

# Saregama India | BUY



## Music topline affected by transition of a few OTTs to paywall

Saregama's 2Q EBIT of INR 526mn missed JMFe by 17.4% due to weaker-than-expected revenue in all three reporting segments. Music segment revenue missed JMFe by 12.3% as it expanded only 4% YoY vs. 15%+ growth in each of the previous 9 quarters. The growth slowdown was attributable to the flagship music licensing business, which, our calculations suggest, grew only in low single digits YoY. Essentially, the transition by three music OTT players - Gaana, Resso and Hungama - to paid subscriptions (behind paywall) led to their minimum guarantees going away. We see the impact as transitory in nature as the development can significantly lift streaming platform revenue for the company over the medium to long term. While music retail volume was very strong at 21.2% YoY, realisation continued to come off due to growing share of Carvaan Mobile (where realisation is significantly below INR 2k). Films/TV Serials and Events segment revenue missed our estimate by 34% and ~98% due to the uneven nature of the businesses. Having said that, the Music licensing and Films/TV Serials segment revenues are likely to report a sharp bump-up in 2H on the back of a strong line-up of new music/films content in 2H and synergy benefits from the recently acquired Pocket Aces business. From a medium-term perspective, the management suggested that Consol. revenue could grow 27-28% YoY.

- Revenue weakness led to earnings miss in 2Q:** Saregama's consol. revenue declined 6.8% YoY (+5.5% QoQ) to INR 1.72bn, a miss on JMFe by 22.5%. Films & TV Serials and Events businesses revenues shrank 1%/98%, respectively, whereas the Music segment revenue grew 4% due to lower-than-estimated growth in the music licensing business. Increase in Music revenue share led to gross margin expanding to 76.4% from 71.1% in 2Q last year. Despite the revenue slowdown, EBIT margin expanded c.340bps YoY to 30.5% (ahead of JMFe by 190bps) due to sharp decline in A&P (-26.9% YoY) and other expenses (-9.3% YoY). Adj. EBITDA margin in 2QFY24 stood at 41.8% compared to 37.8%/38.1% in 2QFY23/1QFY24 and was above 32-33% guidance. Other income (net of finance expenses) in 2Q stood at INR 130mn, below JMFe of INR 170mn. Overall, PAT grew 8.4% YoY to INR 481mn, below JMFe by c.20% mainly due to revenue weakness.
- Impact of music OTT's transition to paywall transitory in nature:** The transition of music streaming platforms to paywall means 1) music labels will eventually move away from the concept of minimum guarantees with streaming platforms (only three platforms follow this model now) and 2) end consumers initially moving to free platforms like Youtube and then eventually getting nudged to paid subscriptions. While this could have near-term impact on revenue, over a slightly longer period, the transition is likely to lead to a sharp improvement in yields per stream for music labels. As per Saregama management estimates, this could lead to 150-300% improvement in revenue from music labels. We, therefore, expect the current impact of transition to be transitory for music labels.
- Cut EPS estimates, retain 'BUY' with TP of INR 450:** We expect Saregama's music licensing revenue to deliver at least 20% CAGR over FY23-26E basis its new content acquisition strategy, while acknowledging that the actual growth delivery could be

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### Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	450
Upside/(Downside)	32.7%
Previous Price Target	450
Change	0.0%

### Key Data – SARE IN

Current Market Price	INR339
Market cap (bn)	INR65.4/US\$0.8
Free Float	40.6%
Shares in issue (mn)	192.8
Diluted share (mn)	192.8
3-mon avg daily val (mn)	INR135.7/US\$1.6
52-week range	469/290
Sensex/Nifty	64,081/19,133
INR/US\$	83.3

### Price Performance

%	1M	6M	12M
Absolute	-6.5	7.5	-9.3
Relative*	-4.4	2.7	-13.9

\* To the BSE Sensex

JM Financial Research is also available on:  
Bloomberg - JMFR <GO>,  
Thomson Publisher & Reuters,  
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Financial Summary					(INR mn)
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E
Net Sales	5,762	7,366	8,743	11,111	13,000
Sales Growth (%)	30.4	27.8	18.7	27.1	17.0
EBITDA	1,989	2,210	2,489	3,323	4,142
EBITDA Margin (%)	34.5	30.0	28.5	29.9	31.9
Adjusted Net Profit	1,643	1,853	1,816	2,311	2,889
Diluted EPS (INR)	8.4	9.6	9.4	12.0	15.0
Diluted EPS Growth (%)	29.6	14.2	-2.0	27.3	25.0
ROIC (%)	47.3	32.6	26.0	29.2	30.9
ROE (%)	17.5	13.6	13.0	15.1	17.0
P/E (x)	40.3	35.3	36.0	28.3	22.6
P/B (x)	4.8	4.9	4.5	4.1	3.6
EV/EBITDA (x)	28.6	26.2	24.1	18.5	14.7
Dividend Yield (%)	0.9	0.9	1.0	1.2	1.5

Source: Company data, JM Financial. Note: Valuations as of 02/Nov/2023

significantly higher if recent developments (Pocket Aces acquisition and Music OTTs' transition to paywall) plays out as envisaged by the management. While margin EBIT will likely correct to ~24% in FY24 vs. 27.2% in FY23 due to expensing out of new investments and consolidation of Pocket Aces, we expect a recovery thereafter driven by scale benefits and factor in a 40bps improvement over FY24-26E. We reduce earnings estimates over FY24-26 by 5-12% as we factor in lower other income on account of cash utilisation towards the Pocket Aces acquisition that we also consolidate in our model now. We retain 'BUY' on Saregama with a DCF-based Sep'24 TP of INR 450 (assuming a WACC of 12% and Tg of 5%).

