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## Today's top research idea

### Financials - Banks: Assessing impact of draft LCR guidelines: RoA to dip by up to 8bp

- ❖ In July 2024, RBI issued draft guidelines under the Basel III framework to strengthen banks' liquidity resilience by revising haircuts on HQLA and deposit run-off rates.
- ❖ These guidelines could lower LCRs by 8.8%-17.4%, necessitating INR 2.7 trillion in additional deposits for covered banks. We estimate that banks will need to raise 1% to 5.7% of their existing deposit pool to meet the LCR requirements. Given the current tight liquidity, we expect banks to raise retail deposits at a rate of 7.25% while earning only 6.7% on the G-Sec/SLR after accounting for the CRR impact.
- ❖ Considering this, we reckon that banks will witness an overall impact of 3 to 26 bp on NIMs, with PSBs being in more comfortable positions aided by their higher LCR ratio. We estimate that while our coverage banks' the impact on RoA from the same will vary between 1 to 8bp. Top ideas: ICICIBC, HDFCB, SBIN, FB, and AUBANK.

## Market snapshot



Equities - India	Close	Chg. %	CYTD.%
Sensex	77,578	0.3	7.4
Nifty-50	23,519	0.3	8.2
Nifty-M 100	54,548	0.9	18.1
Equities-Global	Close	Chg. %	CYTD.%
S&P 500	5,917	0.0	24.1
Nasdaq	18,966	-0.1	26.3
FTSE 100	8,085	-0.2	4.5
DAX	19,005	-0.3	13.5
Hang Seng	7,091	0.1	22.9
Nikkei 225	38,352	-0.2	14.6
Commodities	Close	Chg. %	CYTD.%
Brent (US\$/Bbl)	74	-0.7	-4.7
Gold (\$/OZ)	2,632	0.8	27.6
Cu (US\$/MT)	8,968	0.0	6.0
Almn (US\$/MT)	2,613	-0.3	11.4
Currency	Close	Chg. %	CYTD.%
USD/INR	84.4	0.0	1.4
USD/EUR	1.1	0.0	-4.0
USD/JPY	154.7	0.0	9.7
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.8	-0.01	-0.3
10 Yrs AAA Corp	7.3	0.00	-0.4
Flows (USD b)	19-Nov	MTD	CYTD
FII	-0.4	-2.97	-2.5
DII	0.33	4.08	57.4
Volumes (INRb)	19-Nov	MTD*	YTD*
Cash	982	964	1268
F&O	3,82,194	3,50,484	3,80,637

Note: Flows, MTD includes provisional numbers. \*Average



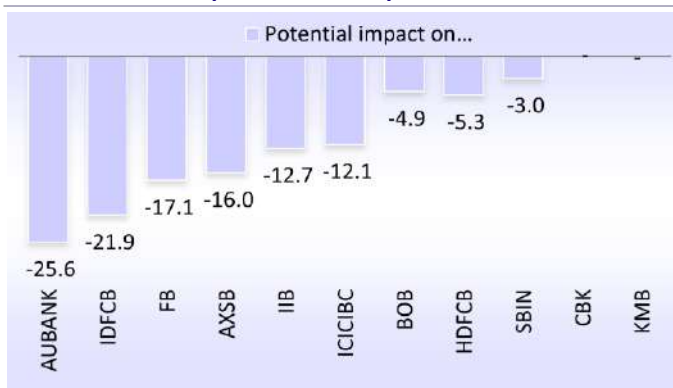
## Research covered

Cos/Sector	Key Highlights
Financials - Banks	Assessing impact of draft LCR guidelines: RoA to dip by up to 8bp
Telecom	Strong 2QFY25; Bharti once again the biggest gainer
Indian Hotel	Redefining hospitality leadership
Aegis Logistics	AVTL listing to be key near-term catalyst
Galaxy Surfactants	Triggers for sustainable growth in place!



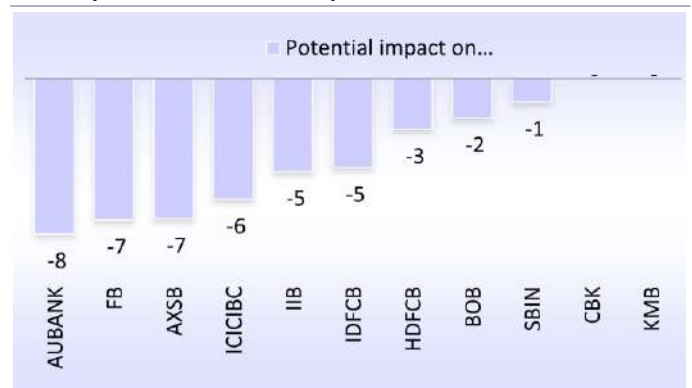
## Chart of the Day: Financials - Banks (Assessing impact of draft LCR guidelines: RoA to dip by up to 8bp)

NIMs to face an impact of 3 to 26 bp



Source: MOFSL, Company

RoA impact limited at 1 to 8bp for banks



Source: MOFSL, Company

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

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



Kindly click on textbox for the detailed news link

1

### LNG imports likely to rise 7 per cent in 2025

The country imported 22,085 million standard cubic meters of LNG (liquified natural gas) during April to October, up by 22.2% from the corresponding period of FY24, the data showed.

2

### Hyundai buys 26 per cent in Hyderabad-based power company

Spread over an area of 538 acres, Hyundai plants in the Kancheepuram district, have an annual production capacity of 850,000 cars.

3

### Banks seek more collateral for Vi LCs, putting its upgrade plans in jeopardy

Vodafone Idea's network upgrade plans face potential delays as banks demand additional collateral for issuing letters of credit to equipment suppliers.

4

### 'Online platforms changing buying pattern among urban consumers'

Sales volume of ready-to-eat foods topped growth on quick-commerce channels, expanding 52% in the July-September quarter compared with a year earlier.

5

### 'Sin tax' on sparkling drinks takes a toll on Parle Agro profit: Joint MD

"The decision to place fruit-based, non-caffeinated sparkling drinks in the sin tax category, taking GST on Appy Fizz up by to four times from 12% to 40%, had a massive impact on the overall business, which is dependent on specific price points," Nadia Chauhan, joint managing director at Parle Agro, told ET. "This forced us to reduce the serving size to consumers," she added.

6

### UP's solar-powered Jal Jeevan Mission to shine at Good Governance Conference in Raipur

Uttar Pradesh will present its innovative use of solar power in Jal Jeevan Mission projects at a national conference.

7

### LG Electronics, vendors ready Rs 7k-cr India infusion

LG Electronics will invest Rs 5,000 crore, and its Korean and Chinese parts suppliers the remainder, the executives said.



