158	198	242	272	319	336	680	1,170	337	0
Other operating Income	150	182	173	180	196	219	236	202	745	853	256	-21
Interest expenses	928	1,108	1,276	1,435	1,428	1,461	1,638	1,615	4,748	6,142	1,857	-13
Total income	1,055	1,192	1,238	1,268	1,373	1,520	1,569	1,680	4,743	6,104	1,710	-2
Growth Y-o-Y (%)	34	48	40	36	30	28	27	33	41	29	35	
Operating Expenses	348	416	421	381	427	484	467	555	1,566	1,894	549	1
Operating Profits	707	775	818	887	946	1,036	1,102	1,125	3,177	4,210	1,161	-3
Growth Y-o-Y (%)	11	28	35	39	34	34	35	27	29	33	31	
Provisions	85	121	142	182	188	236	257	214	530	896	276	-22
Profit before tax	623	654	676	704	758	800	845	911	2,647	3,314	886	3
Growth Y-o-Y (%)	26	27	25	17	22	22	25	29	25	25	26	
Tax Provisions	157	164	170	149	186	200	221	230	637	837	223	4
Net Profit	465	491	506	556	573	600	624	681	2,010	2,478	663	3
Growth Y-o-Y (%)	26	28	26	23	23	22	24	23	28	23	19	
Key Operating Parameters (%)												
Yield on loans (Cal)	12.7	13.5	14.2	14.5	14.3	14.5	14.5	14.3				
Cost of funds (Cal)	7.7	8.1	8.7	9.7	9.6	9.2	9.7	9.3				
Spreads (Cal)	5.0	5.4	5.5	4.8	4.7	5.3	4.8	5.0				
NIM on AUM (Cal)	6.5	6.9	6.7	6.5	6.7	7.0	6.7	6.8				
Credit Cost (%)	0.5	0.7	0.8	0.9	0.9	1.1	1.1	0.9				
Cost to Income Ratio	33.0	34.9	34.0	30.1	31.1	31.9	29.7	33.0				
Tax Rate	25.3	25.0	25.2	21.1	24.5	25.0	26.1	25.3				
Balance Sheet Parameters												
Standalone AUM (INR B)	66.8	71.4	76.1	80.9	84.2	90.5	96.7	101.3				
Change YoY (%)	29.5	30.1	32.5	29.5	25.9	26.7	27.2	25.1				
Disbursements (INR B)	21.5	22.6	22.2	24.9	22.8	25.0	26.6	27.9				
Change YoY (%)	106.8	53.2	39.0	27.0	5.8	10.5	19.8	11.9				
Borrowings (INR B)	50.5	58.4	59.3	59.1	59.9	67.1	68.0	70.8				
Change YoY (%)	42.6	43.0	36.2	29.8	18.5	15.0	14.5	19.9				
Debt/Equity (x)	3.7	4.3	4.2	3.9	3.8	4.1	4.0	4.0				
Asset liability Mix												
AUM Mix (%)												
Micro Enterprises	51.8	50.3	49.7	47.9	47.8	47.1	44.9	43.3				
SME loans	36.6	37.4	37.3	36.9	36.5	35.7	35.7	36.9				
2W loans	5.8	6.6	6.6	6.9	6.8	6.9	6.9	6.6				
CV loans	5.0	3.8	3.8	4.6	5.3	6.2	6.8	7.4				
Borrowings Mix (%)												
Direct Assignment	20.0	18.0	19.0	21.0	23.0	23.3	23.9	24.0				
Cash Credit	26.0	25.0	21.0	18.0	17.0	16.0	16.0	11.9				
Term Loan	43.0	45.0	47.0	50.0	48.0	50.6	51.9	54.0				
NCD	9.0	9.0	10.0	8.0	8.0	7.1	4.6	6.8				
Sub Debt	2.0	2.0	3.0	3.0	4.0	3.0	3.5	3.3				
Asset Quality Parameters (%)												
GS 3 (INR m)	1,177	1,308	1,380	1,327	1,355	1,555	1,747	1,906				
GS 3 (%)	2.27	2.26	2.23	2.15	2.13	2.17	2.23	2.25				
NS 3 (INR m)	742	837	901	814	795	916	1,023	1,164				
NS 3 (%)	1.63	1.60	1.60	1.52	1.47	1.47	1.48	1.51				
PCR (%)	37.0	36.0	34.7	38.6	41.3	41.1	41.4	38.9				
Return Ratios (%)												
ROA	2.9	2.8	2.7	2.9	3.0	2.9	2.9	3.0				
Tier I ratio	22.5	21.2	21.2	20.8	21.1	21.2	20.6	20.3				

E: MOFSL estimates

InterGlobe Aviation

BSE SENSEX
74,339S&P CNX
22,570

CMP: INR 3,813 TP: INR3,564 (-7%)

Neutral



IndiGo enters wide-body space, orders 30 Firm Airbus A350-900 aircraft

Stock Info

Bloomberg	INDIGO IN
Equity Shares (m)	385
M.Cap.(INRb)/(USDb)	1471.6 / 17.7
52-Week Range (INR)	3849 / 1975
1, 6, 12 Rel. Per (%)	14/39/64
12M Avg Val (INR M)	3229
Free float (%)	42.7

- INDIGO has placed an order for 30 Firm A350-900 aircraft, which will mark the company's foray into the wide-body aircraft segment.
- The wide-body aircraft is almost always used to operate long-haul and medium-haul flights. This move will help INDIGO expand its operations in the international market.
- The aircraft will be powered by Rolls Royce's Trent XWB engine. The exact configuration of the aircraft will be decided at a later stage.
- The deliveries are expected to start in CY27.
- Moreover, INDIGO has purchase rights for an additional 70 Airbus A350 Family aircraft, at its discretion, for possible future needs under certain conditions.
- INDIGO has an order book of ~1,000 A320 family aircraft yet to be delivered.

The company will hold a conference call 30th Apr'24

<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=4540386&linkSecurityString=1b9949a496>

Coromandel International

BSE SENSEX
74,339S&P CNX
22,570

CMP: INR1,112

Buy

Conference Call Details

Date: 29th Apr, 2024

Time: 11:30am IST

Concall link:

[Click here](#)

Operating performance beats estimates

- CRIN reported overall revenue of INR39.1b (est. INR48.2b) in 4QFY24, down 29% YoY. Nutrient & other allied business revenue declined 31% YoY to INR33.7b, while crop protection business revenue declined 8% YoY to INR5.6b.
- EBITDA margins contracted 40bp YoY to 7% (est. 5.1%); RM cost as a percentage of sales: 72.1% in 4QFY24 vs. 77.4% in 4QFY23, employee cost: 4.4% vs. 3%, freight cost: 6.4% vs. 4.6% and other expenses: 10.2% vs. 7.7%. EBITDA declined 32% YoY to INR2.7b (est. INR2.4b).
- EBIT margin for Nutrient & other allied business expanded 50bp to 7.5%, while for the crop protection business, it contracted 390bp YoY to 11.2%.
- **Volumes:** Total manufacturing volumes (NPK+DAP) remained flat YoY at 539KMT, while total phosphate fertilizer manufacturing volumes (including SSP) declined 10% YoY to 658KMT. Total phosphate fertilizer volumes (including trading) also declined 6% YoY to 590KMT during the quarter.
- Adj. PAT stood at INR1.6b (est. INR1.4b), down 35% YoY.
- For FY24, Revenue/EBITDA/Adj. PAT declined 26%/18%/18% to INR220.6b/INR24b/INR16.4b.

Quarterly Performance

Y/E March Consolidated	FY23				FY24				(INR m)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY23	FY24	FY24 4QE	Var %
Net Sales	57,291	1,01,134	83,096	54,758	56,934	69,881	54,642	39,127	2,96,279	2,20,584	48,182	-19
YoY Change (%)	56.4	64.5	63.8	29.5	-0.6	-30.9	-34.2	-28.5	55.0	-25.5	-12.0	
Total Expenditure	50,437	90,564	75,290	50,726	49,842	59,294	51,063	36,397	2,67,017	1,96,596	45,736	
EBITDA	6,854	10,570	7,806	4,032	7,092	10,587	3,578	2,730	29,262	23,988	2,445	12
Margins (%)	12.0	10.5	9.4	7.4	12.5	15.2	6.5	7.0	9.9	10.9	5.1	
Depreciation	446	457	471	446	481	540	635	630	1,820	2,286	600	
Interest	266	542	568	524	405	462	381	617	1,900	1,866	340	
Other Income	536	311	396	469	445	448	585	835	1,711	2,314	450	
PBT before EO expense	6,678	9,881	7,163	3,531	6,651	10,033	3,147	2,319	27,253	22,150	1,955	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	6,678	9,881	7,163	3,531	6,651	10,033	3,147	2,319	27,253	22,150	1,955	
Tax	1,703	2,481	1,794	901	1,674	2,450	776	578	6,879	5,478	492	
Rate (%)	25.5	25.1	25.0	25.5	25.2	24.4	24.7	24.9	25.2	24.7	25.2	
Minority Interest & P/L of Asso. Cos.	-15	-6	100	166	36	15	61	138	245	250	108	
Reported PAT	4,991	7,406	5,269	2,464	4,940	7,569	2,310	1,603	20,129	16,422	1,355	
Adj PAT	4,991	7,406	5,269	2,464	4,940	7,569	2,310	1,603	20,129	16,422	1,355	18
YoY Change (%)	47.8	42.6	38.1	-15.0	-1.0	2.2	-56.2	-34.9	31.7	(18.4)	(45.0)	
Margins (%)	8.7	7.3	6.3	4.5	8.7	10.8	4.2	4.1	6.8	7.4	2.8	