- **Pocket Aces acquisition:** The management suggested that the acquisition will help it get direct access to 95mn+ digital subscribers (most of whom fall in the 12-35 age group) of Pocket Aces across various digital platforms such as Instagram, Youtube, etc. The target also manages 120+ digital influencers and actors and has exposure to brands targeting the younger audience. The acquisition, therefore, will significantly enhance Saregama's capability to market and monetise its new content. Saregama expects combined revenue of the two companies to grow at 27-28% YoY over the medium term with adj. EBITDA margin of 32-33%, despite the fact that Pocket Aces is currently loss-making (break-even expected in FY25).
- **Carvaan:** The management mentioned that volume growth in the retail music business was driven by Carvaan Mobile devices whose average realisation per unit sold is significantly below INR 2,000. This, in turn, led to a sharp decline in overall business realisation. The business is now contributing to small profits vs. being break-even earlier.
- **Overall guidance:** The management expects to deliver Consol. revenue of 22-23% in FY24 (Pocket Aces contribution to materialise from Nov'23) despite a weak 1H. While it expects the Events business to see some traction in 3Q (following events in Australia and New Zealand), it expects Films/Web Series business to see a sharp bump-up in 4Q that will eventually lead to 25% YoY growth in FY24. The flagship Music licensing business is likely to see a sharp uptick in 4Q on the back of a strong line-up of new music content in 2H and synergy benefits from the recently acquired Pocket Aces business. The management continues to guide for adj. EBITDA margin of 32-33% in FY24 despite consolidation of the loss-making Pocket Aces business and likely increase in revenue share of low margin Films/TV Serials segment in 4Q.
- **Artist management vertical:** The management currently has three artists on a 360-degree monetisation basis in the artist management vertical that it launched in 2Q. The company will invest in creating songs and music videos for these artists and also take care for the marketing cost. Saregama, in return, will initially make money from music that they will create, and once they become established artists the company will monetise them by promoting them on live circuits. Besides this, the management is also working with around a dozen artists (who are moderately established) for their live events (but with no investments) on a commission basis.
- **Tech Investments:** The company is planning to invest further in predictive AI and Gen AI. It is developing in-house tools that can train on its music library of 150k+ songs to generate newer content. It is also about to launch its own music learning app that will teach music fans how to sing or play musical instruments by leveraging AI capabilities.

## Exhibit 1. Key Summary Financials

All numbers are in INR mn	1QFY23	2QFY23	3QFY23	4QFY23	FY23	1QFY24	2QFY24	Comments
<b>Revenue</b>	<b>1,660</b>	<b>1,850</b>	<b>1,819</b>	<b>2,037</b>	<b>7,366</b>	<b>1,633</b>	<b>1,724</b>	<ul style="list-style-type: none"> <li>Saregama' Consol. revenue were down 6.8% YoY (+5.5% QoQ) to INR 1.73bn, miss on JMFe by c.23%. The miss was on account of lower than expected revenues in all three segments. While Music segment revenues were below JMFe by c.12%, Films and TV Serials were below JMFe by c.34% and events were below JMFe by c.98%.</li> <li>Consol EBIT margin grew 337bps YoY (+421 bps QoQ) to 30.5%, ahead on JMFe by 191bps due to lower than expected opex spends. Music segment EBIT margins were broadly stood at 43.9% versus 48.1% in 1QFY24 (44.4% in 2QFY23)</li> <li>EBIT stood at INR 526mn grew by c.22% QoQ and marginal improvement by 4.7% YoY. The miss on JMFe was by 17.4%.</li> <li>PAT grew 8% YoY to INR 481mn, but was below JMFe by 19.5% mainly due to weaker than expected topline.</li> </ul>
Change (YoY)	58.2%	27.5%	21.0%	13.0%	27.8%	-1.6%	-6.8%	
Total operating expense	1,143	1,303	1,166	1,545	5,156	1,133	1,115	
EBITDA	518	548	653	492	2,210	500	609	
<b>EBITDA Margin</b>	<b>31.2%</b>	<b>29.6%</b>	<b>35.9%</b>	<b>24.1%</b>	<b>30.0%</b>	<b>30.6%</b>	<b>35.3%</b>	
Depreciation and amortisation expense	40	45	58	65	208	70	83	
EBIT	478	503	595	427	2,002	430	526	
<b>EBIT margin</b>	<b>28.8%</b>	<b>27.2%</b>	<b>32.7%</b>	<b>21.0%</b>	<b>27.2%</b>	<b>26.3%</b>	<b>30.5%</b>	
Net other income	85	101	138	156	479	161	130	
<b>PAT after MI</b>	<b>419</b>	<b>444</b>	<b>554</b>	<b>437</b>	<b>1853</b>	<b>435</b>	<b>481</b>	
Change (YoY)	54.0%	31.2%	27.6%	-9.3%	21.5%	3.8%	8.4%	
EPS (INR)	2.17	2.30	2.87	2.27	9.61	2.26	2.5	
Change (YoY)	39.2%	18.6%	35.5%	-9.3%	22.9%	3.8%	8.7%	

