

Market snapshot



Equities - India	Close	Chg .%	CYTD.%
Sensex	72,664	0.4	0.6
Nifty-50	22,055	0.4	1.5
Nifty-M 100	49,532	0.9	7.3
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	5,223	0.2	9.5
Nasdaq	16,341	0.0	8.9
FTSE 100	8,434	0.6	9.1
DAX	18,773	0.5	12.1
Hang Seng	6,719	2.4	16.5
Nikkei 225	38,229	0.4	14.2
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	83	-0.5	6.7
Gold (\$/OZ)	2,361	0.6	14.4
Cu (US\$/MT)	9,898	1.2	16.9
Almn (US\$/MT)	2,484	-1.2	5.9
Currency	Close	Chg .%	CYTD.%
USD/INR	83.5	0.0	0.3
USD/EUR	1.1	-0.1	-2.4
USD/JPY	155.8	0.2	10.5
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	7.1	0.00	0.0
10 Yrs AAA Corp	7.5	-0.01	-0.2
Flows (USD b)	10-May	MTD	CYTD
FII	-0.3	-2.52	-2.0
DII	0.32	2.65	20.7
Volumes (INRb)	10-May	MTD*	YTD*
Cash	959	1162	1180
F&O	1,27,957	3,38,757	3,84,876

Note: Flows, MTD includes provisional numbers.

*Average



Today's top research idea

Tata Motors: The best seems to be behind

JLR EBIT margin to remain flat YoY, India growth outlook subdued

- ❖ TTMT's 4QFY24 result was operationally in line with our estimate as EBITDA margin expanded 30bp QoQ to 14.2%. While there is no doubt that TTMT has delivered an extremely robust performance across its key segments in FY24, there are clear headwinds ahead that are likely to hurt its performance.
- ❖ We have lowered our EPS estimates by 3%/5% for FY25/FY26.
- ❖ The stock trades at 18x/15.6x FY25E/FY26E consolidated EPS and 6.2x/5.3x EV/EBITDA. **Reiterate Neutral with our FY26E SOTP-based TP of INR955 (from INR970 earlier).**



Research covered

Cos/Sector	Key Highlights
TATA Motors	The best seems to be behind
ABB India	Poised for a long growth runway
BPCL	Weak refining, impairment lead to earnings miss
Bank of Baroda	In-line adjusted earnings; RoA outlook remains healthy
Eicher Motors	Inline operating performance; Downgrade to sell
Other Updates	Cipla Union Bank of India Polycab India HPCL Aurobindo Pharma Relaxo Footwears CAMS Mahanagar Gas Alkyl Amines Sapphire Foods TCI Express Thermax APL Apollo Tubes JK Cement Piramal Pharma Fine Organic Industries Syrma SGS Technology Healthcare Monthly EcoScope

Chart of the Day: Tata Motors (The best seems to be behind)

TATA MOTORS: Sum-of-the-parts valuation

INR B	Valuation Parameter	Multiple (x)	FY25E	FY26E
SOTP Value				
Tata Motors	SOTP		1,562	1,801
CVs	EV/EBITDA	11	1,019	1,194
PVs	EV/EBITDA	15	544	607
JLR (Adj for R&D capitalization)	EV/EBITDA	2.5	1,099	1,197
JLR - Chery JV EBITDA Share	EV/EBITDA	2.5	29	32
Tata Motors Finance	P/BV	1.5	66	68
Total EV			2,757	3,097
Less: Net Debt (Ex TMFL)			-16	-238
Add: TataTech @ INR445b Mcap	20% discount	53.39% stake	175	175
Total Equity Value			2,948	3,511
Fair Value (INR/Sh) - Ord Sh	Fully Diluted		802	955

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

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



Kindly click on textbox for the detailed news link

1

Pvt sector capex likely to expand amid expectations of high growth: Experts

CII's business confidence index touched a 12-quarter high in Q4FY24, with 51% of firms expecting capacity utilisation of 75% and above. Moreover, 71% expect an improvement in private capex in the first half of FY25 compared with the second half of FY24.

2

FMCG companies expect volume growth in FY25 with improvement in revenue

The companies were forced to slash prices as prices of major commodities had fallen, which had in turn impacted their topline and value growth in the last two quarters of FY24.

3

Fashion companies' dull show worries Nexus Select

The concerns are weighing on Nexus as India's first publicly listed retail Real Estate Investment Trust (REIT) is looking to invest Rs 1,000 crore in acquiring three malls in Hyderabad to grow the total portfolio to 20 malls and 11 million sq ft.

4

Shapoorji Pallonji group seeks more time to repay lenders

Shapoorji has told the NCD holders that it is in the process of raising funds to repay the debt raised with the support of Sterling Investments Corporation Private Limited. A significant portion of the NCDs were sold to domestic high net-worth individuals by wealth management firms

5

Indian space industry offers tremendous opportunity for private players, says ISRO Chief

ISRO Chairman S Somanath highlights the vast potential for growth and development in the Indian space industry, estimating a \$9-10 billion industry within 5-10 years. He praises the collaboration between ISRO and private sector companies like SFO Technologies, emphasizing their role in advancing space technology and environmental sustainability initiatives.

6

TVS Holdings to buy 80.7% stake in Home Credit India

The remaining 19.3% of the stake will be purchased by Premji Invest and other associates

7

Chipmaker Polymatech chalks out \$2.5 billion revenue by FY26

"Today we have 2 billion chips capacity, with the new machinery (to manufacture ingots and wafer fabrication), we will having 10 billion chips capacity this year itself," Nandam said.



Tata Motors

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR1,047 TP: INR955 (-9%) Neutral

The best seems to be behind

JLR EBIT margin to remain flat YoY, India growth outlook subdued

Bloomberg	TTMT IN
Equity Shares (m)	3324
M.Cap.(INRb)/(USDb)	3838 / 46
52-Week Range (INR)	1066 / 504
1, 6, 12 Rel. Per (%)	6/47/85
12M Avg Val (INR M)	8781

- TTMT's 4QFY24 result was operationally in line with our estimate as EBITDA margin expanded 30bp QoQ to 14.2%. While there is no doubt that TTMT has delivered an extremely robust performance across its key segments in FY24, there are clear headwinds ahead that are likely to hurt its performance.
- We have lowered our EPS estimates by 3%/5% for FY25/FY26. The stock trades at 18x/15.6x FY25E/FY26E consolidated EPS and 6.2x/5.3x EV/EBITDA. **Reiterate Neutral with our FY26E SOTP-based TP of INR955 (from INR970 earlier).**

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Net Sales	4,379	4,664	5,086
EBITDA	596.1	638.0	699.7
Adj. PAT	224.9	214.2	246.9
Adj. EPS (INR)	58.7	58.3	67.1
EPS Gr. (%)	-	-1	15
BV/Sh. (INR)	221.6	284.9	347.9

Ratios

Net D/E (x)	0.2	0.0	-0.2
RoE (%)	34.5	22.6	21.2
RoCE (%)	18.7	15.5	15.2
Payout (%)	10.3	7.2	6.2

Valuations

P/E (x)	17.8	18.0	15.6
P/BV (x)	4.7	3.7	3.0
EV/EBITDA (x)	7.2	6.2	5.3
Div. Yield (%)	0.6	0.4	0.4
FCF Yield (%)	4,379	4,664	5,086

Net auto debt declines to INR160b in FY24 from INR437b in FY23

- **Consolidated business:** 4QFY24 revenue/EBITDA/adj. PAT grew 13%/33%/37% YoY to INR1,199.9b/INR169.9b/INR77.3b (vs. est. INR1,184.7b/INR168.6b/INR63.9b). 4Q consolidated EBITDA margins were exactly in line with our estimates at 14.2%. PBT before exceptional items stood at INR92b vs. our estimate of INR88.2b due to lower depreciation and higher forex gains. Adjusted PAT (for deferred tax credit of INR87.8b) came in at INR77b, ahead of our estimate of INR64b largely due to a sharply lower tax rate.
- Automotive FCF was healthy at INR269b in FY24 (up 19% YoY), driven by JLR's FCF of GBP2.3b from GBP0.5b in FY23. Net debt (of Auto) declined to INR160b in FY24 from INR437b in FY23.
- **JLR – EBIT margin expands to 9.2%:** JLR's volumes (excl. JV) grew 16% YoY to 110.2k units (est. 111k). Net realizations declined 5% YoY to GBP71.3k/unit (est. GBP73.1k). EBITDA margin grew 150bp YoY (+10bp QoQ) to 16.3% (est. 16.6%). EBIT margin of 9.2% (+270bp YoY, in line) reflects higher wholesales, reduced material costs and improved pricing, partially offset by VME and FME. JLR PBT at GBP661m was below our estimate of INR730m due to lower margins. JLR's adj. PAT surged 2.8x YoY to GBP732m (est. GBP544m). PAT beat was largely due to a lower tax rate.
- **Tata CV business – 4QFY24 EBITDA margin at 11.9%:** CV volumes declined 6% YoY, while realizations improved 8% YoY to INR1.94m (est. INR2.03m). EBITDA margin improved 170bp YoY to 11.9% (est. 11.3%), driven by a better mix, higher realizations, cost efficiency measures, and commodity cost savings.
- **Tata PV business – 4QFY24 ICE EBITDA margin at 10.2%, while EV margin at 1.1% before product development expenses:** Volumes grew 15% YoY, while realizations grew 4% YoY to INR931.7k (est. INR940k) in 4QFY24. Savings in RM costs were offset by higher fixed expenses, leading to flat EBITDA margin YoY at 7.3% (est. 7.0%).

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	46.4	46.4	46.4
DII	16.1	17.4	17.8
FII	19.2	18.6	16.9
Others	18.3	17.6	18.9

FII Includes depository receipts

Highlights from the management commentary

- **JLR demand outlook-** Some of the markets, such as EU and the UK, are under pressure. North America is improving and demand in China is stable. The current order book stands at ~133k units vs. ~150k units in 3QFY24. The pre-Covid order backlog was ~110k units.
- **FY25 EBIT margin likely to remain in the similar range over FY24 (8.5%):** VME and FME (variable and fixed market expense) are likely to increase as the company plans to invest in demand generation. This is likely to be offset by a full year of increased capacity of RR and RR Sport. However, the management retains its FY26 EBIT margin guidance of 10%.
- **CVs-** Volumes are likely to remain flat or decline YoY in FY25. Expects 1Q to be slow and demand likely to recover from 2Q onward. The management has indicated that commodity costs are now firming up and TTMT expects cost pressure in 1Q and beyond. TTMT plans to offset this through price hikes.
- **PVs-** Industry growth rate is likely to moderate to under 5% YoY in FY25 as pent-up demand is exhausted and due to a high base (strong volume growth seen in both FY23/FY24). Also, the possibility of refilling the channel is very low. EBITDA margin for PV (ICE business) stood at 9.4% in FY24 vs. 8.5% in FY23. EBITDA margin for EVs stood at -1.4% in FY24 vs. -0.5% in FY23.

Valuation and view

- We expect JLR margins to remain stable over FY24-26, given: 1) rising cost pressure as it invests in demand generation, 2) normalizing mix, and 3) EV ramp-up, which is likely to be margin dilutive. Even in India business, both CV and PV businesses are seeing moderation in demand. We have factored in flat margins for India business over our forecast period.
- We had recently downgraded TTMT to Neutral (from BUY earlier) and our key arguments at that time were: 1) JLR margins are unlikely to improve from here given anticipated rising cost pressures and normalizing mix, and 2) a weak outlook for India business. These factors are now playing out in line with our expectation. While there is no doubt that TTMT has delivered an extremely robust performance across its key segments in FY24, there are clear headwinds ahead that could hurt its performance. We have lowered our EPS estimates by 3%/5% over FY25/FY26. The stock trades at 18x/15.6x FY25E/FY26E consolidated EPS and 6.2x/5.3x EV/EBITDA. **Reiterate Neutral with our FY26E SOTP-based TP of INR955 (from INR970 earlier).**

Quarterly Performance [Consol]

(INR b)

	FY23				FY24				FY23	FY24	4QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
JLR Volumes (incl JV; '000 units)	82.6	89.9	92.3	107.4	106.3	109.1	113.9	120.6	372.2	450.0	125.7
JLR Realizations (GBP/unit)	61,352	69,847	75,901	75,035	74,024	70,824	72,989	71,331	70,976	72,252	73,143
JLR EBITDA Margins (%)	6.7	10.3	12.1	14.8	16.3	14.9	16.2	16.3	11.6	15.9	16.6
India CV Volumes ('000 units)	103.7	100.5	95.0	118.7	88.6	106.8	98.8	111.3	417.9	405.5	107.6
India CV Realizations (INR '000/unit)	1575.7	1642.6	1784.5	1798.4	1925.4	1887.2	2042.9	1943.9	1683.2	1949.5	2,032
India CV EBITDA Margins (%)	5.4	5.1	8.5	10.2	9.4	10.4	11.1	11.9	7.5	10.8	11.7
India PV Volumes ('000 units)	130.4	142.8	132.3	135.5	140.4	139.0	138.6	155.6	541.0	573.6	155.3
India PV Realizations (INR '000/unit)	894.6	885.7	893.0	898.2	921.8	880.9	938.1	931.7	892.8	920.4	939
India PV EBITDA Margins (%)	6.2	5.7	7.0	7.3	5.2	6.4	6.5	7.3	6.5	6.4	6.9
Net Consol. Op Income	719.3	796.1	884.9	1059.3	1022.4	1051.3	1105.8	1199.9	3459.7	4379.3	1184.7
Growth (%)	8.3	29.7	22.5	35.1	42.1	32.1	25.0	13.3	24.2	26.6	11.8
Consol. EBITDA	31.8	62.0	96.4	128.1	135.6	137.2	153.3	169.9	318.3	596.1	168.6
EBITDA Margins (%)	4.4	7.8	10.9	12.1	13.3	13.1	13.9	14.2	9.2	13.6	14.2
Depreciation	58.4	59.0	60.7	70.5	66.3	66.4	68.5	71.5	248.6	272.7	75.3
Other Income	8.9	10.4	11.3	15.8	13.6	16.3	15.0	14.6	46.3	59.5	18.1
Interest Expenses	24.2	24.9	26.8	26.6	26.2	27.0	24.8	22.3	102.4	100.3	24.1
PBT before EO	-49.6	-17.7	32.0	50.0	53.3	61.1	75.8	92.1	14.7	282.3	88.2
EO Exp/(Inc)	-14.9	-3.1	0.0	2.2	6.8	1.2	0.9	-87.0	-15.91	-78.12	0.00
PBT after EO Exp	-34.7	-14.6	32.0	47.8	46.5	59.9	74.9	179.1	30.6	360.4	88.2
Tax rate (%)	-43.8	31.3	8.2	-13.0	33.6	36.8	7.2	3.5	23.0	13.7	28.1
PAT	-49.9	-10.0	29.4	54.0	30.9	37.8	69.5	172.8	23.5	311.1	63.4
Minority Interest	-0.6	-0.5	-0.9	-0.9	-1.0	-0.7	-1.2	-1.2	-2.8	-4.1	-1.3
Share in profit of Associate	0.4	1.1	1.0	0.9	2.1	0.5	1.9	2.5	3.4	7.0	1.9
Reported PAT	-50.1	-9.4	29.6	54.1	32.0	37.6	70.3	174.1	24.1	314.0	64.0
Adj PAT	-65.0	-12.6	29.6	56.2	37.9	38.7	71.0	77.3	8.2	224.9	64.0
Growth (%)	46.0	-71.7	-284.6	-1862.6	-158.3	-407.9	140.1	37.4	-107.6	2629.7	13.8

E: MOFSL Estimates



ABB India

Estimate changes



TP change



Rating change



Bloomberg	ABB IN
Equity Shares (m)	212
M.Cap.(INRb)/(USDb)	1521.2 / 18.2
52-Week Range (INR)	7218 / 3786
1, 6, 12 Rel. Per (%)	11/56/68
12M Avg Val (INR M)	1680

Financials Snapshot (INR b)

Y/E DEC	CY24E	CY25E	CY26E
Net Sales	134.7	169.2	203.3
EBITDA	23.5	29.3	33.8
PAT	19.2	23.7	27.4
EPS (INR)	90.5	111.9	129.2
GR. (%)	53.7	23.5	15.5
BV/Sh (INR)	364.0	467.4	586.3

Ratios

ROE (%)	28.1	26.9	24.5
RoCE (%)	28.2	27.0	24.6

Valuations

P/E (X)	79.3	64.2	55.6
P/BV (X)	19.7	15.4	12.2
EV/EBITDA (X)	62.2	49.3	42.1
Div Yield (%)	0.3	0.3	0.4

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	75.0	75.0	75.0
DII	6.0	6.9	9.0
FII	11.9	10.7	8.5
Others	7.2	7.4	7.6

FII Includes depository receipts

CMP: INR7,178

TP: INR8,500 (+18%)

Buy

Poised for a long growth runway

ABB India's 1QCY24 results were much ahead of our estimates, driven largely by strong improvement in margin. Our thesis, as highlighted in our latest AR2023 update ([link](#)), of margin improvement is playing out quite well and we expect the company to keep benefiting from its pricing advantage, operating leverage gain, improving product mix toward higher-margin segments, and a wide product portfolio. We expect a large part of these gains to sustain in the coming years amid a strong demand scenario. We increase our estimates for CY24/25/26 by 23%/24%/20% to bake in 1QCY24 performance and higher margins. We increase our TP to INR8,500 (from INR7,500), implying a P/E of 70x on Jun'26E EPS. We maintain BUY and ABB remains our top pick in the sector.

Results were far ahead of our estimates

ABB's 1QCY24 revenue was largely in line with our estimate at INR30.8b (+28% YoY/12% QoQ). This was driven Electrification (+30% YoY), Process Automation (+73% YoY) and Robotics & Motion (+8% YoY). Gross margin at 40.2% saw a healthy ~390bp YoY/270bp QoQ expansion, likely led by a superior product mix, improved pricing power, higher share of services and exports, localization, and better control over supply chain costs. Employee costs moved up due to annual salary revisions and headcount increase. Other expenses as % of sales came down due to better operating leverage and a one-time favorable tax refund. The overall share of services moved up to 16% (from 13% in 1QCY23). All these factors led to all-time high EBITDA margin of 18.3% (+650bp YoY/+320bp QoQ), ahead of our estimates. Aided by a robust cash balance (INR50.4b), other income grew by 21% YoY. This led to PAT growth of 87% YoY at INR4.6b. Order inflow at INR36.1b jumped 15% YoY, while the order book stood at INR89.3b (+25% YoY). Among the segments, electrification and process automation witnessed 34%/17% YoY order inflow improvement, while inflows declined YoY in motion and robotics on delays in decision-making on system orders. PBIT margins improved sharply across all segments.

1QCY24 margin outperformance driven by several levers

ABB's margins have surprised positively across segments on continued benefit of several levers. EBITDA margin for 1QCY24 stood at 18.3% (+650bp YoY), far ahead of our estimates. This margin outperformance is driven by 1) operating leverage on higher volumes, 2) seamless execution of cost improvement initiatives, 3) positive price impact to pass on inflation and cost increase, 4) higher share of service and export revenues, 5) stable currency and commodity price level.

ABB India surpasses parent in overall revenue growth and segmental margins

ABB India's order inflow and revenues grew by 15% and 28% YoY, respectively, in 4Q, far ahead of its global parent's growth in inflows and revenue (which stood at -4%/+2% YoY for 1QCY24). Global parent inflow growth was impacted by a decline in markets like US (-3% YoY), Europe (-9% YoY) and China (-18% YoY), while Indian markets grew at a faster pace. It was driven by continued demand growth in India, coupled with demand from parent group companies outside India as well as third-party customers outside India. Increased market penetration, a wide product portfolio and global offshoring help the company grow its inflows faster than parent. ABB has positioned itself rightly in domestic markets to benefit from private capex, industrial automation, PLI-led capex, global offshoring, improved energy demand, and technological advancements across user industries. ABB India's segmental margins have also now surpassed those of the parent (Ref Exhibit 13).

Margin improvement is progressing well

Our thesis of further scope for margin improvement, as highlighted in our AR2023 update ([link](#)), is progressing well. ABB is benefiting well from its advantageous position as one of the top five to six players in its critical segments, such as electrification, automation, and data centers. With ABB being a preferred choice as a quality player with full control over the value chain, it is benefiting from improved product mix, higher services share, better operating leverage (despite nearly 8% of sales going to the parent as royalty), IT fee, and group management fee. We thus expect the net impact of the pass-on of lower RM prices and improved product pricing to be favorable for margins. We raise our margin estimates to 17.4%/17.3%/16.6% for CY24/CY25/CY26 to bake in 1QCY24 performance and the favorable demand scenario for ABB.

Valuation and recommendation

ABB is currently trading at 64.2x/55.6x P/E on CY25/CY26 estimates. We expect revenue to grow by 29%/26%/20% in CY24/CY25/CY26 and bake in margins of 17.4%/17.3%/16.6% for the same period, translating into PAT growth of 54%/24%/16% for CY24E/CY25E/CY26E. This results in a PAT CAGR of 30% over CY23-26. We arrive at a revised TP of INR8,500, based on DCF, implying 70x P/E on Jun'26E EPS. The company has one of the best RoIC in the capital goods sector and will continue to benefit from improved addressable market and will improve its share of high-growth segments. We maintain BUY on ABB.

Standalone Quarterly Model

Y/E December	CY22				CY23				CY24	CY23	CY24	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q		1QE	Var (%)
Net Sales	19,684	20,525	21,197	24,269	24,112	25,086	27,692	27,575	30,804	1,04,465	29,646	4
YoY Change (%)	20.8	44.0	19.2	15.5	22.5	22.2	30.6	13.6	27.8	21.9	23.0	
Total Expenditure	17,805	18,538	19,088	20,626	21,259	21,599	23,307	23,403	25,152	89,567	25,367	
EBITDA	1,879	1,988	2,110	3,643	2,853	3,487	4,385	4,172	5,652	14,898	4,280	32
Margins (%)	9.5	9.7	10.0	15.0	11.8	13.9	15.8	15.1	18.3	14.3	14.4	
Depreciation	257	253	269	268	274	292	303	329	314	1,199	324	-3
Interest	15	28	16	72	22	14	9	82	38	127	28	38
Other Income	3,335	186	780	694	723	750	768	776	871	3,017	878	-1
PBT before EO expense	4,943	1,891	2,605	3,996	3,279	3,931	4,842	4,537	6,171	16,589	4,805	28
Extra-Ord expense												
PBT	4,943	1,891	2,605	3,996	3,279	3,931	4,842	4,537	6,171	16,589	4,805	28
Tax	1,212	489	638	943	827	972	1,222	1,085	1,575	4,106	1,211	
Rate (%)	24.5	25.8	24.5	23.6	25.2	24.7	25.2	23.9	25.5	24.8	25.2	
Minority Interest & Profit/Loss of Asso. Cos.												
Reported PAT	3,731	1,403	1,968	3,053	2,452	2,959	3,620	3,452	4,596	12,483	3,594	28
Adj PAT	3,731	1,403	1,968	3,053	2,452	2,959	3,620	3,452	4,596	12,483	3,594	28
YoY Change (%)	164.0	99.7	64.1	62.2	-34.3	110.9	84.0	13.1	87.4	79.5	46.6	
Margins (%)	19.0	6.8	9.3	12.6	10.2	11.8	13.1	12.5	14.9	11.9	12.1	

Segmental revenue trend

INR m	CY22				CY23				CY24	CY23
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	
Segmental revenue										
Robotics & Motion	7,804	8,820	9,398	9,981	10,398	10,398	10,993	10,223	11,219	42,011
YoY Change (%)	14.9	49.6	59.4	22.6	33.2	17.9	17.0	2.4	7.9	16.7
Electrification Products	8,610	8,378	8,809	9,500	9,994	10,056	10,420	11,302	12,963	41,772
YoY Change (%)	36.0	45.3	52.8	11.9	16.1	20.0	18.3	19.0	29.7	18.3
Process Automation	3,421	3,704	3,499	5,108	4,202	5,096	6,756	6,307	7,263	22,361
YoY Change (%)	5.1	38.5	30.8	8.5	22.8	37.6	93.1	23.5	72.9	42.1
Unallocated and others (incl. excise duty)	111	112	49	19	19	53	24	29	26	125
Less: inter-segmental	-261	-490	-557	-339	-500	-517	-502	-286	-667	-1,804
Total revenues	19,684	20,525	21,197	24,269	24,112	25,086	27,692	27,575	30,804	1,04,465
Segmental EBIT										
Robotics & Motion	1,011	799	1,004	1,604	1,275	1,484	2,040	1,746	2,332	6,544
Margin (%)	13.0	9.1	10.7	16.1	12.3	14.3	18.6	17.1	20.8	15.6
Electrification Products	1,180	963	1,280	1,455	1,946	1,640	2,011	2,148	3,078	7,746
Margin (%)	13.7	11.5	14.5	15.3	19.5	16.3	19.3	19.0	23.7	18.5
Process Automation	354	402	350	900	389	568	983	810	1,181	2,749
Margin (%)	10.4	10.8	10.0	17.6	9.2	11.1	14.5	12.8	16.3	12.3
Total	2,546	2,164	2,634	3,959	3,609	3,692	5,034	4,704	6,590	17,039



Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR619 TP: INR660 (+7%) Neutral

Weak refining, impairment lead to earnings miss

Bloomberg	BPCL IN
Equity Shares (m)	2169
M.Cap.(INRb)/(USDb)	1342 / 16.1
52-Week Range (INR)	688 / 331
1, 6, 12 Rel. Per (%)	5/48/46
12M Avg Val (INR M)	3455

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	4,480.8	4,252.3	4,394.8
EBITDA	442.6	262.0	268.6
Adj. PAT	270.6	151.3	153.4
EPS (INR)	129.3	72.3	73.3
EPS Gr.%	1271.9	-44.1	1.4
BV/Sh. (INR)	361.4	397.7	434.8

Ratios

Net D:E	0.5	0.5	0.4
RoE (%)	41.9	19.0	17.6
RoCE (%)	24.8	12.7	12.1
Payout (%)	32.7	49.7	49.4

Valuation

P/E (x)	4.6	8.2	8.1
P/BV (x)	1.6	1.5	1.4
EV/EBITDA (x)	2.8	4.7	4.6
Div. yield (%)	7.1	6.1	6.1
FCF yield (%)	21.3	9.7	10.8

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	53.0	53.0	53.0
DII	22.2	23.1	23.5
FII	16.8	14.5	12.9
Others	8.0	9.4	10.6

FII Includes depository receipts

- BPCL's reported GRM came in 27% below our est. at USD12.5/bbl in 4QFY24, while implied marketing margin came in 67% above our est. at INR5.7/lit. Overall EBITDA was below our estimate due to weaker-than-expected refining performance and impairment charge of INR18b in 4Q.
- Refining throughput stood at 10.4mmt vs. our estimate of 10mmt. Refining GRM was below our expectations but higher than HPCL (USD6.9/bbl) and IOC (USD8.4/bbl). In 4Q, Russian crude constituted ~40% of crude mix.
- Marketing sales volume (excluding exports) came in at 13.2mmt in 4Q (vs. 12.9mmt in 3Q). OMCs are currently earnings a gross marketing margin of INR5/lit vs. our assumption of INR3.3/lit for both petrol/diesel.
- Singapore GRM (SG GRM) has been weak so far in 1QFY25'td at USD3.6/bbl vs. USD7.3/bbl in 4QFY24, which may lead to muted refining performance in 1QFY25. Our earnings estimates remain unchanged after 4QFY24 results. However, we raise capex in FY25/FY26 to INR140b/INR150b, as per company guidance (previously: INR100b for both FY25/FY26).
- BPCL is currently trading at 1.4x FY26E P/B and we see limited upside from current levels (FY26 ROE: 17.6%). However, with minimal volume growth and a sharp rise in capex in coming years, we maintain our Neutral rating with a TP of INR660, valuing the stock at 1.5x FY26E BV.