Indian Hotels : Almost 14% Topline through New Business; Puneet Chhatwal, MD & CEO

- Guide for double digit topline growth as demand outpaces supply
- Growth will be driven if we maintain 15% of total market share
- Lean-Luxe portfolio driving over 50% EBITDA Margin
- Capital heavy could be 30% and Capital light to become 70%

[→ Read More](#)

Equitas Small Finance Bank: CD ratio should be down to 85%; P N Vasudevan, MD & CEO

- NIMs have come down due to 10bps increase in COF
- Broadly expect NIMs to sustain on the similar levels
- Credit cost of 1%-1.25% can be expected by FY25
- Most of old deposits have been reprised

[→ Read More](#)

Macrotech Developers : Total volume growth will be 14% in FY25.; Abhishek Lodha, MD & CEO

- Looking for price growth of 5-6% in FY25
- Continue to expand in Mumbai, Pune & Bengaluru
- Bengaluru project saw Pre sales of Rs1,200 cr
- 10% Volume growth will come from new locations

[→ Read More](#)

Aditya Birla Group : Confident that Vodafone idea will stage a smart comeback; Kumar Mangalam Birla, Chairman

- Successful conclusion of FPO marks turning point of telecom industry
- Problems of Vodafone Idea is sorted for new few years
- Nation Deserves 3 private telecom Players
- Proceeds from fund raise earmarked for significant capex
- Revitalised Vodafone idea important for India

[→ Read More](#)



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Automobiles																
Amara Raja Ener.	Neutral	1105	850	-23	51.1	57.7	60.9	19.6	13.0	5.5	21.6	19.1	3.2	2.8	15.6	15.7
Apollo Tyres	Buy	499	555	11	28.9	32.1	34.7	68.7	11.1	8.2	17.3	15.6	1.8	1.6	13.5	13.4
Ashok Ley.	Buy	178	210	18	8.7	10.5	11.8	92.2	20.9	12.1	20.5	17.0	5.0	4.1	27.1	26.5
Bajaj Auto	Neutral	8739	8360	-4	276.1	325.7	374.9	28.9	18.0	15.1	31.6	26.8	9.8	8.7	30.7	34.4
Balkrishna Inds	Neutral	2390	2260	-5	63.9	81.5	102.4	22.5	27.5	25.7	37.4	29.3	5.6	5.1	15.7	18.2
Bharat Forge	Buy	1312	1330	1	21.4	38.3	47.5	84.2	78.6	24.0	61.3	34.3	8.2	6.9	14.1	21.9
Bosch	Neutral	28908	27280	-6	599.8	778.1	921.2	24.2	29.7	18.4	48.2	37.2	6.8	6.2	15.0	17.4
CEAT	Buy	2546	3075	21	172.7	176.5	205.1	232.9	2.2	16.2	14.7	14.4	2.5	2.2	18.6	16.2
Craftsman Auto	Buy	4587	5330	16	155.5	185.0	242.4	32.2	19.0	31.0	29.5	24.8	5.8	4.8	21.5	21.1
Eicher Mot.	Neutral	4616	3900	-16	146.8	170.6	195.4	37.8	16.2	14.5	31.4	27.1	7.1	6.0	24.5	24.1
Endurance Tech.	Buy	1956	2135	9	46.5	57.6	71.1	34.1	24.0	23.3	42.1	33.9	5.6	4.9	14.0	15.4
Escorts Kubota	Neutral	3246	2695	-17	84.9	95.0	107.8	65.4	12.0	13.5	38.2	34.2	4.4	3.9	12.0	12.1
Exide Ind	Neutral	447	320	-28	12.3	14.9	16.6	15.7	21.3	11.5	36.4	30.0	3.2	2.9	8.7	9.8
Happy Forgings	Buy	931	1115	20	25.3	33.6	42.9	8.3	32.9	27.8	36.9	27.8	5.5	4.7	18.4	18.3
Hero Moto	Buy	4492	5390	20	204.4	230.5	273.7	40.4	12.7	18.8	22.0	19.5	4.9	4.5	23.4	24.0
M&M	Buy	2096	2155	3	87.5	96.3	107.9	32.1	10.1	11.9	24.0	21.8	4.9	4.2	22.1	20.7
CIE Automotive	Buy	488	555	14	21.1	24.2	29.6	16.8	14.7	22.2	23.2	20.2	3.1	2.7	14.4	14.4
Maruti Suzuki	Buy	12906	14205	10	444.8	489.4	546.4	63.7	10.0	11.7	29.0	26.4	5.5	4.2	18.7	15.9
MRF	Sell	129600	102110	-21	5,140.0	5,191.2	5,672.9	183.4	1.0	9.3	25.2	25.0	3.3	2.9	13.9	12.5
Samvardh. Motherson	Buy	127	140	10	3.3	6.1	7.1	44.2	82.7	16.6	38.2	20.9	3.6	3.2	9.7	16.1
Motherson Wiring	Buy	70	78	11	1.5	1.9	2.2	32.6	30.9	16.3	48.0	36.7	18.4	14.4	42.8	44.1
Sona BLW Precis.	Neutral	667	645	-3	8.7	11.8	14.3	28.7	35.4	20.6	76.3	56.3	14.8	12.5	20.7	24.0
Tata Motors	Neutral	1001	970	-3	54.4	59.7	70.0	2,429.0	9.7	17.4	18.4	16.8	6.0	4.3	38.0	29.4
TVS Motor	Neutral	2006	1940	-3	44.5	55.4	65.3	46.2	24.6	17.8	45.1	36.2	12.1	9.4	30.4	29.3
Tube Investments	Buy	3576	4245	19	51.0	67.7	82.6	25.8	32.8	21.9	70.1	52.8	14.5	11.7	22.6	24.5
Aggregate								89.9	15.7	15.2	27.4	23.7	5.6	4.7	20.6	19.7
Banks - Private																
AU Small Finance	Buy	609	735	21	23.0	30.5	39.6	4.3	33	30.1	26.5	20.0	3.3	2.6	13.1	14.5
Axis Bank	Neutral	1127	1200	6	80.7	89.9	104.3	13.0	11.4	16.1	14.0	12.5	2.3	2.0	18.0	16.9
Bandhan Bank	Neutral	185	190	3	18.8	23.0	27.0	37.9	22	17.5	9.8	8.0	1.4	1.2	14.7	16.1
DCB Bank	Neutral	136	155	14	17.1	20.3	24.5	14.6	18.4	20.7	8.0	6.7	0.9	0.8	11.9	12.6
Equitas Small Fin.	Buy	99	125	26	7.1	8.6	11.2	46.6	20.6	30.5	13.9	11.5	1.9	1.7	14.4	15.3
Federal Bank	Buy	156	175	12	16.5	18.2	21.9	15.5	10.4	20.1	9.5	8.6	1.3	1.2	14.9	14.3
HDFC Bank	Buy	1511	1950	29	80.0	92.4	107.7	1.0	15.4	16.6	18.9	16.3	2.6	2.3	14.6	15.0
ICICI Bank	Buy	1113	1250	12	58.4	65.2	75.0	27.6	11.6	15.0	19.0	17.1	3.3	2.9	19.0	18.1
IDFC First Bk	Neutral	83	85	2	4.4	5.7	7.9	17.2	27.8	38.1	18.8	14.7	1.8	1.6	10.3	11.4
IndusInd	Buy	1496	1850	24	115.5	137.4	169.3	20.3	19.0	23.2	13.0	10.9	1.8	1.6	15.3	15.8
Kotak Mah. Bk	Neutral	1643	1900	16	89.6	101.9	120.5	17.9	13.8	18.3	18.3	16.1	2.5	2.2	14.6	14.1
RBL Bank	Neutral	263	270	3	19.2	25.6	34.9	30.4	33.4	36.3	13.7	10.3	1.1	1.0	8.2	10.2
SBI Cards	Neutral	758	850	12	24.4	34.1	46.1	2.1	39.7	35.2	31.1	22.2	6.0	4.8	21.2	24.1
Aggregate								26.7	15.1	17.9	17.6	15.3	2.7	2.3	15.2	15.2
Banks - PSU																
BOB	Buy	269	310	15	34.2	38.7	43.8	25.6	13.0	13.2	7.9	6.9	1.3	1.1	17.8	17.3
Canara Bank	Buy	616	650	5	80.1	91.5	103.3	37.0	14.3	12.9	7.7	6.7	1.3	1.1	19.9	19.0
Indian Bank	Buy	527	600	14	61.8	70.6	82.6	45.8	14.2	17.0	8.5	7.5	1.3	1.1	16.9	16.7
Punjab Natl.Bank	Neutral	136	120	-12	7.3	11.4	14.9	222.7	54.5	31.4	18.5	12.0	1.4	1.3	8.4	11.8
SBI	Buy	813	860	6	71.8	90.9	106.2	15.2	27	16.9	11.3	8.9	1.8	1.5	17.6	18.9
Union Bank (I)	Buy	150	175	17	19.9	21.9	24.9	61.6	10	13.8	7.5	6.9	1.2	1.1	17.7	17.1
Aggregate								31.1	23	17	10	8.0	1.5	1.3	15.2	16.3
NBFCs																
AAVAS Financiers	Neutral	1607	1750	9	62.0	76.0	95.3	14.0	22.6	25.4	25.9	21.2	3.4	2.9	13.9	14.8
Aditya Birla Cap	Buy	230	230	0	10.7	13.6	17.1	25.8	27.0	26.0	21.5	16.9	2.4	2.1	12.2	13.2
Angel One	Buy	2835	4200	48	135.9	173.6	214.7	26.4	27.8	23.7	20.9	16.3	7.7	3.9	43.3	31.9