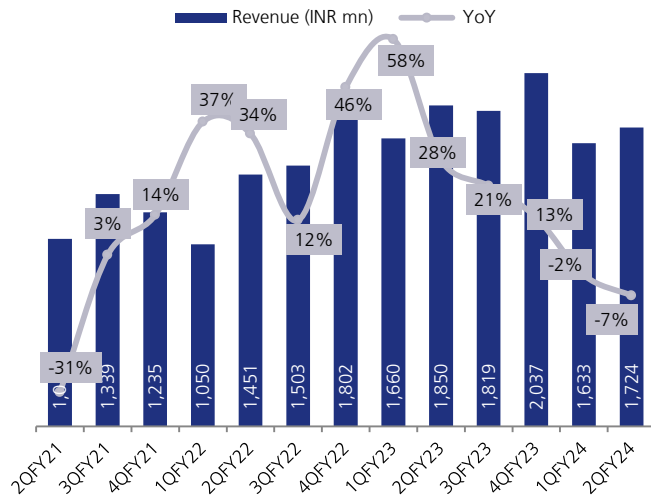
Source: Company, JM Financial

## Exhibit 2. Major film albums released or to be released in FY24

Films	Language	No. of Songs	Production House	Star Cast	Box Office Collection (in Cr)
Rocky Aur Rani Kii Prem Kahaani	Hindi	14	Dharma Productions, Viacom18 Studios 12th Street Entertainment	Alia Bhatt Ranveer Singh	350+
Zara Hatke Zara Bachke	Hindi	5	Maddock Films, Jio Studios	Sara Ali Khan Vicky Kaushal	115+
Jaane Jaan	Hindi	2	Northern Lights Films, Kross Pictures	Kareena Kapoor Vijay Varma Jaideep Ahlawat	Released on -Netflix
I Love You	Hindi	4	Jio Studios, Athena	Pavai Gulati Rakul Preet Singh	Released on -Jio Studios
RDX	Malayalam	5	Weekend Blockbusters	Antony Varghese Shane Nigam Neeraj Madhav	100+
Dasara	Telugu	10	Sri Lakshmi Venkateswara Cinemas	Nani Keerthy Suresh	115+
Kushi	Telugu	5	Mythri Movie Makers	Samantha Prabhu Vijay Deverakonda	70+
Maaveeran	Tamil	6	Shanthi Talkies	Sivakarthekeyan Maaveeran Aditi Shankar	85+
Pichaikkaran 2	Tamil	6	Vijay Antony Film Corporation	Vijay Antony Kavya Thapar	35+
Kousalya Supraja Rama	Kannada	6	Kourava Production House, Shashank Cinemass	Darling Krishna Brinda Acharya	15+
Captain Miller	Tamil	-	Sathya Jyothi Films	Dhanush	Yet to be released
Kanguva	Tamil	-	Studio Green and UV Creations.	Suriya	Yet to be released
Maidaan	Hindi	-	Zee Studios Bayview Projects	Ajay Devgn Md Ridoanul Haq Siyam	Yet to be released
Rola	Hindi	-	Dharma	Vicky Kaushal Tripti Dimri	Yet to be released
Amar Singh Chamkila	Hindi	-	Select Media Holdings LLP Reliance Entertainment	Diljit Dosanjh	Yet to be released
Bazooka	Malayalam	-	Yoodle Films	Mammootthy	Yet to be released
Anveshippin Kandethum	Malayalam	-	Theatre of Dreams	Tovino Thomas	Yet to be released
Malaikottai Vaaliban	Malayalam	-	John & Mary Creative, Century Films, Maxlab Cinemas and Entertainments, Yoodlee Films, and Amen Movie Monastery	Mohanlal	Yet to be released