Miss due to lower-than-estimated refining margin; impairment in BPRL

- 4Q refining throughput was in line with our est. at 10.4mmt (-3% YoY).
- Reported GRM stood at USD12.5/bbl (vs. our estimate of USD17.1/bbl and USD9.9/bbl in 3QFY24).
- Marketing volumes, excluding exports, were in line with our estimate at 13.2mmt (+2% YoY). Marketing margin (including inv.) was higher than our estimate at INR5.7/lit (vs. INR3.5/lit in 3QFY24).
- EBITDA stood at INR92.4b (our est. INR102.7b), led by lower refining margins in 4Q.
- The reported PAT was below our estimate at INR42b. However, adjusted for impairment of INR18b, adj. PAT came in at INR55.7b (our est. INR63.6b).
- During 4QFY24, BPCL recorded impaired investments of INR18b in BPRL due to a change in prospects of its blocks. The accumulated impairment loss on investments in BPRL as of Mar'24 was INR52b.
- **For FY24**, BPCL posted EBITDA of INR443.4b (vs. INR126.5b in FY23) and adj. PAT of INR280.2b (vs. adj. PAT of INR29.6b in FY23).
- Marketing sales volume, excluding exports, grew 4% YoY to 51mmt, with marketing margin at INR6.1/lit (vs. marketing loss of INR1.4/lit in FY23).
- The refining throughput was down 4% YoY at 39.9mmt, with reported GRM at USD14.2/bbl (vs. USD20.2/bbl in FY23).
- The board has recommended a bonus share issuance in the ratio 1:1. It has recommended a dividend of INR21/share (pre-bonus), i.e., 210% of FV.

Valuation and view

- BPCL's GRMs have been at a premium to SG GRM on account of continuous optimization of refinery production, product distribution and crude procurement. The use of advanced processing capabilities of Bina and Kochi refineries allows BPCL to process 100% of high sulphur crude and 50% Russian crude.
- With valuations at 1.4x FY26E P/BV, we see limited upside from current levels. With minimal volume growth, rising capex and volatility in earnings from the marketing division, we maintain our Neutral rating with a TP of INR660, valuing the stock at 1.5x FY26E BV.

Standalone - Quarterly Earning Model

Y/E March	FY23				FY24				FY23	FY24	FY24	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE		
Net Sales	1,210.5	1,148.1	1,191.6	1,181.1	1,129.8	1,029.9	1,154.9	1,165.6	4,731.2	4,480.1	1,181.8	-1%
YoY Change (%)	70.7	50.3	25.3	13.3	-6.7	-10.3	-3.1	-1.3	36.5	-5.3	0.1	
EBITDA	-49.0	20.2	43.8	111.5	158.1	130.1	62.8	92.7	126.5	443.7	102.7	-10%
Margins (%)	-4.0	1.8	3.7	9.4	14.0	12.6	5.4	7.9	2.7	9.9	8.7	
Forex loss	9.6	5.9	1.4	-1.9	-0.2	1.0	0.5	0.5	15.0	1.8	0.1	
Depreciation	16.1	15.6	15.8	16.0	16.1	16.0	18.2	17.2	63.5	67.5	19.0	
Interest	6.2	8.1	9.8	8.1	6.8	7.7	5.0	5.2	32.2	24.7	6.3	
Other Income	4.4	5.6	4.5	5.4	4.7	7.7	6.8	4.7	19.9	23.9	7.8	
PBT before EO expense	-76.5	-3.8	21.3	94.8	140.1	113.1	45.8	74.4	35.8	373.5	85.0	-12%
Extra-Ord expense	0.0	0.0	0.0	13.6	0.0	0.0	0.0	18.0	13.6	18.0	0.0	
PBT	-76.5	-3.8	21.3	81.2	140.1	113.1	45.8	56.4	22.2	355.5	85.0	-34%
Tax	-13.9	-0.7	1.7	16.4	34.6	28.1	11.8	14.2	3.5	88.7	21.4	
Reported PAT	-62.6	-3.0	19.6	64.8	105.5	85.0	34.0	42.2	18.7	266.7	63.6	-34%
Adj PAT	-62.6	-3.0	19.6	75.6	105.5	85.0	34.0	55.7	29.6	280.2	63.6	-12%
YoY Change (%)	PL	PL	-30.7	202.4	LP	LP	73.4	-26.4	-70.3	848.1	-15.9	
Key Assumptions												
Refining throughput (mmt)	9.7	8.8	9.4	10.6	10.4	9.4	9.9	10.4	38.5	39.9	10.0	4%
Reported GRM (USD/bbl)	27.5	16.8	15.9	20.6	12.6	18.5	13.4	12.5	20.3	14.1	17.1	-27%
Marketing sales volume excld exports (mmt)	11.8	11.4	12.8	12.9	12.8	12.2	12.9	13.2	48.9	51.0	13.3	-1%
Marketing GM incld inv (INR/litre)	-9.1	-0.6	1.1	2.9	9.3	5.9	3.5	5.7	-1.4	6.1	3.4	67%

BPCL – key assumptions

Y End: March 31	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Exchange Rate (INR/USD)	70.0	70.9	74.3	74.5	80.4	82.9	84.6	86.0
Crude cost (USD/bbl)	70.1	61.2	44.4	80.5	96.1	82.9	85.0	85.0
Domestic Market Sales (mmt)	43.1	43.1	38.7	42.5	48.9	51.0	53.1	55.2
YoY (%)	5%	0%	-10%	10%	15%	4%	4%	4%
Reported GRM (USD/bbl)	4.6	2.5	4.1	9.5	20.3	14.1	9.0	9.0
Singapore GRM (USD/bbl)	4.9	3.2	0.5	5.0	10.7	6.6	6.0	6.0
Prem/(disc) (USD/bbl)	(0.3)	(0.7)	3.6	4.5	9.6	7.6	3.0	3.0
Refinery throughput (mmt)	31.0	31.9	26.4	34.1	38.5	39.9	40.0	40.0
YoY (%)	9%	3%	-17%	29%	13%	4%	0%	0%
Marketing Margin (INR/ltr)								
Blended gross marketing margin incld inventory	4.8	4.7	6.9	5.0	(1.4)	6.1	4.1	4.1
Consolidated EPS	40.7	23.8	63.2	52.0	9.4	129.3	72.3	73.3

Source: Company, MOSFL



Bank of Baroda

Estimate change

TP change

Rating change

CMP: INR255

TP: INR300 (+18%)

Buy

In-line adjusted earnings; RoA outlook remains healthy

Asset quality stable

- Bank of Baroda (BOB) reported in-line 4QFY24 PAT of INR48.9b, up 2% YoY, driven by higher other income. NIMs improved 17bp QoQ, partly supported by recoveries.
- Provisioning expenses were high as the bank further provided for aviation exposure. Opex was also high due to pension provisions and a decline in the discount rate.
- Business growth was healthy, with loans growing 13% YoY (4.1% QoQ) and deposits increasing 10% YoY (6.6% QoQ). The CD ratio, thus, moderated to 80.3%, while LCR too decreased to 121% (vs. 133% in 3Q), aiding margins.
- Slippages increased to 1.2%. Healthy advances growth enabled a decline in GNPA/NNPA by 16bp/2bp QoQ to 2.9%/0.7%. PCR was stable at 77.3%.
- We raise our FY25/FY26 EPS estimates by 1.9%/2.8% to account for stable margin and contained provisions. We estimate FY26 RoA/RoE of 1.22%/17.3%. **We reiterate our BUY rating on the stock.**

Business growth robust; RoA to remain above 1% in FY25-26E

- PAT grew 2% YoY to INR48.9b (in line), driven by higher other income, which was partly offset by higher opex and higher provisions. Healthy recoveries led to a 17bp QoQ improvement in NIMs to 3.27%. Excluding the one-off item, NIMs stood at 3.15%.
- Other income jumped 21% YoY/49% QoQ to INR41.9b (22% beat), aided by seasonally strong fee income, robust treasury income at INR5.2b (vs. INR380m in 3Q) and interest on IT refund of INR3.13b. Opex grew 14% YoY (8% higher than MOFSLe) due to the wage settlement (INR4b) and the impact (INR4b) of a lower discount rate given the fall in bond-yields. PPop, thus, increased 16% QoQ to INR81.1b (8% beat).
- Provisions increased 95% QoQ to INR13b (35% higher than MOFSLe). During the quarter, BOB made additional provisions of INR5.5b for aviation exposure, and the account is now 100% provided for.
- Advances grew 4.1% QoQ (up 13% YoY). Among segments, retail loans grew healthy at 6% QoQ (21% YoY), while corporate book grew 5% QoQ (12% YoY). SME/Agri book grew 2.9%/3.3% QoQ. In retail, personal loans grew 8% QoQ (up 52% YoY), gold loans grew 24% QoQ (up 88% YoY), and auto loans grew 4% QoQ (up 24% YoY).
- Deposits grew 10% YoY (7% QoQ). Heavy seasonal CA flows led to a 64bp QoQ improvement in the CASA ratio to 41.3%. BoB expects healthy growth in advances at ~12%-14% in FY25 and looks to reduce growth in PL.
- On the asset quality front, slippages increased to 1.2%. Healthy loan growth enabled a decline in GNPA/NNPA ratios by 16bp/2bp QoQ to 2.9%/0.7%. PCR was stable at 77.3%. SMA 1/2 moderated to 15bp of loans.
- RoA improved to 1.25% in 4Q (1.17% for FY24), while RoE stood at 20.8%.

Bloomberg	BOB IN
Equity Shares (m)	5171
M.Cap.(INRb)/(USDb)	1317.9 / 15.8
52-Week Range (INR)	286 / 173
1, 6, 12 Rel. Per (%)	-3/17/22
12M Avg Val (INR M)	4362

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	447.2	478.3	535.6
OP	309.7	340.1	390.6
NP	177.9	195.6	218.5
NIM (%)	3.1	3.0	2.9
EPS (INR)	34.4	37.8	42.2
EPS Gr. (%)	26.1	10.0	11.7
BV/Sh. (INR)	211	244	280
ABV/Sh. (INR)	194	227	261

Ratios

RoE (%)	17.9	17.0	16.4
RoA (%)	1.2	1.2	1.1

Valuations

P/E(X)	7.4	6.7	6.0
P/BV (X)	1.2	1.0	0.9
P/ABV (X)	1.3	1.1	1.0

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	64.0	64.0	64.0
DII	16.3	16.0	17.0
FII	12.4	12.3	10.9
Others	7.3	7.8	8.1

Highlights from the management commentary

- Growth in total advances is expected to be 12%-14% in FY25. Deposit is expected grow ~10-12% with a focus on CASA and retail term deposits. The bank is expected to maintain a CD ratio in the range of 80-82%.
- BOB maintains previous NIM guidance of 3.15% (+/- 5bp).
- There has been some seasonal effect of year-end recoveries and excluding that NIMs would have been ~3.15% for 4QFY24.
- BOB has increased its MCLR rate, which improved lending yields.

Valuation and view: Reiterate BUY with a TP of INR300

BOB reported an overall steady quarter characterized by one-offs. Adjusting for the one-offs, RoA/RoE stood at healthy levels. Provisions were high as the bank has provided for its aviation exposure (100% provided). Margins expanded 17bp QoQ to 3.27%. Loan growth was healthy at 15% YoY and the bank expects loan growth of 12-14% in FY25. Deposit growth was healthy, while the CASA mix improved. The bank has reduced its dependency on bulk deposits while shifting its focus on CASA and retail TDs, which will support NIMs. BOB has guided for a consistent CD ratio of 80-82%. Asset quality continued to improve, with NNPA at 0.7%, while lower SMA book provides further comfort on asset quality. We raise our FY25/FY26 EPS estimates by 1.9%/2.8% to account for stable margin and contained provisions. We estimate FY26 RoA/RoE of 1.22%/17.3%. **We value the stock at INR300 (1.1x FY26E BV) and reiterate our BUY rating on the stock.**

Quarterly performance

(INR b)

	FY23				FY24				FY23	FY24	FY24E	V/s
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE	Est	
Net Interest Income	88.4	101.7	108.2	115.2	110.0	108.3	111.0	117.9	413.6	447.2	113.9	3%
% Change (YoY)	12.0	34.5	26.5	33.8	24.4	6.4	2.6	2.3	26.8	8.1	-1.1	
Other Income	11.8	18.3	35.5	34.7	33.2	41.7	28.1	41.9	100.3	145.0	34.3	22%
Total Income	100.2	120.0	143.7	149.9	143.2	150.0	139.1	159.8	513.8	592.2	148.3	8%
Operating Expenses	54.9	59.7	61.4	69.2	64.9	69.8	69.0	78.8	245.2	282.5	73.0	8%
Operating Profit	45.3	60.3	82.3	80.7	78.2	80.2	70.2	81.1	268.6	309.7	75.2	8%
% Change (YoY)	-19.2	6.4	50.1	43.3	72.8	33.0	-14.8	0.4	20.0	15.3	-6.8	
Provisions	16.8	16.3	24.0	14.2	19.5	21.6	6.7	13.0	71.4	60.8	9.7	35%
Profit before Tax	28.4	44.0	58.3	66.5	58.8	58.6	63.5	68.0	197.3	248.9	65.6	4%
Tax	6.7	10.9	19.8	18.8	18.1	16.1	17.7	19.2	56.2	71.0	17.4	10%
Net Profit	21.7	33.1	38.5	47.8	40.7	42.5	45.8	48.9	141.1	177.9	48.2	1%
% Change (YoY)	79.4	58.7	75.4	168.5	87.7	28.4	18.9	2.3	94.0	26.1	0.8	
Operating Parameters												
Deposit (INR b)	10,327	10,902	11,495	12,037	11,999	12,496	12,453	13,270	12,037	13,270	13,269	0%
Loan (INR b)	7,996	8,366	8,907	9,410	9,635	9,980	10,241	10,658	9,410	10,658	10,654	0%
Deposit Growth (%)	10.9	13.6	17.5	15.1	16.2	14.6	8.3	10.2	15.1	10.2	10.2	
Loan Growth (%)	19.6	20.6	21.7	21.1	20.5	19.3	15.0	13.3	21.1	13.3	13.2	
Asset Quality												
Gross NPA (%)	6.3	5.3	4.5	3.8	3.5	3.3	3.1	2.9	3.8	2.9	2.9	
Net NPA (%)	1.6	1.2	1.0	0.9	0.8	0.8	0.7	0.7	0.9	0.7	0.6	
PCR (%)	75.9	79.1	78.8	77.2	78.5	77.6	77.7	77.3	76.7	76.7	78.3	
RoA (%)	0.7	1.0	1.1	1.3					1.0	1.2		
RoE (%)	13.6	19.6	21.1	24.8					16.5	17.9		
CASA (%)	44.2	42.8	41.6						39.5	35.4		
Margins (%)	3.0	3.3	3.4	3.5					3.2	3.1		

E: MOFSL Estimates



Eicher Motors

Estimate changes

TP change

Rating change



	EIM IN
Bloomberg Equity Shares (m)	274
M.Cap.(INRb)/(USD\$b)	1275.3 / 15.3
52-Week Range (INR)	4709 / 3159
1, 6, 12 Rel. Per (%)	11/18/16
12M Avg Val (INR M)	2738

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	165.4	187.9	210.0
EBITDA	43.3	47.9	53.5
Adj. PAT	40.0	44.7	49.8
Adj EPS (INR)	146.3	163.3	182.1
EPS Gr (%)	37.3	11.6	11.5
BV/Sh (INR)	660	767	884

Ratios

RoE (%)	24.2	22.9	22.1
RoCE (%)	23.7	22.2	21.3
Payout (%)	34.9	34.3	35.7

Valuations

P/E (x)	31.8	28.5	25.6
P/BV (x)	7.1	6.1	5.3
Div. Yield (%)	1.1	1.2	1.4
FCF Yield (%)	2.3	3.6	2.2

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	49.1	49.2	49.2
DII	11.1	9.8	11.3
FII	29.0	30.3	28.6
Others	10.8	10.8	10.9

FII Includes depository receipts

CMP: INR4,658 TP: INR4,020 (-14%) Downgrade to sell

Inline operating performance

Rising competitive intensity remains a key cause of concern

- EIM's 4QFY24 operating performance was in line. Unexpectedly, VECV EBITDA margin remained stable QoQ despite a strong 24% volume growth. RE is likely to face rising competitive pressures in the coming years, both in domestic and export markets, potentially limiting its volume growth prospects.
- We have cut our FY25E/FY26 EPS estimates by 4%/7% as we expect RE margins to be under pressure, led by rising competitive intensity. Given the recent stock run-up, we downgrade Eicher Motors to Sell from Neutral with a revised Mar'26E SoTP-based TP of INR4,020.

ASP improvement mainly due to better mix

- 4QFY24 consolidated revenue/EBITDA/adj. PAT grew ~12%/21%/18% YoY to INR42.6b/INR11.3b/INR10.7b (vs. est. INR42.1b/11.1b/10.8b). FY24 revenues/EBITDA/adj. PAT grew 14.5%/26%/37% YoY.
- RE volumes grew 4% YoY, while realizations grew 5% YoY to INR184.1k per unit (vs. est. INR181.4k/unit). ASP improvement was led by better mix (higher exports and higher share of 650cc motorcycles).
- Gross margin expanded 220bp YoY (+50bp QoQ) to 46.5% (vs. est 46.2%) as the RM basket remained stable sequentially.
- EBITDA margin came in at 26.5% (+200bp YoY vs. est. 26.3%). EBITDA grew 21% YoY to INR11.3b (vs. est. INR11.1b).
- The share of PAT from VECV came in at INR1.3b (vs. INR1.7b in 4QFY23 vs. our estimate of INR2b).
- Adj. PAT came in at INR10.7b (in line with est); grew 18% YoY.
- The company declared dividend of INR51/share (vs. INR37/share in FY23).
- FCF stood at INR29.1b (vs. INR21.5b in FY23), led by strong operating cash flow, which stood at INR37.2b (vs. INR28.2b in FY23). Capex for FY24 stood at INR8.1b (vs. INR6.7b in FY23).
- **VECV:** Volume declined 2% YoY, but realizations improved 4% YoY, leading to 1% YoY growth in revenue to INR62.75b (vs. est. INR67.6b). EBITDA margin contracted 220bp YoY to 7.7% (est. 10%). Unexpectedly, VECV EBITDA margin remained stable QoQ despite a strong 15% volume growth.

Highlights from the management commentary

- **Domestic-** Anticipating double-digit growth in the mid-weight motorcycle segment for FY25E, with RE poised to outperform due to upcoming new launches.
- **Exports:** Retail sales are seeing green shoots in some export markets with stable market share across key geographies.
- **Margins-** Commodities are stable. It is focusing more on the revenue growth from other levers such as export and the non-motorcycle segment.
- **E-SCV-** Scheduled for commercial launch from January'25, marking its debut in the SCV category, with diesel and CNG variants slated for release in FY26.

Valuation and view

We reduce our FY25E/FY26E EPS estimates by 4%/7% as we expect RE margins to be under pressure, led by rising competitive intensity. We have factored in a 10% volume CAGR for RE over FY24-26E. We now expect margins to see a 70-bp decline by FY26E as any benefit from improving mix (higher spares and apparel sales) is likely to be offset by the rising competitive intensity. Overall, we expect EIM to deliver 12% earnings CAGR over FY24-26. Given the recent stock run-up, **we downgrade Eicher Motors to Sell from Neutral with a revised Mar'26E SoTP-based TP of INR4,020.** We value RE at 22x FY26E EPS and VECV at 10x EV EBITDA on FY26E.

Quarterly performance (Consolidated)

INR m	FY23				FY24				FY23	FY24	4QE
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Net Operating income	33,975	35,194	37,210	38,043	39,864	41,145	41,788	42,560	1,44,422	1,65,358	42,082
Growth (%)	72.1	56.4	29.2	19.1	17.3	16.9	12.3	11.9	40.2	14.5	10.6
EBITDA	8,311	8,216	8,572	9,337	10,208	10,872	10,903	11,286	34,436	43,269	11,049
EBITDA Margins (%)	24.5	23.3	23.0	24.5	25.6	26.4	26.1	26.5	23.8	26.2	26.3
PAT	5,769	6,127	6,770	7,322	8,179	9,146	8,821	9,386	25,988	35,533	8,680
Share of JV Loss/(PAT)/ Min. Int.	-338	-441	-639	-1,734	-1,004	-1,016	-1,139	-1,318	-3,152	-4,477	-2,164
Recurring PAT	6,107	6,569	7,408	9,056	9,183	10,163	9,960	10,705	29,139	40,010	10,843
Growth (%)	157.5	76.0	62.4	48.4	50.4	54.7	34.4	18.2	73.8	37.3	19.7

Standalone (Royal Enfield)

(INR Million)	FY23				FY24				FY23	FY24	4QE
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Royal Enfield ('000 units)	187	208	221	219	228	229	228	228	835	913	228
Growth (%)	51.4	68.3	30.6	17.7	21.6	10.4	3.0	4.2	38.6	9.3	4.2
Net Realn (INR '000/unit)	173.5	163.5	162.2	175.3	171.3	171.4	177.8	184.1	168.5	176.2	181.4
Change - YoY (%)	12.4	-7.5	-3.1	1.9	-1.3	4.8	9.6	5.0	0.2	4.6	3.5
Net operating income	32,479	33,972	35,902	38,314	39,012	39,307	40,542	41,921	1,40,666	1,60,782	41,308
Growth (%)	70.2	55.7	26.5	19.9	20.1	15.7	12.9	9.4	39.0	14.3	7.8
EBITDA	7,882	8,036	8,569	9,448	10,127	10,974	11,148	11,553	33,935	43,802	11,372
EBITDA Margins (%)	24.3	23.7	23.9	24.7	26.0	27.9	27.5	27.6	24.1	27.2	27.5
PBT after EO item	7,643	8,286	9,138	10,016	12,092	12,376	12,211	13,021	35,083	49,700	12,416
Effective tax rate (%)	24.1	25.8	25.5	25.4	24.4	24.2	25.2	24.5	25.2	24.6	24.6
Recurring PAT	5,802	6,149	6,807	7,469	9,139	9,385	9,137	9,833	26,226	37,494	9,356
Growth (%)	117.1	79.1	61.2	35.0	57.5	52.6	34.2	31.7	65.3	43.0	25.3

VECV: Quarterly performance

(INR Million)	FY23				FY24				FY23	FY24	4QE
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Total CV Volumes	17,469	17,616	18,162	26,376	19,571	19,551	20,706	25,732	79,623	85,560	25,732
Growth (%)	200.9	16.4	13.2	31.3	12.0	11.0	14.0	-2.4	39.5	7.5	-2.4
Net Realn (INR '000/unit)	2,252	2,393	2,535	2,351	2,550	2,623	2,643	2,439	2,380	2,556	2,628
Change - YoY (%)	-20.2	14.8	12.2	9.7	13.2	9.6	4.3	3.7	6.8	7.4	11.8
Net Op. Income	39,340	42,150	46,040	62,000	49,910	51,290	54,730	62,750	1,89,523	2,18,680	67,615
Growth (%)	140.0	33.7	27.0	43.9	26.9	21.7	18.9	1.2	48.9	15.4	9.1
EBITDA	2,180	2,490	3,050	6,151	3,948	4,041	4,303	4,858	13,690	17,150	6,788
EBITDA Margins (%)	5.5	5.9	6.6	9.9	7.9	7.9	7.9	7.7	7.2	7.8	10.0
Recurring PAT	690	810	1,160	3,154	1,868	1,894	2,048	2,420	5,790	8,230	4,018
Growth (%)	-214.5	438.3	112.2	281.5	170.8	133.8	76.6	-23.3	423.6	42.1	27.4

E: MOFSL Estimates



Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR1,340 TP: INR1,600 (+19%) BUY

The US/branded generics drive earnings

Work in progress to build complex assets to sustain growth over 3-4 years

Bloomberg	CIPLA IN
Equity Shares (m)	807
M.Cap.(INRb)/(USD\$)	1081.5 / 13
52-Week Range (INR)	1519 / 897
1, 6, 12 Rel. Per (%)	-3/-6/21
12M Avg Val (INR m)	2203

- Cipla reported a slight miss on earnings for 4QFY24, largely due to higher opex. It ended FY24 on a strong note with 13%/23%/39% YoY growth in sales/EBITDA/PAT to INR257b/INR63b/INR42b. This was driven by strong traction in the US generics and superior execution in the branded generics segment within domestic formulations (DF) and South Africa.
- We retain our earnings estimates for FY25/FY26. We value Cipla on an SOTP basis (25x 12M forward earnings for base business and NPV of NR30 for g-Revlimid) to arrive at our TP of INR1,600.
- While g-Revlimid contributed meaningfully to overall earnings for FY24, we expect a 12% earnings CAGR over FY24-26. This would be largely driven by: commercialization of complex assets in the US and outperformance of chronic therapies in the DF segment, a transformed operating model in trade generics, and sustained growth in the consumer healthcare segment. **Accordingly, we reiterate our BUY rating on the stock.**

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	257.7	278.3	305.0
EBITDA	62.9	70.4	78.1
Adj. PAT	42.4	47.6	53.1
EBIT Margin (%)	20.5	21.5	21.9
Cons. Adj. EPS (INR)	52.5	58.9	65.8
EPS Gr. (%)	39.0	12.3	11.7
BV/Sh. (INR)	330.9	382.0	441.8

Ratios

Net D:E	0.0	-0.1	-0.2
RoE (%)	15.9	15.4	14.9
RoCE (%)	17.0	16.5	16.0
Payout (%)	9.4	10.2	9.1

Valuations

P/E (x)	25.5	22.7	20.4
EV/EBITDA (x)	17.0	14.7	12.8
Div. Yield (%)	0.3	0.4	0.4
FCF Yield (%)	0.4	4.1	3.5
EV/Sales (x)	4.2	3.7	3.3

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	33.4	33.4	33.4
DII	24.4	24.3	22.0
FII	26.0	25.9	27.7
Others	16.3	16.4	16.9

FII Includes depository receipts

Product mix benefits partly offset by higher opex for the quarter

- Cipla's 4QFY24 revenue grew 7.4% YoY to INR61.6b (our est. INR61.1b). DF sales (39% of sales) grew 7% YoY to INR24.2b. The US sales (30% of sales) rose 11.8% YoY to INR18.8b (USD226m, up 11% in CC terms). API sales (3% of sales) grew 41% YoY at INR1.9b. The EM sales (13% of sales) rose 5.5% YoY to INR8.3b, while SAGA sales (12% of sales) declined 8.5% YoY to INR7.6b.
- Gross margin expanded 270bp YoY to 66.7% (our est. 64.9%) led by lower raw material costs.
- EBITDA margin expanded 90bp YoY to 21.4% (our est. 23.4%), due to better gross profit offset by operating deleverage. Employee costs/R&D expenses/Other costs increased 80bp/70bp/30bp YoY as a % of sales.
- EBITDA was up 12.1% YoY to INR13.2b (our est. INR14.3b).
- Adjusting for a one-off gain of INR700m, Adj. PAT grew 22.7% to INR8.7b (our est. INR9.1b) due to higher other income and lower interest costs.
- **During FY24**, Cipla's revenue/EBITDA/PAT grew 13%/23%/39% to INR257.7b/INR62.9b/INR42.4b.