# Financials - Banks

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### Potential impact on NIMs (bp)

AUBANK	-25.6
IDFCB	-21.9
FB	-17.1
AXSB	-16.0
IIB	-12.7
ICICIBC	-12.1
BOB	-4.9
HDFCB	-5.3
SBIN	-3.0
CBK	NA
KMB	NA

### Potential impact on RoA (bp)

AUBANK	-8
FB	-7
AXSB	-7
ICICIBC	-6
IIB	-5
IDFCB	-5
HDFCB	-3
BOB	-2
SBIN	-1
CBK	NA
KMB	NA

	Old LCR (%)	New LCR (%)	Drop in LCR (%)
FB	115.2	97.7	17.4
CBK	137.4	123.4	14.0
BOB*	127.3	113.4	13.9
KMB	135.9	122.3	13.6
HDFCB	127.7	114.1	13.5
SBIN	130.0	116.7	13.3
AUBANK	111.9	100.2	11.7
IDFCB	115.8	104.1	11.7
ICICIBC	120.7	109.4	11.2
AXSB	114.9	104.2	10.7
IIB	118.1	109.3	8.8

\*data as of 1QFY25  
Source: Company, MOFSL

## Assessing impact of draft LCR guidelines: RoA to dip by up to 8bp

Sector earnings to be impacted by ~1%; incremental deposits required at INR2.7t

- In July'24, RBI issued draft guidelines to enhance the liquidity resilience of banks under the Basel III Framework on Liquidity Standards. These guidelines focus on reviewing haircuts on HQLA and run-off rates on certain categories of deposits.
- In our previous note, we highlighted a potential 7 to 13% hit on the overall LCR if the draft guidelines were implemented; in this note, we are further assessing the NIMs, profitability, and growth implication from the same. We estimate that if the guidelines were to be implemented, our key coverage banks would require an additional deposit of INR2.7t. Alternatively, the absence of these guidelines could lead to a moderation in their growth trajectory. We have recently published a note on systemic business growth trends pegging FY25 credit growth at 11%.
- We estimate that while our coverage banks' LCRs will be impacted by 8.8% to 17.4% (as we keep a threshold LCR level of 120%) the impact on NIMs from the same will vary between 3 to 26bp. This will translate into a RoA impact of 1 to 8bp for our coverage banks, with PSBs being more resilient due to higher LCRs. Top ideas: ICICIBC, HDFCB, SBIN, FB, and AUBANK.

### Draft guidelines to have an impact of 8.8% to 17.4% on banks' LCR

- The draft guidelines from RBI represent proactive steps to strengthen the liquidity framework of banks. By increasing run-off factors for digital banking deposits and ensuring accurate valuation of HQLA, these measures aim to enhance the overall liquidity resilience of banks, ensuring they are better prepared to manage risks in the evolving financial landscape.
- Within our coverage universe, AUBANK, AXSB, and FB are among the PVBs with lower LCRs, while most PSBs are better positioned with LCRs of >120%. However, PSBs hold a larger share of retail deposits, which may offset this advantage to some extent.
- According to our calculations, we observe that the impact on banks' LCR is broadly in the range of 8.8% to 17.4%, based on the assumptions that large PVBs have IMB deposits of 85% and PSBs have close to 70% while we keep a threshold LCR of 120%.

### NIMs for our coverage banks to witness a limited impact of 3 to 26 bp

We estimate that banks will need to raise 1% to 5.7% of their existing deposit pool to meet the LCR requirements. Given the current tight liquidity, we expect banks to raise retail deposits at a rate of 7.25% while earning only 6.7% on the G-Sec/SLR after accounting for the CRR impact. Considering this, we reckon that banks will witness an overall impact of 3 to 26 bp on NIMs, with PSBs being in more comfortable positions aided by their higher LCR ratio. Meanwhile, amongst PVBs, AUBANK and IDFCB are expected to have the highest impact at 26bp and 22bp, respectively, and HDFCB the lowest at 5bp. Select banks such as KMB and CBK within our coverage will not have any impact on NIMs as they have been already maintaining a healthy LCR ratio.

### Elevated CD ratio does not necessarily indicate a lower LCR

With robust credit growth over the recent years, many banks have been operating with a higher CD ratio. Recent regulatory measures, such as encouraging banks to lower their CD ratio, increasing risk weights for the rapidly growing loan segments, and proposing a review of the LCR framework, highlight the need to balance credit growth with deposit growth while prioritizing retail deposit expansion. Exhibits 4 and 5 show that certain banks have a higher CD ratio but alongside also maintain a higher LCR. Bandhan Bank serves as a notable example, possessing a high CD ratio as well as a high LCR — a pattern also seen in banks such as KMB and RBL. This implies that banks with higher CD ratio doesn't necessarily need to have higher LCR ratio.

### Inability to raise deposits can further suppress credit growth

Banks ability to attract deposits remains crucial for sustaining future credit growth. We had previously argued for an upcoming deceleration in the system credit growth which subsequently manifested in growth moderating sharply to 11.9% as of 1<sup>st</sup> Nov'24, while deposit growth followed a steadier path at 11.8%. In recent months, banks have intensified their efforts to mobilize deposits, increasing the short-term TD rates to meet ALM needs. We believe that insufficient deposit growth could continue to constrain credit growth, further compounded by a high CD ratio. We have thus revised our FY25 credit growth forecast to 11% YoY from the previous estimate of 12.5% YoY.

### RoA for key coverage banks to moderate by up to 8bp

- While the final LCR guidelines are still awaited and implementation may happen from Apr'25, PSBs are better positioned to absorb any potential impact as most PSBs maintain a significantly higher LCR.
- In some cases, we believe that PSBs may not even consider raising their retail deposits as they have been maintaining a higher share of HQLA, enough to absorb any new additional requirements of retail deposits. For PSBs, we believe the RoA impact to be minimal at 1-2 bp with CBK not having any impact as the bank is already maintaining a high LCR ratio.
- Among PVBs, we believe the RoA impact to be higher for AUBANK at 8bp as bank's LCR has already moderated to 112%. This will be followed by FB and AXSB at a 7bp impact. For ICICIBC, IIB, IDFCB, HDFCB we estimate RoA impact of 3 to 6bp. KMB stands out due to its higher LCR ratio and, therefore, is unlikely to experience any impact.

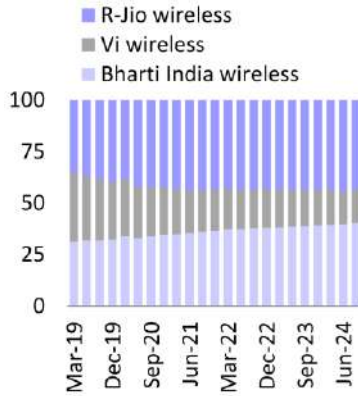
### Valuation and view

The banking sector has delivered range-bound returns over the past year, underperforming the Nifty due to concerns on margins, asset quality deterioration, and moderation in loan growth. The impending guidelines on LCR and ECL migration will further tighten the regulatory framework and impact the operating performance of underlying banks. While we are still awaiting the final guidelines, according to our initial assessment, they will impact banks' margins by 3 to 26bp, while RoA will contract by 1 to 8bp (refer to Exhibit 13 for details). **Our preferred picks are ICICIBC, HDFCB, SBIN, FB, and AUBANK.**