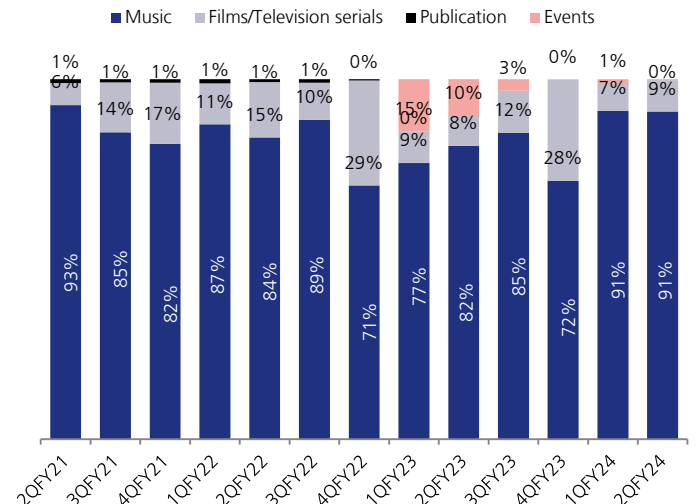
Source: Company

Exhibit 3. Revenue growth trend



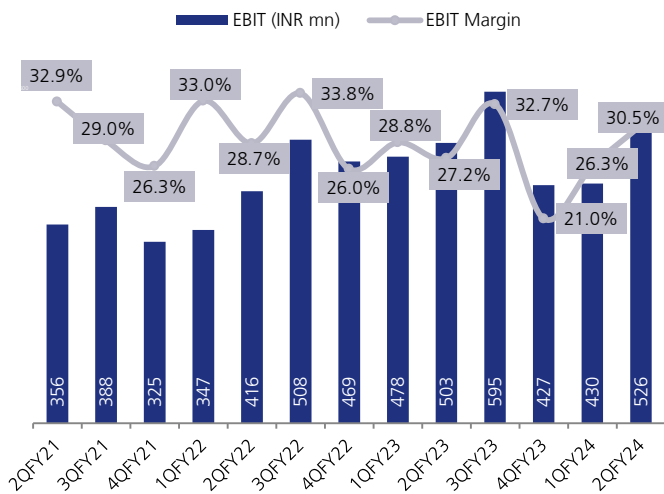
Source: Company, JM Financial

Exhibit 4. Segment-wise revenue mix trend



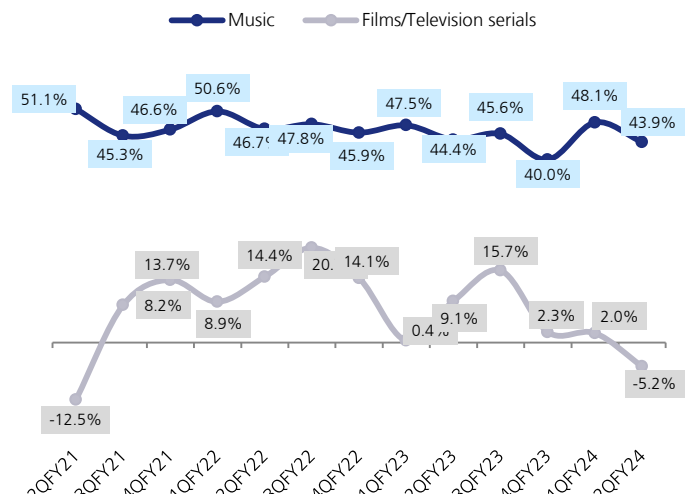
Source: Company, JM Financial\* Company started reporting Events business starting 1QFY23