Highlights from the management commentary

- Cipla guided 24.5%-25.5% EBITDA margin for FY25. This guidance does not factor in USFDA compliance at the Goa site.
- It has completed remediation measures at its Goa site and awaits the USFDA inspection.
- The company has ~12 assets in peptides/complex generics space to be launched over FY25-27.
- Cipla continues to implement remediation measures at its Indore site.
- It has one biosimilar asset in an early stage of development.

Quarterly Performance (Consolidated)

(INR b)

Y/E March	FY23				FY24E				FY23	FY24	Est. 4QE	% Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Revenue	53.8	58.3	58.1	57.4	63.3	66.8	66.0	61.6	227.5	257.7	61.1	0.9
YoY Change (%)	-1.4	5.6	6.0	9.1	17.7	14.6	13.7	7.4	4.8	13.3	6.5	
Total Expenditure	42.3	44.4	44.0	45.7	48.3	49.4	48.6	48.5	176.4	194.8	46.8	
EBITDA	11.4	13.9	14.1	11.7	14.9	17.3	17.5	13.2	51.1	62.9	14.3	-7.9
YoY Change (%)	-11.7	13.3	14.3	23.6	30.7	24.8	24.2	12.1	8.8	23.0	21.8	
Margins (%)	21.3	23.8	24.2	20.4	23.6	26.0	26.5	21.4	22.5	24.4	23.4	
Depreciation	2.5	3.0	2.7	3.5	2.4	2.5	2.3	2.9	11.7	10.1	2.2	
EBIT	8.9	10.9	11.4	8.3	12.5	14.9	15.1	10.3	39.4	52.8	12.0	
YoY Change (%)	-14.0	12.0	15.4	25.5	41.1	36.4	33.3	24.2	8.0	34.0	45.6	
Margins (%)	16.5	18.7	19.5	14.4	19.8	22.3	22.9	16.7	17.3	20.5	19.7	
Interest	0.2	0.3	0.3	0.3	0.2	0.3	0.3	0.2	1.1	0.9	0.3	
Other Income	1.0	1.0	1.1	1.3	1.4	1.8	1.3	1.8	4.5	6.2	1.2	
Profit before Tax	9.7	11.6	12.2	9.3	13.7	16.4	16.1	11.9	42.8	58.2	13.0	
One-time (expense)/income	0.0	-0.6	0.0	-1.8	0.0	-0.4	-1.4	0.7	-2.5	-1.1	0.0	
PBT after EO expense	9.7	11.0	12.2	7.5	13.7	15.9	14.7	12.6	40.4	57.0	13.0	-2.8
Tax	2.7	3.0	4.1	2.2	3.8	4.4	4.1	3.2	12.0	15.5	3.8	
Rate (%)	27.5	26.0	33.7	24.0	27.5	26.8	25.1	27.3	28.1	26.6	29.1	
Minority Interest	0.2	0.1	0.1	0.0	0.0	0.2	0.1	0.0	0.3	0.3	0.1	
Reported PAT	6.9	7.9	8.0	5.3	10.0	11.3	10.6	9.4	28.0	41.2	9.1	2.9
Adj PAT	6.9	8.5	8.0	7.1	10.0	11.7	12.0	8.7	30.5	42.4	9.1	-4.8
YoY Change (%)	-12.9	19.8	9.9	16.1	45.1	37.7	49.4	22.7	7.4	39.0	28.9	

E: MOFSL Estimates

Key performance indicators

Y/E March	FY23				FY24				FY23	FY24	Est. 4QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
INR b											
Domestic formulation	24.8	25.6	25.6	22.6	27.7	28.2	28.6	24.2	98.7	108.7	24.1
YoY Change (%)	-8.4	6.2	1.8	3.5	11.6	9.8	11.5	7.0	0.4	10.1	6.6
North America	12.0	14.6	16.0	16.8	18.2	18.9	19.2	18.8	59.1	75.0	18.3
YoY Change (%)	14.7	38.1	39.1	38.7	52.0	29.5	19.8	11.8	33.9	26.9	9.0
South Africa	7.9	8.7	6.8	8.3	7.5	9.9	8.2	7.6	31.7	30.6	8.3
YoY Change (%)	-4.6	-12.0	-22.4	-12.7	-5.1	13.6	19.9	-8.5	-13.9	-3.4	0.0
Emerging market	7.2	7.6	7.6	7.8	7.8	7.3	7.5	8.3	30.3	30.9	7.4
YoY Change (%)	18.9	-7.7	7.0	7.1	8.2	-3.1	-2.1	5.5	5.4	1.9	-6.1
API	1.4	1.7	1.5	1.3	1.4	1.5	1.1	1.9	5.7	5.8	1.4
YoY Change (%)	-39.7	1.7	-10.6	-2.2	0.7	-15.9	-26.5	41.0	-25.3	2.3	2.5
Cost Break-up											
RM Cost (% of Sales)	37.7	35.6	34.5	36.0	35.3	34.6	33.6	33.3	38.6	39.6	35.1
Staff Cost (% of Sales)	17.8	16.5	16.3	16.8	16.9	16.3	16.2	17.6	16.3	17.7	19.1
R&D Expenses(% of Sales)	5.1	5.7	6.2	6.5	5.5	5.7	6.1	7.2	4.3	6.0	6.8
Other Cost (% of Sales)	18.2	18.4	18.7	20.3	18.7	17.4	17.7	20.6	17.0	19.5	20.6
Gross Margin (%)	62.3	64.4	65.5	64.0	64.7	65.4	66.4	66.7	61.4	60.4	64.9
EBITDA Margin (%)	21.3	23.8	24.2	20.4	23.6	26.0	26.5	21.4	22.5	24.4	23.4
EBIT Margin (%)	16.5	18.7	19.5	14.4	19.8	22.3	22.9	16.7	17.3	20.5	19.7

Source: MOFSL, Company



Union Bank of India

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR142 TP: INR165 (+16%) Buy

One-off opex dents earnings; guides for RoA of >1%

Asset quality ratio improves

Bloomberg	UNBK IN
Equity Shares (m)	7634
M.Cap.(INRb)/(USDb)	1084 / 13
52-Week Range (INR)	163 / 68
1, 6, 12 Rel. Per (%)	-3/23/81
12M Avg Val (INR M)	2696

- Union Bank of India (UNBK) reported 19% YoY growth in PAT at INR33b (14% miss) in 4QFY24 as opex increased 13.7% YoY to INR76b (24% higher than MOFSLe).
- NII grew 14.4% YoY to INR94.4b (in line). NIMs stood broadly stable, with a 1bp QoQ increase to 3.09%.
- Loan book grew 14% YoY/1% QoQ. Deposits grew 9.3% YoY/4.2% QoQ. The CD ratio, thus, moderated 224bp QoQ to 71.3%.
- Asset quality ratios improved slightly, with GNPA/NNPA ratios declining by 7bp/5bp YoY to 4.76% /1.03%. However, slippages increased during the quarter to INR33b from INR26.8b in 3QFY24.
- We cut our FY25/FY26 EPS estimates by 2.1-2.2% and estimate RoA/RoE of 1.1%/16.3% by FY26. **Retain BUY with a revised TP of INR165.**

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	365.7	386.5	429.5
OP	282.1	299.4	335.6
NP	136.5	158.6	180.5
NIM (%)	2.9	2.8	2.8
EPS (INR)	18.9	20.8	23.7
EPS Gr. (%)	52.9	10.1	13.8
BV/Sh. (INR)	123	139	159
ABV/Sh. (INR)	112	130	149
RoE (%)	16.7	16.3	16.3
RoA (%)	1.0	1.1	1.1

Valuations

P/E(X)	7.5	6.8	6.0
P/BV (X)	1.2	1.0	0.9
P/ABV (X)	1.3	1.1	1.0

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	74.8	77.0	83.5
DII	12.6	12.3	8.3
FII	6.8	4.0	1.7
Others	5.9	6.8	6.6

Loan growth moderates; margins broadly stable at 3.09%

- UNBK reported 19% YoY growth in PAT at INR33b (14% miss) due to higher opex (mostly wage related). For FY24, PAT rose 62% YoY to INR136.5b.
- NII grew 14.4% YoY to INR94.4b (in line). NIMs were broadly stable, with a 1bp QoQ increase to 3.09% (above the management's guidance of 3%).
- Other income grew 24.7% QoQ (20% beat) as treasury gains remained healthy at INR7.8b, besides an income tax refund of INR4.97b. Total income, thus, increased by 4.6% YoY to INR141.4b.
- Operating expenses grew 13.7% YoY to INR76b (24% higher than our estimate). Thus, PPOp declined 4.3% YoY to INR65b (10% miss). The C/I ratio thus increased to 53.8%.
- Advances saw a moderate growth sequentially at 14% YoY/1% QoQ to INR8.7t. Retail book grew 11% YoY (2.3% QoQ) and commercial book grew 15% YoY (0.7% QoQ). Deposits grew 9.3% YoY (4.2% QoQ), with CASA deposits increasing 4.1% YoY, leading to 20bp QoQ moderation in the domestic CASA ratio to 34.2%.
- 4Q slippages rose to INR33b vs. INR26.8b in 3Q. GNPA/NNPA ratios improved 7bp/5bp YoY to 4.76% /1.03%. PCR rose 76bps QoQ to 79.1%.
- SMA book remained under control at ~INR32.4b due to a decline in SMA-0 bucket. Restructured loans declined to 1.5% of loans.

Highlights from the management commentary

- Employee cost has gone up as the bank has made pension/gratuity provisions amounting to ~INR13b during the quarter. Wage provisions stood at INR1.63b, which impacted the operating profits in 4QFY24.
- The bank guides for >1% of RoA with NIMs of 2.8-3%. The bank aims to surpass its RoA guidance.
- Employee expenses are expected to rise by INR 3.3b per quarter, with a projected HR cost escalation of 6-7% YoY. Consequently, the ongoing monthly staff expenses are estimated to range around INR11.5-12b.

Valuation and view

UNBK reported a mixed quarter characterized by healthy revenue growth and lower-than-expected provisions; however, higher opex led to a miss in earnings. NIMs remained broadly stable and above the guided range. Continued improvements in the CD ratio and residual re-pricing of MCLR loans will support NIMs; the management has guided for the NIM range of 2.8-3%. Slippages increased, while recoveries and upgrades declined sequentially. However, controlled SMA book and a consistent decline in restructured assets (1.5%) provide a healthy outlook for asset quality. We cut our FY25/FY26 EPS estimates by ~2% and estimate RoA/RoE of 1.1%/16.3% by FY26. **We reiterate our BUY rating with a revised TP of INR165 (premised on 1x FY26E ABV).**

Quarterly performance

(INR b)

	FY23				FY24E				FY23	FY24	FY24E V/S our	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Est
Net Interest Income	75.8	83.1	86.3	82.5	88.4	91.3	91.7	94.4	327.7	365.7	94.4	0%
% Change (YoY)	8.1	21.6	20.3	21.9	16.6	9.9	6.3	14.4	17.9	11.6	14.4	
Other Income	28.2	32.8	32.7	52.7	39.0	37.0	37.7	47.1	146.3	160.8	39.2	20%
Total Income	104.0	115.8	119.0	135.2	127.4	128.2	129.4	141.4	474.0	526.5	133.6	6%
Operating Expenses	49.5	50.0	52.8	67.0	55.6	56.0	56.6	76.1	219.3	244.4	61.3	24%
Operating Profit	54.5	65.8	66.2	68.2	71.8	72.2	72.8	65.3	254.7	282.1	72.3	-10%
% Change (YoY)	5.1	8.3	29.8	23.6	31.8	9.8	9.9	-4.3	16.4	10.8	5.9	
Provisions	32.8	40.8	30.4	29.4	20.1	17.7	17.5	12.6	133.3	67.8	18.6	-32%
Profit before Tax	21.7	25.0	35.8	38.9	51.7	54.5	55.3	52.7	121.4	214.3	53.7	-2%
Tax	6.1	6.5	13.4	11.1	19.4	19.4	19.4	19.6	37.0	77.8	15.0	31%
Net Profit	15.6	18.5	22.4	27.8	32.4	35.1	35.9	33.1	84.3	136.5	38.7	-14%
% Change (YoY)	32.0	21.1	106.8	93.3	107.7	90.0	59.9	19.0	61.2	61.8	39.1	
Operating Parameters												
Deposit (INR b)	9,928	10,433	10,650	11,177	11,281	11,376	11,725	12,215	11,177	12,215	12,215	
Loan (INR b)	6,764	7,275	7,564	7,618	7,705	8,036	8,621	8,708	7,618	8,708	8,731	
Deposit Growth (%)	9.3	14.1	13.6	8.3	13.6	9.0	10.1	9.3	8.3	9.3	9.3	
Loan Growth (%)	15.7	25.2	22.6	15.3	13.9	10.5	14.0	14.3	15.3	14.3	14.6	
Asset Quality												
Gross NPA (%)	10.2	8.5	7.9	7.5	7.3	6.4	4.8	4.8	7.5	4.8	4.6	
Net NPA (%)	3.3	2.6	2.1	1.7	1.6	1.3	1.1	1.0	1.8	1.0	1.0	
PCR (%)	69.9	70.6	74.6	78.8	79.8	80.7	78.4	79.1	78.1	79.1	79.0	

E:MOFSL Estimates



Polycab India

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR6,156 TP: INR7,850 (+28%) BUY

Strong delivery continues; gains market share further

Market share at ~25-26% of domestic organized cables & wires market

Bloomberg	POLYCAB IN
Equity Shares (m)	150
M.Cap.(INRb)/(USDb)	924.9 / 11.1
52-Week Range (INR)	6364 / 3171
1, 6, 12 Rel. Per (%)	20/6/71
12M Avg Val (INR M)	3595
Free float (%)	34.8

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	180.4	207.4	239.1
EBITDA	24.9	27.4	32.8
Adj. PAT	17.8	19.7	23.6
EBITDA Margin (%)	13.8	13.2	13.7
Cons. Adj. EPS (INR)	118.8	130.9	157.1
EPS Gr. (%)	40.0	10.2	20.0
BV/Sh. (INR)	545.0	645.8	767.9

Ratios

Net D:E	(0.0)	(0.1)	(0.1)
RoE (%)	21.8	20.3	20.5
RoCE (%)	22.5	21.1	21.3
Payout (%)	16.8	22.9	22.3

Valuations

P/E (x)	51.8	47.0	39.2
P/BV (x)	11.3	9.5	8.0
EV/EBITDA (x)	37.0	33.5	27.8
Div Yield (%)	0.5	0.6	0.6
FCF Yield (%)	0.5	0.7	1.0

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	65.2	65.8	66.2
DII	7.2	7.6	9.3
FII	12.0	13.4	9.8
Others	15.6	13.2	14.7

FII Includes depository receipts

- Polycab India (Polycab)'s 4QFY24 performance was ahead of our estimates. It reported an EBITDA of INR7.6b (15% above our est.) led by higher revenue growth (12% above est.) and a better margin in the cables & wires segment (15.1% vs. estimated 14.3%). Profit stood at INR5.5b vs. est. of INR4.7b.
- Management believes that the company's market share stands at ~25-26% of the domestic organized cables & wires market (vs. 22-24% in FY23). Rural demand has improved, leading to higher sales for FMEG products, which, along with an increase in private sector capex, should boost growth.
- We recently [initiated coverage](#) on Polycab with a BUY rating. We like the company due to its strong performance in the cables & wires segment, where it has a leadership position as well as strong margin delivery. We raise our EPS estimates by 5% each for FY25 and FY26, considering higher growth in FY24. **Reiterate BUY with a TP of INR7,850 (premised on 50x FY26E EPS).**

Revenue/EBITDA up 29%/25% YoY; cables & wires' margin at 15.1%

- Polycab's revenue was up 29% YoY to INR55.9b led by strong growth in all business segments. EBITDA grew 25% YoY to INR7.6b, while OPM was at 13.6% vs. 14.1%/13.1% in 4QFY23/3QFY24. PAT rose 29% YoY to INR5.5b. Ad spending stood at 0.7% of revenue vs. 0.6%/2.0% in 4QFY23/3QFY24.
- Revenue for the cables segment was up 24% YoY to INR48.6b, while EBIT rose 25% YoY to INR7.4b. EBIT margin was 15.1% vs. 15.0%/14.0% in 4QFY23/3QFY24. International business contributed 7.7% to the revenue vs. 12.5%/6.2% in 4QFY23/3QFY24.
- Revenue for the ECD segment increased 19% YoY, while EBIT loss stood at INR459m vs. a loss of INR70m in 4QFY23. Management indicated that Fans' demand growth was better fueled by a new range of BLDC and premium fans. Revenue for the EPC business surged 4.6x YoY/2.2x QoQ due to improvements in government projects, while EBIT surged 7.1x YoY/5% QoQ.
- In FY24;** revenue was up 28% YoY, led by 26% growth in cables & wires. EBIT of the cables & wires segment improved 40% YoY, while margin expanded 1.6pp YoY to 14.7%. Overall, EBITDA was up 35% YoY to INR24.9b, while OPM improved 70bp YoY to 13.8%. Profit rose 41% YoY to INR18b.
- OCF declined 9% YoY to INR13b in FY24 due to an increase in working capital requirements. RoE improved to 21.8% from 19.1% in FY23. Working capital days increased to 65 from 63 days in FY23, while working capital days including acceptances increased to 103 days from 94 in FY23.

Key highlights from the management commentary

- There are encouraging signals for rural demand improvement, which boosted sales of FMEG products. The EHV plant will become operational by end-FY26, and asset turnover should be 5-6x for this plant.
- The domestic cables & wires business reported a volume growth of ~30-40% in 4QFY24/FY24. It will continue to deliver 12-13% EBIT margin on a sustainable basis in the cables & wires segment. The margin can see a positive bias sequentially based on the product mix.
- The decline in international business was due to a transition in the business model undertaken by the company in its largest demand geography, the US. This transition will take another three to five quarters to stabilize. Business from other geographies will continue to show robust growth in this period.

Valuation and view

- We estimate Polycab's EBITDA/profit CAGR at 15% each over FY24-26. We expect a cumulative FCF of INR16b during FY24-26, despite higher capex (INR10b each in FY25/26). RoE and RoIC are expected to be at 21% and 26%, respectively, in FY26 vs. an average of 16% and 17% over FY15-24.
- **We reiterate our BUY rating on Polycab with a TP of INR7,850 (based on 50x FY26E EPS),** considering a strong earnings CAGR, better return ratios, and a strong balance sheet (net cash of INR31b in FY26E).

Quarterly Performance

Y/E March	FY23				FY24				FY23	FY24	MOSL	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4Q			(%)	(%)
Sales	27,366	33,324	37,152	43,237	38,894	42,177	43,405	55,919	1,41,078	1,80,394	49,917	12.0%	29.3%	28.8%
Change (%)	47.5	10.8	10.2	8.9	42.1	26.6	16.8	29.3	15.6	27.9	13.9			
EBITDA	3,111	4,276	5,038	6,095	5,486	6,089	5,695	7,615	18,521	24,918	6,639	14.7%	24.9%	33.7%
Change (%)	131.8	46.0	39.3	28.0	76.3	42.4	13.0	24.9	46.4	34.5	6.2			
EBITDA margin (%)	11.4	12.8	13.6	14.1	14.1	14.4	13.1	13.6	13.1	13.8	13.3		-48	50
Depreciation	510	523	525	535	571	603	619	657	2,092	2,450	651	0.9%	22.9%	6.2%
Interest	84	139	93	282	249	268	322	244	598	1,083	351	-30.5%	-13.3%	-24.3%
Other Income	443	-22	397	515	640	353	710	538	1,333	2,209	775	-30.5%	4.5%	-24.2%
Share of JV's loss	(13)	(8)	(8)	(64)	-	-	-	-	(93)	-	-			
PBT	2,947	3,585	4,810	5,731	5,305	5,572	5,464	7,253	17,073	23,593	6,412	13.1%	26.6%	32.7%
Tax	722	880	1,202	1,446	1,273	1,274	1,299	1,718	4,242	5,564	1,667			
Effective Tax Rate (%)	24.5	24.5	25.0	25.2	22.9	23.8	23.7	22.9	24.8	23.6	26.0			
MI	28	27	32	37	35	42	37	75	123	189	9			
Exceptional	-	-	-	-	-	-	-	-	0	0	-			
Reported PAT	2,198	2,678	3,576	4,248	3,996	4,256	4,129	5,460	12,708	17,841	4,736	15.3%	28.6%	32.3%
Change (%)	203.4	37.2	45.0	31.8	81.8	58.9	15.4	28.6	51.9	40.4	9.3			
Adj. PAT	2,198	2,678	3,576	4,248	3,996	4,256	4,129	5,460	12,708	17,841	4,736	15.3%	28.6%	32.3%
Change (%)	203.4	37.2	45.0	31.8	81.8	58.9	15.4	28.6	51.9	40.4	9.3			



Estimate change	↓
TP change	↔
Rating change	↔

CMP: INR502 TP: INR600 (+20%) BUY

Weaker refining offset by stronger marketing performance

Bloomberg	HPCL IN
Equity Shares (m)	1419
M.Cap.(INRb)/(USDb)	711.5 / 8.5
52-Week Range (INR)	595 / 239
1, 6, 12 Rel. Per (%)	6/54/75
12M Avg Val (INR M)	2851

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	4,338.6	4,197.0	4,317.1
EBITDA	249.3	188.4	193.6
Adj. PAT	160.1	101.9	102.1
Adj. EPS (INR)	112.9	71.8	72.0
EPS Gr. (%)	LP	-36.4	0.2
BV/Sh.(INR)	330.7	382.7	434.3

Ratios

Net D:E	1.3	1.1	1.0
RoE (%)	40.4	20.1	17.6
RoCE (%)	15.9	9.2	8.5
Payout (%)	27.9	27.6	28.2

Valuations

P/E (x)	4.4	7.0	7.0
P/BV (x)	1.5	1.3	1.2
EV/EBITDA (x)	5.4	7.1	6.9
Div. Yield (%)	6.3	4.0	4.1
FCF Yield (%)	19.6	7.4	7.1

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	54.9	54.9	54.9
DII	22.2	21.3	21.4
FII	13.8	14.3	14.4
Others	9.1	9.6	9.3

FII Includes depository receipts

- HPCL beat our EBITDA estimate in 4QFY24, aided by higher-than-expected marketing margin of INR4.8/lit (est. INR4.1/lit). However, refining segment performance was below expectations, with GRM at USD6.9/bbl (our est. USD12.4/bbl).
- Refinery throughput was above our estimate at 5.8mmt (up 18% YoY) and should improve by another 1.3mmt annually once the bottom upgrade unit is commissioned. The lower-than-expected refining margin in 4QFY24 was attributable to 1) buildup of inter-mediate products (USD1.5/bbl), 2) lower-than-expected Russian crude discounts, and 3) INR6b inventory loss.
- We have moderated our refining margin assumption to USD8/bbl (from USD9/bbl), given weak start to refining GRM, a decline in Russian crude discounts, and costs related to the commissioning of a bottom upgrade unit. Accordingly, we cut our FY25/FY26 EBITDA estimates by 8% each.
- Other notable updates during the quarter included: 1) Rajasthan refinery remaining on track for commissioning in 4QFY25, and 2) petchem unit at HMEL achieved 90%+ utilization in Jan'24.
- In the marketing segment, sales volumes came in 8% above our est. at 12.3mmt (up 11% YoY). The company expects to clock marketing sales volume of 44mmt/45mmt in FY24/25. OMCs are again generating strong gross marketing margin of ~INR5 per liter on both petrol/diesel. Among OMCs, HPCL has the highest leverage in marketing and would benefit the most due to an uptick in marketing margins.
- The commissioning of a bottom upgradation unit at its Visakhapatnam refinery would result in distillate yield improving by 10% from FY25 onward. The company expects to maintain a GRM delta of ~USD3/bbl over SG GRM. The demerger of lubricant business also provides a value unlocking opportunity.
- Our marketing margin assumption of INR3.3/lit on petrol and diesel in FY25/FY26 is materially below current margins. We maintain a BUY rating on the stock, valuing it at 1.4x FY26E P/BV to arrive at our TP of INR600.

EBITDA/PAT beat expectations amid strong marketing performance

- Refining throughput was above our estimate at 5.8mmt (+18% YoY). Reported GRM was below our estimate at USD6.9/bbl (-51% YoY).
- Marketing volumes stood at 12.3mmt (vs. our estimate of 11.4mmt, +11% YoY). Marketing margin (including inv.) stood at ~INR4.8/lit (vs. our estimate of INR4.1/lit, +29% YoY).
- Resultant EBITDA stood at INR51.3b (vs. our estimate of INR41b). PAT came in at INR28.4b (vs. our estimate of INR22.1b) due to a lower tax rate.
- **For FY24**, EBITDA was INR253.6b (vs. a loss of INR57.1b in FY23) and PAT stood at INR146.9b (vs. a loss of INR89.7b in FY23).
- Refining throughput stood at 22.3mmt (+17% YoY). GRM stood at USD9.1/bbl (-25% YoY). Marketing volumes stood at 46.8mmt (+8% YoY).
- Marketing margin stood at INR5.4/lit (loss of INR0.8/lit in FY23).

- HPCL had a cumulative negative net buffer of INR1b as of 31 Mar'24, due to the under recovery on LPG cylinders (INR9.9b as on 31 Mar'23).
- The board has recommended a final dividend of INR16.5/share, i.e. 165% of FV.
- The board has also recommended the issuance of bonus equity shares in the ratio 1:2.

Valuation and view

- We maintain our BUY rating on HPCL and it remains our preferred pick among the three OMCs. We build in marketing margin of INR3.3/ltr in FY25-26E, while MS/HSD marketing margins currently are ~INR5/ltr. We see the following as key catalysts for the stock: 1) demerger and potential listing of lubricant business, 2) the commissioning of its bottom upgrade unit, and 3) the start of Rajasthan refinery in 4QFY25.
- HPCL currently trades at 1.2x FY26E PB, which we think offers a reasonable margin of safety as we estimate FY26 ROE at 17.6%. We value the stock at 1.4x FY26E P/BV to arrive at our TP of INR600.