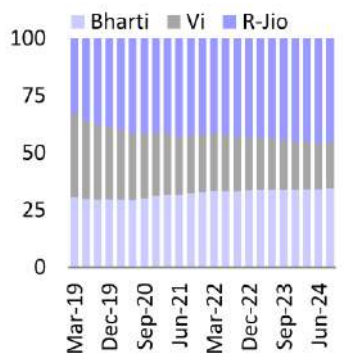
# Telecom

## Bharti gained ~90bp QoQ in RMS, while RJio and Vi lost ~45bp each in 2QFY25 (%)



Source: MOFSL, Company

## Bharti gained ~40bp QoQ in SMS, while Vi/RJio lost ~10/30bp QoQ in 2QFY25 (%)



Source: MOFSL, Company

## Strong 2QFY25; Bharti once again the biggest gainer

### Strong quarter fueled by partial benefits of tariff hike flow-through

As expected, 2QFY25 was a strong quarter for telcos, with 8% QoQ growth (17% YoY, in line) in wireless revenue for the three private telcos. Blended wireless ARPU was up 9% QoQ (+11% YoY), driven by partial benefits of Jul'24 tariff hikes. However, due to SIM consolidation after the tariff hikes, reported subscribers for private telcos declined by ~21m (-2% QoQ). We expect subscriber churn to moderate over the next few months. EBITDA for private telcos was up ~10% QoQ (+18% YoY, in line), driven by healthy ~70% incremental margins. Among private telcos, Bharti was again the biggest gainer in 2QFY25, with ~90bp QoQ gain (~175bp YoY) in revenue market share (RMS) and ~40bp QoQ gain (+60bp YoY) in subscriber market share (SMS). RJio lost ~45bp QoQ (-15bp YoY) RMS and ~30bp QoQ (still up 100bp YoY) SMS in 2Q due to the clean-up of inactive subscribers. Vi continued to lose market share, with RMS down further ~45bp QoQ (-160bp YoY) and SMS down ~10bp QoQ (-165bp YoY). With the completion of the first phase of 5G rollouts, wireless capex for BHARTI and RJio moderated sharply in 1HFY25, while Vi's capex inched up moderately following the fund raise. The home broadband subscriber net additions accelerated for Bharti/RJio in 2Q, with the ramp-up in fixed wireless access (FWA) offerings.

### Tariff hike boost partially offset by subscriber churn; Bharti the biggest gainer

Driven by the partial flow-through of tariff hikes, blended wireless ARPU improved ~9% for private telcos, with Bharti leading with ~11% QoQ uptick, followed by RJio and Vi with ~7% QoQ improvement each. The tariff hikes led to SIM consolidation and a 40-110bp QoQ increase in monthly churn. Their reported subscriber base declined ~21m (-2% QoQ), with RJio reporting the highest wireless net subscriber decline of ~12-13m, followed by 5m decline for Vi and modest ~3m decline for Bharti. We expect subscriber trends to normalize from 3QFY25. With tariff hike flow-through partly offset by subscriber churn, wireless revenue for private telcos rose ~8% QoQ, with Bharti leading with ~10% growth, followed by 7% growth for RJio and 5% rise for Vi. Bharti's incremental RMS at ~52% remained higher than its 2Q RMS of ~40.5%.

### Robust incremental margin drives 10% sequential growth in combined EBITDA for three private telcos

Driven by tariff hike flow-through, incremental margin for private telcos improved to ~70% (from 66% QoQ). As a result, the combined EBITDA grew ~10% QoQ (~18% YoY), with Bharti leading with ~13% growth, followed by RJio and Vi with 8% growth each. Vi led with ~160bp QoQ EBITDA margin expansion, followed by ~145bp expansion in Bharti's wireless EBITDA margin. RJio's EBITDA margin improved by a modest ~50bp QoQ owing to a sharp ~10% QoQ increase in customer acquisition costs.



### Capex moderating for Bharti and RJio; net debt inches up for Bharti and Vi on spectrum purchases

- Bharti's India wireless capex declined 30% YoY (down 18% QoQ) to INR40b, with India capex reducing 20% YoY (8% QoQ) to INR63b. Bharti's 1HFY25 India capex stood at ~INR130b and it could inch up in 2H; however, we believe Bharti's India capex likely peaked in FY24 (~INR335b) over a medium-term perspective.
- RJio's 1HFY25 cash capex was up 17% YoY at ~INR200b, likely on repayment of capex creditors. However, RJio's asset additions (an indication of committed capex and interest capitalized) declined to ~INR205b (from INR380b YoY).
- Vi's 2QFY25 capex increased to INR14b (from ~INR8b in 1Q) as it rolled out ~42k 4G sites. Management indicated that capex would further rise to INR80b in 2HFY25 as Vi targets to further ramp up its 4G population coverage and selectively roll out 5G services.
- Bharti's consolidated net debt (excluding leases) increased INR59b QoQ to INR1.41t on spectrum acquisition and dividend payments.
- Vi's net debt (excluding leases) increased INR93b QoQ to INR2.12t on account of dues repayment to vendors/ banks, higher cash capex, and spectrum acquisition.
- RJio's net debt declined ~INR90b in 1HFY25 to INR2t, with 1HFY25 FCF generation at INR28b (vs. INR2b YoY).

**Indus continues to benefit from the prior-period provision reversals:** The 2Q reported financials came in ahead of our estimate owing to a higher-than-expected reversal of prior-period bad debt provisions (INR11b vs. our estimate of INR5b). However, core operational performance was slightly below estimates, with a 2% miss on recurring EBITDA (+1% QoQ, +7% YoY) due to lower tower net additions and weaker energy spreads. Tower additions further moderated QoQ on adverse weather events but should pick up in 2H. Vi's fund raise and impending network rollout are materially positive for Indus as it: 1) helps sustain 100% collections, 2) enables past dues recovery (INR36b), and 3) provides incremental business to Indus at minimal capex. However, we remain apprehensive of the long-term risks from the potential shortfall in Vi's payments, given its large cash shortfall (INR200b+ annually over FY27-31E).

**TCOM's subdued performance continues:** TCOM's data revenue grew 3% QoQ, with growth primarily led by the loss-making incubation segment. EBITDA declined 1% QoQ (5% miss) as margin contracted 60bp QoQ to 19.4%. Reported financials were also boosted by INR0.9b prior-period revenue recognition; adjusting for the same, growth in its core business remained muted.

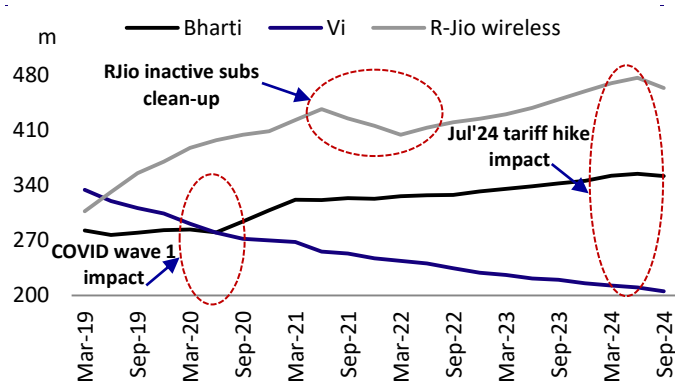
- **Top picks:** BHARTI and RIL

### Guidance highlights:

- **RJio:** It has rolled out standalone 5G services and migrated 148m users to 5G. The pace of home connects accelerated to 1.8m in 2QFY25 (3x vs. past four quarters on average), and management plans to further ramp up customer acquisition to 1m homes per month with a target to reach 100m connected homes (vs. ~14m in 2Q).
- **Bharti:** The flow-through of the tariff hike has been in line with the management's expectations, while the SIM consolidation and customer down-trading came in lower than its initial expectations. Management reiterated its stance on the need for further tariff hikes and a change in tariff construct to usage-based plans.