Exhibit 5. EBIT margin trend



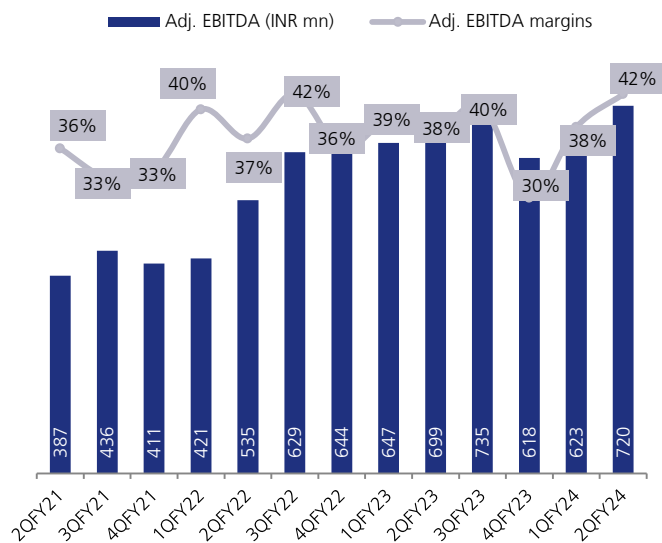
Source: Company, JM Financial

Exhibit 6. Segment-wise EBIT margin trend



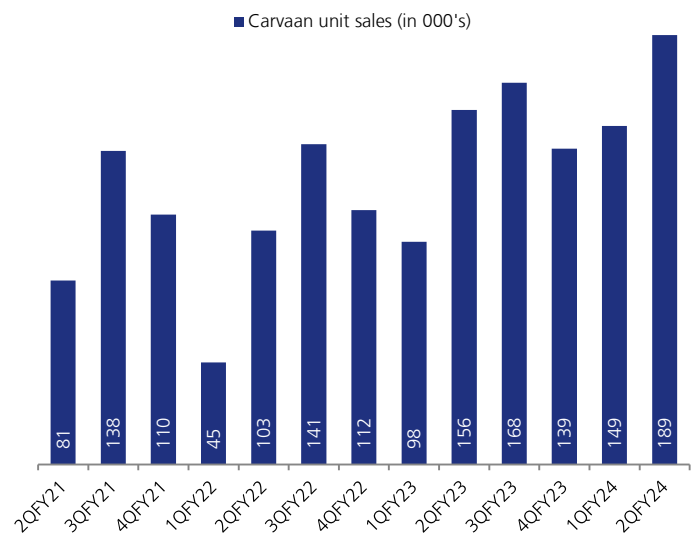
Source: Company, JM Financial

Exhibit 7. Adj. EBITDA and Adj. EBITDA margin trends



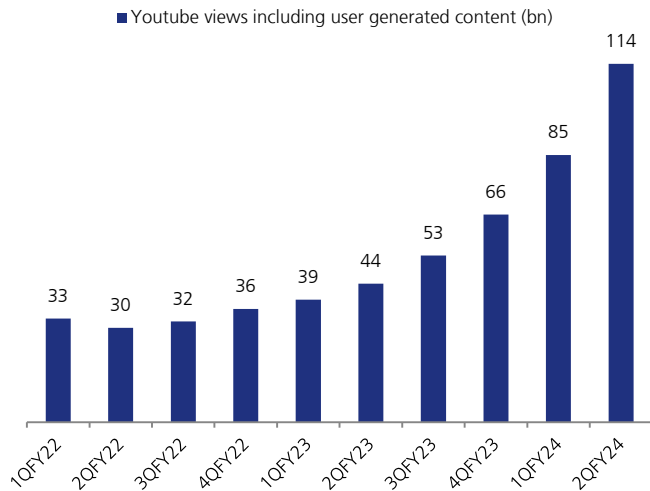
Source: Company, JM Financial

Exhibit 8. Carvaan Units sold



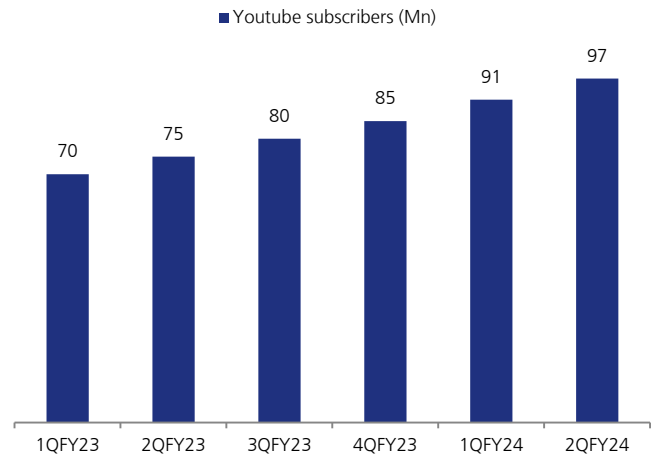
Source: Company, JM Financial

**Exhibit 9. Youtube views\* (bn) – Saregama Music Content**



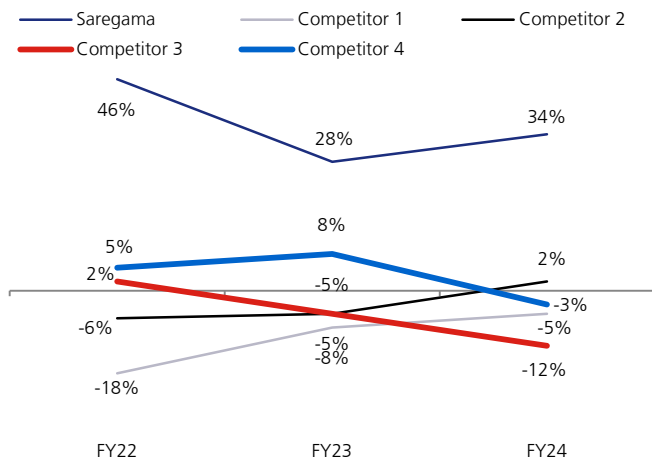
Source: Company, JM Financial. Note: \* includes user generated content

**Exhibit 10. Youtube subscribers (mn) – Saregama**



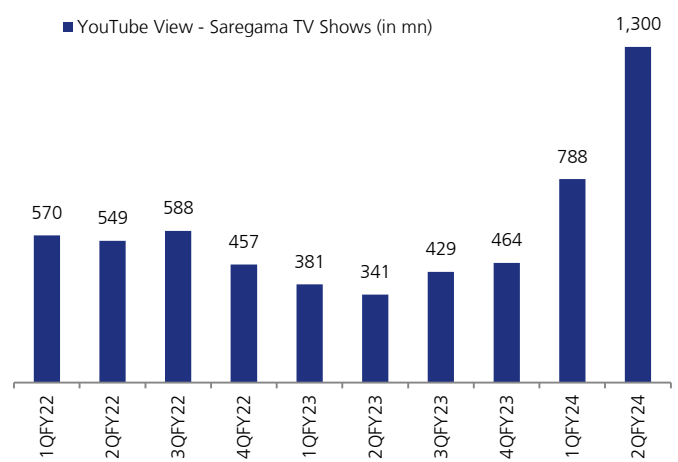
Source: Company, JM Financial

**Exhibit 11. Saregama's Youtube views growth (YoY) vs. peers**



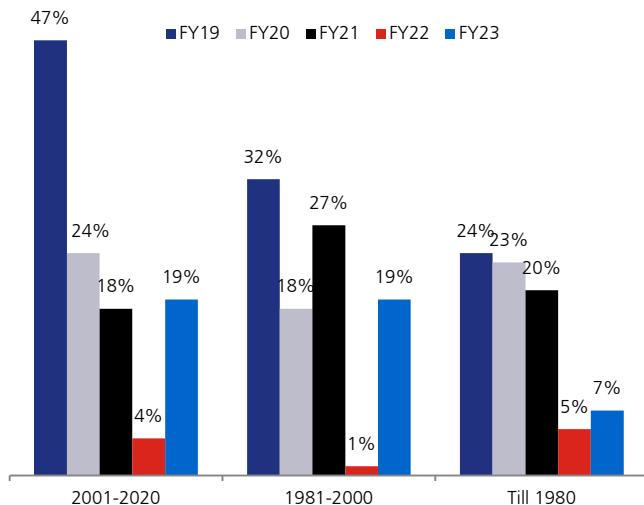
Source: Company, JM Financial. \* FY24 views has been annualized basis actual views of 1HFY24