Standalone - Quarterly Earning Model

Y/E March	FY23				FY24				FY23	FY24	FY24	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	
Net Sales	1,144.5	1,084.2	1,096.0	1,079.3	1,119.6	957.0	1,113.1	1,148.2	4,404.0	4,337.9	1,025.8	12%
YoY Change (%)	58.0	30.5	13.5	10.6	-2.2	-11.7	1.6	6.4	25.9	-1.5	-5.0	
EBITDA	-115.5	-8.9	20.7	46.6	95.2	85.8	21.3	51.3	-57.1	253.6	41.0	25%
Margins (%)	-10.1	-0.8	1.9	4.3	8.5	9.0	1.9	4.5	-1.3	5.8	4.0	
Depreciation	10.9	10.8	11.1	10.4	13.6	12.4	13.4	16.1	43.3	55.5	13.6	
Forex loss	9.5	6.0	4.0	-1.4	-1.3	3.6	-0.4	0.6	18.1	2.6	-0.1	
Interest	3.3	5.9	6.8	5.2	5.9	5.8	6.1	7.3	21.3	25.2	6.0	
Other Income	3.4	2.8	2.9	11.6	6.3	3.4	5.6	5.9	20.7	21.2	8.0	
PBT before EO expense	-135.8	-28.9	1.7	43.9	83.3	67.4	7.7	33.1	-119.1	191.5	29.5	12%
PBT	-135.8	-28.9	1.7	43.9	83.3	67.4	7.7	33.1	-119.1	191.5	29.5	12%
Tax Rate (%)	24.9	24.9	-2.4	26.6	25.5	24.1	31.1	14.2	24.7	23.3	25.2	
Adj PAT	-102.0	-21.7	1.7	32.2	62.0	51.2	5.3	28.4	-89.7	146.9	22.1	29%
YoY Change (%)	PL	PL	-80.2	79.5	LP	LP	206.8	-11.8	PL	LP	-31.6	
Key Assumptions												
Refining throughput (mmt)	4.8	4.5	4.8	5.0	5.4	5.8	5.3	5.8	19.1	22.3	4.8	22%
Reported GRM (USD/bbl)	16.7	8.3	9.1	14.1	7.4	13.3	8.5	6.9	12.0	9.1	12.4	-44%
Marketing sales volume incl exports (mmt)	10.7	10.4	11.3	11.1	11.9	10.7	11.9	12.3	43.5	46.8	11.4	8%
Marketing GM incl inv (INR/liter)	-9.9	0.7	2.2	3.7	8.4	5.9	2.7	4.8	-0.8	5.4	4.1	17%

Key assumptions for HPCL

Particulars	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Exchange Rate (INR/USD)	70.0	70.9	74.3	74.5	80.4	82.8	83.9	85.0
Brent Crude (USD/bbl)	70.1	61.2	44.4	80.5	96.1	83.0	85.0	85.0
Market Sales (MMT)	38.7	39.6	36.6	39.1	43.5	46.8	48.7	50.6
YoY (%)	5	2	(8)	7	11	8	4	4
GRM (USD/bbl)	5.0	1.0	3.9	7.2	12.1	9.1	8.0	8.0
Singapore GRM (USD/bbl)	4.9	3.2	0.5	5.0	10.7	6.6	6.0	6.0
Prem/(disc) (USD/bbl)	0	(2)	3	2	1	2	2.0	2.0
Total Refinery throughput (MMT)	18.4	17.2	16.4	14.0	19.1	22.3	24.5	24.5
YoY (%)	1%	-7%	-4%	-15%	37%	17%	10%	0%
Refining capacity utilization (%)	117%	109%	104%	88%	85%	91%	100%	100%
Blended marketing margin incl inventory (INR/lit)	4.3	4.0	6.3	4.3	(0.8)	5.4	4.5	4.5
Consolidated EPS	47.2	25.7	75.1	51.4	-49.2	112.9	71.8	72.0



Aurobindo Pharma

BSE SENSEX 72,664 S&P CNX 22,055

CMP: INR1,128 TP: INR1,180 (+5%) Neutral



Stock Info

Bloomberg	ARBP IN
Equity Shares (m)	586
M.Cap.(INRb)/(USDb)	660.7 / 7.9
52-Week Range (INR)	1177 / 581
1, 6, 12 Rel. Per (%)	5/2/62
12M Avg Val (INR M)	2099
Free float (%)	48.2

Financials Snapshot (INR b)

Y/E MARCH	FY24E	FY25E	FY26E
Sales	287.3	315.3	346.3
EBITDA	56.6	62.7	70.0
Adj. PAT	30.0	35.3	40.6
EBIT Margin (%)	14.1	14.6	15.2
Cons. Adj. EPS (INR)	51.2	60.3	69.4
EPS Gr. (%)	33.2	17.9	15.1
BV/Sh. (INR)	507.8	564.1	629.5

Ratios

Net D:E	0.0	-0.1	-0.1
RoE (%)	10.6	11.3	11.6
RoCE (%)	9.9	10.6	11.2
Payout (%)	7.5	6.6	5.8

Valuations

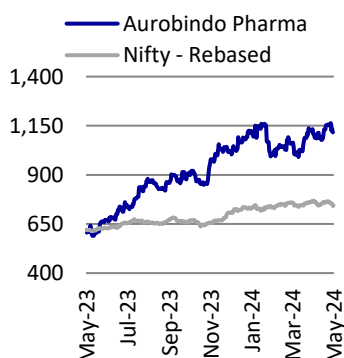
P/E (x)	22.3	18.9	16.4
EV/EBITDA (x)	11.7	9.9	8.8
Div. Yield (%)	0.4	0.4	0.4
FCF Yield (%)	-0.5	5.3	1.6
EV/Sales (x)	2.3	2.0	1.8

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	51.8	51.8	51.8
DII	23.3	20.6	15.1
FII	18.0	20.7	23.0
Others	6.9	6.9	10.1

FII Includes depository receipts

Stock Performance (1-year)



Fortifying the Biosimilar and US generic offerings

- We analyzed the biosimilar portfolio of Aurobindo Pharma (ARBP) to understand the progress as well as competitive dynamics for each product.
- ARBP has built a biosimilar pipeline, which is expected to provide commercial benefit from FY26/FY27 onwards. It remains among the leading companies to gain traction in certain biosimilar products. ARBP is further enhancing benefits through CDMO partnerships and improving return on investment.
- On the US generics front, ARBP not only has the largest portfolio in terms of the number of molecules and revenue size, but it also continues to further enhance its offerings through aggressive filings comprising complex generics as well.
- Overall, we expect a 17% earnings CAGR driven by: 1) better off-take of niche products such as g-Revlimid, 2) scale-up of Pen-G for internal consumption as well as external sales, and c) improved operating leverage. We value ARBP at 17x 12M forward earnings to arrive at our TP of INR1,180. While the outlook is promising over the next 2-3 years, we reiterate our Neutral rating due to limited upside from current levels.

Biosimilar: Strengthening the development/manufacturing capabilities

- Over the past six years, ARBP has put efforts into drug development as well as building manufacturing capacity in the biosimilar segment.
- To date, it has invested INR24b in capex and developed 14 biosimilar products.
- The pipeline is spread across various stages of development, with five assets under Phase 3 clinical trials and three under 'filed and waiting for approval' stage.
- The company is focusing on both regulated and emerging markets, thereby contributing to revenue from FY26 onwards.
- Further, ARBP is extending its biosimilar skill set to CDMO partnerships with innovators. It has signed a contract with Merck to supply drug substance as well as drug products from FY27 onward.

US: Drug shortages and niche launches to drive growth

- Due to its vast product base, ARBP is well-positioned to supply products under shortage. The combined market size of the products under shortage is about USD1.2b.
- Almost 18 drugs under the shortage list can be supplied by ARBP. About 78% of the drugs are injectables.
- Specifically, drugs for (attention deficit hyperactivity disorder; ADHD) have been under shortage for 18M now, and ARBP is expected to scale up supply from Sep'24 onwards.
- Despite competitive pressures, ARBP achieved a 6% sales CAGR over FY17-23. With niche launches, it has registered 17% YoY growth in 9MFY24.
- Further, the company is aggressively filing and launching products, including complex injectables, in the US market.

- Considering the limited impact of price erosion and opportunities from shortages in the US market and niche launches, we expect its US sales to register a 10% CAGR over FY24-26 to reach USD2.1b.

Valuation priced in; reiterate Neutral

- We expect a 17% earnings CAGR over FY24-26, led by: 1) 10% sales CAGR in the US generics segment, 2) cost savings and additional business from Pen-G, 3) scale up of the biosimilar business, and d) improved operating leverage.
- We value ARBP at 17x 12M forward earnings to arrive at our TP of INR1,180.
- ARBP would be among the few names in the large-cap pharma space with high-teens earnings CAGR over FY24-26. The inspection classification of Eugia Unit-3 would be a key near-term monitorable.
- At the current valuation of 19x FY25E EPS of INR60 and 16x FY26E EPS of INR69, we believe its earnings upside is adequately factored in. **Hence, we reiterate our Neutral rating on the stock.**

Valuation snapshot

Company	Reco	MCap (USD B)	EPS (INR)			EPS Gr. YoY (%)		PE (x)		EV/EBITDA (x)		ROE (%)		
			FY24E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY24E	FY25E	FY26E
Ajanta Pharma	Buy	3.7	62.3	74.4	85.4	19.5	14.8	31.9	27.8	22.7	20.2	22.7	24.0	23.1
Alembic Pharma	Neutral	2.3	31.5	35.7	40.2	13.7	12.6	27.3	24.2	17.5	15.3	13.5	13.6	13.6
Alkem Lab	Neutral	7.3	164.0	180.9	196.0	10.3	8.4	28.3	26.1	24.0	21.5	20.1	19.1	17.9
Aurobindo Pharma	Neutral	7.8	51.2	60.3	69.4	17.9	15.1	18.9	16.4	9.9	8.8	10.6	11.3	11.6
Biocon	Neutral	4.3	2.1	8.5	13.6	298.1	60.1	35.8	22.3	13.8	11.4	1.4	5.4	8.2
Cipla	Buy	13.1	53.0	57.7	64.4	8.9	11.6	23.2	20.8	14.4	12.7	16.1	15.2	14.7
Divi's Lab.	Neutral	12.0	54.2	75.7	91.8	39.7	21.2	50.1	41.3	36.2	30.5	10.9	13.9	15.2
Dr Reddy's Labs	Neutral	11.7	317.1	323.9	339.1	2.1	4.7	18.3	17.4	10.3	9.3	20.7	17.7	15.9
Eris Lifescience	Neutral	1.4	30.4	31.7	42.4	4.2	33.7	27.0	20.2	10.7	9.3	17.8	16.4	19.0
Gland Pharma	Buy	3.3	51.8	65.3	74.5	26.0	14.2	26.2	22.9	14.5	12.1	10.2	11.5	11.7
Glenmark Pharma	Neutral	3.4	1.5	37.7	45.9	2336.7	21.8	27.2	22.3	11.9	10.2	0.5	10.3	11.4
Glaxosmit Pharma	Neutral	4.0	40.8	43.4	47.1	6.5	8.5	45.4	41.9	33.8	30.6	34.9	32.7	31.0
Granules India	Buy	1.1	18.0	25.4	32.8	41.0	29.1	15.7	12.2	9.0	7.3	14.3	17.4	18.8
Ipca Labs.	Neutral	3.9	22.2	35.5	46.9	60.1	32.2	37.1	28.0	19.9	15.9	9.2	13.3	15.6
Laurus Labs	Buy	2.7	3.0	8.6	13.7	185.3	59.2	50.8	31.9	21.5	16.4	4.0	10.8	15.3
Lupin	Neutral	8.6	41.5	50.2	58.7	20.9	16.9	32.1	27.4	16.9	14.5	14.1	14.9	15.1
Piramal Pharma	Buy	2.3	1.3	3.0	4.7	127.9	57.2	50.4	32.1	17.8	14.8	2.3	4.8	7.1
Sun Pharma.Inds.	Buy	42.9	40.1	47.3	56.6	17.9	19.5	31.8	26.6	24.3	20.2	16.1	16.5	17.1
Torrent Pharma.	Neutral	10.2	48.4	65.4	81.6	35.1	24.7	39.8	31.9	21.6	18.5	22.6	26.7	33.3
Zydus LifeScience	Neutral	11.9	34.5	36.2	36.8	5.1	1.6	27.1	26.7	17.2	16.5	18.2	16.3	14.6

Source: MOFSL, Company



Relaxo Footwears

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR851 **TP: INR790 (-7%)** **Neutral**

Bloomberg	RLXF IN
Equity Shares (m)	249
M.Cap.(INRb)/(USD\$)	211.9 / 2.5
52-Week Range (INR)	974 / 762
1, 6, 12 Rel. Per (%)	6/-20/-22
12M Avg Val (INR M)	97

Weak revenue weighs on profitability

Financials & Valuations (INR b)

INRb	FY24	FY25E	FY26E
Net Sales	29.1	32.1	36.4
Gross Profit	16.9	18.8	21.3
EBITDA	4.1	5.0	6.2
Adj. PAT	2.0	2.5	3.3
Gross Margin (%)	58.1	58.5	58.5
EBITDA Margin (%)	14.0	15.5	17.0
Adj. EPS (INR)	8.1	10.1	13.2
EPS Gr. (%)	29.8	25.7	30.0
BV/Sh. (INR)	80.4	88.0	97.9

Ratios

Net D:E	0.0	-0.1	-0.1
RoE (%)	10.4	12.0	14.2
RoCE (%)	10.0	11.5	13.4
RoIC (%)	10.6	12.6	16.2

Valuations

P/E (x)	104.6	83.2	64.0
EV/EBITDA (x)	51.6	41.7	33.4
EV/Sales (X)	7.2	6.5	5.7
Div. Yield (%)	0.4	0.3	0.4

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	71.3	71.3	71.3
DII	9.3	8.9	8.0
FII	3.3	3.4	2.8
Others	16.1	16.5	18.0

FII Includes depository receipts

- Relaxo Footwears posted a decline in revenue/PAT by 2%/3% YoY (9%/21% miss) in 4QFY24 due to weak momentum in closed footwear and BIS implementation. However, 810bp improvement in GM translated into 70bp EBITDAM improvement. Price cuts in the last couple of quarters have improved its competitive edge, driving growth in open footwear.
- We believe that price reduction, softening RM prices and renewed focus on sports footwear will drive volume growth for Relaxo, which should bolster the growth outlook. We have cut our estimates, considering the current weak macro environment and slow recovery. We estimate a CAGR of 12%/28% in revenue/PAT over FY24-26. The stock is trading at 64x FY26E EPS and appears expensive in a soft earnings environment. **We reiterate our Neutral rating.**

Big miss led by decline in revenue

- Revenue declined 2% YoY to INR7.5b (9% miss), due to weak traction in closed footwear and BIS implementation in Jan'24, which led to a decline in volumes.
- Volumes declined 4% YoY to 50m pairs, while ASP increased 3% YoY to INR149.
- GP rose 13% YoY to INR4.5b, driven by the benefits of a reduction in RM prices and increase in ASP of open footwear. Margins were up 330bp YoY to 60.3%.
- EBITDA was up 2% YoY to INR1.2b (13% miss), due to GM improvement, offset by a 17% increase in employee and other expenses. Margins improved 70bp YoY to 16.1% (70bp miss).
- PAT declined 3% YoY to INR614m (21% miss). Margins contracted 10bp YoY to 8.2%.
- FY24 revenue/EBITDA/PAT grew 5%/21%/30% YoY.
- The company declared a dividend of INR3 per share in FY24 (vs. INR2.5 DPS in FY23).
- OCF declined 50% YoY to INR1.8b in FY24, due to an increase in working capital. Capex remained flat YoY at INR2.4b. This led to cash outflow of INR647m (vs. FCF of INR1.06b).
- WC days increased to 91 days (vs. 78 days in FY23). The increase was led by inventory days (+6 days) and receivable days (+7 days) due to lower payments from distributors owing to a weak environment.
- The company paid a dividend of INR622m in FY24 and hence, net cash declined to INR1.9b (vs. INR3b in FY23).

Management commentary

- The company expects revenues to grow by double digits in FY25, with 58-60% gross margins and 15-16% EBITDA margin. Revenue may continue to growth in double digits for the next 2-3 years.

- The company continues to see more supply vs. demand in the market because more players have entered into the business (especially in closed footwear). However, the company expects consolidation to happen in the future.
- Volume growth in open-footwear has significantly contributed to positive momentum, along with a decline in ASPs. The company continued to gain market share.
- “Sparx” brand crossed the INR11b revenue mark, with sportswear contributing ~INR5.5b. Relaxo expects to add 50-60 EBOs in FY25.

Valuation and view

- A gradual recovery in rural areas, gross margin improvement and growth in Sparx brand should boost volume growth and help Relaxo gain market share in closed-footwear.
- The company reduced ASP in FY24, which should now help it sustain market share gains from unorganized players.
- Going ahead, a recovery in the open-footwear category, product mix-led ASP improvement, and an increasing mix of closed-footwear (particularly in S&A wear) are expected to improve the outlook.
- We have cut estimates for FY25/FY26, considering a gradual recovery, unlike steep growth earlier. We estimate a CAGR of 12%/28% in revenue/PAT over FY24-26.
- We ascribe a P/E of 60x on FY26E EPS to arrive at our TP of INR790 and **reiterate our Neutral rating on the stock.**

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY23				FY24				FY23	FY24	FY24E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE	Var. (%)	
Gross Sales	6,672	6,697	6,810	7,649	7,388	7,153	7,127	7,472	27,827	29,141	8,218	-9
YoY Change (%)	34.2	-6.3	-8.4	9.6	10.7	6.8	4.7	-2.3	4.9	4.7	7.4	
Total RM Cost	3,063	3,422	3,199	3,660	3,150.8	3,013	3,065	2,968	13,343	12,197.0	3,533	-16
Gross Profit	3,609	3,275	3,611	3,990	4,237	4,140	4,062	4,504	14,484	16,944	4,685	-4
Margins (%)	54.1	48.9	53.0	52.2	57.4	57.9	57.0	60.3	52.1	58.1	57.0	326
Total Expenditure	5,810	6,102	6,088	6,470	6,313	6,238	6,255	6,269	24,470	25,075	6,837	-8
EBITDA	861	594	722	1,180	1,076	915	872	1,204	3,358	4,066	1,382	-13
Margins (%)	12.9	8.9	10.6	15.4	14.6	12.8	12.2	16.1	12.1	14.0	16.8	-70
Depreciation	298	305	320	328	346	369	375	385	1,251	1,475	375	3
Interest	69	41	41	41	45	47	48	47	192	187	48	-4
Other Income	42	57	44	43	73	105	60	51	186	289	59	-14
PBT before EO expense	536	304	406	854	758	604	508	823	2,100	2,693	1,017	-19
Extra-Ord expense												
PBT	536	304	406	854	758	604	508	823	2,100	2,693	1,017	-19
Tax	149	80	105	221	195	162	123	209	555	688	243	-14
Rate (%)	27.8	26.3	25.8	25.9	25.7	26.8	24.1	25.4	26.4	25.6	23.9	
Minority Interest & Profit/Loss of Asso. Cos.												
Reported PAT	387	224	301	633	563	442	386	614	1,545	2,005	775	-21
Adj PAT	387	224	301	633	563	442	386	614	1,545	2,005	775	-21
YoY Change (%)	24.9	-67.3	-57.1	0.6	45.6	97.0	28.3	-3.0	-33.6	29.8	22.4	
Margins (%)	5.8	3.3	4.4	8.3	7.6	6.2	5.4	8.2	5.6	6.9	9.4	-121

E: MOFSL Estimates



Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR3,207 TP: INR3,700 (+15%) Buy

Strong operating performance; EBITDA margins improved 150bp sequentially

Bloomberg	CAMS IN
Equity Shares (m)	49
M.Cap.(INRb)/(USD\$b)	157.6 / 1.9
52-Week Range (INR)	3367 / 2049
1, 6, 12 Rel. Per (%)	8/19/33
12M Avg Val (INR M)	852

- CAMS reported a net profit of INR1.03b, a growth of 38.5% YoY. PAT for the quarter came in 11% above our estimates. The growth in profitability was well supported by a YoY increase in the share of non-MF business and the improving mix of equity AUM in the total MF AUM.
- The share of non-MF business grew to 13.5% in 4QFY24 and is expected to continue increasing in the coming quarters. Operating revenue reached INR3.1b, up 25% YoY, 4% above our estimates.
- The management is confident that CAMS WealthServ, CAMSPay, CAMSRep and Think360 would substantially boost revenues in the coming quarters. It expects 20%+ growth in revenues for the non-MF business.
- **Currently, we have a BUY rating on the stock with a target price of INR3,700 at a P/E multiple of 36x on FY26 earnings.**

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
AAUM (INR t)	33.4	38.7	44.9
Revenue	11.4	13.1	15.1
EBITDA	5.0	6.0	7.1
Margin (%)	44.4	45.9	47.1
PAT	3.5	4.2	5.1
PAT Margin (%)	31	32	34
EPS	71.6	86.2	103.4
EPS Grw. (%)	23.3	20.3	20.0
BVPS	186.9	216.8	253.0
RoE (%)	41.3	42.7	44.0
Div. Payout (%)	58.8	65.0	65.0

Valuations

P/E (x)	44.6	37.1	30.9
P/BV (x)	17.1	14.7	12.6
Div. Yield (%)	1.3	1.8	2.1

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	0.0	0.0	19.9
DII	19.9	23.1	12.9
FII	53.8	47.7	35.0
Others	26.3	29.2	32.2

FII Includes depository receipts

On track to increase revenue share of non-MF business

- QAAUM grew 33% YoY and 10% QoQ to INR 37.2t. Equity AUM grew 49% YoY to INR 19.3t in 4QFY24.
- The share of the non-MF business in revenue stands at 13.5% in 4QFY24.
- Non-MF revenue improved 47% YoY to INR 404m in 4QFY24. Alternative Services and CAMS Pay segment recorded YoY revenue growth of 20% in 4QFY24.
- Overall expenses grew 19.2% YoY and 4.3% QoQ (in line with our estimates) to INR 1.67b. Employee expenses was up 19.6% YoY and 5% QoQ to INR 1.05b.
- Cost-to-income ratio came in at 53.8% in 4QFY24 vs. 56.2% in 4QFY23 and 55.3% in 3QFY24.
- EBITDA came in at INR1.43b, up 31.4% YoY and 10.8% QoQ (7% higher than estimates). EBITDA margin stood at 46.2% vs. 43.8% in 4QFY23.
- PAT grew 38.5% YoY and 16.3% QoQ to INR 103m in 4QFY24. PAT for the quarter came in 11% higher than our estimates. For FY24, revenue/PAT grew 17%/23% YoY to INR 11.4b/INR 3.5b.
- BOD declared a dividend of INR 16.5 per equity share.

Key takeaways from the management commentary

- The sustained focus on expanding the non-MF businesses led to a 250bp YoY increase in the share of Non-MF revenue, reaching 13.5% of overall revenue in 4QFY24. CAMS aspires to increase non-MF share by ~2% every year.
- There could be moderation in nominal MF yields (routine contract renewals on account of TER cuts).
- From the EBITDA margin perspective, the overall non-MF business margins have grown from 15% to 20%. As the non-MF business matures, the margins should expand to ~35-40%. Margin expansion in 4QFY24 came in from the MF business. CAMS expects to maintain ~45-46% EBITDA margins.

Valuation and View

- Empirically, CAMS has traded at a premium to listed AMC's in terms of one-year forward P/E. Post the outperformance, the gap between CAMS and AMC stocks has narrowed. The premium for CAMS is well deserved, given: 1) the duopoly nature of the industry and high-entry barriers, 2) relatively low risk of a market share loss, and 3) higher customer ownership as compared to AMC's.
- Structural tailwinds in the MF industry shall aid absolute growth in MF revenue. With favorable macro triggers and right investments, the non-MF share of revenues for CAMS is expected to increase in the next three to five years.
- **We broadly maintain our estimates and have a BUY rating on the stock with a target price of INR3,700 at a P/E multiple of 36x on FY26 earnings.**

Quarterly Performance

Y/E March	FY23				FY24				FY23	FY24	4QFY24E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Revenue from Operations	2,366	2,424	2,436	2,492	2,613	2,751	2,897	3,105	9,718	11,365	2,993	3.7	24.6	7.2
Change YoY (%)	17.6	6.5	2.5	2.5	10.4	13.5	18.9	24.6	6.8	16.9	20.1			
Employee expenses	933	901	871	876	950	977	997	1,048	3,581	3,972	1,015.1	3.2	19.6	5.0
Total Operating Expenses	1,388	1,363	1,354	1,401	1,512	1,530	1,603	1,671	5,506	6,316	1,652	1.2	19.2	4.3
Change YoY (%)	28.2	11.9	8.8	7.0	9.0	12.2	18.4	19.2	13.4	14.7	17.9			
EBITDA	979	1,061	1,082	1,091	1,101	1,221	1,294	1,433	4,212	5,049	1,341	6.9	31.4	10.8
Other Income	44	74	71	79	97	96	99	114	268	406	99	15.8	45.0	15.3
Depreciation	136	147	155	164	165	174	185	181	603	705	186	-2.5	10.4	(1.9)
Finance Cost	18	18	20	20	20	20	21	21	76	82	21	0.6	3.7	(0.5)
PBT	869	970	978	985	1,012	1,124	1,187	1,346	3,802	4,668	1,233	9.2	36.6	13.3
Change YoY (%)	2.3	0.5	-4.4	-0.4	16.4	15.9	21.4	36.6	-0.7	22.8	25.1			
Tax Provisions	223	249	242	242	255	286	302	316	956	1,159	305	3.5	30.6	4.6
Net Profit	646	721	736	744	757	838	885	1,030	2,846	3,510	928	11.0	38.5	16.3
Change YoY (%)	2.2	-0.6	-4.9	0.7	17.1	16.2	20.3	38.5	-0.8	23.3	24.7			
Key Operating Parameters (%)														
Revenue / AUM (bps)	3.6	3.6	3.5	3.6	3.5	3.4	3.4	3.3	3.6	3.5	3.6	-0.2	(0.2)	(0.1)
Opex / AUM (bps)	2.1	2.0	1.9	2.0	2.0	1.9	1.9	1.8	2.02	1.9	2.0	-0.2	(0.2)	(0.1)
PBT / AUM (bps)	1.3	1.4	1.4	1.4	1.3	1.4	1.4	1.4	1.39	1.4	1.5	0.0	0.0	0.0
PAT / AUM (bps)	1.0	1.1	1.1	1.1	1.0	1.0	1.0	1.1	1.04	1.1	1.1	0.0	0.0	0.1
CIR (%)	58.6	56.2	55.6	56.2	57.9	55.6	55.3	53.8	56.7	55.6	55.2	-1.4	(2.4)	(1.5)
EBITDA Margin	41.4	43.8	44.4	43.8	42.1	44.4	44.7	46.2	43.3	44.4	44.8	1.4	2.4	1.5
PBT Margin	36.7	40.0	40.1	39.5	38.7	40.8	41.0	43.3	39.1	41.1	41.2	2.2	3.8	2.4
Tax Rate	25.6	25.6	24.8	24.5	25.2	25.4	25.4	23.5	25.1	24.8	24.8	-1.3	(1.1)	(2.0)
PAT Margin	27.3	29.8	30.2	29.8	29.0	30.5	30.6	33.2	29.3	30.9	31.0	2.2	3.3	2.6
Opex Mix (%)														
Employee expenses	67.2	66.1	64.4	62.5	62.8	63.9	62.2	62.7	65.0	62.9	61.4	-1.3	0.2	0.8
Operating expenses	19.3	20.1	20.9	21.0	21.6	21.8	22.6	0.0	20.4	16.2	23.0	23.0	(21.0)	(100.0)
Other Expenses	13.5	13.8	14.8	16.5	15.6	14.4	15.2	0.0	14.6	11.1	15.5	15.5	(16.5)	(100.0)
Key Parameters														
QAUM (INR b)	26,200	27,100	27,800	28,000	30,000	32,500	33,950	37,200	27,300	32,461	33,394	11.4	32.9	9.6
Share of Equity AUM (%)	43.1	45.0	46.4	44.3	46.3	47.7	49.8	51.9	45.4	48.1	51.6	0.3	7.6	2.1



Mahanagar Gas

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR1,300 TP: INR1,565 (+20%) Buy

Margin weakness offset by stronger volume growth

Bloomberg	MAHGL IN
Equity Shares (m)	99
M.Cap.(INRb)/(USDb)	128.4 / 1.5
52-Week Range (INR)	1580 / 971
1, 6, 12 Rel. Per (%)	-8/11/-2
12M Avg Val (INR M)	688

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	62.4	60.4	64.9
EBITDA	18.4	15.7	16.7
Adj. PAT	13.1	10.5	10.9
Adj. EPS (INR)	132.3	106.6	110.6
EPS Gr. (%)	65.4	-19.4	3.7
BV/Sh.(INR)	520.6	584.6	651.0

Ratios

Net D:E	-0.1	-0.1	-0.1
RoE (%)	28.2	19.3	17.9
RoCE (%)	28.2	19.4	18.0
Payout (%)	40.0	40.0	40.0

Valuation

P/E (x)	9.9	12.2	11.8
P/BV (x)	2.5	2.2	2.0
EV/EBITDA (x)	6.8	8.0	7.5
Div. Yield (%)	4.1	3.3	3.4
FCF Yield (%)	6.1	1.7	2.9

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	32.5	32.5	32.5
DII	27.4	27.2	24.9
FII	30.6	30.9	31.0
Others	9.6	9.4	11.6

FII Includes depository receipts

- MAHGL's EBITDA inched up 1% YoY to INR3.9b in 4QFY24, mainly driven by a 12% YoY rise in volumes, which offset an 11% decline EBITDA/scm to INR11.5. In 4Q, the company completed the acquisition of Unison Enviro (UEPL).
- Besides weaker EBITDA/scm margin, 4Q profitability was hit by a surge in marketing expenses and FY24 CSR expenses being booked in 4Q.
- I/C PNG growth was driven by high consumption among new customers. The company guarantees a 10% discount on gas prices compared to alternate fuels for the first three years to new customers in the GA3 region. In GA2, the discount is provided only to new customers with high gas offtake. This has helped catalyze volume growth, and the management remains confident of growing this segment in double digits.
- According to the management, CNG conversion momentum remained robust at ~20k in 4Q. MAHGL is seeing good initial response to its marketing scheme in the commercial goods vehicle segment, albeit at a low base.
- The management guides for volume growth of 6-7% and maintains its EBITDA/scm guidance at INR9-11/scm. Capex guidance for FY25-26 was raised to INR9b from INR7.8bn in FY24. We build in EBITDA/scm margin of INR11.2 for FY25/FY26 in our earnings estimates (previously INR12.5/scm).
- The stock trades at 12x FY26E EPS of INR110.6. We value it at 14x FY26E EPS to arrive at a TP of INR1,565 and **maintain BUY rating on the stock**. We continue to prefer MAHGL over IGL owing to it's a significantly cheaper valuation with a largely similar growth profile in the medium term and relatively lower EV risk.