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Bajaj Fin.	Neutral	7294	7800	7	234.0	283.0	365.0	22.9	20.9	29.0	31.2	25.8	5.9	4.9	22.0	20.7
Cams Services	Buy	3252	3450	6	69.6	84.8	102.5	19.7	21.9	21.0	46.8	38.4	17.7	15.2	40.5	42.7
Can Fin Homes	Neutral	745	820	10	57.2	63.9	71.7	22.6	11.7	12.3	13.0	11.7	2.3	1.9	19.0	17.9
Cholaman.Inv.&Fn	Buy	1155	1410	22	39.8	56.4	69.8	22.7	41.8	23.8	29.0	20.5	5.0	4.0	19.8	21.8
CreditAccess	Buy	1478	1760	19	90.9	109.8	129.5	74.9	20.8	17.9	16.3	13.5	3.6	2.8	24.8	23.5
Fusion Micro	Buy	512	610	19	51.7	68.8	85.6	34.1	33.0	24.4	9.9	7.4	1.8	1.5	20.1	21.7
HDFC Life Insur.	Neutral	595	670	13	7.3	10.1	11.9	15.4	38.2	18.4	81.5	59.0	2.7	2.3	20.1	16.4
Home First Fin.	Buy	868	1140	31	34.4	42.1	53.5	32.8	22.3	27.0	25.2	20.6	3.7	3.1	15.6	16.4
ICICI Pru Life	Buy	563	700	24	5.9	6.3	6.5	5.0	5.6	4.7	95.1	90.1	1.9	1.6	18.8	19.7
ICICI Lombard	Buy	1706	2100	23	38.9	50.3	59.4	11.0	29.1	18.1	43.8	33.9	7.0	6.2	17.2	19.4
ICICI Securities	Under Review	741	-	-	52.6	56.0	63.8	50.7	6.5	14.0	14.1	13.2	6.6	5.6	52.5	46.0
IIFL Finance	Buy	418	535	28	49.1	54.6	68.1	24.4	11.2	24.8	8.5	7.7	1.5	1.3	19.1	18.1
360 ONE WAM	Buy	838	950	13	22.4	26.9	31.5	21.3	20.1	16.9	37.4	31.1	8.7	8.3	24.5	27.2
IndoStar	Buy	253	245	-3	7.8	17.3	28.1	-52.9	121.5	62.7	32.4	14.6	1.1	1.0	3.4	7.0
L&T Finance	Buy	168	200	19	9.8	12.0	15.8	50.6	22.1	31.3	17.0	14.0	1.8	1.6	10.9	12.2
Life Insurance Corp.	Buy	984	1270	29	58.5	61.4	67.3	1.6	4.9	9.7	16.8	16.0	0.9	0.8	20.3	12.6
LIC Hsg Fin	Buy	662	755	14	88.4	87.3	94.1	68.3	-1.3	7.9	7.5	7.6	1.2	1.1	16.8	14.8
Manappuram Fin.	Buy	194	230	18	26.3	30.0	35.7	48.6	14.0	18.8	7.4	6.5	1.4	1.2	21.0	20.0
MAS Financial	Buy	308	390	27	15.1	19.7	24.4	23.3	30.4	23.9	20.0	16.0	2.9	2.5	15.6	17.3
Max Financial	Neutral	1018	1040	2	16.0	21.6	26.4	74.4	34.9	22.0	63.5	47.0	2.2	1.9	20.4	19.7
M&M Fin.	Buy	258	350	36	15.2	22.9	28.4	-5.7	51.2	23.9	17.0	11.2	1.8	1.6	11.1	15.4
Muthoot Fin	Neutral	1655	1450	-12	100.2	115.8	132.1	15.8	15.5	14.1	16.5	14.3	2.7	2.4	17.8	17.8
Piramal Enterp.	Buy	908	1100	21	-70.1	77.7	109.2	-193.5	LP	40.5	NM	11.7	0.8	0.7	-5.4	6.2
PNB Housing	Buy	782	1000	28	55.3	70.0	87.3	-10.7	26.4	24.8	14.1	11.2	1.4	1.2	11.1	11.5
Poonawalla Fincorp	Buy	493	580	18	13.0	18.6	26.0	68.4	42.6	40.0	37.8	26.5	4.6	4.0	13.6	16.0
Repco Home Fin	Neutral	521	475	-9	61.8	65.9	71.8	30.6	6.6	9.0	8.4	7.9	1.1	1.0	14.3	13.4
Spandana Sphoorty	Buy	890	1140	28	71.5	91.2	114.1	3,997.2	27.5	25.1	12.4	9.8	1.8	1.5	15.1	16.5
Shriram Finance	Buy	2494	2900	16	191.2	224.4	269.9	19.8	17.3	20.3	13.0	11.1	1.9	1.7	15.5	16.0
SBI Life Insurance	Buy	1444	1700	18	18.2	22.7	25.9	5.8	24.8	14.2	79.4	63.6	2.6	2.1	21.8	20.8
Star Health Insu	Buy	563	730	30	14.5	19.2	24.4	36.6	32.0	27.3	38.8	29.4	4.4	3.8	12.1	14.0
Aggregate								-1.7	29.9	23.1	21.1	16.2	3.0	2.6	14.3	16.0
Chemicals																
Alkyl Amines	Neutral	2071	2120	2	27.7	37.7	58.1	-38.0	36.1	53.9	74.7	54.9	8.3	7.4	11.6	14.3
Atul	Neutral	5878	5965	1	108.3	138.3	181.1	-35.9	27.7	30.9	54.3	42.5	3.5	3.3	6.6	8.0
Clean Science	Neutral	1312	1420	8	21.4	27.0	33.1	-23.0	26.0	22.7	61.3	48.7	11.6	9.7	20.6	21.8
Deepak Nitrite	Neutral	2422	2115	-13	56.3	75.1	87.8	-9.9	33.5	16.9	43.0	32.2	6.9	5.8	17.3	19.6
Fine Organic	Sell	4531	3400	-25	105.1	100.6	96.0	-45.4	-4.3	-4.6	43.1	45.0	7.6	6.5	19.2	15.6
Galaxy Surfact.	Buy	2600	3480	34	87.7	103.0	120.4	-18.4	17.4	16.9	29.6	25.3	4.3	3.8	15.5	16.0
Navin Fluorine	Neutral	3307	2850	-14	42.2	63.9	87.2	-44.3	51.7	36.4	78.4	51.7	6.8	6.2	9.1	12.5
NOCIL	Neutral	276	250	-9	7.0	10.2	13.3	-22.0	46.8	29.8	39.6	27.0	2.8	2.7	7.3	10.2
PI Inds.	Buy	3755	4490	20	108.8	119.9	138.4	34.5	10.2	15.5	34.5	31.3	6.6	5.5	20.8	19.1
SRF	Neutral	2639	2440	-8	44.8	68.7	85.7	-41.2	53.4	24.8	58.9	38.4	7.0	6.1	12.4	17.0
Tata Chemicals	Neutral	1112	980	-12	48.1	38.2	51.4	-47.6	-20.5	34.6	23.1	29.1	1.4	1.3	6.1	4.7
Vinati Organics	Buy	1604	1850	15	28.8	37.5	49.2	-29.4	30.4	31.0	55.7	42.7	6.7	5.9	12.6	14.7
Aggregate								-28.3	27.3	22.2	49.0	38.5	5.9	5.2	12.0	13.5
Capital Goods																
ABB India	Buy	6435	7500	17	58.9	73.4	90.1	81.9	24.6	22.8	109.3	87.7	22.9	18.6	22.9	23.4
Bharat Electronics	Neutral	238	210	-12	5.1	5.8	6.6	24.2	14.4	12.2	46.5	40.7	11.0	9.5	23.6	23.3
Cummins India	Buy	3232	3300	2	55.5	65.1	77.6	23.6	17.3	19.2	58.2	49.6	15.0	13.5	27.2	28.6
Hitachi Energy	Sell	9342	5466	-41	24.7	66.0	116.9	11.6	167.1	77.0	378.1	141.5	30.0	24.8	7.9	17.5
Kalpataru Proj.	Buy	1183	1200	1	34.6	53.4	74.7	14.8	54.5	39.8	34.2	22.2	3.4	3.0	10.2	14.2
KEC International	Neutral	733	710	-3	13.7	28.3	41.6	100.7	105.8	46.9	53.4	25.9	4.6	4.0	9.0	16.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Kirloskar Oil	Buy	954	1020	7	24.7	32.8	42.0	32.3	32.7	28.1	38.6	29.1	5.3	4.7	14.5	17.1
Larsen & Toubro	Buy	3651	4400	21	89.5	118.0	149.5	18.0	31.8	26.7	40.8	30.9	5.7	5.0	13.9	17.2
Siemens	Buy	5731	6050	6	55.1	68.0	81.2	55.5	23.5	19.3	104.0	84.3	15.6	13.7	15.9	17.3
Thermax	Neutral	4306	3680	-15	50.4	62.7	73.7	25.9	24.5	17.5	85.4	68.6	11.1	9.9	13.8	15.3
Triveni Turbine	Buy	531	640	21	8.3	10.6	14.2	37.1	27.8	33.6	64.0	50.0	17.8	14.1	30.9	31.5
Aggregate								25.7	29.0	24.6	54.4	42.2	8.5	7.4	15.5	17.6
Cement																
Ambuja Cem.	Neutral	638	590	-8	12.3	11.4	13.3	-3.3	-7.3	16.5	52.0	56.1	4.2	3.3	13.8	10.4
ACC	Neutral	2580	2600	1	99.3	119.7	132.5	88.6	20.5	10.7	26.0	21.6	3.0	2.7	12.4	13.2
Birla Corp.	Buy	1432	1700	19	48.3	70.0	86.8	929.7	45.0	24.1	29.7	20.5	1.8	1.6	6.1	8.3
Dalmia Bhar.	Buy	1804	2300	27	41.1	52.3	71.0	12.5	27.3	35.8	43.9	34.5	2.1	2.0	4.8	5.8
Grasim Inds.	Buy	2369	2650	12	94.2	96.1	105.7	-4.3	2.1	10.0	25.2	24.6	3.2	3.1	4.6	3.0
India Cem	Sell	227	160	-29	-7.9	3.4	6.6	-48.1	LP	91.8	NM	66.4	1.3	1.3	-4.4	1.9
J K Cements	Buy	4029	5350	33	108.1	139.2	174.7	95.8	28.8	25.5	37.3	28.9	5.8	5.0	16.7	18.5
JK Lakshmi Ce	Buy	799	1000	25	35.8	43.6	52.6	17.6	21.6	20.7	22.3	18.3	3.0	2.6	14.1	15.1
Ramco Cem	Neutral	790	940	19	16.1	26.0	35.1	10.5	61.8	35.1	49.1	30.4	2.6	2.4	5.5	8.4
Shree Cem	Neutral	23946	27700	16	658.6	625.4	671.4	102.4	-5.1	7.4	36.4	38.3	4.3	3.9	12.3	10.6
Ultratech	Buy	9684	11300	17	235.6	290.5	344.6	34.3	23.3	18.6	41.1	33.3	4.7	4.2	11.9	13.2
Aggregate								25.7	17.5	15.7	35.6	30.3	3.6	3.1	10.2	10.4
Consumer																
Asian Paints	Neutral	2862	3150	10	59.2	59.3	64.3	33.8	0.2	8.3	48.3	48.2	15.8	14.5	34.1	31.3
Britannia	Neutral	4849	5200	7	89.9	101.6	113.4	11.9	13.1	11.6	54.0	47.7	29.8	25.8	58.1	58.0
Colgate	Neutral	2799	2500	-11	48.9	51.5	56.1	25.7	5.2	8.9	57.2	54.4	39.3	34.2	72.8	67.3
Dabur	Buy	507	650	28	10.5	12.2	13.5	8.0	16.8	10.1	48.4	41.5	9.2	8.4	19.8	21.2
Emami	Buy	465	550	18	18.7	20.5	21.0	21.5	9.2	2.8	24.8	22.7	7.8	6.9	33.6	32.4
Godrej Cons.	Buy	1202	1500	25	20.4	22.6	26.5	19.0	10.7	17.2	58.8	53.1	8.1	7.4	14.5	14.6
HUL	Buy	2231	2900	30	43.7	48.3	53.1	0.7	10.6	9.9	51.0	46.2	10.2	10.0	20.2	21.9
ITC	Buy	438	500	14	16.4	17.2	18.5	9.1	5.0	7.5	26.7	25.4	7.8	7.6	29.4	30.4
Indigo Paints	Buy	1319	1600	21	31.9	35.9	40.1	31.3	12.4	11.9	41.3	36.8	7.0	6.1	18.1	17.7
Jyothy Lab	Neutral	427	475	11	10.0	11.0	12.1	57.8	9.5	10.8	42.7	39.0	9.1	8.3	22.4	22.2
Marico	Buy	510	625	23	11.5	12.5	13.7	14.4	8.1	10.1	44.2	40.9	16.7	16.2	38.5	40.3
Nestle	Neutral	2563	2400	-6	41.0	35.8	40.9	62.3	-12.6	14.1	62.4	71.6	73.9	65.6	97.1	98.3
Page Inds	Neutral	35541	36500	3	526.4	636.2	738.3	2.8	20.9	16.1	67.5	55.9	24.7	21.0	36.5	37.5
Pidilite Ind.	Neutral	2918	2800	-4	37.2	42.6	49.6	47.5	14.6	16.3	78.4	68.4	17.9	15.7	24.4	24.5
P&G Hygiene	Neutral	16121	17000	5	241.7	271.3	310.0	26.3	12.3	14.2	66.7	59.4	51.1	43.6	79.7	79.2
Tata Consumer	Buy	1106	1350	22	14.6	17.9	19.9	28.7	22.4	10.8	75.5	61.7	6.6	4.9	8.6	9.7
United Brew	Sell	2022	1650	-18	16.4	26.2	32.3	31.6	59.9	23.1	123.3	77.1	12.7	11.7	10.6	15.8
United Spirits	Neutral	1194	1050	-12	16.0	18.3	20.4	25.8	14.5	11.6	74.7	65.3	12.2	10.2	16.3	15.7
Varun Beverages	Buy	1442	1600	11	15.8	20.2	26.3	37.3	27.9	29.8	91.1	71.3	27.0	20.3	34.2	32.5
Aggregate								15.4	7.2	10.0	45.3	42.2	11.7	10.9	25.9	25.8
Consumer Durables																
Havells India	Buy	1562	1690	8	19.3	25.2	30.7	12.5	30.4	22.1	80.9	62.1	13.2	11.6	16.3	18.7
KEI Industries	Buy	3917	5000	28	64.1	81.1	99.7	21.1	26.5	22.9	61.1	48.3	11.3	9.3	18.5	19.2
Polycab India	Buy	5631	7500	33	113.7	124.9	149.7	34.0	9.9	19.9	49.5	45.1	10.6	8.9	21.3	19.8
R R Kabel	Buy	1656	2200	33	27.0	40.7	54.8	60.3	51.0	34.5	61.4	40.7	10.1	8.4	18.6	22.5
Voltas	Buy	1427	1650	16	11.1	21.8	33.0	-3.0	96.2	51.6	128.5	65.5	8.3	7.5	6.5	11.5
Aggregate								22.7	28.8	26.5	67.9	52.7	10.8	9.4	16.0	17.7
EMS																
Avalon Tech	Buy	528	600	14	4.4	10.4	17.1	-51.6	136.1	65.2	120.3	51.0	6.1	5.4	5.2	11.3
Cyient DLM	Buy	699	840	20	7.7	14.6	21.9	92.9	89.8	49.2	90.6	47.7	6.1	5.4	11.1	12.0
Data Pattern	Neutral	3082	2330	-24	33.1	43.5	58.1	49.4	31.5	33.5	93.2	70.8	12.8	10.9	14.7	16.6
Kaynes Tech	Buy	2646	3300	25	27.2	44.4	63.4	66.1	63.4	42.5	97.3	59.5	13.8	11.2	15.2	20.7
Syrma SGS Tech.	Buy	475	640	35	7.0	10.6	18.1	3.4	51.2	71.2	68.0	45.0	5.0	4.5	7.7	10.6
Aggregate								31.7	56.7	48.8	89.9	57.4	8.9	7.7	9.9	13.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Healthcare																
Alembic Phar	Neutral	998	910	-9	29.0	34.8	39.5	32.7	20.0	13.6	34.4	28.7	4.1	3.6	12.3	13.2
Alkem Lab	Neutral	4871	5160	6	164.0	180.9	196.0	54.6	10.3	8.4	29.7	26.9	5.6	4.8	20.1	19.1
Ajanta Pharma	Buy	2140	2570	20	64.6	79.1	92.5	31.4	22.4	17.0	33.1	27.1	6.8	5.7	22.2	23.0
Apollo Hospitals	Buy	6385	7450	17	62.2	96.4	136.1	29.2	55.0	41.1	102.6	66.2	12.7	10.7	13.5	18.1
Aurobindo	Neutral	1104	1080	-2	51.2	60.3	69.4	33.2	17.9	15.1	21.6	18.3	2.2	2.0	10.6	11.3
Biocon	Neutral	292	250	-14	2.1	8.5	13.6	-65.8	298.2	60.1	136.6	34.3	1.9	1.8	1.4	5.4
Cipla	Buy	1405	1720	22	53.0	57.7	64.4	40.4	8.9	11.6	26.5	24.3	4.3	3.7	16.1	15.2
Divis Lab	Neutral	3841	3440	-10	54.2	75.7	91.8	-16.4	39.7	21.2	70.8	50.7	7.4	6.7	10.9	13.9
Dr Reddy's	Neutral	6217	6050	-3	317.8	322.9	338.8	29.9	1.6	4.9	19.6	19.3	3.7	3.1	20.7	17.7
ERIS Lifescience	Neutral	882	910	3	30.4	31.7	42.4	9.5	4.2	33.7	29.0	27.8	4.8	4.3	17.8	16.4
Gland Pharma	Buy	1739	2240	29	51.8	65.3	74.5	2.7	26.0	14.2	33.6	26.6	3.3	2.9	10.2	11.5
Glenmark	Neutral	1080	900	-17	1.5	37.7	45.9	-88.3	2,336.7	21.8	698.6	28.7	3.1	2.8	0.5	10.3
GSK Pharma	Neutral	2065	2200	7	40.8	43.4	47.1	13.4	6.5	8.5	50.7	47.6	17.7	15.6	34.9	32.7
Global Health	Buy	1440	1530	6	18.4	24.0	28.0	51.4	30.4	16.8	78.3	60.1	13.6	11.5	18.8	20.8
Granules India	Buy	418	510	22	18.0	25.4	32.8	-16.6	41.0	29.1	23.2	16.5	3.1	2.6	14.3	17.4
IPCA Labs	Neutral	1328	1140	-14	22.2	35.5	46.9	6.5	60.1	32.2	59.9	37.4	5.3	4.7	9.2	13.3
Laurus Labs	Buy	425	480	13	3.0	8.6	13.7	-79.7	186.7	59.3	140.9	49.4	5.6	5.1	4.0	10.8
Lupin	Neutral	1595	1500	-6	42.4	47.2	55.2	392.3	11.4	17.0	37.6	33.8	5.0	4.4	14.3	13.9
Max Healthcare	Buy	803	950	18	13.9	17.9	21.8	20.4	28.5	21.9	57.6	44.8	8.3	7.0	15.5	16.9
Piramal Pharma	Buy	142	170	20	1.3	3.0	4.7	-316.9	127.9	57.2	108.6	47.6	2.1	2.0	2.3	4.8
Sun Pharma	Buy	1521	1870	23	40.1	47.3	56.6	12.2	17.9	19.5	37.9	32.1	5.7	5.0	16.1	16.5
Torrent Pharma	Neutral	2692	2540	-6	48.4	65.4	81.6	30.2	35.1	24.7	55.6	41.2	11.0	5.5	22.6	26.7
Zydus Lifesciences	Neutral	951	920	-3	34.5	36.2	36.8	53.9	5.1	1.6	27.6	26.2	4.6	4.0	18.2	16.3
Aggregate								23.3	22.3	17.3	37.6	30.8	4.9	4.4	13.1	14.2
Infrastructure																
G R Infraproject	Buy	1349	1590	18	69.0	76.4	97.6	-21.7	10.8	27.6	19.6	17.6	2.2	2.0	12.0	11.8
IRB Infra	Neutral	68	60	-12	1.0	1.6	2.2	-16.7	63.1	34.1	68.3	41.8	3.0	2.8	4.4	6.9
KNR Constructions	Buy	262	320	22	14.8	16.9	20.0	0.3	14.0	18.4	17.7	15.6	2.4	2.1	14.2	14.1
Aggregate											36.3	27.9	2.7	2.5	7.4	8.9
Logistics																
Adani Ports	Buy	1333	1590	19	41.3	48.6	58.3	18.0	17.5	20.0	32.3	27.4	5.5	4.8	18.2	18.6
Blue Dart Express	Buy	6299	7750	23	123.9	189.1	242.9	-19.8	52.7	28.5	50.9	33.3	10.6	8.7	22.0	28.7
Concor	Buy	1005	1120	11	21.0	25.1	31.0	9.4	19.4	23.6	47.8	40.1	5.1	4.8	11.0	12.4
JSW Infra	Buy	252	300	19	5.4	7.5	10.3	0.2	37.9	37.4	46.3	33.6	6.9	6.0	19.6	19.2
Mahindra Logistics	Neutral	472	420	-11	-8.2	6.4	18.0	-322.8	LP	183.7	NM	74.2	6.9	6.5	-11.0	8.8
Transport Corp.	Buy	889	1025	15	43.6	51.1	60.3	4.8	17.2	18.1	20.4	17.4	3.4	2.9	17.8	17.7
TCI Express	Buy	1060	1250	18	34.7	40.5	44.5	-4.6	16.7	9.9	30.6	26.2	5.8	4.9	20.5	20.4
VRL Logistics	Buy	567	700	23	10.1	18.0	25.1	-46.5	79.4	39.1	56.4	31.4	4.9	4.6	8.9	15.2
Aggregate											35.5	29.1	5.5	4.9	15.6	16.7
Media																
PVR Inox	Neutral	1410	1500	6	11.0	25.9	47.5	-140.3	135.3	83.5	128.2	54.5	1.9	1.8	1.5	3.4
Sun TV	Buy	635	750	18	47.1	49.4	51.2	10.7	5.0	3.7	13.5	12.9	2.5	2.3	18.6	17.9
Zee Ent.	Neutral	143	150	5	3.8	6.5	9.7	-20.3	70.4	50.3	37.7	22.1	1.3	1.2	3.4	5.6
Aggregate								12.0	21.2	21.1	22.2	18.3	1.8	1.7	8.2	9.5
Metals																
Coal India	Buy	453	520	15	49.8	49.6	59.3	8.9	-0.4	19.6	9.1	9.1	3.9	3.2	42.5	35.1
Hindalco	Buy	647	670	4	44.6	57.8	60.2	-1.5	29.5	4.1	14.5	11.2	1.8	1.6	13.4	15.2
Hind. Zinc	Neutral	412	370	-10	18.4	24.6	29.4	-26.2	34.2	19.2	22.4	16.7	11.4	8.5	55.2	58.3
JSPL	Buy	943	1000	6	61.3	61.2	92.6	68.3	-0.1	51.2	15.4	15.4	2.1	1.9	14.8	13.1
JSW Steel	Neutral	906	860	-5	38.1	64.2	72.6	159.5	68.4	13.0	23.7	14.1	3.0	2.6	13.3	19.6
Nalco	Neutral	188	150	-20	8.3	10.0	12.6	6.5	20.1	26.4	22.6	18.8	2.5	2.3	11.3	12.6
NMDC	Buy	252	250	-1	21.3	23.0	26.0	27.4	8.1	13.0	11.8	10.9	2.8	2.4	25.6	23.9
SAIL	Neutral	165	140	-15	2.8	10.8	13.1	-40.2	289	21.2	59.4	15.2	1.2	1.2	2.1	7.7
Tata Steel	Neutral	168	150	-11	2.6	10.3	13.0	-62.7	290	26.3	63.5	16.3	2.3	2.1	3.5	13.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Vedanta	Neutral	381	360	-5	13.3	25.4	30.6	-53.0	91	20.5	28.7	15.0	4.6	4.5	14.1	30.3
Aggregate								-2.6	36.6	18.7	17.5	12.8	2.7	2.4	15.4	18.7
Oil & Gas																
Aegis Logistics	Neutral	600	430	-28	14.8	16.0	17.2	0.8	8.8	7.2	40.7	37.4	5.4	5.0	14.0	13.9
BPCL	Neutral	604	620	3	144.3	74.5	75.3	1,431.0	-48.4	1.2	4.2	8.1	1.8	1.6	49.2	21.2
Castrol India	Buy	211	230	9	8.7	9.7	10.4	6.0	11.0	7.6	24.2	21.8	9.9	9.3	43.1	43.8
GAIL	Buy	208	214	3	14.2	13.1	16.6	76.6	-8.1	27.2	14.6	15.9	2.0	1.8	15.9	13.2
Gujarat Gas	Buy	543	675	24	14.5	21.9	24.8	-34.5	51.1	13.1	37.4	24.8	4.9	4.3	13.6	18.4
Gujarat St. Pet.	Buy	293	355	21	23.0	11.3	11.8	37.2	-50.9	4.8	12.8	26.0	1.6	1.6	13.3	6.1
HPCL	Buy	492	590	20	105.7	79.5	80.0	-315.0	-24.8	0.6	4.6	6.2	1.6	1.4	39.8	23.9
IOC	Buy	170	195	15	34.4	16.2	15.4	304.9	-53.0	-4.9	4.9	10.5	1.4	1.3	31.0	12.9
IGL	Sell	453	350	-23	25.9	24.1	25.9	25.3	-6.8	7.6	17.5	18.8	3.8	3.3	23.4	18.9
Mahanagar Gas	Buy	1448	1740	20	132.6	118.2	124.3	65.9	-10.9	5.2	10.9	12.2	2.9	2.5	28.9	22.2
MRPL	Sell	250	180	-28	17.5	14.2	13.8	16.4	-19.3	-2.7	14.2	17.7	3.6	3.1	27.9	18.9
Oil India	Buy	612	694	13	65.2	67.0	74.0	3.9	2.7	10.4	9.4	9.1	1.7	1.5	21.4	17.6
ONGC	Buy	282	315	12	37.5	43.2	47.9	23.4	15.2	10.9	7.5	6.5	1.2	1.0	16.3	16.9
PLNG	Neutral	303	300	-1	23.7	23.2	25.0	9.6	-2.2	7.9	12.8	13.1	2.7	2.4	22.4	19.5
Reliance Ind.	Buy	2918	3245	11	102.9	117.7	135.9	4.4	14.4	15.4	28.4	24.8	2.4	2.2	8.6	9.6
Aggregate								76.5	-11.6	10.0	13.4	15.2	2.1	1.9	15.5	12.4
Real Estate																
Brigade Enterpr.	Buy	1039	1250	20	14.7	36.9	41.5	21.4	151.4	12.4	70.7	28.1	6.1	5.0	8.9	19.5
DLF	Neutral	895	850	-5	10.6	16.2	17.6	-6.8	52.7	8.2	84.1	55.1	4.0	3.7	6.8	9.8
Godrej Propert.	Buy	2570	2855	11	27.1	46.2	47.4	21.1	70.8	2.4	94.9	55.6	7.2	6.4	7.8	12.2
Kolte Patil Dev.	Buy	544	700	29	3.3	10.1	20.8	-75.7	207.0	106.4	165.3	53.9	4.0	3.9	2.4	7.3
Oberoi Realty	Neutral	1472	1390	-6	40.7	45.1	60.6	-22.3	10.9	34.3	36.2	32.6	3.9	3.5	11.5	11.4
Macrotech Devel.	Buy	1213	1415	17	16.9	25.0	37.3	6.0	47.7	49.2	71.6	48.4	6.6	5.9	10.7	12.8
Mahindra Lifespace	Neutral	663	600	-9	1.5	8.2	6.9	-50.9	462.5	-16.6	452.6	80.5	5.6	5.2	1.2	6.7
Sunteck Realty	Buy	443	640	44	9.1	16.6	22.9	8,909.9	82.4	38.1	48.8	26.7	2.2	2.1	4.7	8.1
Sobha	Buy	1752	1740	-1	12.0	40.8	83.6	11.1	239.8	104.7	145.7	42.9	6.5	5.7	4.6	14.3
Prestige Estates	Buy	1310	1535	17	20.6	21.1	26.5	7.0	2.7	25.1	63.7	62.0	4.3	4.1	7.2	6.8
Phoenix Mills	Neutral	3172	2425	-24	60.9	73.6	101.1	48.9	21.0	37.3	52.1	43.1	6.0	5.3	12.2	13.1
Aggregate								11.2	47.9	26.3	71.0	48.0	5.6	5.1	7.9	10.6
Retail																
Avenue Supermarts	Buy	4652	5160	11	39.4	55.7	73.8	7.4	41.3	32.6	118.0	83.5	16.2	13.6	14.7	17.7
Aditya Birla Fashion	Neutral	265	270	2	-7.5	-6.4	-6.7	977.3	Loss	Loss	NM	NM	9.6	7.2	-23.9	-19.8
Bata India	Neutral	1349	1460	8	23.1	30.3	41.7	-8.0	31.3	37.4	58.4	44.5	10.2	8.3	18.9	20.5
Barbeque-Nation	Neutral	561	600	7	-3.3	-0.1	1.9	-182.9	Loss	LP	NM	NM	5.6	5.6	-3.3	-0.1
Campus Activewe.	Buy	254	285	12	2.7	4.0	5.2	-29.6	46.9	32.2	94.5	64.4	12.3	10.3	13.0	16.0
Devyani Intl.	Buy	169	195	15	0.8	1.4	2.2	-66.4	79.4	60.8	218.4	121.7	24.9	26.2	10.4	21.0
Jubilant Food.	Neutral	439	520	18	4.2	5.2	6.7	-29.2	24.8	28.6	105.4	84.4	14.2	14.2	13.5	16.8
Metro Brands	Buy	1071	1320	23	11.6	15.3	19.6	-12.8	32.4	27.6	92.5	69.8	16.3	14.2	19.1	22.2
Raymond	Buy	2122	2340	10	103.2	117.0	144.9	9.3	13.4	23.9	20.6	18.1	3.1	2.7	18.5	15.8
Relaxo Footwear	Neutral	834	830	-1	8.7	11.4	15.1	40.2	31.3	32.0	95.9	73.0	10.3	9.3	11.2	13.4
Restaurant Brands	Buy	102	140	37	-3.9	-0.8	0.9	-21.1	Loss	LP	NM	NM	7.7	8.2	-25.4	-6.4
Sapphire Foods	Buy	1379	1650	20	8.9	15.3	25.3	-48.2	71.6	66.1	155.2	90.4	6.5	5.7	4.3	6.7
Shoppers Stop	Neutral	711	715	1	8.3	15.1	14.3	-43.0	82.4	-5.6	85.9	47.1	20.0	14.1	26.2	35.1
Titan Company	Buy	3573	4300	20	40.4	52.9	65.2	9.8	30.9	23.3	88.5	67.6	22.2	18.0	27.4	29.5
Trent	Buy	4324	4460	3	24.4	35.0	45.4	119.3	43.5	29.7	177.1	123.4	41.5	30.5	28.6	30.5
V-Mart Retail	Neutral	2130	2210	4	-54.6	-3.6	28.6	1,159.5	Loss	LP	NM	NM	5.1	5.2	NM	NM
Vedant Fashions	Neutral	926	1050	13	16.7	21.2	26.1	-5.3	26.8	22.8	55.4	43.7	14.1	11.9	26.7	28.6
Westlife Foodworld	Neutral	823	775	-6	5.0	7.9	12.5	-30.5	59.3	57.9	165.7	104.0	18.8	16.8	12.4	17.1
Aggregate								-2.1	43.1	30.9	117.3	82.0	17.2	14.4	14.7	17.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Technology																
Cyient	Buy	1915	2500	31	69.4	86.0	112.0	32.5	24.0	30.2	27.6	22.3	5.7	5.1	21.2	24.2
HCL Tech.	Buy	1504	1870	24	58.9	67.3	77.9	7.4	14.2	15.9	25.5	22.4	6.3	6.4	24.6	28.5
Infosys	Buy	1438	1650	15	63.3	63.8	74.0	10.0	0.7	16.0	22.7	22.6	6.8	6.7	29.8	30.0
LTI Mindtree	Neutral	4636	5020	8	154.8	168.4	200.9	2.0	8.8	19.3	29.9	27.5	6.9	6.0	24.4	23.2
L&T Technology	Buy	5181	6750	30	125.0	151.1	177.7	13.1	20.9	17.6	41.5	34.3	10.4	9.0	25.9	28.2
Mphasis	Neutral	2233	2600	16	82.2	94.5	112.7	-5.5	15.0	19.3	27.2	23.6	4.9	4.5	18.9	20.1
Coforge	Neutral	5208	6310	21	140.6	190.3	225.2	7.7	35.3	18.3	37.0	27.4	9.3	8.0	26.3	31.1
Persistent Sys	Neutral	3430	4055	18	73.2	88.8	109.6	17.7	21.3	23.4	46.9	38.6	11.6	10.1	26.7	28.3
TCS	Buy	3852	4600	19	126.3	147.5	169.6	9.5	16.8	15.0	30.5	26.1	15.5	15.9	50.9	59.9
Tech Mah	Neutral	1190	1210	2	26.8	50.8	67.3	-53.2	89.6	32.5	34.3	27.7	4.7	4.5	13.3	16.6
Wipro	Neutral	461	490	6	20.4	22.4	26.9	-1.5	10.0	19.9	22.6	20.5	3.3	3.3	14.4	16.0
Zensar Tech	Neutral	575	600	4	27.3	24.6	28.5	89.8	-9.7	15.9	21.1	23.4	3.9	3.5	19.6	15.8
Aggregate								4.1	13.4	16.8	28.8	25.4	8.1	8.1	28.3	31.9
Telecom																
Bharti Airtel	Buy	1336	1570	18	18.9	32.6	40.6	29.4	72.8	24.4	70.9	41.0	8.8	6.0	13.0	17.4
Indus Towers	Neutral	352	285	-19	20.4	20.7	21.4	128.7	1.5	3.2	17.2	17.0	3.6	2.9	23.0	19.0
Vodafone Idea		14			-11.1	-10.2	-9.2	9.3	Loss	Loss	NM	NM	-0.4	-0.3	NM	NM
Tata Comm	Neutral	1743	1910	10	42.3	48.1	83.5	-30.0	13.8	73.6	41.2	36.2	27.8	17.6	72.9	59
Aggregate								Loss	Loss	LP	-65	-236	33.5	39.6	-51.2	-16.8
Others																
APL Apollo Tubes	Buy	1549	1800	16	27.3	41.4	57.0	18.1	51.5	37.6	56.7	37.4	11.9	9.3	22.9	27.9
BSE	Neutral	3148	2830	-10	64.3	70.0	82.1	309.2	8.9	17.3	49.0	45.0	16.0	14.4	32.6	32.1
Cello World	Buy	928	1100	19	15.7	19.6	24.2	25.3	25.0	23.3	59.0	47.2	29.0	18.0	49.1	38.1
Coromandel Intl	Buy	1115	-		55.0	67.1	71.4	-19.6	22.0	6.4	20.3	16.6	3.6	3.1	19.0	20.0
DreamFolks Services	Buy	523	650	24	13.2	16.6	21.6	-1.2	25.6	30.5	39.7	31.6	12.1	8.7	37.4	33.0
EPL	Buy	177	250	41	8.2	11.2	13.8	13.5	37.3	22.6	21.7	15.8	2.7	2.4	12.7	16.2
Godrej Agrovet	Neutral	543	510	-6	18.6	21.7	24.2	43.2	16.6	11.3	29.2	25.0	4.2	3.9	14.8	16.0
Indiamart Inter.	Buy	2656	3000	13	51.9	65.6	86.2	11.8	26.5	31.4	51.2	40.5	6.9	6.1	14.3	15.9
Indian Hotels	Buy	577	680	18	8.9	11.2	13.3	25.9	26.0	19.2	65.1	51.7	8.7	7.5	14.4	15.6
Interglobe	Neutral	3815	3564	-7	224.1	187.1	187.3	-	-17	0	17.0	20	62.7	15.4	-436.0	121.3
Info Edge	Neutral	5904	5720	-3	63.6	68.4	81.6	99.8	7.6	19.2	92.9	86.3	6.5	6.0	0.0	0.0
Kajaria Ceramics	Buy	1213	1600	32	28.7	34.8	41.2	34.1	21.5	18.3	42.3	34.8	7.6	7.0	18.2	20.4
Lemon Tree Hotel	Buy	138	170	23	1.7	3.1	4.2	9.9	85.3	35.8	83.1	44.8	11.0	8.8	14.1	21.8
MCX	Buy	4161	4400	6	16.3	92.8	115.6	-44.2	469.4	24.6	255.3	44.8	15.4	14.4	5.8	33.2
One 97	Neutral	379	475	25	-20.8	-15.0	8.5	-25.9	Loss	LP	NM	NM	1.9	2.0	-10.3	-7.8
Qess Corp	Neutral	626	600	-4	20.6	33.6	46.4	79.4	63.5	38.0	30.4	18.6	2.7	2.4	11.8	17.9
SIS	Buy	474	590	24	21.4	34.5	45.1	-7.9	61.3	30.6	22.2	13.7	1.2	1.0	12.8	17.9
Team Lease Serv.	Buy	3284	3620	10	70.0	104.1	150.9	7.5	48.7	45.0	46.9	31.6	6.0	5.1	13.3	16.9
UPL	Neutral	506	470	-7	-6.4	23.0	46.7	-110.9	LP	102.9	NM	22.0	1.0	0.9	-1.8	6.6
Updater Services	Buy	310	465	50	10.6	16.1	21.8	56.5	51.6	35.6	29.2	19.3	2.3	2.1	11.2	11.6
Zomato	Buy	185	220	19	0.4	1.1	2.7	-134.7	168.2	140.0	446.8	166.6	8.0	7.7	1.8	4.7