**Exhibit 12. Youtube views (mn) – Saregama TV Shows**



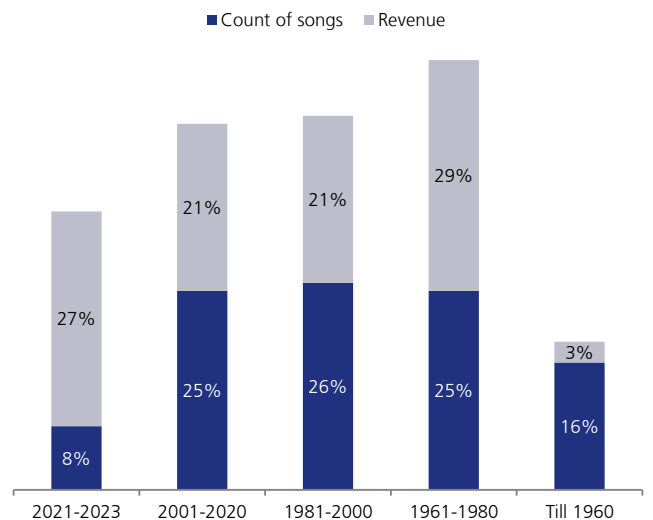
Source: Company, JM Financial

**Exhibit 13. Annual growth in music licencing revenue classified by decade of release**



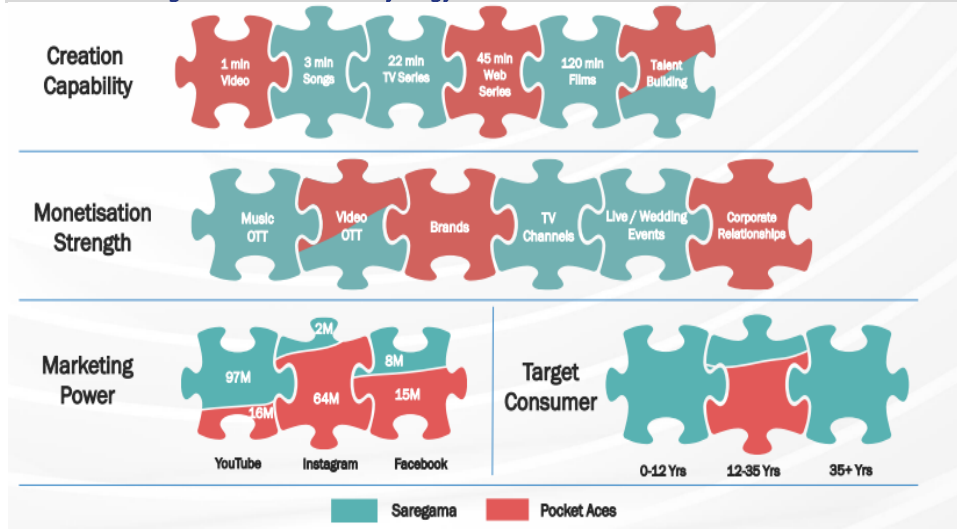
Source: Company, JM Financial

**Exhibit 14. Release-year-wise breakup of FY23 revenue**



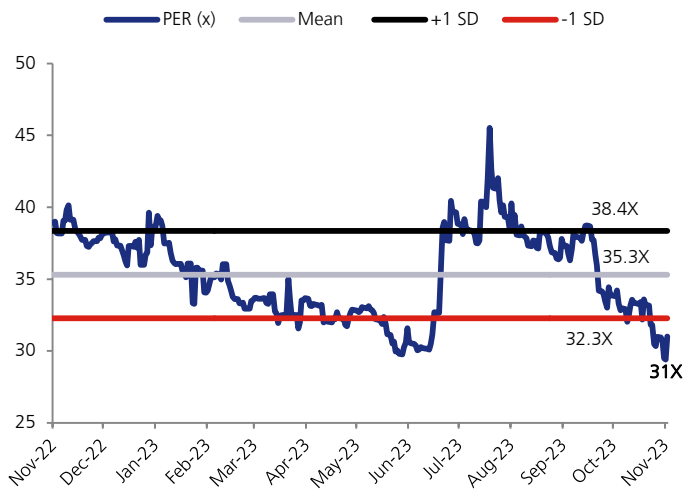
Source: Company, JM Financial

Exhibit 15. Saregama - Pocket Aces synergy benefits



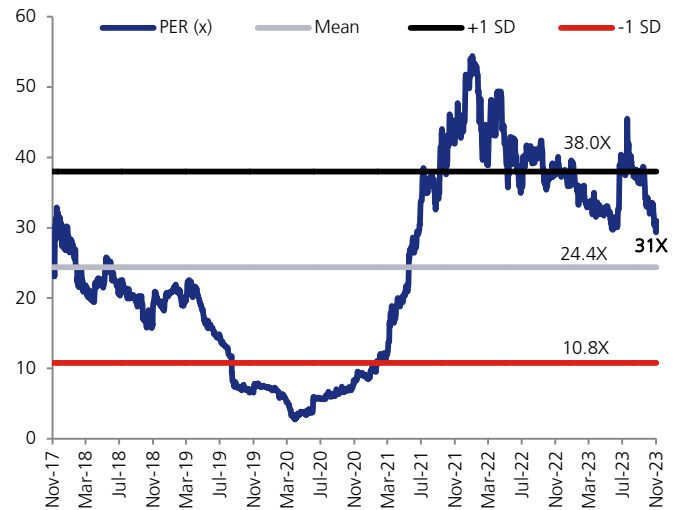
Source: Company

Exhibit 16. NTM PER Chart – 1 year



Source: Company, JM Financial, Bloomberg

Exhibit 17. NTM PER Chart – 5 year



Source: Company, JM Financial, Bloomberg

## Maintain BUY with an unchanged TP of INR 450

### Exhibit 18. What has changed in our forecast and assumptions?

All numbers are in INR mn	Old			New			Change		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	9,022	10,643	12,393	8,743	11,079	12,933	-3.1%	4.1%	4.4%
Change YoY	31.2%	18.0%	16.4%	27.1%	26.7%	16.7%	-405bps	875bps	30bps
EBIT	2,184	2,815	3,427	2,106	2,850	3,586	-3.6%	1.3%	4.7%
EBIT margin	24.2%	26.4%	27.7%	24.1%	25.7%	27.6%	-12bps	-80bps	-6bps
PAT	2,048	2,545	3,046	1,811	2,305	2,882	-11.6%	-9.4%	-5.4%
Diluted EPS (INR)	10.65	13.23	15.84	9.42	11.99	14.99	-11.6%	-9.4%	-5.4%

Source: JM Financial

### Key Risks

- Key Upside risk:** 1) Faster-than-expected audio OTT subscriptions growth. 2) Maturity of short format video apps leading variable licensing deals for music labels.