Performance slightly below estimates; completes acquisition of UEPL

- Total volumes were in line with est. at 3.8mmscmd (+12% YoY)
 - CNG volumes were at 2.7mmscmd (+11% YoY)
 - PNG total volumes stood at 1.1mmscmd (+16% YoY)
- EBITDA/scm came in line with our estimate at INR11.5 (-11% YoY; -4% vs est.)
 - We are building in EBITDA/scm of INR11.2 in FY25-26.
 - Standalone EBITDA was also in line at INR3.9b (+1% YoY; our est. INR4.1b)
 - PAT was below our estimate at INR2.6b (our est. INR2.9b, -1% YoY)
- On 1st Feb'24, the company completed the acquisition of 100% stake in UEPL from its erstwhile shareholders for a consideration of INR5.6b.
- Consolidated PAT came in at INR2.5b (vs. standalone PAT of INR2.6b), likely due to losses at UEPL.
- For FY24**, revenue was INR62.4b (INR63b in FY23), EBITDA stood at INR18.4b (+56% YoY), and PAT came in at INR12.9b (+63% YoY)
 - EBITDA/scm was INR14 (+47% YoY)
 - Total volume stood at 3.8mmscmd (+12% YoY)
- The company has declared a final dividend of INR18/share (180% of FV).
- We have a BUY rating on MAHGL.

Valuation and view

- We expect a 6% CAGR in volume over FY24-26, driven by multiple initiatives implemented by the company, such as partnering with OEMs to drive conversions of commercial CNG vehicles and providing guaranteed price discounts to new I/C-PNG customers.
- The stock trades at 12x FY26E EPS of INR110.6. We value it at 14x FY26E EPS to arrive at a TP of INR1565 and **maintain BUY rating on the stock.**

Standalone - Quarterly Earning Model

(INR m)

Y/E March	FY23				FY24				FY23	FY24	FY24	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	14,548	15,627	16,714	16,105	15,378	15,709	15,688	15,671	62,993	62,445	15,018	4%
YoY Change (%)	136.4	88.2	62.6	48.2	5.7	0.5	-6.1	-2.7	76.9	-0.9	-6.7	
EBITDA	2,856	2,528	2,561	3,897	5,213	4,789	4,487	3,938	11,842	18,426	4,102	-4%
EBITDA/SCM	9.1	7.9	8.2	12.8	16.8	14.6	13.3	11.5	9.5	13.9	11.9	-4%
Margins (%)	19.6	16.2	15.3	24.2	33.9	30.5	28.6	25.1	18.8	29.5	27.3	
Depreciation	537	551	585	638	620	658	683	775	2,311	2,736	705	
Interest	23	25	24	22	25	25	27	38	94	115	27	
Other Income	200	260	323	336	390	437	481	446	1,119	1,753	461	
PBT	2,496	2,213	2,274	3,573	4,957	4,543	4,258	3,570	10,555	17,328	3,831	-7%
Tax	644	573	553	885	1,273	1,158	1,086	920	2,655	4,437	968	
Rate (%)	25.8	25.9	24.3	24.8	25.7	25.5	25.5	25.8	25.2	25.6	25.3	
Reported PAT	1,852	1,640	1,721	2,688	3,684	3,385	3,172	2,650	7,901	12,891	2,862	-7%
YoY Change (%)	-9.3	-19.7	203.0	104.0	98.9	106.4	84.3	-1.4	32.3	63.2	6.5	
Margins (%)	12.7	10.5	10.3	16.7	24.0	21.5	20.2	16.9	12.5	20.6	19.1	
Sales Volumes (mmcmd)												
CNG	2.5	2.5	2.5	2.4	2.5	2.6	2.6	2.7	2.5	2.6	2.7	-2%
PNG – Domestic	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.6	-1%
PNG - Industrial/ Commercial	0.4	0.4	0.4	0.5	0.4	0.5	0.5	0.6	0.4	0.5	0.5	6%
PNG – Total	0.9	0.9	0.9	1.0	0.9	1.0	1.0	1.1	0.9	1.0	1.1	2%
Total Volumes	3.4	3.5	3.4	3.4	3.4	3.6	3.7	3.8	3.4	3.6	3.8	0%

Operational Highlights

Operational Highlights	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	QoQ (%)
CNG (mmcmd)	1.6	2.2	2.4	2.3	2.5	2.5	2.5	2.4	2.5	2.6	2.6	2.7	1%
Growth YoY (%)	223%	75%	27%	13%	64%	14%	3%	6%	-2%	2%	6%	11%	
PNG (mmcmd)	0.8	0.9	0.9	0.9	0.9	0.9	0.9	1.0	0.9	1.0	1.0	1.1	7%
Growth YoY (%)	34%	12%	3%	3%	7%	3%	3%	8%	2%	8%	11%	16%	
Total Volumes (mmcmd)	2.4	3.1	3.3	3.2	3.4	3.5	3.4	3.4	3.4	3.6	3.7	3.8	3%
Growth YoY (%)	115%	51%	19%	10%	44%	11%	3%	6%	-1%	3%	8%	12%	
EBITDA/SCM (INR)	13.9	10.5	3.4	7.6	9.1	7.9	8.2	12.8	16.8	14.6	13.3	11.5	-14%
Growth YoY (%)	76%	-9%	-73%	-38%	-35%	-24%	140%	70%	84%	83%	63%	-11%	



Alkyl Amines

Estimate changes	↔
TP change	↓
Rating change	↔

CMP: INR1,977 TP: INR2,010 (+2%) Neutral

Volume guidance remains strong

Bloomberg	AACL IN
Equity Shares (m)	51
M.Cap.(INRb)/(USDb)	101.1 / 1.2
52-Week Range (INR)	2798 / 1805
1, 6, 12 Rel. Per (%)	-5/-21/-43
12M Avg Val (INR M)	160

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	14.4	17.3	21.6
EBITDA	2.5	3.2	4.4
PAT	1.5	2.0	2.9
EPS (INR)	29.1	39.4	57.4
EPS Gr. (%)	-34.9	35.5	45.6
BV/Sh.(INR)	247.7	273.6	311.3

Ratios

Net D:E	-0.0	-0.1	-0.1
RoE (%)	12.2	15.1	19.6
RoCE (%)	11.5	14.6	18.9
Payout (%)	34.4	34.4	34.4

Valuations

P/E (x)	68.0	50.2	34.5
P/BV (x)	8.0	7.2	6.4
EV/EBITDA (x)	40.3	31.3	22.4
Div. Yield (%)	0.5	0.7	1.0
FCF Yield (%)	1.5	1.5	1.8

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	72.0	72.0	72.0
DII	1.1	1.1	1.1
FII	3.0	2.9	2.8
Others	23.9	24.0	24.1

FII Includes depository receipts

- AACL's 4QFY24 revenue declined 14% YoY to INR3.6b, with agrochemicals seeing destocking and pharma witnessing demand stabilization. Sales volumes increased from the pharma sector. Gross margin expanded 270bp YoY to 49.2%, while EBITDAM expanded 50bp YoY to 19.3% in 4Q. PAT declined 21% YoY to INR385m (our est. INR314m)
- The management noted that 2HFY24 was weaker than 1HFY24, with average utilization of 55% across plants in 2H. Volumes were subdued mainly due to Acetonitrile (ACN) and Mono Isopropyl amine. However, product prices were stable in 4Q. Raw material prices also declined, with sequential margin gains.
- A new Ethylamines plant was commissioned in FY24, which saw utilization of 60% in 2H. AACL has a larger market share than competition, and with steady growth in demand (5-7% every year) and improved margin, the management is confident to maintain its market share despite capacity expansion by competition.
- AACL maintained its market share in ACN, with the plant running at 55-60% utilization in FY24. The company has applied for anti-dumping duty (ADD) and expects interim relief in FY25, which could boost its market share. Currently the impact due to imports stands at 15-20% of revenues from ACN.
- We have not materially changed our estimates as of now. We expect a CAGR of 22%/ 33%/ 40% in revenue/EBITDA/ EPS over FY24-26 (due to a lower base in FY24). The stock is trading at 34.5x FY26E EPS and 22.4x FY26E EV/EBITDA. **We reiterate our Neutral rating on AACL with a TP of INR2,010, based on 35x FY26E EPS.**

Earnings beat with expansion in margin

- Revenue stood at INR3.6b (est. of INR3.3b, -14% YoY). Gross margin stood at 49.2% with EBITDAM at 19.3% (vs. ~18.8% in 4QFY23).
- EBITDA came in at INR689m (est. of INR576m, -11% YoY), while PAT stood at INR385m (est. of INR314m, -21% YoY).
- **For FY24**, revenue stood at INR14.4b (-14% YoY), EBITDA at INR2.5b (-27% YoY), and PAT at INR1.5b (-35% YoY). EBITDAM stood at 17.4% in FY24 vs. 20.5% in FY23.
- AACL has declared a final dividend of INR10/share for FY24 (500% of FV).

Valuation and View

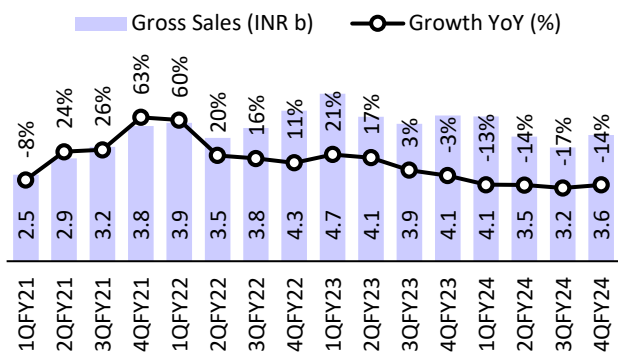
- AACL commissioned its Ethylamines plant in FY24, which boosted its aliphatic amines capacity by ~30%. AACL's total capacity stands at ~200ktpa (including derivatives and specialty chemicals). Additionally, AACL is venturing into new specialty products that are likely to improve its margins amid robust demand (near-term headwinds persist) for amine derivatives and specialties.
- Over FY24-26, we estimate a ~22% revenue CAGR and a 40% EPS CAGR (due to a lower base in FY24). The key risk to our outlook is high competition (domestic and imports, mainly for China), leading to limited pricing power.
- The stock is trading at 34.5x FY26E EPS and 22.4x FY26E EV/EBITDA. **We reiterate our Neutral rating on AACL with a TP of INR2,010, based on 35x FY26E EPS.**

Standalone - Quarterly Snapshot

(INR m)

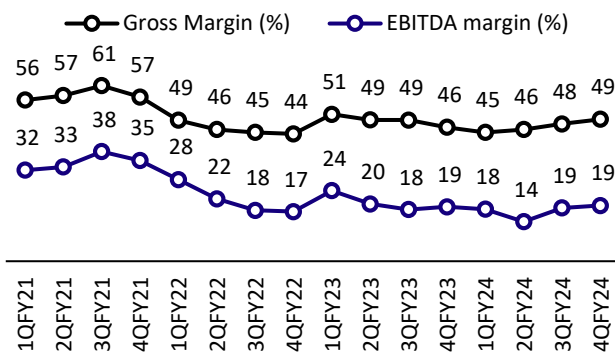
Y/E March	FY23				FY24				FY23	FY24	FY24	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE		
Gross Sales	4,735	4,089	3,884	4,125	4,098	3,522	3,221	3,566	16,832	14,406	3,292	8%
YoY Change (%)	20.8	17.3	3.1	-3.0	-13.5	-13.9	-17.1	-13.5	9.1	-14.4	-20.0	
Gross Margin (%)	50.9%	49.0%	48.9%	46.5%	44.7%	45.7%	47.6%	49.2%	48.9%	46.7%	47.4%	1.8%
EBITDA	1,158	813	696	777	740	483	596	689	3,444	2,507	576	19%
Margin (%)	24.5	19.9	17.9	18.8	18.1	13.7	18.5	19.3	20.5	17.4	17.5	1.8
Depreciation	118	112	107	116	122	125	168	174	452	589	176	
Interest	8	11	7	11	9	17	11	7	37	44	9	
Other Income	42	23	45	20	55	24	46	26	130	151	28	
PBT before EO expense	1,075	714	626	671	664	364	463	533	3,085	2,025	419	27%
PBT	1,075	714	626	671	664	364	463	533	3,085	2,025	419	27%
Tax	256	189	169	185	166	92	129	149	799	536	105	
Rate (%)	23.8	26.5	27.0	27.5	25.0	25.2	27.8	27.9	25.9	26.5	25.0	
Reported PAT	819	524	457	486	498	272	334	385	2,286	1,489	314	23%
YoY Change (%)	4.3	-3.1	-0.4	4.8	-39.2	-48.0	-26.8	-20.9	1.6	-34.9	-35.5	
Margin (%)	17.3	12.8	11.8	11.8	12.1	7.7	10.4	10.8	13.6	10.3	9.5	1.2

Sales down 14% YoY at INR3.6b



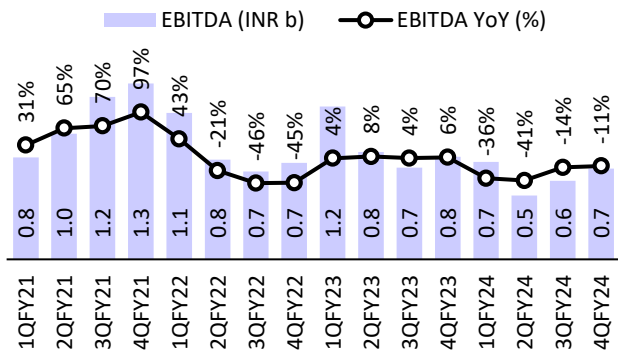
Source: Company, MOFSL

Margins improved YoY



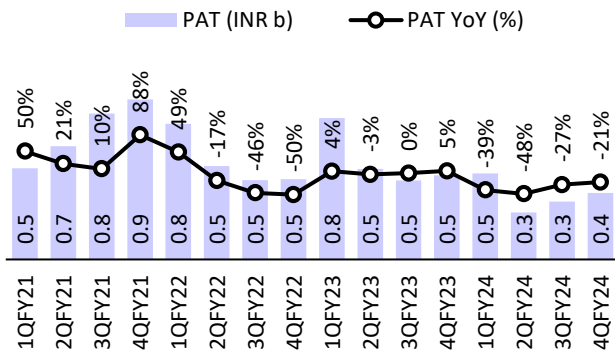
Source: Company, MOFSL

EBITDA down 11% YoY at INR689m



Source: Company, MOFSL

PAT down 21% YoY at INR385m



Source: Company, MOFSL



Sapphire Foods

Estimate changes	↔
TP change	↔
Rating change	↔

CMP: INR1,417 TP: INR1,650 (+16%) Buy

Weak SSSG hurts profitability; near-term challenges persist

Bloomberg	SAPPHIRE IN
Equity Shares (m)	64
M.Cap.(INRb)/(USDb)	90.3 / 1.1
52-Week Range (INR)	1700 / 1213
1, 6, 12 Rel. Per (%)	-3/-5/-12
12M Avg Val (INR M)	250

Financials & Valuations (INR b)

Y/E Mar	2024	2025E	2026E
Sales	25.9	30.6	36.0
Sales Gr. (%)	14.5	17.9	17.5
EBITDA	4.6	5.7	6.9
Margins (%)	17.8	18.7	19.1
Adj. PAT	0.5	1.0	1.6
Adj. EPS (INR)	8.2	15.3	25.3
EPS Gr. (%)	-52.4	87.1	65.9
BV/Sh.(INR)	210.2	225.5	250.8

Ratios

RoE (%)	4.0	7.0	10.6
RoCE (%)	5.7	7.2	9.3

Valuations

P/E (x)	175.3	93.7	56.5
P/BV (x)	6.8	6.3	5.7
EV/Sales (x)	3.9	3.2	2.4
Pre Ind-AS EV/EBITDA (x)	33.0	24.4	19.0

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	30.8	31.3	44.9
DII	32.4	31.7	27.5
FII	30.0	30.0	15.5
Others	6.8	7.0	12.2

FII Includes depository receipts

- Sapphire Foods (Sapphire) reported 13% YoY revenue growth, despite 18% YoY store growth. The store growth was offset by a decline in same-store sales for both KFC (-3%) and Pizza Hut (PH; -15%). KFC's revenue rose 16% YoY despite 26% YoY store growth, while PH's revenue declined 3% YoY in 4QFY24. However, there was no store addition for PH during the quarter as Sapphire undertook a cautious expansion strategy. It has planned to open PH stores in single digit during FY25.
- GM trend was positive across brands due to a benign RM basket. However, unit economics were hit by weak growth metrics. KFC's ROM declined 40bp/140bp YoY/QoQ to 18.7%, while PH's ROM decreased sharply by 1,130bp/730bp YoY/QoQ and became negative (-2.7%) in 4QFY24.
- Consolidated restaurant EBITDA declined 4% YoY to INR870m, with a margin dip of 240bp YoY to 13.8% (16.2% in 3QFY24). The Pre-Ind-AS EBITDA declined 2% YoY to INR544m, while margin contracted 140bp YoY to 8.6% (10.8% in 3QFY24). PBT declined 93% YoY to INR8m, with a PBT margin of 0.1% vs. 2.2% in 4QFY23 and 2.1% 3QFY24.
- The QSR industry continues to experience weakness in unit economics; dine-in is seeing more pressure than delivery. KFC has shown resilience in managing the headwinds more effectively, while PH has been struggling due to weak unit economics and intense competition. The store expansion spree is expected to slow down in FY25 (mainly in PH) to fix the profitability metrics.
- We maintain our cautious stance on QSR for the near term due to the ongoing demand challenges. The stock trades at 24x and 19x Pre-Ind-AS EV/EBITDA on FY25E and FY26E. We reiterate **our BUY rating on the stock with a TP of INR1,650.**

Weakened growth dents profitability

- **Sluggish growth metrics:** Consolidated sales grew 13% YoY to INR6.3b (in line). KFC's revenue grew 16% YoY, while PH declined 3% YoY. Store growth was healthy at 18%. Sapphire added a net 22 stores (23 KFC, 0 PH, and closed 1 store in Sri Lanka) to take the total count to 872. ADS of KFC was down 10% YoY to INR114k, while for PH, ADS declined 18% YoY to INR41k.
- **Expect slower store addition in FY25:** KFC's store addition to sustain in FY25, but PH's store addition would be muted as management guides single-digit store addition with the aim of improving the ADS and profitability for the existing store network.
- **Weak margin print:** Consolidated GM improved 100 YoY and remained flat sequentially to 68.9% (est. 69.1%). GP rose 9% YoY to INR 4.4b (est. INR4.4b); EBITDA was up 5% YoY to INR1.0b (est. INR1.1b), while margin contracted 120bp YoY to 16.3% (est. 17.3%). PBT declined 93% YoY, while the PBT margin stood at 0.1%.
- **In FY24,** net sales/EBITDA grew 15%/8%, while PBT/PAT dipped 36%/52%.

Highlights from the management commentary

- Aggregators are doing well YoY, while the overall QSR industry is lagging due to an increase in restaurant options and growth in high-value transactions on aggregators that usually happen in the dine-in. However, KFC's growth was in line with the aggregator's growth.
- The GP margin will remain in the same range going forward, i.e., 68-69%. The company will not take any material price hikes in 1HFY25.
- Over the last 40-45 days of 1QFY25, KFC did not perform well due to Navratri (West and North are impacted). However, there is a sequential improvement in May'24. KFC (ex-Navratri period) is doing well sequentially but not on a YoY basis.
- The company launched Melt (starting at INR169), a unique folded handheld pizza, in Feb'24 to improve pizza consumption on in-between meal occasions.
- Capex per store was INR20m for KFC (1,500-1,600 sq ft store) and INR14-15m for PH.

Valuation and view

- There are no material changes to our estimates for FY25 and FY26.
- KFC's store addition will sustain in FY25, but PH's store addition will be muted as management is aiming to fix the ADS and profitability snags for the current network.
- We do not foresee any near-term respite in profitability print, but with gradual stability in growth metrics in 2HFY25, we expect better unit economics. A higher mix of KFC would also deliver a better PBT margin for Sapphire in FY25 and FY26. We model a 4%/6% PBT margin for FY25/FY26.
- The QSR industry continues to see weakness in unit economics across dine-in and delivery formats. KFC has shown resilience in managing the headwinds more effectively. While PH has been struggling due to weak unit economics and intense competition. The store expansion spree is expected to slow down in FY25 (mainly in PH) to fix the profitability metrics. We maintain our cautious stance on QSR for the near term due to the ongoing demand challenges. The stock trades at 24x and 19x Pre-Ind-AS EV/EBITDA on FY25E and FY26E. We reiterate **our BUY rating on the stock with a TP of INR1,650 (premised on 22x FY26E Pre-Ind-AS EV/EBITDA).**

Quarterly Performance

Y/E March	FY23				FY24				FY23	FY24	FY24	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE		
KFC - No. of stores	281	301	325	341	358	381	406	429	341	429	426	
PH - No. of stores	235	249	274	286	302	311	319	319	286	319	326	
KFC - SSSG (%)	65.0	15.0	3.0	2.0	0.0	0.0	-2.0	-3.0	15	-1.0	-4.0	
PH - SSSG (%)	47.0	23.0	-4.0	-4.0	-9.0	-20.0	-19.0	-15.0	12	-16.0	-16.0	
Net Sales	5,463	5,628	5,961	5,604	6,544	6,426	6,656	6,317	22,656	25,943	6,352	-0.6
YoY change (%)	80.3	35.9	17.5	12.8	19.8	14.2	11.6	12.7	31.6	14.5	13.4	
Gross Profit	3,707	3,737	3,998	3,807	4,483	4,417	4,583	4,351	15,249	17,834	4,389	-0.9
Margin (%)	67.9	66.4	67.1	67.9	68.5	68.7	68.9	68.9	67.3	68.7	69.1	
EBITDA	1,104	1,032	1,167	981	1,214	1,151	1,217	1,029	4,284	4,613	1,098	-6.3
EBITDA growth %	223.9	82.2	1.9	-1.7	10.0	11.6	4.3	4.9	40.4	7.7	11.9	
Margin (%)	20.2	18.3	19.6	17.5	18.6	17.9	18.3	16.3	18.9	17.8	17.3	
Depreciation	609	628	681	724	727	768	874	870	2,642	3,239	852	2.1
Interest	197	206	217	249	226	245	263	275	869	1,009	250	10.0
Other Income	59	71	67	114	75	75	60	124	311	334	87	42.3
PBT	356	269	336	123	336	214	140	8	1,084	699	83	-89.9
Tax	-25	1	9	9	88	62	42	-12	-7	180	17	
Rate (%)	-7.1	0.3	2.6	7.0	26.0	28.9	30.0	-143.0	-0.6	25.7	20.9	
Adjusted PAT	381	269	327	114	249	152	98	20	1,091	520	66	-69.0
YoY change (%)	-244.5	-626.1	-35.9	-56.9	-34.8	-43.4	-69.9	-82.2	137.2	-52.4	-42.5	

E: MOFSL Estimates



TCI Express

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR1,105 TP: INR1,270 (+15%)

Buy

Stock Info

Bloomberg	TCIEXP IN
Equity Shares (m)	38
M.Cap.(INRb)/(USDb)	42.4 / 0.5
52-Week Range (INR)	1701 / 998
1, 6, 12 Rel. Per (%)	3/-31/-47
12M Avg Val (INR m)	70

Financials Snapshot (INR b)

Y/E March	2024	2025E	2026E
Net Sales	12.5	13.7	15.3
EBITDA	1.9	2.1	2.5
Adj. PAT	1.3	1.5	1.7
EBITDA Margin (%)	14.9	15.5	16.0
Adj. EPS (INR)	34.4	38.3	44.6
EPS Gr. (%)	-5.4	11.5	16.5
BV/Sh. (INR)	184	214	251

Ratios

Net D/E (x)	0.0	0.0	0.0
RoE (%)	20.3	19.3	19.2
RoCE (%)	20.0	19.0	19.0
Payout (%)	23.3	20.9	17.9

Valuations

P/E (x)	32.1	28.8	24.8
P/BV (x)	6.0	5.2	4.4
EV/EBITDA (x)	22.5	19.8	17.0
Div. Yield (%)	0.7	0.7	0.7
FCF Yield (%)	3.1	1.2	0.9

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	69.6	69.6	69.7
DII	8.9	8.4	10.2
FII	2.4	2.9	2.0
Others	19.1	19.1	18.1

FII Includes depository receipts

Performance in line; volume growth to be driven by expansion of the branch network

- TCI Express (TCIE)'s 4QFY24 revenue decreased 3% YoY to ~INR3.2b (in line), while volumes declined 2% YoY in 4QFY24. The persistent challenges of subdued demand, especially in the lifestyle product segment, and elevated inventory levels at the customer-end led to slower dispatches for the quarter.
 - Volumes stood at 0.26m tonnes (-2% YoY), while realization stood at INR12,291 per ton (down 1% YoY/QoQ each). EBITDA came in at INR448m with a margin of 14.1% (vs. our estimate of 14.4%). Margin was hurt by the weakness in volumes handled. In line with weak operating performance, TCIE's APAT dipped 18% YoY to INR316m (vs. our estimate of INR328m).
 - During FY24**, TCIE reported a revenue of INR12.5b (+1% YoY), EBITDA margin of 14.9%, and APAT of INR1.3b (-5% YoY). It handled 1m tonnes of volume in FY24 (flat YoY).
 - In FY24, TCIE incurred a total capex of INR460m, primarily spent on the expansion of its branch network as well as automation and ramping up of the IT infrastructure. TCIE aims for a capex of ~INR3.3b in the next three years.
 - Weak consumer demand and high inventory levels led to a soft performance in 4Q. Though volume growth in FY24 was subdued, management remains optimistic of maintaining 2x GDP growth in the medium to long term. We largely retain our FY26 estimates and expect TCIE to clock a volume CAGR of 9% and revenue/EBITDA CAGR of 11%/15% over FY24-26. This growth will be driven by the expansion of the branch network and overall demand improvement.
- Reiterate BUY with a revised TP of INR1,270 (based on 28x FY26E EPS).**

Highlights from the management commentary

- The capacity utilization level stood at 83.5% in 4QFY24 and 84% in FY24. TCIE aims to increase utilization to 86% in the near term and 90% in the long term, as volumes pick up.
- EBITDA margin remained stable, despite economic challenges, fueled by operational efficiencies and efficient capacity utilization.
- Revenue from the newly launched services, particularly rail express, has been steadily increasing. The total contribution of value-added services stood at 17.5%-18.0%. Management expects 20-25% contribution to revenue from new value-added services by FY25.
- TCIE achieved full automation at the Pune sorting center. Automation of the sorting center in Gurugram led to a 40% reduction in turnaround time and enhanced operational efficiency through AI-enabled technology.
- After the automation of the Pune sorting center, management is planning to automate the Ahmedabad sorting center in FY25, and subsequently, the Mumbai and Chennai sorting centers in FY26. This strategic move is expected to significantly reduce downtime, streamline processes, and improve overall operational efficiency.