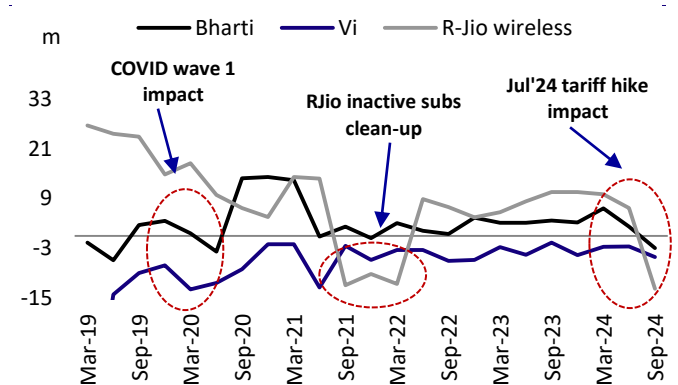
- Vi:** The company rolled out ~42k 4G sites during 2Q, which led to an increase in 4G population coverage by 22m to 1.05b by Sep'24. Management expects to reach 4G population coverage of 1.1b by Mar'25 and 1.2b by Sep'25. Further, it aims to start rolling out 5G services from 4QFY25. Vi is targeting INR80b capex in 2HFY25 (vs. ~INR22b in 1H).
- TCOM:** The order book was up 25% YoY in 2Q on account of large deal wins with OTTs and hyper-scalers as well as the highest order booking in five years in international business. The funnel remains robust, though funnel additions have been subdued. Management has maintained its ambition of doubling data revenue by FY27 and bringing EBITDA margins back to 23-25% over the medium term.
- Indus:** Tower additions were impacted by seasonality in 2Q. However, order book remains healthy, and management expects tenancy additions to improve further on account of Vi's upcoming network rollouts. Further, Indus' management remains engaged with Vi for swift clearance of past overdues and to ensure timely payments.

Subscriber base dipped for private telcos on SIM consolidation and shift to BSNL, post-Jul'24 tariff hikes



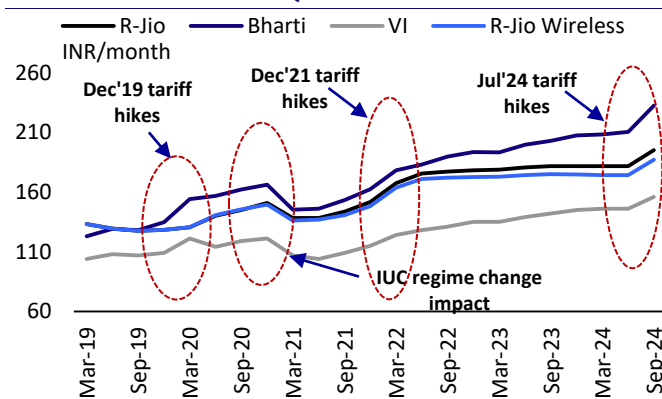
Source: Company, MOFSL

Private telcos' reported net subscriber dipped in 2QFY25, R-Jio the worst impacted on inactive base clean-up



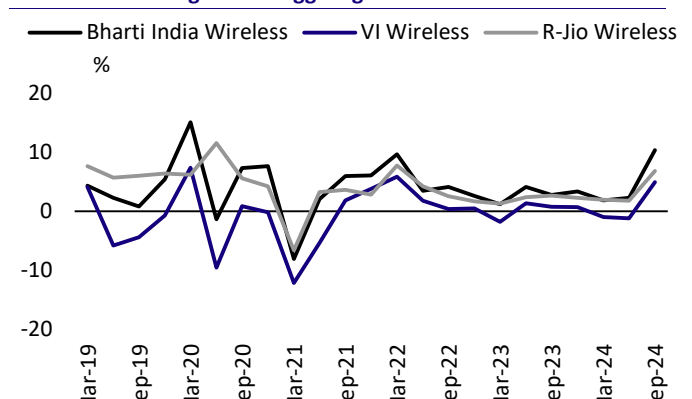
Source: Company, MOFSL

ARPU inched up on partial benefits of tariff hike flow-through; Bharti extends the lead in 2QFY25



Source: MOFSL, Company

Bharti was once again the biggest gainer from the tariff hikes



Source: MOFSL, Company



# Indian Hotel

BSE SENSEX 77,578 S&P CNX 23,519

CMP: INR754 TP: INR880 (+17%) BUY

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### Stock Info

Bloomberg	IH IN
Equity Shares (m)	1423
M.Cap.(INRb)/(USDb)	1073.3 / 12.7
52-Week Range (INR)	761 / 412
1, 6, 12 Rel. Per (%)	15/28/64
12M Avg Val (INR M)	2258
Free float (%)	61.9

### Financials Snapshot (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	84.2	101.6	111.4
EBITDA	28.1	35.2	40.8
Adj. PAT	16.7	21.0	25.0
EBITDA Margin (%)	33.4	34.6	36.6
Cons. Adj. EPS (INR)	11.8	14.8	17.6
EPS Gr. (%)	33.0	25.6	18.7
BV/Sh. (INR)	79.2	93.2	110.0

### Ratios

Net D:E	(0.3)	(0.4)	(0.5)
RoE (%)	16.2	17.2	17.3
RoCE (%)	15.9	17.4	17.4
Payout (%)	6.0	5.4	4.6

### Valuations

P/E (x)	63.9	50.9	42.8
EV/EBITDA (x)	37.1	29.1	24.5
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	1.5	1.9	2.3

## Redefining hospitality leadership

Indian Hotels (IH) has emerged as a compelling growth story in the Indian hospitality sector following its transformative journey during FY17 to FY24. With a notable financial turnaround, expansions across traditional and new businesses, and a clear strategy for long-term growth, IH has become a market leader in the industry. At its Capital Market Day conference, IH has laid out its roadmap for the next five years – ACCELERATE 2030.