- Key downside risk:** 1) Irrational rise in competitive intensity inflates new content cost. 2) Need for incremental investments to support Carvaan/TV & Films businesses. 3) Industry consolidation. 4) Revenue losses to piracy. 5) Slower-than-expected digital penetration.

## Financial Tables (Consolidated)

Income Statement		(INR mn)			
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E
Net Sales	5,762	7,366	8,743	11,111	13,000
Sales Growth	30.4%	27.8%	18.7%	27.1%	17.0%
Other Operating Income	0	0	0	0	0
<b>Total Revenue</b>	<b>5,762</b>	<b>7,366</b>	<b>8,743</b>	<b>11,111</b>	<b>13,000</b>
Cost of Goods Sold/Op. Exp	1,427	2,250	2,462	2,886	3,044
Personnel Cost	620	750	1,065	1,438	1,697
Other Expenses	1,726	2,156	2,727	3,464	4,118
<b>EBITDA</b>	<b>1,989</b>	<b>2,210</b>	<b>2,489</b>	<b>3,323</b>	<b>4,142</b>
EBITDA Margin	34.5%	30.0%	28.5%	29.9%	31.9%
EBITDA Growth	52.9%	11.1%	12.6%	33.5%	24.6%
Depn. & Amort.	130	208	383	473	555
EBIT	1,859	2,002	2,106	2,850	3,586
Other Income	348	536	401	292	327
Finance Cost	45	57	60	60	60
PBT before Excep. & Forex	2,162	2,481	2,447	3,081	3,853
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	2,162	2,481	2,447	3,081	3,853
Taxes	518	630	636	776	971
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	1	-3	-5	-7	-8
Reported Net Profit	1,643	1,853	1,816	2,311	2,889
<b>Adjusted Net Profit</b>	<b>1,643</b>	<b>1,853</b>	<b>1,816</b>	<b>2,311</b>	<b>2,889</b>
Net Margin	28.5%	25.2%	20.8%	20.8%	22.2%
Diluted Share Cap. (mn)	195.2	192.8	192.8	192.8	192.8
<b>Diluted EPS (INR)</b>	<b>8.4</b>	<b>9.6</b>	<b>9.4</b>	<b>12.0</b>	<b>15.0</b>
Diluted EPS Growth	29.6%	14.2%	-2.0%	27.3%	25.0%
Total Dividend + Tax	586	578	635	809	1,011
Dividend Per Share (INR)	3.0	3.0	3.3	4.2	5.2