- For FY24, TCIE aims to achieve a volume growth of 10-12% in FY25 with a 1.5-2.0% hike in realization. Margins in FY25 are expected to improve 50-75bp with the pickup in volumes. Management has indicated to grow at 2x of GDP in the long run.

Valuation and view

- Volume growth for both the industry and the company in FY24 has been affected by the high inventory levels across industries and weak consumer demand, coupled with the persistently high inflation rates and reduced use of cash in the economy.
- While FY24 has been muted, volumes are likely to improve from 2HFY25, driven by improvement in industry growth and new branch additions. We largely retain our estimates for FY26 and expect TCIE to clock a 9% volume CAGR and revenue/EBITDA CAGR of 11%/15% over FY24-26. **Reiterate BUY with a revised TP of INR1,270 (based on 28x FY26E EPS).**

Quarterly snapshot

	FY23				FY24				FY23	FY24	FY24	INR m
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Var. vs Est
Net Sales	2,904	3,099	3,144	3,263	3,049	3,200	3,119	3,171	12,410	12,538	3,255	(3)
YoY Change (%)	30.3	13.3	9.6	9.4	5.0	3.3	-0.8	-2.8	14.8	1.0	-0.2	
EBITDA	428	515	461	541	464	505	456	448	1,945	1,872	470	(5)
Margins (%)	14.7	16.6	14.7	16.6	15.2	15.8	14.6	14.1	15.7	14.9	14.4	
YoY Change (%)	33.4	13.7	-2.3	7.8	8.4	-2.0	-1.1	-17.2	11.3	-3.7	-13.2	
Depreciation	33	35	43	42	46	47	48	49	153	190	49	
Interest	3	4	4	7	4	4	3	4	18	15	4	
Other Income	19	23	13	17	15	18	20	19	72	72	22	
PBT before EO expense	411	499	427	509	429	472	424	415	1,845	1,740	439	(5)
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	411	499	427	509	429	472	424	415	1,845	1,740	439	
Tax	101	121	106	124	105	116	103	99	453	423	111	
Rate (%)	24.5	24.3	24.9	24.4	24.6	24.5	24.2	23.9	24.5	24.3	25.2	
Reported PAT	310	378	320	385	323	356	322	316	1,393	1,317	328	
Adj PAT	310	378	320	385	323	356	322	316	1,393	1,317	328	(4)
YoY Change (%)	30.5	11.0	-8.8	7.0	4.3	-5.8	0.5	-17.8	8.1	-5.4	-14.7	
Margins (%)	10.7	12.2	10.2	11.8	10.6	11.1	10.3	10.0	11.2	10.5	10.1	

BSE SENSEX
72,664S&P CNX
22,055

CMP: INR4,582

Neutral

Conference Call Details

Date: 13th May 2024

Time: 11:30am IST

Dial-in details:

[Diamond pass](#)

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	93.2	105.7	121.8
EBITDA	5.7	6.9	8.1
Adj. PAT	30.3	17.8	17.6
Adj. EPS (INR)	394.3	441.7	499.0
EPS Gr. (%)	93.2	105.7	121.8
BV/Sh.(INR)	8.0	9.7	11.5
Ratios			
RoE (%)	13.7	14.7	15.4
RoCE (%)	12.2	12.9	13.2
Payout (%)	17.5	22.8	20.8
Valuations			
P/E (x)	90.9	74.6	63.4
P/BV (x)	11.6	10.4	9.2
EV/EBITDA (x)	62.8	51.8	43.4
Div. Yield (%)	0.2	0.3	0.3

Encouraging margin performance

- Thermax reported in-line 4QFY24 revenue at INR27.6b (+20% YoY/19% QoQ).
- Gross margin contracted ~170bp YoY/150bp QoQ to 43.1%. However, this was offset by operating leverage, leading to EBITDA margin expansion of ~120bp YoY/180bp QoQ to 9.9% (the highest since 3QFY21). Accordingly, EBITDA grew 37% YoY to INR2.7b.
- PAT grew 20% YoY/34% QoQ at INR1.9b, aided by a lower effective tax rate (25.2% vs. 27.2%).
- The Board has approved the support of INR130m to Thermax Bioenergy Solutions Private Limited (TBSPL), a subsidiary of the Company either by way of loan or equity infusion.
- For FY24, revenue/EBITDA/Adj PAT grew 15%/33%/30% YoY, while FCF declined to a negative INR6b, on the back of lower OCF and higher capex in FY24.
- Segment-wise, overall revenues were lower than our estimates for the industrial product and chemical segments, but revenues from the Industrial infra and green solutions segments exceeded our estimates. PBIT margins for the full year FY24 slightly outperformed our expectations across all segments.
- Thermax has shared a positive outlook for demand from India's steel & distillery sector due to a significant increase in government capital expenditures on infrastructure and a focus on ethanol blending. The company is also optimistic about government policies and capex outlays aimed at supporting green technologies such as bio fuels, which could benefit Thermax's clean energy portfolio.

Consolidated Quarterly Earning Model

Y/E March	FY23				FY24				FY23	FY24	FY24E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	16,545	20,753	20,493	23,108	19,330	23,025	23,244	27,637	80,898	93,235	27,879	-1
YoY Change (%)	57.2	41.2	26.9	16.0	16.8	10.9	13.4	19.6	32.0	15.2	20.6	
Total Expenditure	15,585	19,347	18,882	21,109	18,008	20,978	21,369	24,905	74,923	85,261	25,686	
EBITDA	960	1,406	1,611	1,999	1,322	2,046	1,874	2,732	5,976	7,974	2,193	25
Margins (%)	5.8	6.8	7.9	8.7	6.8	8.9	8.1	9.9	7.4	8.6	7.9	
Depreciation	286	298	291	294	294	330	358	499	1,169	1,481	325	53
Interest	66	80	91	139	134	198	266	278	376	876	267	4
Other Income	205	398	423	575	531	659	584	553	1,602	2,326	580	-5
PBT before EO expense	815	1,426	1,652	2,140	1,425	2,177	1,834	2,507	6,033	7,943	2,181	15
Extra-Ord expense	0	0	0	0	506	0	-1,261			-755		
PBT	815	1,426	1,652	2,140	919	2,177	3,095	2,507	6,033	8,698	2,181	15
Tax	224	332	386	581	315	589	721	633	1,524	2,258	508	
Rate (%)	27.5	23.3	23.3	27.2	34.3	27.0	23.3	25.2	25.3	26.0	23.3	
Minority Interest & Profit/Loss of Asso. Cos.	1	2	3	-3	4	3	3	-2			-10	
Reported PAT	590	1,091	1,264	1,562	600	1,586	2,371	1,876	4,509	6,440	1,683	11
Adj PAT	590	1,091	1,264	1,562	932	1,586	1,403	1,876	4,509	5,881	1,683	11
YoY Change (%)	39.0	24.1	59.1	52.5	58.1	45.3	11.0	20.1	44.4	42.7	7.8	
Margins (%)	3.6	5.3	6.2	6.8	4.8	6.9	6.0	6.8	5.6	6.3	6.0	

INR m	FY23				FY24				FY23	FY24
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Segmental revenue										
Industrial Products	6,628	8,383	8,559	9,806	8,359	9,894	10,226	13,028	33,375	40,552
Industrial Infra	8,083	9,590	10,006	11,602	9,162	10,851	10,974	10,929	39,280	44,552
Green Solutions	584	1,347	846	850	1,132	1,246	1,235	860	3,627	5,071
Chemical	1,501	1,904	1,645	1,679	1,608	1,879	1,606	2,959	6,728	6,634
Less: Intersegmental	(251)	(471)	(563)	(828)	(931)	(845)	(797)	102	(2,113)	(3,574)
Total revenues	16,545	20,753	20,493	23,108	19,330	23,025	23,244	27,879	80,898	93,235
Segmental EBIT										
Industrial Products	241	657	801	1,040	560	988	1,015	1,297	2,739	3,970
Margin (%)	3.6	7.8	9.4	10.6	6.7	10.0	9.9	10.0	8.2	9.8
Industrial Infra	503	410	537	719	303	573	389	630	2,168	2,089
Margin (%)	6.2	4.3	5.4	6.2	3.3	5.3	3.5	5.8	5.5	4.7
Green Solutions	52	28	53	17	100	80	133	67	150	449
Margin (%)	8.9	2.0	6.2	2.0	8.8	6.4	10.8	7.8	4.1	8.9
Chemical	56	254	232	323	265	345	331	548	865	1,238
Margin (%)	3.7	13.4	14.1	19.2	16.5	18.4	20.6	18.5	12.8	18.7

APL Apollo Tubes

BSE SENSEX
72,644S&P CNX
22,055

CMP: INR1,535

Buy

Conference Call Details

Date: 13th May, 2024

Time: 12:30pm IST

Concall link:

[Click here](#)

Operating performance below estimates

- APAT's consolidated revenue grew 8%/14% YoY/QoQ to INR47.7b (est. INR42.1).
- Gross margin stood at 13.3% (down 130bp/90bp YoY/QoQ). Gross Profit/MT stood at INR9,330 (down 7%/5% YoY/QoQ). EBITDA margin declined 140bp YoY and 80bp QoQ to 5.9% (est. 7.5%). EBITDA declined 13% YoY (flat QoQ) to INR2.8b (est. INR3.1b). EBITDA/MT stood at INR4,636 (down 7% YoY, flat QoQ).
- Adjusted PAT declined 16% YoY, while it grew 3% QoQ to INR1.7b (est. INR1.95b).
- For FY24, Revenue/EBITDA/Adj. PAT grew 12%/17%/14% YoY to INR181b/INR11.9b/INR7.3b.

Volume Data

- Quarterly sales volume grew 4% YoY and 12% QoQ to **6,78,556 MT** in 4QFY24. This is the highest quarterly sales volume reported by the company.
- VAP mix increased to 60% in 4QFY24 vs. 54%/59% in 4QFY23/3QFY24.
- For FY24, sales volume grew 15% YoY to 2,618,477 MT, supported by the newly commissioned Raipur and Dubai plants.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY23				FY24				FY23	FY24	FY24E	Var. %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Gross Sales	34,386	39,692	43,271	44,311	45,449	46,304	41,778	47,657	1,61,660	1,81,188	42,112	13
YoY Change (%)	35.7	28.7	34.0	5.1	32.2	16.7	-3.5	7.6	23.8	12.1	-2.7	
Total Expenditure	32,446	37,373	40,543	41,082	42,377	43,054	38,982	44,854	1,51,444	1,69,266	38,967	
EBITDA	1,939	2,319	2,729	3,229	3,072	3,250	2,795	2,804	10,216	11,922	3,145	-11
Margins (%)	5.6	5.8	6.3	7.3	6.8	7.0	6.7	5.9	6.3	6.6	7.5	
Depreciation	294	276	345	468	409	413	471	466	1,383	1,759	500	
Interest	100	136	186	249	271	266	285	311	671	1,134	240	
Other Income	83	116	93	180	217	196	150	186	472	749	210	
PBT before EO expense	1,629	2,023	2,290	2,692	2,608	2,767	2,190	2,212	8,633	9,777	2,615	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	1,629	2,023	2,290	2,692	2,608	2,767	2,190	2,212	8,633	9,777	2,615	
Tax	422	521	598	673	672	738	535	508	2,215	2,453	658	
Rate (%)	25.9	25.7	26.1	25.0	25.8	26.7	24.4	23.0	25.7	25.1	25.2	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	1,207	1,502	1,692	2,018	1,936	2,029	1,655	1,704	6,419	7,324	1,957	
Adj PAT	1,207	1,502	1,692	2,018	1,936	2,029	1,655	1,704	6,419	7,324	1,957	-13
YoY Change (%)	-28.4	2.8	32.3	14.3	60.5	35.1	-2.2	-15.5	3.7	14.1	15.7	
Margins (%)	3.5	3.8	3.9	4.6	4.3	4.4	4.0	3.6	4.0	4.0	4.6	

JK Cement

BSE Sensex
72,644S&P CNX
22,055

CMP: INR3,836

Buy

Conference Call Details



Date: 14th May 2024

Time: 16:00 IST

Dial-in details:

+ 91 22 6280 1143

+ 91 22 7115 8044

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	115.6	128.6	142.8
EBITDA	20.6	25.3	28.9
Adj. PAT	8.0	10.8	13.5
EBITDA Margin (%)	17.8	19.7	20.2
Adj. EPS (INR)	103.7	139.2	174.7
EPS Gr. (%)	88.0	28.8	25.5
BV/Sh. (INR)	695	809	954

Ratios

Net D:E	0.8	0.7	0.6
RoE (%)	16.7	18.5	19.8
RoCE (%)	11.2	12.1	12.6
Payout (%)	18.5	18.0	17.2

Valuations

P/E (x)	37.0	27.6	22.0
P/BV (x)	5.5	4.7	4.0
EV/EBITDA(x)	15.4	12.9	10.9
EV/ton (USD)	158	142	128
Div. Yield (%)	0.5	0.7	0.8
FCF Yield (%)	1.8	(1.0)	2.9

Higher cost led to earnings miss; EBITDA/t at INR1,077

- JK Cement (JKCE) reported consolidated EBITDA of INR5.6b, which was 8% lower than our estimate of INR6.1b, led by higher opex/t (+3% vs. estimate) and lower grey/white cement volume (2% and 10% below our estimate, respectively). OPM stood at 18% vs. estimated 19.2% and EBITDA/t stood at INR1,077 vs. our estimate of INR1,133. Adj. PAT (adjusted for reversal of provision of INR95n) stood at INR2.1b, 12% below our estimate of INR2.4b.
- Consolidated grey cement volume stood at 4.7mt (up 13% YoY), while white cement volume was down 2% YoY to 0.52mt. Grey cement realization declined 1.6% YoY/4.6% QoQ (~1% below estimate), while white cement realization was up 10% YoY/7% QoQ.
- We have a BUY rating on the stock;** we would review our assumptions post the conference call.

Grey cement volume up 13% YoY; Opex/t down 6% YoY

- JKCE's consolidated revenue/EBITDA/adj. PAT stood at INR31.1b/INR5.6b/INR2.1b (up 12%/60%/90% YoY and down 2%/8%/12% vs. our estimate). Combined sales volumes stood at 5.2mt (up 11% YoY). Blended realization stood at INR5,974/t (flat YoY; 1% above our estimates, led by higher realization of white cement) in 4QFY24. Other operating income/t stood at INR182 vs. INR111/INR195 in 4QFY23/3QFY24.
- Opex/t declined 6% YoY (3% above our estimate), mainly led by a 17% decline in variable cost (flat QoQ). Freight cost/other expenses/employee cost per tonne was up 4%/3%/17% YoY. Fuel consumption cost was INR1.79/kcal vs. INR2.41/kcal in 4QFY23 and INR1.82/kcal in 3QFY24. Lead distance was down 19km YoY and 8km QoQ to 419km. OPM was up 5.5pp YoY to 18% and EBITDA/t was up 44% YoY (but down 19% QoQ) to INR1,077. Depreciation and interest cost was up 19% and 14% YoY, respectively.
- In FY24, revenue grew 19% YoY, driven by 17% volume growth and 1% increase in realization. EBITDA grew 57% YoY to INR20.6b and OPM was up 5.3pp YoY to 17.8%. EBITDA/t grew 33% YoY to INR1,080. Adj. PAT grew 88% YoY to INR8b. The company announced a dividend of INR20/share (includes special dividend of INR5/share).
- In FY24, CFO increased 31% YoY to INR19.6b. Capex stood at INR11.7b vs. INR16.1b in FY23. Consolidated net debt stood at INR25.8b vs. INR29.1b in Mar'23. Net debt to EBITDA stood at 1.3x vs. 2.2x in FY23.

Highlights from the management commentary

- India cement consumption increased 11% YoY in FY24 to 443mt and is estimated to grow 6.5% YoY in FY25. JKCE's Central India plant achieved 83% capacity utilization in the first year of operations. CO2 emission of the company declined to 512kg/t in FY24 vs. 520kg/t in FY23 and the company targets to reduce it further to 465kg in FY30.
- Green power contributed 51% of the power requirement vs. 44% in FY23 and the target is to increase it to 75% by FY30. Thermal substitution rate stood at 16.3% vs. 13.9% in FY23 and the company targets to improve it further to 35% by FY30.

- The grinding unit of 2mtpa at Prayagraj, Uttar Pradesh, is expected to get completed by 2QFY25 and the company has spent INR2.8b on this project in FY24. Expansion at Panna, Madhya Pradesh (3.3mtpa of clinker capacity and 1mtpa of cement capacity) is expected to get completed by 2QFY26. Total capex estimated for this project is INR23b.

Valuation and view

- JKCE is continuing its expansion journey and targets to achieve grey cement production capacity of ~30mtpa by FY26 vs. 22.2mtpa currently. We favor the company for its ongoing expansion strategy and notable enhancement in operational execution capabilities over the last few years.
- We have a BUY rating on the stock and we would review our assumptions post the con-call on May 14, 2024 at 4:00 pm.

Quarterly performance

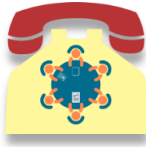
Y/E March	FY23				FY24				FY23	FY24	FY24	Var. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Net Sales	22.7	22.4	24.4	27.8	27.6	27.5	29.3	31.1	97.2	115.6	31.6	(2)	12	6
YoY Change (%)	32.4	18.0	20.0	18.1	21.7	23.1	20.5	11.8	21.6	18.9	13.8			
Total Expenditure	18.7	19.2	21.9	24.3	23.5	22.9	23.1	25.5	84.1	95.0	25.5	(0)	5	10
EBITDA	4.0	3.1	2.5	3.5	4.1	4.7	6.3	5.6	13.1	20.6	6.1	(8)	60	(10)
Margins (%)	17.8	14.0	10.2	12.6	14.8	17.0	21.3	18.0	13.5	17.8	19.2	(120)	545	(327)
Depreciation	1.1	1.1	1.2	1.3	1.3	1.4	1.4	1.5	4.6	5.7	1.5	5	19	9
Interest	0.7	0.7	0.8	1.0	1.1	1.2	1.1	1.1	3.1	4.5	1.2	(3)	14	1
Other Income	0.2	0.1	0.2	0.4	0.3	0.3	0.4	0.5	0.9	1.5	0.4	28	20	19
PBT before EO expense	2.5	1.5	0.7	1.6	2.0	2.4	4.1	3.4	6.3	11.9	3.8	(11)	114	(17)
Extra-Ord expense	-	-	-	-	0.2	-	-	(0.1)	-	0.1	-			
PBT	2.5	1.5	0.7	1.6	1.8	2.4	4.1	3.5	6.3	11.8	3.8	(8)	120	(15)
Tax	0.9	0.4	0.3	0.5	0.7	0.7	1.3	1.3	2.1	3.9	1.3			
Profit from associate and MI	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	-			
Rate (%)	35.8	27.6	46.2	30.5	37.2	26.9	30.6	36.7	32.5	32.4	35.6			
Reported PAT	1.6	1.1	0.4	1.1	1.1	1.8	2.8	2.2	4.3	8.0	2.4	(10)	96	(23)
Adj PAT	1.6	1.1	0.4	1.1	1.2	1.8	2.8	2.1	4.3	8.0	2.4	(12)	90	(25)
YoY Change (%)	(15.3)	(26.1)	(73.2)	(43.1)	(23.7)	59.8	628.0	90.3	(37.9)	87.9	117.5			

Y/E March	FY23				FY24				FY23	FY24	4QE	Var. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Volume Break-up (In mt)														
Grey Cement (mt)	3.2	3.2	3.7	4.1	4.1	3.9	4.2	4.7	14.2	16.9	4.8	(2)	13	13
Growth (%)	15.0	9.5	26.6	17.0	29.4	22.1	13.6	13.0	17.0	18.9	15.5			
% of total Vols	85.9	88.4	88.2	88.6	88.7	86.7	88.2	89.9	87.4	88.4	89.1			
White Cement (mt)	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.5	2.0	2.2	0.6	(10)	(2)	(5)
Growth (%)	93.4	29.6	12.7	7.2	1.2	19.2	13.1	(1.9)	12.4	7.6	9.1			
% of total Vols	14.1	13.9	11.8	11.4	11.3	13.3	11.8	10.1	12.6	11.6	10.9			
Per ton analysis (INR/t)														
Net realization	6,149	6,138	5,879	5,947	5,968	6,068	6,238	5,974	5,988	6,060	5,894	1	0	(4)
Sale volume	3.7	3.6	4.1	4.7	4.6	4.5	4.7	5.2	16.2	19.1	5.4	(3)	11	10
RM Cost	968	1,009	995	975	1,003	1,010	818	1,014	981	962	1,014	(0)	4	24
Employee Expenses	425	419	386	360	397	403	423	420	393	411	352	19	17	(1)
Power, Oil & Fuel	1,399	1,581	1,680	1,659	1,493	1,396	1,383	1,184	1,579	1,358	1,164	2	(29)	(14)
Freight & handling	1,252	1,270	1,250	1,264	1,262	1,182	1,307	1,310	1,252	1,267	1,292	1	4	0
Other Expenses	1,012	997	971	941	932	1,048	979	970	973	981	939	3	3	(1)
EBITDA	1,094	861	597	748	881	1,029	1,329	1,077	810	1,080	1,133	(5)	44	(19)

Piramal Pharma

BSE SENSEX 72,644 S&P CNX 22,055

Conference Call Details

Date: 13th May 2024

Time: 9:30 AM IST

Dial-in details:

[Link](#)

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	81.7	92.0	103.7
EBITDA	12.0	15.0	17.5
Adj. PAT	0.6	4.8	7.1
EBIT Margin (%)	5.6	8.1	9.2
Cons. Adj. EPS (INR)	0.4	3.6	5.4
EPS Gr. (%)	NA	761.0	47.5
BV/Sh. (INR)	66.3	70.3	76.3
Ratios			
Net D:E	0.5	0.5	0.4
RoE (%)	0.8	5.9	8.1
RoCE (%)	0.5	5.4	6.6
Payout (%)	57.0	17.6	17.6
Valuations			
P/E (x)	354.3	41.1	27.9
EV/EBITDA (x)	20.1	16.0	13.4
Div. Yield (%)	0.0	0.4	0.5
FCF Yield (%)	0.0	0.0	0.0
EV/Sales (x)	2.9	2.6	2.3

CMP: INR150

Operationally better than estimates

- PIRPHARM's revenue grew 18% YoY to INR25.5 b (est: INR24.3b) in 4QFY24.
- The CDMO segment's (65% of total sales) revenue grew 28% YoY to INR16.5b.
- The India consumer healthcare segment's (ICH; 9% of total sales) revenue was up 16% YoY to INR2.4b.
- The complex hospital generics segment's (CHG; 27% of total sales) revenue declined 4% YoY to INR6.8b.
- Gross margin contracted 90bp YoY to 60.3% due to a change in product mix.
- However, EBITDA margin expanded 450bp YoY to 20.8% (our est: 14.6%), largely due to positive operating leverage. Employee expenses and other expenses declined 250bp/290bp as a % of sales.
- As a result, EBITDA grew 51% YoY to INR5.3b (our est: INR4.8b).
- Interest costs rose 9.6% YoY to INR1.1b in 4QFY24.
- After adjusting for the one-off write-off of investment and license rights of INR310m, PIRPHARM posted a growth of 2.3x YoY to INR1.1b (our est. profit of INR2.3b).
- The reported PAT was lower than our estimate due to a higher tax rate. We await clarity on this higher tax rate.
- **For FY24**, revenue/EBITDA grew 15%/64% YoY to INR81.7b/INR11.9b. The company registered a profit of INR560m vs. a loss of INR798m in FY23.
- During the quarter, revenue/EBITDA beat the Bloomberg estimates by 3%/13% while PAT missed BBG estimates by 45%.

Other highlights

- CDMO:
 - Revenue from commercial manufacturing of on-patent molecules more than doubled to USD116m in FY24 from USD52m in FY23.
- CHG:
 - The new product pipeline consisted of 24 products at various stages of development, with a current addressable market size of over USD2b. The company is launching four new injectable products in the US and Europe.
 - Setting up manufacturing lines at Digwal to supplement the Sevoflurane manufacturing capacity at Bethlehem (US).
 - Significantly improving the KSM manufacturing capacity at Dahej to increase vertical integration
- ICH:
 - E-commerce sales grew at over 36% YoY in FY24 and contributed 20% to ICH revenues.
 - In FY24, 27 new products and 24 new SKUs were launched.
 - Promotional spending during FY24 was 13% of ICH revenue vs. 15% in FY23.

Consolidated - Quarterly Earning Model

INR m

PPL Income statement	FY23				FY24				FY23	FY24	FY24E	% var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE		
Revenues	14,820	17,200	17,160	21,636	17,489	19,114	19,586	25,524	70,816	81,712	24,302	5%
<i>growth YoY(%)</i>	13.0	9.0	11.5	1.5	18.0	11.1	14.1	18.0	8.0	15.4	12.3	
Expenses	13,969	15,475	15,962	18,123	16,165	16,457	16,902	20,224	63,529	69,749	19,542	
CDMO	7,700	9,400	10,100	12,850	8,980	10,680	11,340	16,490	40,160	47,490	14,381	15%
CHG	5,080	5,620	5,140	7,020	6,170	5,890	5,760	6,770	22,860	24,590	8,012	-15%
ICP	2,110	2,270	2,260	2,060	2,390	2,560	2,520	2,380	8,590	9,850	1,807	32%
EBITDA*	851	1,726	1,197	3,513	1,323	2,657	2,684	5,299	7,286	11,963	4,760	11%
<i>margin (%)</i>	5.7	10.0	7.0	16.2	7.6	13.9	13.7	20.8	10.3	14.6	19.6	
<i>growth YoY(%)</i>	-34.3	-12.2	-46.9	-11.7	55.5	54.0	124.1	50.9	-23.3	64.2	35.5	
Depreciation	1,617	1,662	1,644	1,844	1,736	1,845	1,863	1,961	6,767	7,406	1,661	
EBIT	-766	64	-447	1,669	-413	812	821	3,338	520	4,557	3,099	8%
Other income	719	462	825	245	383	492	615	264	2,251	1,754	610	
Interest expense	623	830	947	1,043	1,185	1,099	1,059	1,142	3,442	4,485	1,082	
Share from Asso. Co	199	111	156	78	144	191	140	120	543	595	134	
PBT	-471	-193	-412	949	-1,071	396	516	2,580	-128	2,421	2,761	-7%
EO Expenses/(gain)	680	70	324	-	-	-	323	310	1,074	633	-	
Taxes	-61	111	165	448	-85	345	93	1,262	663	1,615	445	
<i>Tax Rate (%)</i>	5.3	-42.2	-22.5	47.2	8.0	87.3	47.8	55.6	-55.2	90.3	16.1	
Reported PAT	-1,091	-373	-902	501	-986	50	101	1,008	-1,865	173	2,316	-56%
Adj. PAT	-446	-274	-578	501	-986	50	350	1,146	-798	560	2,316	-51%
<i>Change (%)</i>	NA	NA	NA	-75.4	NA	LP	LP	128.6	NA	NA	362.1	

E: MOFSL Estimates

Fine Organic Industries

BSE SENSEX
72,664

S&P CNX
22,055

CMP: INR4,406

Sell

Conference Call Details



Date: 13th May 2024
Time: 1530hours IST
Dial-in details:
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Beat across board; EBITDAM declines YoY

- Revenue stood at INR5.2b (-25% YoY).
- **Gross margin expanded 450bp YoY to 43.6%, with EBITDAM at 25.4% (-140bp YoY).**
- EBITDA stood at INR1.3b (est. of INR771m, -29% YoY), while PAT stood at INR1b (est. of INR590m, -24% YoY).
- Exceptional item of INR6m has been recorded toward insurance coverage for the fire in one of the plants in Jan'24.
- **For FY24**, revenue was down 36% at INR19.5b, EBITDA stood at INR4.8b (-38% YoY). PAT stood at INR3.7b (-38% YoY). EBITDAM declined 110bp YoY to 24.6% in FY24.
- The BoD has declared a final dividend of INR10/share for FY24.