- IH aims to become the most valued, responsible, and profitable hospitality brand in South Asia. The company plans to expand its portfolio to 700 hotels (including pipeline), double consolidated revenues to INR150b, and achieve 25%+ of revenues from innovative and reimaged businesses like Ginger, Qmin, and TajSATS.
- Traditional businesses (75% of revenues) will grow through RevPAR leadership, asset management, and managed inventory expansion, with management fees surpassing INR10b. New ventures, scaling at a 30%+ CAGR, and reimaged businesses will help IH sustain high margins and 20%+ RoCE, supported by a capital-light growth model and operational excellence.
- IH anticipates industry tailwinds to remain intact in the longer run, driven by higher demand (9-11% CAGR) and limited supply (7-8% CAGR). Most of the supply is coming in Tier 2/3 cities, thereby benefiting Tier 1 markets. It also plans to tap into the growth in the MICE segment (Meetings, Incentives, Conferences and Exhibitions), in which the industry clocked 18% CAGR. Emerging trends like wellness, sustainable tourism, and digital nomad-friendly stays also offer strong growth opportunities.
- We believe the company's strong operational performance, portfolio diversification, and focus on sustainability will provide a robust foundation for its ambitious 2030 goals. We have largely maintained our FY26 EBITDA estimates and raised our FY27 estimates by 8% to incorporate healthy ARR growth (~7% YoY), a robust hotel pipeline and an increase in F&B revenue, backed by healthy MICE growth. We maintain BUY with a TP of INR880 (based on FY27E SoTP).

## Unveils plans for accelerated growth

- IH has showcased a robust transformation journey from 2017 to 2024, with significant revenue growth (8% CAGR), profitability enhancement (EBITDA margin expansion from 16% to 33%), operational expansion (from 155 hotels to 350+), and the creation of strategic new brands and businesses (Ginger, ama, Qmin and Chambers).
- IH has laid out its next five-year business plan "Accelerate 2030" in its Capital Market Day event, outlining key growth targets to be achieved by FY30.
- Growth will be driven by **three core strategies**: 1) portfolio expansion to 700+ hotels (from 350+ currently), 2) evolution of brandscape (healthy synergy between all brands), and 3) operational excellence.
- IH plans to **double its hotel portfolio by 2030** to 700+ (including pipeline) with over 500 operational hotels across brands. While the like-for-like revenue growth is expected to clock a CAGR of 7-9% over FY24-30, IH targets to **double its consolidated revenue by CY30 to over INR150b** (i.e. ~14% CAGR).

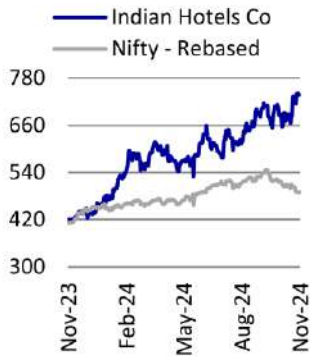


**Shareholding pattern (%)**

As On	Sep-24	Jun-24	Sep-23
Promoter	38.1	38.1	38.2
DII	18.8	18.4	23.3
FII	27.4	27.2	22.2
Others	15.6	16.3	16.4

FII Includes depository receipts

**Stock performance (one-year)**



- The **revenue target** will be achieved by **four key factors**: growing traditional hotel business (RevPAR growth and hotel expansion), stable strong momentum in new business (Ginger, Qmin, ama, Tree of Life - expected CAGR of 30%), healthy growth in management fees led by addition of new units (expecting 15-18% CAGR), and increasing contribution from reimagined business (TajSATS and Chambers).
- A healthy momentum in portfolio expansion and robust revenue growth will boost **EBITDA margins**. Although management has not given any margin target, it expects margin to be directionally positive, aided by an improving mix of value-added business, continued cost rationalization & digitalization, and operating leverage. While TajSATS’ consolidation will result in margin reduction due to its lower margin profile, we believe this will be absorbed by healthy growth in other new businesses.
- And lastly, management touched upon its **capital allocation strategy**, which has a good mix of growth capex (brownfield/improvements- 20-25% of EBITDA and greenfield – 15-20%), dividends (12-15%) and inorganic opportunities (10-20%). The company has earmarked capex of ~INR50b over the next five years for building new properties (Ranchi, Shiroda, Lakshadweep, Aguada Plateau & Bandstand), expanding existing hotels, renovations, and digital upgrades.
- With all these initiatives, **IH targets to generate over 20% RoCE by FY30 vs. ~15% in FY24.**

**Multi-business strategy accelerates growth**

- IH’s consolidated revenue is projected to grow from ~INR68b in FY24 to over INR150b by FY30, with an enterprise revenue target of over INR300b. This growth is expected to be driven by high-value expansions in traditional businesses and accelerated contributions from new ventures.
- The company expects **traditional businesses** to be driven by RevPAR growth, asset management initiatives, and ongoing expansions. Within traditional businesses, assets are owned under Taj, Vivanta, SeleQtions, and Gateway brands.
- The company expects like-for-like business growth in high single digits going ahead, led by ARR growth amid limited supply in active development across key cities. All-India branded inventory is expected to clock a 6.6% CAGR over FY24-29 vs. 6.9% CAGR over FY19-24. As per the management, ARR has to grow at a sustainable rate of ~7-10% going ahead for any new greenfield projects to be viable.
  - Growth in traditional businesses is also expected to come from the repositioning of key assets (protecting and polishing crown jewels e.g. Taj Mansingh, Taj Usha Kiran, St James court, Taj Cape town etc.).
  - For expanding its traditional asset base, IH is focusing on Tier 2/3/4 cities in India, leveraging untapped potential. Its international expansion is concentrated on the Middle East, South Asia, and Western markets via capital-light models.
- **New businesses** such as Ginger, Qmin, Ama's and Tree of Life are expected to **clock a CAGR of over 30%**.
  - **Ginger**, reimagined in 2018, is positioned as a scalable mid-scale brand with 100 operational hotels as of Oct’24, and IH plans to expand to 200+ by 2030. Success stories like Ginger Santacruz, with 87% occupancy and ~INR6,000 ARR, highlight

its strong growth potential. Ginger Santacruz has revenue potential of ~INR1b (vs. current revenue of ~INR520m).

- **Qmin:** Expansion of Qmin includes delivery services, standalone QSR outlets, and in-hotel restaurants, and leveraging the brand's synergy with TajSATS kitchens. IH will maintain the capital-light growth approach to new Qmin stores (Airports and Kiosks) and QSR.
- **amã Stays & Trails** portfolio will be dominated by management contracts, with only few properties to be kept on the balance sheet (currently 15 in portfolio). IH currently has a portfolio of 227 bungalows (as on 31st Oct'24), which it expects to increase to over 750 bungalows by CY30.
- **Tree of Life** - This boutique hotel brand will continue to grow through capital-light leases & management contract. IH has a portfolio of ~19 properties (as on 31st Oct'24) and expects to reach ~100 properties by CY30.
- **Management fee** is expected to clock ~15-18% CAGR, primarily driven by net unit growth. IH will continue increasing the share of capital-light inventory to ~57% in FY30. The company expects management hotel rooms to clock ~12-15% CAGR and management fees are expected to cross INR10b by CY30.
- **Reimagined businesses** such as TajSATS and Chambers will maintain their growth momentum.
- TajSATS currently has ~59-60% market share, with revenue expected to more than double by CY30. It will focus on expanding capacity in existing kitchens and putting up new kitchens at Noida, MOPA & Gurugram. IH has launched a new brand in Taj SATs, called Nekta (similar to Qmin), and this is expected to generate 20-25% of TajSATS business going ahead. Revenue from TajSATS is expected to grow significantly as air travel recovers and catering demand rises.
- The Chambers (exclusive business club) is expanding into premium markets like New Delhi, Dubai, and London, which ensures steady revenue growth. New Chambers are planned at Taj Frankfurt by FY26, adding to its portfolio of high-value offerings.
- **Expected revenue mix by FY30: ~60-65% from traditional businesses, 15-18% from new businesses, 12-14% from reimagined businesses, and 7-10% from management fees (vs. ~86%/6%/2%/6% in FY24 and ~91%/4%/1%/4% in FY17).**