Source: Company, JM Financial

Cash Flow Statement		(INR mn)			
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E
Profit before Tax	2,162	2,481	2,447	3,081	3,853
Depn. & Amort.	130	208	383	473	555
Net Interest Exp. / Inc. (-)	-208	-238	-340	-231	-266
Inc (-) / Dec in WCap.	-389	-447	-554	-692	-832
Others	-179	-402	0	0	0
Taxes Paid	-572	-668	-636	-776	-971
<b>Operating Cash Flow</b>	<b>944</b>	<b>934</b>	<b>1,299</b>	<b>1,854</b>	<b>2,339</b>
Capex	-727	-1,031	-1,007	-1,194	-1,107
Free Cash Flow	217	-97	291	661	1,232
Inc (-) / Dec in Investments	0	0	-1,900	-1,600	0
Others	-5,576	-450	2,401	2,292	327
<b>Investing Cash Flow</b>	<b>-6,303</b>	<b>-1,481</b>	<b>-506</b>	<b>-502</b>	<b>-780</b>
Inc / Dec (-) in Capital	7,332	0	0	0	0
Dividend + Tax thereon	-578	-578	-635	-809	-1,011
Inc / Dec (-) in Loans	0	0	0	0	0
Others	21	-234	-60	-60	-60
<b>Financing Cash Flow</b>	<b>6,775</b>	<b>-812</b>	<b>-696</b>	<b>-869</b>	<b>-1,072</b>
<b>Inc / Dec (-) in Cash</b>	<b>1,415</b>	<b>-1,360</b>	<b>96</b>	<b>483</b>	<b>487</b>
Opening Cash Balance	111	1,527	167	263	746
Closing Cash Balance	1,527	167	263	746	1,233

Source: Company, JM Financial

Balance Sheet		(INR mn)			
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E
Shareholders' Fund	13,777	13,421	14,601	16,104	17,982
Share Capital	193	193	193	193	193
Reserves & Surplus	13,584	13,228	14,409	15,911	17,789
Preference Share Capital	0	0	0	0	0
Minority Interest	32	34	29	22	14
Total Loans	0	0	0	0	0
Def. Tax Liab. / Assets (-)	562	464	464	464	464
<b>Total - Equity &amp; Liab.</b>	<b>14,371</b>	<b>13,919</b>	<b>15,094</b>	<b>16,590</b>	<b>18,460</b>
Net Fixed Assets	2,773	3,396	4,021	4,741	5,293
Gross Fixed Assets	2,262	2,343	3,017	3,770	4,436
Intangible Assets	826	1,568	2,145	2,908	3,746
Less: Depn. & Amort.	328	521	1,148	1,943	2,896
Capital WIP	13	7	7	7	7
Investments	8,512	7,854	7,754	7,354	7,354
Current Assets	5,594	5,791	7,167	9,240	11,228
Inventories	1,054	1,643	1,551	1,818	1,918
Sundry Debtors	1,078	1,480	2,276	2,587	3,027
Cash & Bank Balances	1,527	167	263	746	1,233
Loans & Advances	228	262	262	262	262
Other Current Assets	1,706	2,239	2,814	3,825	4,787
Current Liab. & Prov.	2,508	3,122	3,848	4,746	5,415
Current Liabilities	645	703	1,045	1,186	1,251
Provisions & Others	1,863	2,420	2,803	3,560	4,164
Net Current Assets	3,086	2,668	3,319	4,494	5,813
<b>Total - Assets</b>	<b>14,371</b>	<b>13,919</b>	<b>15,094</b>	<b>16,590</b>	<b>18,460</b>

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E
Net Margin	28.5%	25.2%	20.8%	20.8%	22.2%
Asset Turnover (x)	0.6	0.5	0.6	0.7	0.7
Leverage Factor (x)	1.1	1.0	1.0	1.0	1.0
RoE	17.5%	13.6%	13.0%	15.1%	17.0%

Key Ratios					
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E
BV/Share (INR)	70.6	69.6	75.7	83.5	93.3
ROIC	47.3%	32.6%	26.0%	29.2%	30.9%
ROE	17.5%	13.6%	13.0%	15.1%	17.0%
Net Debt/Equity (x)	-0.6	-0.6	-0.4	-0.3	-0.3
P/E (x)	40.3	35.3	36.0	28.3	22.6
P/B (x)	4.8	4.9	4.5	4.1	3.6
EV/EBITDA (x)	28.6	26.2	24.1	18.5	14.7
EV/Sales (x)	9.9	7.9	6.8	5.5	4.7
Debtor days	68	73	95	85	85
Inventory days	67	81	65	60	54
Creditor days	62	50	61	56	52

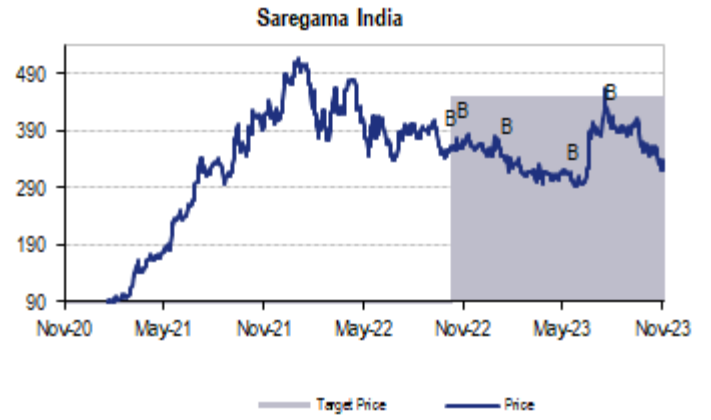
Source: Company, JM Financial



History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
11-Oct-22	Buy	450	
1-Nov-22	Buy	450	0.0
22-Jan-23	Buy	450	0.0
22-May-23	Buy	450	0.0
29-Jul-23	Buy	450	0.0

Recommendation History



## APPENDIX I

## JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

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Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
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\* REITs refers to Real Estate Investment Trusts.

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