Standalone - Quarterly Snapshot

(INR m)

Y/E March	FY23				FY24					Var. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	4QAct			
Gross Sales	7,526	8,281	7,499	6,986	5,321	4,717	4,258	3,888	5,215	34%	-25%	22%
YoY Change (%)	109.1	92.8	60.1	16.3	-29.3	-43.0	-43.2	-44.3	-25.3			
Gross Margin (%)	41.3%	38.2%	35.1%	39.1%	42.9%	41.9%	41.8%	41.1%	43.6%	2.5%	4.5%	1.8%
EBITDA	2,056	2,138	1,747	1,872	1,519	1,044	924	771	1,322	72%	-29%	43%
Margin (%)	27.3	25.8	23.3	26.8	28.5	22.1	21.7	19.8	25.4	5.5	-1.4	3.7
Depreciation	111	115	123	130	117	144	147	151	153			
Interest	11	13	11	9	6	7	5	7	5			
Other Income	166	193	152	130	145	172	174	177	226			
PBT before EO expense	2,099	2,203	1,764	1,863	1,540	1,064	946	789	1,391	76%	-25%	47%
Extra-Ord expense	0	0	0	0	0	0	0	0	6			
PBT	2,099	2,203	1,764	1,863	1,540	1,064	946	789	1,385	75%	-26%	46%
Tax	526	563	452	483	397	270	249	199	342			
Rate (%)	25.1	25.6	25.6	25.9	25.8	25.4	26.4	25.2	24.7			
Reported PAT	1,573	1,640	1,313	1,381	1,142	794	697	590	1,043	77%	-24%	50%
Adj PAT	1,573	1,640	1,313	1,381	1,142	794	697	590	1,047	77%	-24%	50%
YoY Change (%)	350.2	228.2	135.6	25.5	-27.4	-51.6	-46.9	-57.2	-24.2			
Margin (%)	20.9	19.8	17.5	19.8	21.5	16.8	16.4	15.2	20.1	4.9	0.3	3.7

Syrma SGS Technology

BSE SENSEX
72,664S&P CNX
22,055

CMP: INR473

Buy

Conference Call Details

Date: 13th May 2024

Time: 10:30am IST

Dial-in details:

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Earnings below estimates

- Consolidated revenue grew 67%/60% YoY/QoQ to INR11.3b (est. INR9.9b)
- EBITDA margins contracted 200bp YoY and expanded 100bp QoQ to 6.5%, led by gross margin contraction of 430bp/540bp YoY/QoQ to 17.2%
- EBITDA grew 28%/90% YoY/QoQ to INR737m
- Adj. PAT declined 17% YoY (up 2.3x QoQ) to INR349m
- For FY24, Revenue/EBITDA grew 54%/7% YoY to INR31.5b/INR2b, while Adj. PAT declined 9% YoY to INR1.1b

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY23				FY24				FY23	FY24	FY24E 4QE	Var. %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Gross Sales	3,893	4,669	5,126	6,795	6,013	7,117	7,067	11,341	20,484	31,538	9,853	15
YoY Change (%)	192.3	118.6	69.9	83.1	54.4	52.4	37.9	66.9	100.9	54.0	45.0	
Total Expenditure	3,558	4,197	4,648	6,220	5,644	6,627	6,679	10,604	18,624	29,554	9,007	
EBITDA	336	472	478	575	369	490	388	737	1,860	1,984	847	-13
Margins (%)	8.6	10.1	9.3	8.5	6.1	6.9	5.5	6.5	9.1	6.3	8.6	
Depreciation	72	71	81	88	101	116	139	158	312	515	150	
Interest	50	63	64	39	75	80	100	123	216	378	100	
Other Income	24	79	118	234	221	89	121	156	455	587	150	
PBT before EO expense	239	417	450	681	413	383	270	612	1,787	1,678	747	
Extra-Ord expense	0	0	0	0	0	14	0	0	0	14	0	
PBT	239	417	450	681	413	370	270	612	1,787	1,664	747	
Tax	68	128	108	252	130	64	67	160	556	421	188	
Rate (%)	28.5	30.6	24.1	37.1	31.5	17.4	24.8	26.1	31.1	25.3	25.2	
Minority Interest & Profit/Loss of Asso. Cos.	16	6	10	6	-2	22	48	103	38	170	61	
Reported PAT	155	283	332	423	285	283	155	349	1,193	1,073	497	
Adj PAT	155	283	332	423	285	297	155	349	1,193	1,087	497	-30
YoY Change (%)	178.8	149.8	68.2	158.9	84.0	4.8	-53.2	-17.4	125.2	-8.9	17.6	
Margins (%)	4.0	6.1	6.5	6.2	4.7	4.2	2.2	3.1	5.8	3.4	5.0	



Performance of top companies in Apr'24

Company	MAT Growth (%)	Apr'24 (%)
IPM	7.4	8.8
Abbott*	7.9	9.3
Ajanta	9.2	12.3
Alembic	3.3	3.2
Alkem*	5.7	6.6
Cipla	7.4	8.3
Dr Reddys	7.1	9.0
Emcure*	5.1	7.9
Eris	8.7	15.9
Glaxo	0.5	3.5
Glenmark	9.4	18.6
Intas	12.5	14.4
Ipca	11.7	0.8
Jb Chemical*	9.8	14.3
Lupin	6.4	10.9
Macleods	9.0	10.0
Mankind	7.9	11.8
PGHL	0.0	8.0
Sun*	8.8	11.4
Torrent	8.3	10.6
Zydus*	5.7	10.6

IPM exhibits recovery in Apr'24, after a dip in Mar'24

- The India pharma market (IPM) grew 8.8% YoY in Apr'24 (vs. 1.4% in Mar'24 and 11% in Apr'23). Chronic category remains a key growth driver for IPM.
- Cardiac/Derma/Gastro-intestinal therapies registered healthy YoY growth of 15.0%/11.8%/10.6%, offset by a decline in respiratory (-1.2% YoY) in Apr'24.
- For the 12 months ending in Apr'24, IPM grew 7.4% YoY. This growth was led by volume/new launches, which contributed +4% YoY/2.9% YoY to the overall growth over the same period.
- Out of top 10 brand, Electral/PAN/LIV-52 registered a high double-digit growth of 28%/19%/17% YoY to INR720m/INR590m/620m in Apr'24.
- Although Anti-infective/Anti-diabetic segments registered growth in Apr'24, key brands like Calpol (INR390m)/Azithral (INR350m) experienced a decline of 15%/10% YoY. Additionally, Mixtrad (INR750m)/Lantus (INR530m) declined 2%/4% YoY in Apr'24.

Glenmark/ERIS/JB Chemical/Ajanta outperform in Apr'24

- In Apr'24, among the top-20 pharma companies, Glenmark (up 18.6% YoY), Eris (up 15.9% YoY), JB Chemicals (up 14.3% YoY), and Ajanta (up 12.3% YoY) recorded notably higher growth rates than IPM.
- Glenmark outperformed IPM, led by strong performance across almost all the therapies. Particularly, cardiac therapy registers a 37% YoY growth in Apr'24.
- Eris outperformed IPM, with VMN/Derma/Anti-diabetic posting a growth of 26.1%/23.9%/16.6% YoY in Apr'24.
- JB Chemicals outperformed IPM with Cardiac/Gynaec posting a growth of 26.6%/24.3% YoY in Apr'24, which was offset by an 8.5% YoY decline in ophthal therapy.
- Ajanta outperformed IPM, led by growth in Derma/Cardiac/Respiratory 26.3%/13.9%/12.8% YoY in Apr'24.
- Sanofi reported industry-leading volume growth of 8.8% YoY on the MAT basis. Macleods Pharma registered the highest price hike of 7.5% YoY on the MAT basis. Eris posted the highest growth in new launches (up 9.9% YoY).
- Ipca exhibited the weakest performance with a modest 0.8% YoY growth for Apr'24.

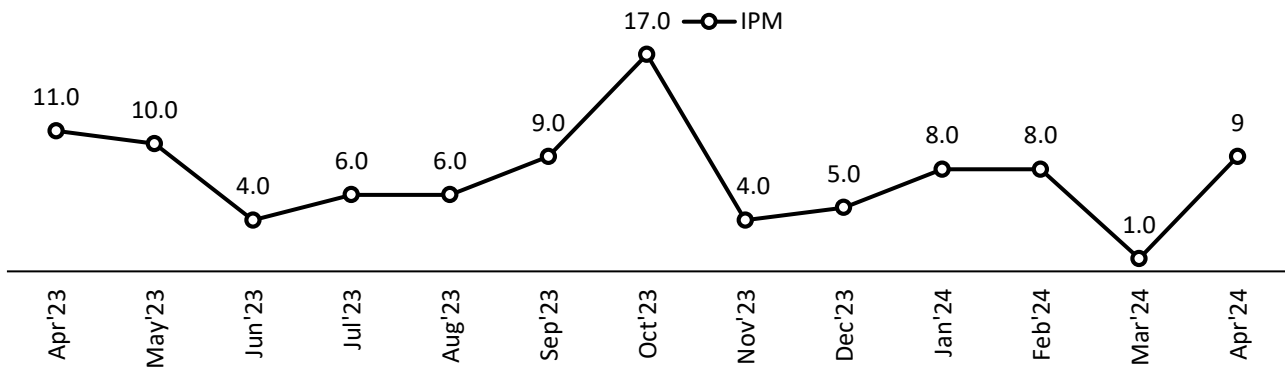
Cardiac/Neuro/Ophthal/Gastro led YoY growth on MAT basis

- On the MAT basis, the industry reported 7.4% growth YoY.
- Cardiac/Neuro/Ophthal/Gastro grew 10.5%/8.7%/8.4%/7.6% YoY.
- Respiratory/Anti-infective/Anti-Diabetic/Gynaec sales underperformed IPM by 660bp/440bp/90bp/80bp, hurting overall growth.
- For consecutive 6 months' Chronic therapy has outperformed acute therapy. The Acute segment's share in overall IPM stood at 62% for MAT Apr'24, with YoY growth of 5.8%. The chronic segment (38% of IPM) grew 9.9% YoY.

India and MNC pharma both registered decent recovery in Apr'24

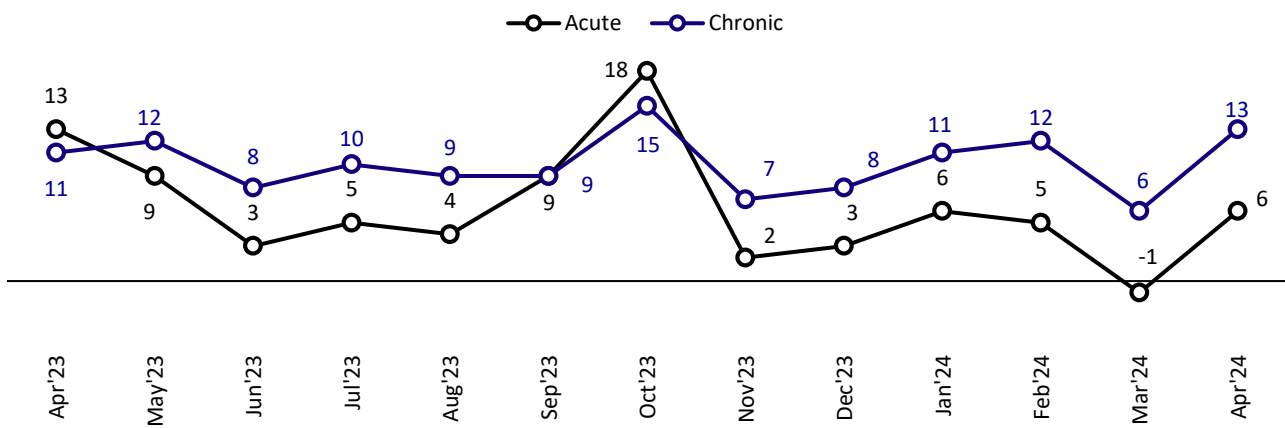
- As of Mar'24, Indian pharma companies hold a majority share of 83% in IPM, while the remaining is held by multi-national pharma companies.
- After a strong decline in Mar'24, both Indian and MNC companies have registered a sharp growth in Apr'24 of 8.9%/8.3% YoY.

IPM exhibited 9% YoY growth in Apr'24, even when it witnessed 11% YoY growth in Apr'23



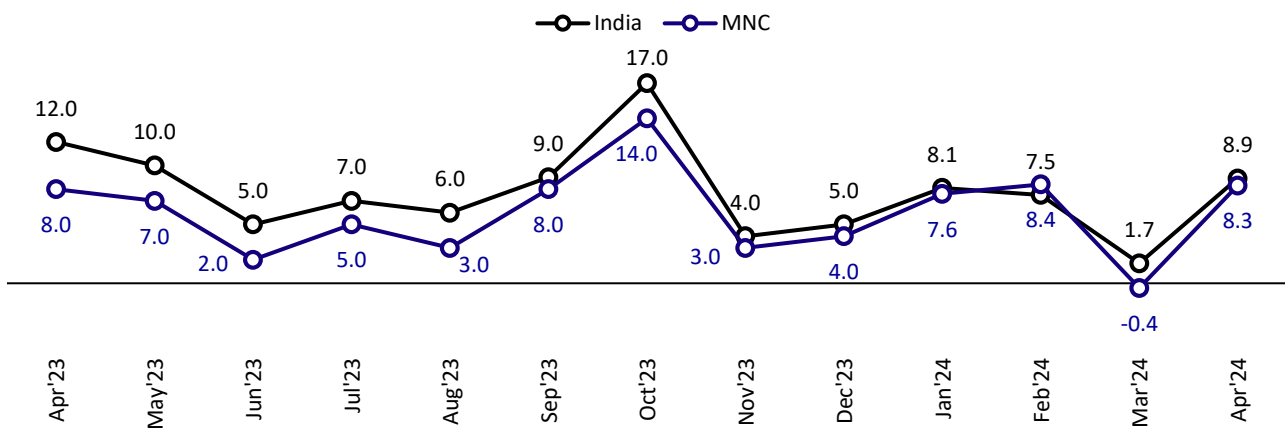
Source: MOFSL, IQVIA

Acute and chronic therapy registered a YoY growth of 13%/6% in Apr'24



Source: MOFSL, IQVIA

Both Indian as well as MNCs exhibited healthy YoY growth in Apr'24



Source: MOFSL, IQVIA

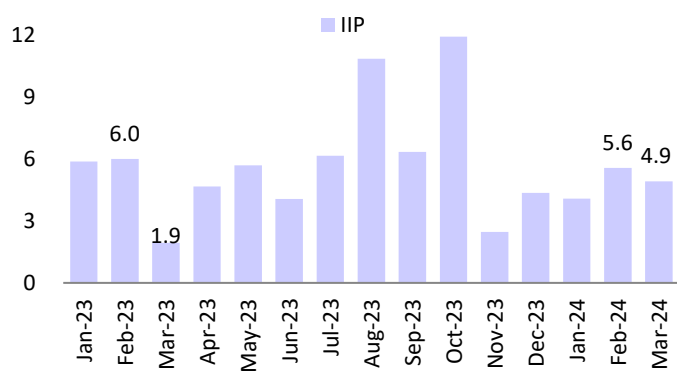
Industrial output growth slows to 4.9% in Mar'24

Averaged 5.9% in FY24

- IIP growth decelerated to 4.9% YoY in Mar'24 from 5.6% in Feb'24 (revised lower from 5.7%). The deceleration in growth was mainly led by the mining output growth, which was partly offset by better growth in manufacturing and electricity sectors. (*Exhibit 1*). The number was lower than the Bloomberg consensus of 6% and our forecast of 6.8%. On a use-based classification, growth of primary goods, intermediate goods, infra & construction goods, and consumer durable goods decelerated, while capital goods and consumer non-durables witnessed an improvement in growth. In FY24, industrial output growth averaged 5.9% vs. 5.3% in FY23.
- The growth in manufacturing activity accelerated to a five-month high of 5.2% in Mar'24 vs. 4.9% in Feb'24 and 1.5% in Mar'23. Details of the manufacturing sector reveal that 47.2% of the items within the sector grew at a slower rate than last year (vs. 49.2% in Feb'24), while 41.3% of the items posted a contraction (vs. 10.4% in Feb'24). Manufacturing output grew 5.4% in FY24 vs. 4.7% in FY23.
- At the same time, electricity output accelerated to 8.6% in Mar'24 (the highest in five months) vs. a growth of 7.5% in Feb'24 and a contraction of 1.6% in Mar'23. However, on a fiscal year basis, electricity output growth slowed to a three-year low of 7% in FY24 vs. 8.9% in FY23. Mining output growth decelerated sharply to a 19-month low of 1.2% in Mar'24 vs. a growth of 8.1% in Feb'24 and 6.8% in Mar'23. It grew 7.5% in FY24 vs. 5.4% in FY23.
- According to the use-based classification, output of infra & construction goods slowed in Mar'24 (6.9% vs. 8.5% in Feb'24). Even, primary goods output growth decelerated to an 11-month low of 2.5% in Mar'24 vs. 5.9% in Feb'24. On the other hand, capital goods output growth accelerated to a five-month high of 6.1% in Mar'24 vs. 1% in Feb'24. Additionally, consumer goods output growth increased to 6.8% in Mar'24 (the highest in five months) vs. a growth of 2.4% in Feb'24. Within consumer goods, the growth of consumer durables remained strong (9.5% in Mar'24 vs. 12.3% in Feb'24), though the pace of growth slowed slightly, while consumer non-durables saw an improvement, printing 4.9% in Mar'24, the highest in five months, vs. a contraction of 3.5% in Feb'24.

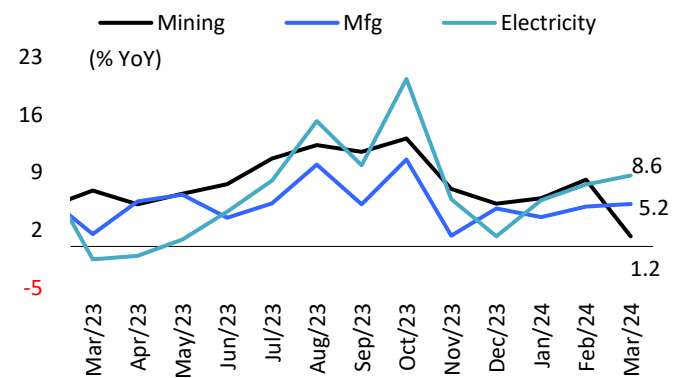
Source: Central Statistics Office (CSO), MOFSL

Exhibit 1: IIP growth decelerated to 4.9% YoY in Mar'24



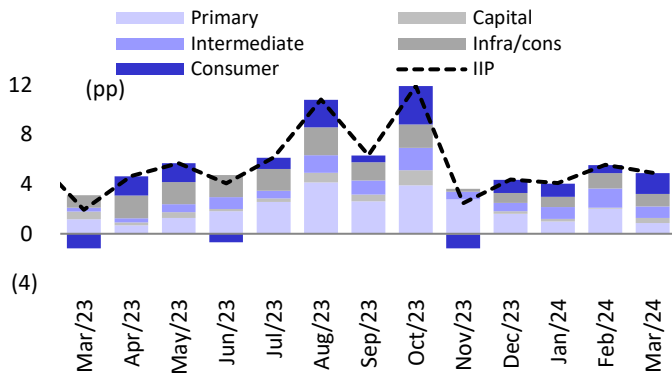
Source: CSO, MOFSL

Exhibit 2: ...led by mining sector



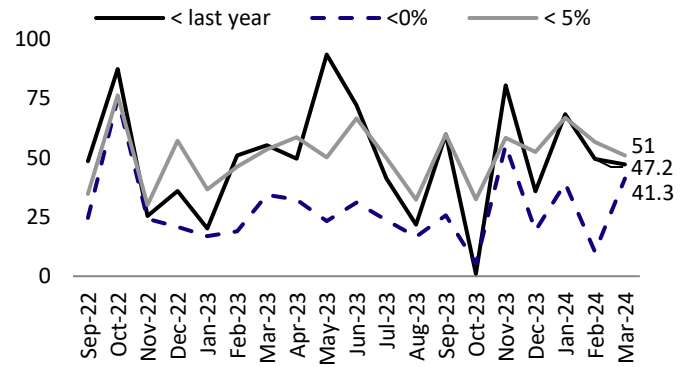
Source: CSO, MOFSL

Exhibit 3: Capital goods and consumer durables remained robust in Mar'24



Source: CSO, MOFSL

Exhibit 4: 51% of the manufacturing basket grew slower than 5% in Mar'24 vs. 57% in Feb'24



Source: CSO, MOFSL

Exhibit 5: Key components of IIP

% YoY	Weight	FY21	FY22	FY23	FY24	Mar-23	Jan-24	Feb-24	Mar-24
Industry-based classification									
Mining	14.4	(7.8)	12.2	5.8	7.5	6.8	5.9	8.1	1.2
Manufacturing	77.6	(9.6)	11.7	4.7	5.4	1.5	3.6	4.9	5.2
Electricity	8.0	(0.5)	8.0	8.9	7.0	(1.6)	5.6	7.5	8.6
IIP	100.0	(8.5)	11.4	5.3	5.9	1.9	4.1	5.6	4.9
Use-based classification									
Primary Goods	34.0	(7.0)	9.6	7.5	6.1	3.3	2.9	5.9	2.5
Capital Goods	8.2	(18.7)	17.0	13.0	6.2	10.0	3.4	1.0	6.1
Intermediate Goods	17.2	(9.4)	15.4	3.8	6.2	1.8	5.3	8.7	5.1
Infrastructure/Construction	12.3	(8.7)	18.8	8.4	9.7	7.2	5.5	8.5	6.9
Consumer Goods	28.2	(7.3)	6.6	0.6	3.8	(4.4)	4.1	2.4	6.8
Durable Goods	12.8	(14.9)	12.4	0.6	3.6	(8.0)	11.9	12.4	9.5
Non-Durable Goods	15.3	(2.1)	3.2	0.7	4.0	(1.9)	(0.2)	(3.5)	4.9

Source: CSO, MOFSL



L&T: Expecting first electrolyser order in FY25, company planning to grow globally in future; R Shankar Raman, Whole Time Director

- Order inflow growth of 10% anticipated
- Margins would sustain at current levels
- Focus on creating value for shareholders
- Looking at orders worth Rs. 12 lakhs cr in this year

[→ Read More](#)

PNB: Expect ₹18,000 cr of recovery from NPAs in FY25; Atul Kumar Goel, CEO

- Gross NPA will be below 5%, and Net NPA below 0.5% for FY25
- FY25 NIM guidance is for 2.90%-3%
- Expect Rs. 18,000 cr. of recovery from NPAs in FY25
- Slippage ratio will be less than 1% for FY25

[→ Read More](#)

IOB: Expect to get Gross NPA ratio to 2.1% by FY25 & Net NPA to 0.25%-0.3%; Ajay Kumar Srivastava, CEO

- Loan growth will be maintained at 13-14% for FY25
- Expect to get gross NPA ratio to 2.1% by FY25 & NNPA to 0.25%-0.3%
- Loan growth will be maintained at 13-14% for FY25
- Have plan to maintain at these levels

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Asian Paints: Expect Gross margin will be between 40-44%; Amit Syngle, CEO

- Pricing in Q1 so far has been flat
- Don't see further price cut possibility in near future
- Rural sector demand has been improving; expect double digit volume growth in FY25
- Sticking to guidance for 18% to 20% margins

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Cipla: Q4 has always been a seasonally weak quarter; Umang Gupta, CEO

- Seasonally variation impacted India business
- Seeing signs of demand triggers in CHL biz
- CHL has begun FY25 on a stronger note
- Looking at significant no. of launches in Europe