#### Industry tailwinds to continue in longer run

- IH expects multiple 'long-term structural tailwinds' will aid its growth trajectory going ahead. These include: i) resilient consumption within the industry, and ii) favorable demand-supply dynamics, with demand growth (~9-11% CAGR) outpacing supply growth (~7-8% CAGR).
- Supply will continue to be constrained due to multiple challenges involved in building a hotel. Further, ~75% of the new hotels will be coming up in Tier 2/3/4 cities, leading to more favorable demand-supply dynamic within Tier 1 cities.
- Apart from this, the company will continue to focus on MICE as the hotel industry is expected to clock an 18% CAGR in MICE by CY30.
- IH is witnessing multiple emerging trends within the industry, such as increasing inclination toward wellness, sustainable tourism, and digital nomad-friendly stays, which the company will look forward to tapping into.

### Valuation and view

- IH is a frontrunner in the hospitality sector with its strategic vision, operational excellence, and innovative growth avenues. Its 'Accelerate 2030' plan highlights its ambitious growth strategy, with a focus on doubling its hotel portfolio, driving 14% revenue CAGR, and achieving a balanced revenue mix from traditional and new businesses. The company's capital-light approach, emphasis on RevPAR leadership, and expansion into emerging trends like wellness and sustainable tourism will ensure IH captures the robust demand.
- We believe the company's financial discipline and operational agility position it to achieve its 2030 goals. Over FY24-27, we expect IH to deliver a CAGR of 18%/24%/26% in revenue/EBITDA/Adj. PAT.
- We have largely maintained our FY26 EBITDA estimates and raised our FY27 estimates by 8% to incorporate healthy ARR growth (~7% YoY), a robust hotel pipeline and an increase in F&B revenue, backed by healthy MICE growth. **We maintain BUY with a TP of INR880 (based on FY27E SoTP).**

### Valuation methodology

Particulars	Methodology	Metrics	FY27	Multiple	Value (INRm)	Value/ share (INR)
<b>IHCL- ex JV/ Associate</b>						
EV	EV/EBITDA (x)	EBITDA	36,509	30	10,84,328	763
Less: Net Debt					78,861	56
Less: Minority Interest					-7,445	-5
<b>Sub Total</b>					<b>11,55,744</b>	<b>814</b>
<b>JV/Associate</b>						
Taj GVK (IHCL's share - 25.5%) - JV	20% discount to MCAP	Attributable Mcap	5,141	0.8	4,113	3
Oriental Hotel (IHCL's share - 35.7%) - Associate	20% discount to MCAP	Attributable Mcap	11,301	0.8	9,041	6
Taj Sats	P/E (x)	PAT (51% holding)	1,607	50	80,369	57
<b>Sub Total</b>					<b>93,523</b>	<b>66</b>
<b>Target Price</b>					<b>12,49,267</b>	<b>880</b>

Source: MOFSL



# Aegis Logistics

BSE SENSEX  
77,578

S&P CNX  
23,519

**CMP: INR840**

**TP: INR795(-5%)**

**Neutral**



### Stock Info

Bloomberg	AEGISLOG IN
Equity Shares (m)	351
M.Cap.(INRb)/(USDb)	294.8 / 3.5
52-Week Range (INR)	970 / 307
1, 6, 12 Rel. Per (%)	21/29/147
12M Avg Val (INR M)	625
Free float (%)	41.9

### Financials Snapshot (INR b)

Y/E March	FY25E	FY26E	FY27E
Sales	80.0	77.3	85.0
EBITDA	11.6	13.9	15.0
PAT	5.9	7.4	8.2
EPS (INR)	16.8	20.9	23.3
EPS Gr. (%)	3.4	25.0	11.4
BV/Sh.(INR)	121.8	135.5	150.6

### Ratios

Net D:E	0.0	0.0	0.0
RoE (%)	14.4	16.3	16.3
RoCE (%)	14.6	16.1	16.1
Payout (%)	35.0	35.0	35.0

### Valuations

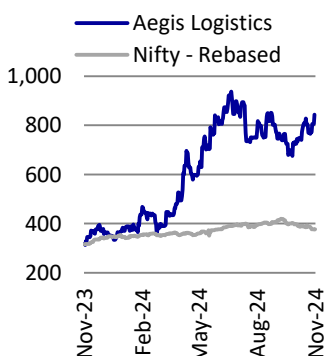
P/E (x)	45.5	36.4	32.7
P/BV (x)	6.3	5.6	5.1
EV/EBITDA (x)	21.9	18.3	16.8
Div. Yield (%)	0.8	1.0	1.1
FCF Yield (%)	1.1	1.5	2.1

### Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	58.1	58.1	58.1
DII	6.7	6.7	4.6
FII	17.9	17.7	18.9
Others	17.3	17.5	18.5

FII Includes depository receipts

### Stock Performance (1-year)



## AVTL listing to be key near-term catalyst

- AEGIS has recently filed DRHP with SEBI for the IPO of Aegis Vopak Terminals Limited (AVTL), a JV with Vopak. In the conference call, management noted: 1) the IPO comprises a fresh issue of equity shares (FV INR10) of up to INR35b, 2) IPO proceeds will be used primarily to reduce debt, and 3) the equity issue will be in two phases and both partners will equally infuse equity.
- In 2QFY25, AEGIS reported EBITDA of INR2.2b (up 8% YoY), missing our estimate by 17% as normalized EBITDA of Liquid/Gas divisions came in 19%/16% below our estimates. Management has re-iterated its PAT guidance of 25% CAGR over the next three years, primarily led by robust upcoming capacities. AEGIS also announced that capacity expansions at Mangalore and Pipavav are nearing completion and the greenfield expansion at JNPT is nearing commissioning.
- We estimate a 13% CAGR in EPS over FY24-27E. However, the current valuations at FY26E PE of 36x and PB of 5.6x (FY26 ROE: 16.3%) are expensive. Hence, we maintain our Neutral rating on the stock with a TP of INR795, based on 35x Dec'26E EPS of INR22.7.

## Soft 2Q due to weaker operating performance

- 2Q consolidated EBITDA stood at INR2.2b (+8% YoY, -4% QoQ), a 17% miss on our est. of INR2.7b.
- Normalized EBITDA of Liquid and Gas divisions came in 19%/16% below our estimates, leading to a 5% miss in reported PAT (-1% YoY) despite the lower-than-estimated tax rate and interest costs.
- Operating expenses increased to INR15.3b (+49% YoY, +12% QoQ).
- In 2Q, standalone revenue stood at INR6.6b (+13% YoY, -10% QoQ).
- Standalone PAT came in at INR720m (-31% YoY, -56% QoQ) amid the decrease in other income to INR354m (-38% YoY, -77% QoQ).