Index	1 Day (%)	1M (%)	12M (%)
Sensex	0.7	2.1	23.6
Nifty-50	0.7	2.1	27.0
Nifty Next 50	0.7	7.6	64.4
Nifty 100	0.7	3.1	32.6
Nifty 200	0.7	3.5	36.3
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	1.3	5.4	71.8
Amara Raja Ener.	-2.4	42.2	82.3
Apollo Tyres	2.6	6.6	51.3
Ashok Leyland	0.1	6.6	26.8
Bajaj Auto	0.4	-2.4	101.1
Balkrishna Inds	2.5	5.0	17.2
Bharat Forge	7.4	16.2	67.3
Bosch	0.1	-4.2	53.9
CEAT	0.7	-1.8	81.9
Craftsman Auto	-0.3	10.7	48.5
Eicher Motors	1.9	15.7	43.4
Endurance Tech.	1.3	9.6	50.6
Escorts Kubota	0.0	18.2	65.4
Exide Inds.	0.6	45.6	134.3
Happy Forgings	-2.7	4.9	
Hero Motocorp	2.4	-4.0	80.1
M & M	1.8	11.5	73.2
CIE Automotive	0.4	9.8	36.3
Maruti Suzuki	-0.2	4.7	52.6
MRF	0.9	-1.2	49.8
Sona BLW Precis.	0.1	-3.5	45.2
Motherson Sumi	0.2	9.4	78.8
Motherson Wiring	-1.1	9.8	36.8
Tata Motors	1.0	2.2	111.4
TVS Motor Co.	2.1	-2.2	80.5
Tube Investments	-0.9	-4.5	42.7
Banks-Private	0.1	2.9	11.9
AU Small Fin. Bank	-1.6	7.9	-7.8
Axis Bank	6.0	9.1	28.3
Bandhan Bank	0.4	1.6	-17.4
DCB Bank	0.0	12.7	32.0
Equitas Sma. Fin	0.7	11.1	119.2
Federal Bank	1.5	4.2	16.9
HDFC Bank	-0.1	4.7	-9.2
ICICI Bank	1.6	2.2	21.9
IDFC First Bank	0.1	6.9	42.2
IndusInd Bank	1.5	-1.1	33.4
Kotak Mah. Bank	-10.9	-7.5	-13.1
RBL Bank	0.3	8.5	71.8
SBI Cards	1.2	7.7	-1.8
Banks-PSU	3.8	7.5	83.4
BOB	3.7	3.4	45.9
Canara Bank	3.3	7.6	100.5
Indian Bank	3.4	7.7	66.2
Punjab Natl.Bank	2.2	10.7	172.9
St Bk of India	5.1	8.8	44.7
Union Bank (I)	2.0	1.3	103.1