## Segmental performance

- Liquids division's revenue stood at INR1.3b (+11% YoY, -9% QoQ) and normalized EBITDA at INR930m (+16% YoY, -14% QoQ).
- Gas division's revenue was INR16.2b (+45% YoY, +11% QoQ) and normalized EBITDA was INR1.4b (-5% YoY, +1% QoQ).
- In 1HFY25, net sales stood flat YoY at INR33.5b, while EBITDA/PAT grew 13%/6% to INR4.6b/INR2.6b.
- The board has approved an allocation of INR3b for investment in AVTL, to be utilized by AVTL as needed.

**Valuation and View: Maintain Neutral**

- AEGIS has reiterated its ambitious capex plan for: 1) the commissioning of 25,000kl at Kandla in FY25, 2) the full commissioning of 110,000kl capacity at JNPT by FY25 with partial commissioning to be announced shortly, 3) 71,000kl capacity at Mangalore to be operational in near-term, and 4) additional 25000kl capacity to be operational in FY25 at Kochi. Additionally, in the gas division, two cryogenic LPG projects at Pipavav and Mangalore are progressing on time and within budget. Additionally, land near the port has been secured for a 150,000kl storage terminal at Mumbai that was announced recently.
- While we estimate a 13% CAGR in EPS over FY24-27E, we believe that the current valuations at 36x FY26E EPS already factor in the strong expansion in capacity and earnings. We value the stock at 35x Dec'26E EPS of INR22.7 to arrive at our TP of INR795. **We maintain our Neutral rating on the stock.**

**Consolidated - Quarterly Earning Model**

Y/E March	(INR m)											
	FY24				FY25				FY24	FY25	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
<b>Net Sales</b>	<b>21,005</b>	<b>12,349</b>	<b>18,734</b>	<b>18,372</b>	<b>16,013</b>	<b>17,504</b>	<b>20,005</b>	<b>26,499</b>	<b>70,459</b>	<b>80,022</b>	<b>20,776</b>	<b>-16%</b>
YoY Change (%)	-6.0	-42.6	-10.2	-14.7	-23.8	41.8	6.8	44.2	-18.3	13.6	68.2	
<b>EBITDA</b>	<b>1,959</b>	<b>2,083</b>	<b>2,118</b>	<b>3,068</b>	<b>2,323</b>	<b>2,239</b>	<b>2,905</b>	<b>4,145</b>	<b>9,227</b>	<b>11,613</b>	<b>2,982</b>	<b>-25%</b>
Margin (%)	9.3	16.9	11.3	16.7	14.5	12.8	14.5	15.6	13.1	14.5	14.4	0.2
Depreciation	333	341	345	334	368	374	454	619	1,353	1,814	454	
Interest	298	266	302	292	313	300	499	883	1,158	1,996	499	
Other Income	374	444	446	632	435	395	360	250	1,896	1,440	374	
<b>PBT</b>	<b>1,702</b>	<b>1,920</b>	<b>1,918</b>	<b>3,073</b>	<b>2,077</b>	<b>1,960</b>	<b>2,313</b>	<b>2,894</b>	<b>8,613</b>	<b>9,243</b>	<b>2,404</b>	<b>-18%</b>
Tax	375	420	396	700	496	440	583	810	1,891	2,329	606	
Rate (%)	22.0	21.9	20.6	22.8	23.9	22.4	25.2	28.0	22.0	25.2	25.2	
MI & P/L of Asso. Cos.	169	230	221	410	266	261	261	243	1,030	1,030	266	0%
<b>Reported PAT</b>	<b>1,158</b>	<b>1,270</b>	<b>1,301</b>	<b>1,963</b>	<b>1,315</b>	<b>1,260</b>	<b>1,469</b>	<b>1,840</b>	<b>5,692</b>	<b>5,884</b>	<b>1,532</b>	<b>-18%</b>
YoY Change (%)	-24.9	36.0	3.8	39.4	13.5	-0.8	12.9	-6.2	10.8	2.8	20.7	
Margin (%)	5.5	10.3	6.9	10.7	8.2	7.2	7.3	6.9	8.1	7.3	7.4	0.8

<b>Segmental Highlights</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>	<b>3QFY24</b>	<b>4QFY24</b>	<b>1QFY25</b>	<b>2QFY25</b>	<b>YoY (%)</b>	<b>QoQ (%)</b>
LPG logistics volumes ('000 MT)	637	833	988	876	881	1,020	1,097	1,017	1,013	1,064	4.3	5.0
YoY change (%)	12.2	12.9	31.3	9.5	38.3	22.4	11.0	16.1	15.0	4.3		
LPG distribution volumes ('000 MT)	85	116	156	136	159	131	144	126	129	129	-1.5	0.0
YoY change (%)	176.3	224.3	271.6	165.4	86.4	12.7	(7.8)	(7.5)	(18.9)	(1.5)		
LPG sourcing volumes ('000 MT)	230	228	200	237	226	174	179	220	124	194	11.5	56.5
YoY change (%)	129.9	282.7	58.9	(12.4)	(1.7)	(23.7)	(10.5)	(7.2)	(45.1)	11.5		
Gas division EBITDA (INR m)	1,090	1,140	1,630	1,460	1,340	1,510	1,470	1,810	1,420	1,440	-4.6	1.4
YoY change (%)	67.7	12.9	44.2	31.5	22.9	32.5	(9.8)	24.0	6.0	(4.6)		
Liquids division EBITDA (INR m)	550	690	770	700	780	800	850	1,530	1,080	930	16.3	-13.9
YoY change (%)	12.2	50.0	67.4	29.6	41.8	15.9	10.4	118.6	38.5	16.3		





# Galaxy Surfactants

BSE SENSEX  
77,578

S&P CNX  
23,519

**CMP: INR2,652**

**TP: INR3,865 (+46%)**

**Buy**



**Stock Info**

Bloomberg	GALSURF IN
Equity Shares (m)	35
M.Cap.(INRb)/(USDb)	94 / 1.1
52-Week Range (INR)	3370 / 2241
1, 6, 12 Rel. Per (%)	-5/-1/-26
12M Avg Val (INR M)	80
Free float (%)	29.1

**Financials Snapshot (INR b)**

Y/E March	FY25E	FY26E	FY27E
Sales	41.6	47.6	54.7
EBITDA	5.2	6.3	7.2
PAT	3.4	4.2	4.9
EPS (INR)	96	118	139
EPS Gr. (%)	12.4	23.7	17.8
BV/Sh.(INR)	686	773	877

**Ratios**

Net D:E	-0.1	-0.1	-0.2
RoE (%)	14.7	16.2	16.9
RoCE (%)	14.4	16.0	16.8
Payout (%)	25.9	25.9	25.9

**Valuations**

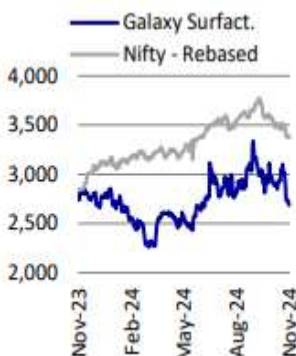
P/E (x)	27.7	22.4	19.0
P/BV (x)	3.9	3.4	3.0
EV/EBITDA (x)	17.6	14.3	12.1
Div. Yield (%)	0.9	1.2	1.4
FCF Yield (%)	2.6	3.0	3.6