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	0.7	4.4	39.5
Nifty Midcap 100	0.5	6.2	61.1
Nifty Smallcap 100	0.8	12.2	78.3
Nifty Midcap 150	0.4	6.5	58.9
Nifty Smallcap 250	0.8	11.1	71.0
NBFCs	0.5	3.7	13.6
Aditya Birla Capital Ltd	6.2	31.3	43.1
Angel One	-0.2	6.6	131.7
Bajaj Fin.	-0.5	7.9	20.1
Cholaman.Inv.&Fn	-1.2	6.1	37.8
Can Fin Homes	0.2	-0.2	27.6
Cams Services	0.7	5.3	58.9
CreditAcc. Gram.	-1.6	7.0	51.5
Fusion Microfin.	2.4	10.2	23.9
Home First Finan	-0.7	-1.2	23.2
Indostar Capital	-0.3	32.0	97.0
IIFL Finance	1.9	28.8	-6.6
L&T Finance	0.6	8.2	86.2
LIC Housing Fin.	-1.8	11.0	95.1
M & M Fin. Serv.	-0.1	-5.8	2.7
Muthoot Finance	0.7	16.2	62.8
Manappuram Fin.	1.0	12.4	52.4
MAS Financial Serv.	3.5	6.3	32.8
ICICI Sec	1.2	-1.3	70.0
360 One	4.7	26.0	101.7
PNB Housing	0.8	22.4	76.1
Repco Home Fin	1.2	28.6	178.4
Shriram Finance	1.3	6.9	73.9
Spandana Sphoort	-1.3	8.3	50.7
Insurance			
HDFC Life Insur.	0.1	-4.7	12.3
ICICI Pru Life	-2.0	-3.0	29.8
ICICI Lombard	0.4	2.2	59.0
Life Insurance	-0.6	8.6	79.6
Max Financial	-1.3	7.8	64.5
SBI Life Insuran	-1.1	-3.8	30.6
Star Health Insu	-1.2	4.1	-5.2
Chemicals			
Alkyl Amines	-1.3	6.5	-11.3
Atul	-0.5	0.0	-16.0
Clean Science	1.0	0.4	-7.7
Deepak Nitrite	1.0	12.1	30.6
Fine Organic	2.5	10.9	5.5
Galaxy Surfact.	-0.8	11.8	4.1
Navin Fluo.Intl.	0.7	6.9	-29.7
NOCIL	-0.4	10.9	29.4
P I Inds.	0.0	-0.9	21.2
SRF	0.8	3.4	5.9
Tata Chemicals	-1.2	6.3	17.8
Vinati Organics	-2.1	1.1	-19.5
Capital Goods	0.4	18.9	121.7
A B B	1.4	7.8	92.8
Bharat Electron	0.5	20.3	134.9



Company	1 Day (%)	1M (%)	12M (%)
Cummins India	-0.3	10.3	108.1
Hitachi Energy	13.6	30.0	187.5
K E C Intl.	-0.6	9.2	59.6
Kalpataru Proj.	0.7	11.1	119.2
Kirloskar Oil	0.1	10.1	134.1
Larsen & Toubro	0.5	1.0	62.5
Siemens	1.1	14.8	72.0
Thermax	-3.1	10.3	89.7
Triveni Turbine	-1.3	5.7	55.6
Cement			
Ambuja Cem.	-0.9	8.3	66.9
ACC	0.9	5.6	48.6
Birla Corp.	-2.8	-1.2	57.3
Dalmia Bhar.	-8.0	-7.8	-6.0
Grasim Inds.	1.3	6.5	40.9
India Cem	-0.4	9.4	25.9
J K Cements	-3.4	-1.8	38.2
JK Lakshmi Cem.	-0.5	-6.8	0.5
The Ramco Cement	-2.7	-2.1	8.8
Shree Cement	-1.6	-5.5	-0.4
UltraTech Cem.	0.3	0.0	30.2
Consumer	0.7	1.0	15.4
Asian Paints	-0.2	0.7	-1.3
Britannia Inds.	0.3	-0.4	10.0
Colgate-Palm.	1.9	3.4	78.6
Dabur India	-0.6	-2.8	-3.8
Emami	4.2	9.6	28.8
Godrej Consumer	-0.9	-1.6	24.8
Hind. Unilever	-1.3	-1.1	-10.4
ITC	2.0	2.1	6.3
Indigo Paints	0.3	-0.2	14.2
Jyothy Lab.	1.2	0.6	119.0
Marico	0.2	2.5	4.2
Nestle India	2.5	-0.4	24.0
Page Industries	-2.0	3.2	-12.5
Pidilite Inds.	-1.0	-1.4	21.1
P & G Hygiene	1.3	-3.2	16.1
Tata Consumer	-0.4	-1.5	50.6
United Breweries	-0.4	16.9	39.2
United Spirits	1.0	5.3	54.9
Varun Beverages	-0.2	2.8	100.7
Consumer Durables	-0.5	6.2	41.1
Polycab India	0.7	14.7	78.7
R R Kabel	0.6	16.6	
Havells	-0.5	6.2	28.3
Voltas	0.9	34.0	69.2
KEI Industries	-0.8	14.5	119.0
EMS			
Kaynes Tech	0.9	-5.4	175.5
Avalon Tech	-0.6	6.8	34.7
Syrma SGS Tech.	-0.6	-1.6	59.9
Cyient DLM	-3.1	1.3	
Data Pattern	0.6	32.4	84.7