**Shareholding pattern (%)**

As On	Sep-24	Jun-24	Sep-23
Promoter	70.9	70.9	70.9
DII	13.0	12.7	12.6
FII	4.1	3.9	3.1
Others	12.0	12.5	13.4

FII Includes depository receipts

**Stock performance (one-year)**



**Triggers for sustainable growth in place!**

- India’s personal care market is at an inflection point, with rising disposable income and premiumization trends driven by new applications such as dish and washing liquids. Galaxy Surfactants (GALSURF) is positioned to benefit as rural awareness, robust distribution, and local players prompt a shift from mass to premium segments.
- GALSURF anticipates robust growth in FY25 across the RoW, AMET, and Indian markets, driven by demand recovery, inflation easing, and profitability focus barring ongoing macroeconomic risks, thereby aiming for PAT growth > EBITDA growth > volume growth and a 22% RoCE.
- We estimate a volume CAGR of 9% over FY24-27, led by robust volumes in the domestic market and a recovery in the volumes of specialty care products in developed markets, which have already started growing. The stock is currently trading at ~22x FY26E EPS of INR118.3 and ~14x FY26E EV/EBITDA. We value the company at 30x Sep’26E EPS to arrive at a TP of INR3,865. We reiterate our BUY rating on the stock.

**Decadal opportunity to ensure sustainable growth...**

- India is at a growth inflection, similar to China in CY06 and the US in the CY60s. Currently, the personal care markets in the US and China are 6x and 5x the size of India’s. Shampoo and toothpaste penetration in India exceeds 90%, but emerging applications promise further growth in performance and specialty care products. However, dish wash and washing liquids still have under 25% penetration.
- Premiumization is now more feasible, with GALSURF well-positioned to capitalize on this trend due to its existing global specialty care presence and anticipated growth from rising disposable income in India. Increased spending on premium beauty, personal care, and home care products (liquid detergents, dish washes, and premium powders) is expected to support growth opportunities. Rising expenditures on these products and consumer durables with sustainability awareness will further accelerate demand.
- The Indian market is set for growth across all segments, consistently expanding at 10-12% on a lower base. Rural awareness of personal and home care solutions is rising, and deep distribution channels promise last-mile connectivity, reinforcing our bullish outlook. Growth is also expected to be fueled by local and niche players, especially in South India, as some smaller players cater to limited areas with quality products (within 2-3kms radius). The entry of new players, private labels, and D2C brands will support growth in specialty categories and the migration of consumers from mass to premium tiers through better distribution.

**...with recovery across regions to aid volumes and margin**

- The RoW market witnessed mid twenty's volume growth in 1HFY25 on YoY basis (13% for FY24), driven by post-destocking recovery and increased demand in the mass and masstige segments, positioning the company for growth in FY25. With easing global inflation, demand in North America and Europe is expected to rise, though GALSURF remains cautious about economic uncertainties- barring any macro-economic volatility management has maintained its guidance of 6-8% volume growth with a bias on the higher side of the range.
- The AMET region faced demand challenges in FY24 due to inflation and geopolitical tensions, but GALSURF anticipates a recovery in the remainder of FY25 (volumes flat in 1HFY25 on YoY basis) as inflation stabilizes and supply chain disruptions ease. The company is focusing on supply chain efficiencies and inflation mitigation to support demand rebound in personal care products as purchasing power improves.
- India is a key growth market and witnessed 11% volume growth in FY24 (volumes flat in 1HFY25 on YoY basis), with GALSURF focusing on urban demand and rural recovery to strengthen expansion. Supported by projected GDP growth (~8% in FY24 and ~7% in FY25), rising consumer spending on personal and home care products, and government-led infrastructure initiatives, GALSURF anticipates robust demand ahead, as highlighted above as well.
- That being said, macroeconomic risks such as geopolitical tensions, slow recovery in China, and high inflation in advanced economies pose ongoing challenges. With FY24 focused on volume normalization, FY25 is expected to see profitability normalization, driven by premium specialties growth in 2HFY25, supporting GALSURF's principle of PAT growth > EBITDA growth > volume growth and a target RoCE of 22%.

**Valuation and view**

- The continued focus on R&D (with an annual expenditure of INR400-500m) and increased wallet share from its existing customers and acquisition of new customers should drive volume growth. Margin is also likely to expand gradually with an increase in volume of premium specialty products.
- We estimate a volume CAGR of 9% over FY24-27, fueled by robust volumes in the domestic market and a recovery in the specialty care product volumes in the developed markets, which have already started growing. The stock is currently trading at ~22x FY26E EPS of INR118.3 and ~14x FY26E EV/EBITDA. We value the company at 30x Sep'26E EPS to arrive at a TP of INR3,865. We reiterate our BUY rating on the stock.



### **Hyundai Motor India: Red Sea Crisis Impacted Exports To West Asia But Was Offset By Other Markets; Tarun Garg, WTD**

- Premiumization strategy has led to a consistent increase in domestic average selling prices
- SUV segment has grown to 68% of sales, with new launches expected to boost performance further.
- Despite a high growth base, anticipates low single-digit growth for the industry in the current fiscal year.
- committed to expanding EV offerings and has invested in hydrogen technology for future energy needs

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### **Indian Hotels : Management Fee Is Expected To Cross ₹1,000 Cr By 2030; Puneet Chhatwal, MD & CEO**

- Ambitious growth strategies for the upcoming years.
- Management fee is projected to significantly increase, exceeding ₹1,000 crore.
- Expansion into new markets and properties is a key focus area.
- Hospitality sector is recovering, driving revenue growth for Indian Hotels.
- Strategic partnerships and innovations are expected to enhance profitability

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### **Lemon Tree Hotels :Will End FY25 With ₹1,250 Cr Revenue And Over 50% Margin; Patanjali G Keswani, Chairman & MD**

- Targets 1250 Cr revenue with >50% margins
- Will have over 60% occupancy in H2 at Mumbai Aurika
- Expect to rake in 300-350 Cr via Management fees in a couple of years

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### **Medplus Health Services :Expect 1% Volume Growth Every Month In Private Labels Going Forward; G Madhukar Reddy, MD & CEO**

- Each 1% increase in volumes of Private Label Medicines adds 15 Bps to Margins
- Target 1-1.5% QoQ Increase in Pvt Label Contribution
- Expect Medicine Volumes to contribute 25% over the next few years vs 16.5% now
- Expect to rake in 300-350 Cr via Management fees in a couple of years

[➔ Read More](#)

### **IRB Infrastructure: Proceeds Of The Sale Will Be Utilised To Take On Newer Projects; Virendra Mhaiskar, CMD**

- Monetized Enterprise Value of 16000 Cr worth assets by shifting them to the Invit
- Will redeploy funds raised towards new projects
- Outcome of Maharashtra Elections won't impact state of business

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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.

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