Company	1 Day (%)	1M (%)	12M (%)
Healthcare	1.6	0.3	51.6
Alembic Pharma	4.1	4.2	84.4
Alkem Lab	3.1	1.6	42.3
Apollo Hospitals	1.2	-0.2	44.0
Ajanta Pharma	0.3	-0.6	65.0
Aurobindo	1.8	8.2	83.7
Biocon	0.7	15.6	26.3
Zydus Lifesci.	1.9	-4.9	83.4
Cipla	0.6	-5.1	54.6
Divis Lab	0.8	12.0	19.1
Dr Reddy's	4.5	0.3	28.7
ERIS Lifescience	1.7	5.0	45.2
Gland Pharma	-1.0	-3.1	28.8
Glenmark	0.9	13.6	108.5
Global Health	-0.3	12.3	193.5
Granules	0.0	-3.0	40.8
GSK Pharma	-0.6	5.2	65.9
IPCA Labs	-1.4	11.1	79.2
Laurus Labs	-2.0	7.1	44.1
Lupin	0.9	-0.9	126.0
Max Healthcare	-0.9	8.7	82.6
Piramal Pharma	2.3	17.1	105.8
Sun Pharma	2.3	-5.5	56.3
Torrent Pharma	0.3	5.3	64.1
Infrastructure	0.7	4.9	63.6
G R Infraproject	0.3	3.2	37.9
IRB Infra.Devl.	0.3	14.1	153.0
KNR Construct.	0.1	2.7	9.0
Logistics			
Adani Ports	0.8	3.8	98.2
Blue Dart Exp.	0.7	8.5	5.5
Container Corpn.	3.3	15.7	66.3
JSW Infrast	1.3	5.5	
Mahindra Logis.	1.2	16.0	29.8
Transport Corp.	2.0	9.4	46.1
TCI Express	-1.0	4.4	-24.5
VRL Logistics	1.3	-0.6	-9.8
Media	0.5	2.1	12.9
PVR INOX	0.1	6.0	-4.7
Sun TV	2.5	8.3	51.2
Zee Ent.	1.9	0.2	-23.8
Metals	1.1	13.7	61.1
Hindalco	1.7	18.1	50.5
Hind. Zinc	0.5	39.0	29.9
JSPL	0.6	13.1	63.7
JSW Steel	2.6	9.8	24.9
Nalco	0.1	26.6	130.0
NMDC	1.7	23.8	131.8
SAIL	0.2	26.9	101.3
Tata Steel	1.3	10.5	56.7
Vedanta	-0.6	40.6	36.7
Oil & Gas	0.9	6.2	59.4
Aegis Logistics	-0.7	54.0	50.9



Company	1 Day (%)	1M (%)	12M (%)
BPCL	1.7	1.8	73.6
Castrol India	-0.5	10.4	80.7
GAIL	0.3	19.5	90.5
Gujarat Gas	-0.2	2.7	18.4
Gujarat St. Pet.	-0.9	-16.9	10.4
HPCL	0.8	3.7	98.9
IOCL	0.9	3.1	117.0
IGL	0.0	9.8	-8.4
Mahanagar Gas	1.9	8.2	43.4
MRPL	0.5	12.9	361.3
Oil India	0.7	5.3	141.5
ONGC	0.9	7.1	75.5
PLNG	1.2	16.7	27.7
Reliance Ind.	0.7	0.3	34.9
Real Estate	-0.2	10.2	124.0
Brigade Enterpr.	2.0	11.7	111.0
DLF	0.0	3.2	117.9
Godrej Propert.	0.8	14.5	99.1
Kolte Patil Dev.	0.4	18.9	121.7
Mahindra Life.	-1.0	21.6	77.9
Macrotech Devel.	-3.0	4.8	171.5
Oberoi Realty Ltd	0.9	1.9	65.4
Sobha	1.6	18.7	283.1
Sunteck Realty	0.4	10.2	47.6
Phoenix Mills	-0.1	25.1	132.6
Prestige Estates	0.0	19.1	178.6
Retail			
Aditya Bir. Fas.	1.9	29.0	20.1
Avenue Super.	-2.9	8.4	34.4
Bata India	-1.0	-2.4	-8.3
Campus Activewe.	2.0	13.2	-28.5
Barbeque-Nation	-0.3	5.3	-8.8
Devyani Intl.	1.5	8.9	4.5
Jubilant Food	-0.3	-3.0	-2.5
Metro Brands	-1.0	-4.5	26.0
Raymond	3.2	18.8	32.6
Relaxo Footwear	2.0	1.2	1.5
Restaurant Brand	1.2	-3.4	5.8
Sapphire Foods	-1.4	-13.2	16.0
Shoppers St.	-0.2	-5.9	13.9
Titan Co.	-1.1	-3.7	35.6
Trent	2.4	9.5	213.0
V-Mart Retail	1.6	5.2	-2.4
Vedant Fashions	-1.5	-0.8	-29.2
Westlife Food	0.7	8.4	11.7
Technology	0.3	-4.6	24.3
Cyient	1.3	-2.4	65.4
HCL Tech.	1.7	-3.4	42.8
Infosys	0.5	-4.7	17.4
LTIMindtree	-1.9	-7.4	10.7
L&T Technology	-1.2	-3.5	51.3
Mphasis	-0.6	-6.7	26.7
Coforge	0.3	-5.9	32.6

Company	1 Day (%)	1M (%)	12M (%)
Persistent Sys	-1.0	-13.9	53.4
TCS	0.6	-1.5	21.3
Tech Mah	0.4	-5.7	19.4
Wipro	0.2	-5.4	22.7
Zensar Tech	-1.1	-2.6	114.5
Telecom	0.4	9.8	77.0
Bharti Airtel	0.2	8.3	73.3
Indus Towers	0.9	29.6	154.8
Idea Cellular	5.2	3.6	118.7
Tata Comm	-0.2	-9.3	41.0
Utilities	0.9	8.2	92.6
Coal India	1.9	4.7	96.5
NTPC	2.1	10.6	109.9
Power Grid Corpn	1.0	6.4	67.9
Others			
APL Apollo Tubes	-2.1	2.0	27.1
BSE	0.6	43.2	536.3
Cello World	-2.1	18.3	
Coromandel Intl	2.2	4.4	18.5
Dreamfolks Servi	-0.9	9.5	22.8
EPL Ltd	1.2	-3.0	7.2
Indiamart Inter.	0.8	-0.6	0.0
Godrej Agrovet	-0.4	9.6	25.8
Havells	-0.5	6.2	28.3
Indian Hotels	-5.1	3.6	70.4
Interglobe	1.9	16.0	91.3
Info Edge	0.5	12.6	61.1
Kajaria Ceramics	-0.6	2.0	15.0
Lemon Tree Hotel	1.1	4.2	66.8
MCX	8.4	24.7	179.7
One 97	-0.9	-5.8	-41.5
Piramal Enterp.	3.3	5.4	26.1
Quess Corp	-0.9	25.2	69.8
SIS	-0.9	7.1	24.0
Team Lease Serv.	0.9	15.2	52.5
UPL	1.5	7.6	-29.2
Updater Services	-0.2	-4.4	
Voltas	0.9	34.0	69.2
Zomato Ltd	0.2	6.0	219.8

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

MOFSL, it's associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

In the past 12 months, MOFSL or any of its associates may have:

- received any compensation/other benefits from the subject company of this report
- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

- MOFSL and it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:

- a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
- (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures. To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement	Companies where there is interest
Analyst ownership of the stock	No

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Financial Services Limited (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under

applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.