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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	1073	850	-21	51.1	57.7	60.9	19.6	13.0	5.5	21.0	18.6	3.1	2.8	15.6	15.7
Apollo Tyres	Buy	481	555	15	28.9	32.1	34.7	68.7	11.1	8.2	16.6	15.0	1.7	1.5	13.5	13.4
Ashok Ley.	Buy	198	210	6	8.7	10.5	11.8	92.2	20.9	12.1	22.9	18.9	5.6	4.5	27.1	26.5
Bajaj Auto	Neutral	8983	8360	-7	276.1	325.7	374.9	28.9	18.0	15.1	32.5	27.6	10.1	8.9	30.7	34.4
Balkrishna Inds	Neutral	2478	2260	-9	63.9	81.5	102.4	22.5	27.5	25.7	38.8	30.4	5.8	5.3	15.7	18.2
Bharat Forge	Neutral	1397	1370	-2	20.6	38.7	48.9	72.3	88.1	26.3	67.8	36.1	9.1	7.7	13.8	23.1
Bosch	Neutral	30397	27280	-10	599.8	778.1	921.2	24.2	29.7	18.4	50.7	39.1	7.1	6.5	15.0	17.4
CEAT	Buy	2239	2930	31	169.4	160.9	195.6	226.6	-5.0	21.6	13.2	13.9	2.2	2.0	18.3	15.1
Craftsman Auto	Buy	4306	5305	23	144.2	174.5	230.6	22.6	21.0	32.2	29.9	24.7	5.5	4.6	20.1	20.2
Eicher Mot.	Sell	4658	4020	-14	146.3	163.3	182.1	37.3	11.6	11.5	31.8	28.5	7.1	6.1	23.7	22.2
Endurance Tech.	Buy	2096	2135	2	46.5	57.6	71.1	34.1	24.0	23.3	45.1	36.4	6.0	5.3	14.0	15.4
Escorts Kubota	Neutral	3555	3145	-12	94.9	101.6	120.9	85.0	7.0	19.0	37.4	35.0	4.3	4.3	12.1	12.9
Exide Ind	Neutral	452	320	-29	12.4	15.0	16.7	16.5	20.8	11.8	36.5	30.2	2.9	2.7	8.0	9.0
Happy Forgings	Buy	954	1115	17	25.3	33.6	42.9	8.3	32.9	27.8	37.8	28.4	5.6	4.8	18.4	18.3
Hero Moto	Buy	4877	5320	9	204.6	238.3	279.8	40.5	16.5	17.4	23.8	20.5	5.4	4.9	23.6	25.1
M&M	Buy	2193	2155	-2	87.5	96.3	107.9	32.1	10.1	11.9	25.1	22.8	5.1	4.4	22.1	20.7
CIE Automotive	Buy	479	565	18	21.1	24.5	29.6	16.8	16.0	21.1	22.7	19.6	3.0	2.7	14.4	14.6
Maruti Suzuki	Buy	12676	14700	16	424.4	499.0	564.6	56.1	17.6	13.1	29.9	25.4	4.7	4.2	15.7	16.3
MRF	Sell	127519	92000	-28	4,990.2	4,584.0	5,112.3	175.2	-8.1	11.5	25.6	27.8	3.2	2.9	13.5	11.1
Samvardh. Motherson	Buy	128	140	10	3.3	6.1	7.1	44.2	82.7	16.6	38.3	21.0	3.6	3.2	9.7	16.1
Motherson Wiring	Buy	67	78	16	1.5	1.9	2.2	32.6	30.9	16.3	46.2	35.3	17.7	13.9	42.8	44.1
Sona BLW Precis.	Neutral	590	630	7	8.9	11.7	14.0	31.6	30.6	19.6	66.0	50.5	12.4	10.6	20.6	22.6
Tata Motors	Neutral	1047	955	-9	58.7	58.3	67.1	NA	-0.7	15.1	17.8	18.0	4.7	3.7	34.5	22.6
TVS Motor	Neutral	2065	1930	-7	43.8	55.3	65.1	44.4	26.1	17.8	47.1	37.3	12.7	9.8	30.2	29.7
Tube Investments	Buy	4090	4245	4	51.0	67.7	82.6	25.8	32.8	21.9	80.2	60.4	16.5	13.4	22.6	24.5
Aggregate								89.3	16.3	15.6	28.1	24.1	5.6	4.8	19.9	19.8
Banks - Private																
AU Small Finance	Buy	635	735	16	23.0	30.5	39.6	4.3	33	30.1	27.6	20.9	3.4	2.7	13.1	14.5
Axis Bank	Neutral	1120	1200	7	80.7	89.9	104.3	13.0	11.4	16.1	13.9	12.5	2.3	2.0	18.0	16.9
Bandhan Bank	Neutral	187	190	2	18.8	23.0	27.0	37.9	22	17.5	10.0	8.1	1.4	1.2	14.7	16.1
DCB Bank	Neutral	131	155	19	17.1	20.3	24.5	14.6	18.4	20.7	7.6	6.4	0.8	0.7	11.9	12.6
Equitas Small Fin.	Buy	93	125	34	7.1	8.6	11.2	46.6	20.6	30.5	13.1	10.9	1.8	1.6	14.4	15.3
Federal Bank	Buy	160	195	22	16.3	18.2	21.9	14.5	11.6	19.8	9.8	8.8	1.3	1.2	14.7	14.3
HDFC Bank	Buy	1438	1950	36	80.0	92.4	107.7	1.0	15.4	16.6	18.0	15.6	2.5	2.2	14.6	15.0
ICICI Bank	Buy	1117	1300	16	58.4	65.1	76.5	27.5	11.5	17.5	19.1	17.2	3.3	2.8	18.9	17.9
IDFC First Bk	Neutral	77	88	15	4.3	5.3	7.2	13.8	23.1	35.0	17.7	14.4	1.7	1.5	10.2	11.0
IndusInd	Buy	1410	1850	31	115.5	137.4	169.3	20.3	18.9	23.2	12.2	10.3	1.7	1.5	15.3	15.8
Kotak Mah. Bk	Neutral	1631	1700	4	90.4	100.2	116.6	19.1	10.8	16.3	18.0	16.3	2.5	2.2	15.3	14.1
RBL Bank	Neutral	244	280	15	19.3	25.2	33.9	31.1	30.5	34.8	12.6	9.7	1.0	0.9	8.2	10.0
SBI Cards	Neutral	720	850	18	25.4	31.7	42.1	6.2	24.7	33.0	28.4	22.7	5.7	4.6	22.0	22.4
Aggregate								26.9	14.6	18.2	17.1	15.0	2.6	2.3	15.1	15.1
Banks - PSU																
BOB	Buy	256	300	17	34.4	37.8	42.2	26.2	9.9	11.6	7.4	6.7	1.2	1.0	17.9	17.0
Canara Bank	Buy	548	650	19	80.2	93.0	106.1	37.3	16.0	14.0	6.8	5.9	1.2	1.0	20.0	19.3
Indian Bank	Buy	514	625	22	62.2	75.6	88.5	46.7	21.6	17.0	8.3	6.8	1.3	1.1	17.1	17.8
Punjab Natl. Bank	Neutral	124	130	5	7.5	12.1	15.6	228.8	61.6	28.9	16.5	10.2	1.3	1.2	8.7	12.8
SBI	Buy	818	925	13	75.2	89.2	103.1	20.6	19	15.6	10.9	9.2	1.8	1.5	18.8	18.9
Union Bank (I)	Buy	142	165	16	18.9	20.8	23.7	53.2	10	13.9	7.5	6.8	1.3	1.1	16.7	16.3
Aggregate								34.5	20	16	10	8.1	1.5	1.3	15.5	16.3
NBFCs																
AAVAS Financiers	Neutral	1600	1750	9	62.0	76.0	95.3	14.0	22.5	25.4	25.8	21.1	3.4	2.9	13.9	14.8
Aditya Birla Cap	Buy	216	230	6	10.7	13.6	17.1	25.8	27.0	26.0	20.2	15.9	2.2	2.0	12.2	13.2
Angel One	Buy	2471	4200	70	135.9	173.6	214.7	26.4	27.8	23.7	18.2	14.2	6.7	3.4	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	6685	7800	17	233.7	283.0	364.5	22.8	21.1	28.8	28.6	23.6	5.4	4.5	22.0	20.7
Cams Services	Buy	3207	3700	15	71.6	86.2	103.4	23.2	20.4	20.0	44.6	37.1	17.1	14.7	41.3	42.7
Can Fin Homes	Neutral	736	820	11	56.4	64.3	73.3	20.8	14.1	14.0	13.1	11.4	2.3	1.9	18.8	18.1
Cholaman.Inv.&Fn	Buy	1269	1500	18	40.7	56.3	72.0	25.6	38.1	27.9	31.1	22.6	5.5	4.4	20.2	21.7
CreditAccess	Buy	1415	1725	22	90.7	105.7	129.7	74.5	16.5	22.7	15.6	13.4	3.4	2.8	24.8	23.0
Fusion Micro	Buy	474	605	28	50.2	66.3	82.8	30.2	31.9	24.9	9.4	7.2	1.7	1.4	19.5	21.0
HDFC Life Insur.	Neutral	549	670	22	7.3	10.1	11.9	15.4	38.2	18.4	75.3	54.5	2.5	2.1	20.1	16.4
Home First Fin.	Buy	820	1070	31	34.5	41.4	51.6	33.2	19.8	24.8	23.7	19.8	3.4	3.0	15.5	16.0
ICICI Pru Life	Buy	592	700	18	5.9	6.3	6.5	5.0	5.6	4.7	99.9	94.6	2.0	1.7	18.8	19.7
ICICI Lombard	Buy	1662	2100	26	38.9	50.3	59.4	11.0	29.1	18.1	42.7	33.1	6.8	6.0	17.2	19.4
ICICI Securities	Under Review	724	-	-	52.6	56.0	63.8	50.7	6.5	14.0	13.8	12.9	6.5	5.5	52.5	46.0
IIFL Finance	Buy	400	535	34	49.1	54.6	68.1	24.4	11.2	24.8	8.2	7.3	1.4	1.2	19.1	18.1
360 ONE WAM	Buy	747	950	27	22.4	26.9	31.5	21.3	20.1	16.9	33.3	27.7	7.8	7.4	24.5	27.2
IndoStar	Buy	227	280	23	8.5	13.2	21.1	-48.5	54.6	60.2	26.7	17.2	1.0	0.9	3.7	5.4
L&T Finance	Buy	155	210	36	9.3	11.7	15.6	42.4	26.0	33.0	16.6	13.2	1.6	1.5	10.3	11.9
Life Insurance Corp.	Buy	911	1270	39	58.5	61.4	67.3	1.6	4.9	9.7	15.6	14.8	0.8	0.7	20.3	12.6
LIC Hsg Fin	Buy	627	755	20	88.4	87.3	94.1	68.3	-1.3	7.9	7.1	7.2	1.1	1.0	16.8	14.8
Manappuram Fin.	Buy	175	230	32	26.3	30.0	35.7	48.6	14.0	18.8	6.6	5.8	1.3	1.1	21.0	20.0
MAS Financial	Buy	288	390	35	15.1	19.7	24.4	23.3	30.2	24.1	19.1	14.7	2.7	2.3	15.6	17.3
Max Financial	Neutral	975	1040	7	16.0	21.6	26.4	74.4	34.9	22.0	60.8	45.1	2.2	1.8	19.9	19.2
M&M Fin.	Buy	250	325	30	14.3	22.5	27.9	-11.4	58.1	23.8	17.6	11.1	1.8	1.6	10.4	15.2
Muthoot Fin	Neutral	1664	1450	-13	100.2	115.8	132.1	15.8	15.5	14.1	16.6	14.4	2.8	2.4	17.8	17.8
Piramal Enterp.	Neutral	848	925	9	-75.0	30.9	65.8	-200.1	LP	112.7	NM	27.4	0.7	0.7	-5.8	2.6
PNB Housing	Buy	740	1015	37	58.1	71.3	87.7	-6.3	22.8	23.0	12.7	10.4	1.3	1.1	11.6	11.7
Poonawalla Fincorp	Buy	463	570	23	13.3	18.8	25.6	72.2	40.8	36.4	34.7	24.7	4.4	3.8	14.1	16.5
Repco Home Fin	Neutral	482	475	-1	61.8	65.9	71.8	30.6	6.6	9.0	7.8	7.3	1.0	0.9	14.3	13.4
Spandana Sphoorty	Buy	781	1075	38	70.2	92.5	112.8	3,922.1	31.8	21.9	11.1	8.4	1.5	1.3	14.8	16.6
Shriram Finance	Buy	2346	2950	26	191.3	224.6	275.9	19.8	17.4	22.9	12.3	10.4	1.8	1.6	15.7	16.2
SBI Life Insurance	Buy	1432	1700	19	18.9	19.9	21.2	10.0	5.3	6.6	75.7	72.0	2.5	2.0	26.5	22.7
Star Health Insu	Buy	536	730	36	14.4	19.2	24.2	35.8	32.7	26.2	37.1	28.0	4.7	4.1	12.8	15.6
Aggregate								-1.6	25.3	24.6	19.7	15.7	2.8	2.5	14.4	15.6
Chemicals																
Alkyl Amines	Neutral	1978	2010	2	29.1	39.4	57.4	-34.9	35.4	45.7	68.0	50.2	8.0	7.2	12.2	15.1
Atul	Neutral	5972	5670	-5	103.4	131.0	162.0	-38.8	26.6	23.7	57.7	45.6	3.4	3.2	6.2	7.3
Clean Science	Neutral	1293	1420	10	21.4	27.0	33.1	-23.0	26.0	22.7	60.4	47.9	11.5	9.6	20.6	21.8
Deepak Nitrite	Neutral	2493	2115	-15	56.3	75.1	87.8	-9.9	33.5	16.9	44.3	33.2	7.1	6.0	17.3	19.6
Fine Organic	Sell	4414	-	-	105.1	100.6	96.0	-45.4	-4.3	-4.6	42.0	43.9	7.4	6.4	19.2	15.6
Galaxy Surfact.	Buy	2479	3480	40	87.7	103.0	120.4	-18.4	17.4	16.9	28.3	24.1	4.1	3.6	15.5	16.0
Navin Fluorine	Neutral	3246	3110	-4	46.1	62.7	88.9	-39.1	35.9	41.8	70.4	51.8	6.8	6.2	10.0	12.4
NOCIL	Neutral	257	250	-3	7.0	10.2	13.3	-22.0	46.8	29.8	36.9	25.1	2.6	2.5	7.3	10.2
PI Inds.	Buy	3560	4490	26	108.8	119.9	138.4	34.5	10.2	15.5	32.7	29.7	6.2	5.2	20.8	19.1
SRF	Neutral	2277	2100	-8	47.5	56.6	73.1	-37.7	19.2	29.2	48.0	40.2	5.9	5.3	13.0	13.9
Tata Chemicals	Neutral	1060	980	-8	36.1	34.9	50.4	-60.5	-3.5	44.6	29.3	30.4	1.2	1.2	4.4	4.0
Vinati Organics	Buy	1573	1850	18	28.8	37.5	49.2	-29.4	30.4	31.0	54.7	41.9	6.6	5.8	12.6	14.7
Aggregate								-28.0	29.1	22.4	47.9	37.1	5.7	5.1	12.0	13.7
Capital Goods																
ABB India	Buy	7182	8500	18	58.9	90.5	111.9	81.9	53.6	23.6	121.9	79.3	25.6	19.7	22.9	28.1
Bharat Electronics	Neutral	227	210	-8	5.1	5.8	6.6	24.2	14.4	12.2	44.4	38.8	10.5	9.0	23.6	23.3
Cummins India	Buy	3413	3300	-3	55.5	65.1	77.6	23.6	17.3	19.2	61.5	52.4	15.9	14.2	27.2	28.6
Hitachi Energy	Sell	8767	5466	-38	24.7	66.0	116.9	11.6	167.1	77.0	354.8	132.8	28.2	23.2	7.9	17.5
Kalpataru Proj.	Buy	1166	1360	17	32.6	53.7	73.9	8.3	64.6	37.7	35.8	21.7	3.3	2.9	9.6	14.3
KEC International	Neutral	724	710	-2	13.5	24.5	39.2	97.0	81.8	60.0	53.6	29.5	4.5	4.1	8.8	14.6



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
Kirloskar Oil	Buy	1044	1220	17	25.0	34.7	44.6	33.8	38.7	28.6	41.8	30.1	5.8	5.1	14.6	17.9
Larsen & Toubro	Buy	3271	4400	35	94.5	105.8	136.0	24.5	12.0	28.5	34.6	30.9	5.2	4.6	14.8	15.8
Siemens	Buy	6170	6050	-2	55.1	68.0	81.2	55.5	23.5	19.3	112.0	90.7	16.8	14.8	15.9	17.3
Thermax	Neutral	4581	-		50.4	62.7	73.7	25.9	24.5	17.5	90.9	73.0	11.8	10.5	13.8	15.3
Triveni Turbine	Buy	556	640	15	8.3	10.6	14.2	37.1	27.8	33.6	66.9	52.4	18.6	14.8	30.9	31.5
Aggregate								29.2	18.1	25.6	52.2	44.2	8.4	7.4	16.2	16.8
Cement																
Ambuja Cem.	Neutral	582	600	3	10.7	11.6	13.3	-15.8	8.1	15.3	54.4	50.3	3.5	3.0	11.8	10.1
ACC	Neutral	2360	2600	10	99.3	119.7	132.5	88.7	20.5	10.7	23.8	19.7	2.8	2.4	12.4	13.2
Birla Corp.	Buy	1460	1800	23	54.0	71.8	89.0	1,052.2	33.0	23.9	27.0	20.3	1.7	1.6	6.6	8.0
Dalmia Bhar.	Buy	1716	2300	34	41.1	52.3	71.0	12.6	27.2	35.8	41.7	32.8	2.0	1.9	4.8	5.8
Grasim Inds.	Buy	2376	2650	12	94.2	96.1	105.7	-4.3	2.1	10.0	25.2	24.7	3.2	3.1	4.6	3.0
India Cem	Sell	206	160	-22	-7.9	3.4	6.6	-48.1	LP	91.8	NM	60.3	1.2	1.2	-4.4	1.9
J K Cements	Buy	3836	-		103.7	139.2	174.7	87.9	34.2	25.5	37.0	27.6	5.5	4.7	16.7	18.5
JK Lakshmi Ce	Buy	775	1000	29	35.8	43.6	52.6	17.6	21.6	20.7	21.6	17.8	2.9	2.5	14.1	15.1
Ramco Cem	Neutral	760	940	24	16.1	26.0	35.1	10.5	61.8	35.1	47.3	29.2	2.5	2.4	5.5	8.4
Shree Cem	Neutral	25700	27700	8	658.6	625.4	671.4	102.4	-5.1	7.4	39.0	41.1	4.6	4.2	12.3	10.6
Ultratech	Buy	9495	11500	21	244.5	288.2	345.5	39.4	17.9	19.9	38.8	32.9	4.6	4.1	12.3	13.1
Aggregate								27.4	15.2	16.6	34.0	29.5	3.4	3.0	10.0	10.3
Consumer																
Asian Paints	Neutral	2773	3000	8	57.9	58.6	64.7	30.9	1.1	10.4	47.9	47.3	14.2	13.1	32.0	28.8
Britannia	Neutral	5069	5250	4	88.7	102.8	115.5	10.1	15.9	12.3	57.1	49.3	31.0	26.6	57.2	58.1
Colgate	Neutral	2798	2500	-11	48.9	51.5	56.1	25.7	5.2	8.9	57.2	54.3	39.2	34.2	72.8	67.3
Dabur	Buy	551	650	18	10.6	12.2	13.5	9.2	15.5	10.0	52.1	45.1	9.9	9.1	19.9	21.0
Emami	Buy	522	550	5	18.7	20.5	21.0	21.5	9.2	2.8	27.9	25.5	8.8	7.8	33.6	32.4
Godrej Cons.	Buy	1321	1550	17	19.3	22.6	27.4	13.2	17.1	21.0	68.4	58.4	10.7	9.6	15.0	17.3
HUL	Buy	2357	2900	23	43.7	48.3	53.1	0.7	10.6	9.9	53.9	48.8	10.8	10.6	20.2	21.9
ITC	Buy	433	500	15	16.4	17.2	18.5	9.1	5.0	7.5	26.4	25.2	7.7	7.6	29.4	30.4
Indigo Paints	Buy	1356	1600	18	31.9	35.9	40.1	31.3	12.4	11.9	42.5	37.8	7.2	6.3	18.1	17.7
Jyothy Lab	Neutral	461	475	3	10.0	11.0	12.1	57.8	9.5	10.8	46.1	42.1	9.8	8.9	22.4	22.2
Marico	Buy	587	625	6	11.5	12.5	13.9	13.7	8.8	11.3	51.1	47.0	19.8	19.1	38.8	41.3
Nestle	Neutral	2533	2400	-5	41.0	35.8	40.9	62.5	-12.9	14.2	61.7	70.8	73.1	64.9	136.5	97.1
Page Inds	Neutral	34547	36500	6	526.4	636.2	738.3	2.8	20.9	16.1	65.6	54.3	24.0	20.4	36.5	37.5
Pidilite Ind.	Neutral	2920	2800	-4	35.9	42.7	49.4	42.2	18.9	15.7	81.4	68.4	17.7	15.5	23.3	24.1
P&G Hygiene	Neutral	15679	17000	8	252.1	283.6	314.7	31.8	12.5	11.0	62.2	55.3	51.1	43.1	84.3	84.6
Tata Consumer	Buy	1090	1350	24	14.6	17.9	19.9	28.7	22.4	10.8	74.4	60.8	6.5	4.9	8.6	9.7
United Brew	Sell	1919	1650	-14	15.5	25.5	32.4	24.7	63.9	27.1	123.5	75.4	12.1	11.2	10.1	15.4
United Spirits	Neutral	1202	1050	-13	16.0	18.3	20.4	25.8	14.5	11.6	75.3	65.7	12.2	10.3	16.3	15.7
Varun Beverages	Buy	1463	1600	9	15.8	20.2	26.3	37.3	27.9	29.8	92.5	72.3	27.4	20.6	34.2	32.5
Aggregate								14.9	7.7	10.3	45.9	42.6	11.9	11.0	25.8	25.9
Consumer Durables																
Havells India	Neutral	1687	1780	6	20.3	26.2	32.4	18.5	29.4	23.3	83.2	64.3	14.2	12.4	17.1	19.3
KEI Industries	Buy	3924	5000	27	64.4	83.0	99.9	21.7	29.0	20.3	60.9	47.3	11.2	9.2	18.5	19.4
Polycab India	Buy	6154	7850	28	118.8	130.9	157.1	40.1	10.2	20.0	51.8	47.0	11.3	9.5	21.9	20.3
R R Kabel	Buy	1698	2200	30	27.0	40.7	54.8	60.3	51.0	34.5	63.0	41.7	10.3	8.6	18.6	22.5
Voltas	Buy	1289	1590	23	7.2	21.1	31.8	-36.8	191.7	50.9	178.1	61.1	7.3	6.6	4.1	10.8
Aggregate								21.0	32.3	26.2	69.9	52.8	10.9	9.4	15.6	17.8
EMS																
Avalon Tech	Buy	508	600	18	4.4	10.4	17.1	-51.6	136.1	65.2	115.7	49.0	5.8	5.2	5.2	11.3
Cyient DLM	Buy	674	840	25	7.7	14.6	21.9	92.9	89.8	49.2	87.4	46.1	5.9	5.2	11.1	12.0
Data Pattern	Neutral	2809	2330	-17	33.1	43.5	58.1	49.4	31.5	33.5	84.9	64.6	11.7	9.9	14.7	16.6
Kaynes Tech	Buy	2524	3300	31	27.2	44.4	63.4	66.1	63.4	42.5	92.8	56.8	13.1	10.7	15.2	20.7
Syrma SGS Tech.	Buy	472	-		7.0	10.6	18.1	3.4	51.2	71.2	67.6	44.7	5.0	4.5	7.7	10.6
Aggregate								31.7	56.7	48.8	84.6	54.0	8.4	7.3	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	975	960	-2	31.5	35.7	40.2	43.9	13.7	12.6	31.0	27.3	4.0	3.5	13.5	13.6
Alkem Lab	Neutral	5126	5160	1	164.0	180.9	196.0	54.6	10.3	8.4	31.3	28.3	5.8	5.0	20.1	19.1
Ajanta Pharma	Buy	2376	2565	8	62.3	74.4	85.4	26.6	19.5	14.8	38.1	31.9	8.4	7.0	22.7	24.0
Apollo Hospitals	Buy	5834	7280	25	62.2	96.4	136.1	29.2	55.0	41.1	93.8	60.5	11.6	9.8	13.5	18.1
Aurobindo	Neutral	1129	1180	5	51.2	60.3	69.4	33.2	17.9	15.1	22.3	18.9	2.2	2.0	10.6	11.3
Biocon	Neutral	304	250	-18	2.1	8.5	13.6	-65.8	298.2	60.1	142.4	35.8	2.0	1.9	1.4	5.4
Cipla	Buy	1339	1600	19	52.5	58.9	65.8	39.0	12.2	11.7	25.5	22.7	4.0	3.5	15.9	15.4
Divis Lab	Neutral	3792	3440	-9	54.2	75.7	91.8	-16.4	39.7	21.2	69.9	50.1	7.3	6.6	10.9	13.9
Dr Reddy's	Neutral	5917	6070	3	317.1	323.9	339.1	29.6	2.1	4.7	18.7	18.3	3.5	3.0	20.7	17.7
ERIS Lifescience	Neutral	857	910	6	30.4	31.7	42.4	9.5	4.2	33.7	28.1	27.0	4.7	4.2	17.8	16.4
Gland Pharma	Buy	1709	2240	31	51.8	65.3	74.5	2.7	26.0	14.2	33.0	26.2	3.2	2.8	10.2	11.5
Glenmark	Neutral	1025	900	-12	1.5	37.7	45.9	-88.3	2,336.7	21.8	663.1	27.2	3.0	2.7	0.5	10.3
GSK Pharma	Neutral	1973	2200	12	40.8	43.4	47.1	13.4	6.5	8.5	48.4	45.4	16.9	14.9	34.9	32.7
Global Health	Buy	1415	1530	8	18.4	24.0	28.0	51.4	30.4	16.8	77.0	59.0	13.4	11.3	18.8	20.8
Granules India	Buy	398	510	28	18.0	25.4	32.8	-16.6	41.0	29.1	22.1	15.7	3.0	2.5	14.3	17.4
IPCA Labs	Neutral	1315	1140	-13	22.2	35.5	46.9	6.5	60.1	32.2	59.3	37.1	5.2	4.7	9.2	13.3
Laurus Labs	Buy	437	480	10	3.0	8.6	13.7	-79.6	185.3	59.2	145.0	50.8	5.7	5.2	4.0	10.8
Lupin	Neutral	1610	1550	-4	41.5	50.2	58.7	382.6	20.9	16.9	38.8	32.1	5.1	4.5	14.1	14.9
Max Healthcare	Buy	810	950	17	13.9	17.9	21.8	20.4	28.5	21.9	58.1	45.2	8.4	7.1	15.5	16.9
Piramal Pharma	Buy	150	-		0.4	3.6	5.4	-166.3	800.0	50.0	354.9	41.1	2.2	2.1	0.8	5.9
Sun Pharma	Buy	1506	1870	24	40.1	47.3	56.6	12.2	17.9	19.5	37.5	31.8	5.7	4.9	16.1	16.5
Torrent Pharma	Neutral	2601	2540	-2	48.4	65.4	81.6	30.2	35.1	24.7	53.7	39.8	10.6	5.3	22.6	26.7
Zydus Lifesciences	Neutral	983	920	-6	34.5	36.2	36.8	53.9	5.1	1.6	28.5	27.1	4.7	4.1	18.2	16.3
Aggregate								23.1	22.4	17.4	37.5	30.6	4.9	4.3	13.1	14.2
Infrastructure																
G R Infraproject	Buy	1332	1590	19	69.0	76.4	97.6	-21.7	10.8	27.6	19.3	17.4	2.2	1.9	12.0	11.8
IRB Infra	Neutral	63	61	-3	1.0	1.6	2.1	-15.9	61.2	27.6	62.4	38.7	2.8	2.6	4.5	6.9
KNR Constructions	Buy	247	320	30	14.8	16.9	20.0	0.3	14.0	18.4	16.7	14.6	2.2	1.9	14.2	14.1
Aggregate											35.1	27.1	2.6	2.4	7.4	8.9
Logistics																
Adani Ports	Buy	1266	1550	22	41.3	49.1	58.5	16.5	19.1	19.1	30.7	25.8	5.2	4.4	18.1	18.5
Blue Dart Express	Buy	6993	7860	12	121.6	176.0	233.2	-21.2	44.7	32.5	57.5	39.7	11.5	9.7	21.4	26.5
Concor	Buy	1002	1120	12	21.0	25.1	31.0	9.4	19.4	23.6	47.7	39.9	5.1	4.8	11.0	12.4
JSW Infra	Buy	246	300	22	5.8	6.7	9.5	6.8	16.4	41.1	42.4	36.4	6.3	5.7	19.8	16.5
Mahindra Logistics	Neutral	433	420	-3	-8.2	6.4	18.0	-322.8	LP	183.7	NM	68.1	6.3	6.0	-11.0	8.8
Transport Corp.	Buy	872	1025	18	43.6	51.1	60.3	4.8	17.2	18.1	20.0	17.1	3.3	2.8	17.8	17.7
TCI Express	Buy	1096	1270	16	34.4	38.3	44.6	-5.4	11.3	16.4	32.1	28.8	6.0	5.2	20.3	19.3
VRL Logistics	Buy	546	700	28	10.1	18.0	25.1	-46.5	79.4	39.1	54.3	30.3	4.8	4.4	8.9	15.2
Aggregate											34.1	28.1	5.3	4.6	15.5	16.3
Media																
PVR Inox	Neutral	1289	1500	16	11.0	25.9	47.5	-140.3	135.3	83.5	117.1	49.8	1.7	1.6	1.5	3.4
Sun TV	Buy	670	750	12	47.1	49.4	51.2	10.7	5.0	3.7	14.2	13.6	2.6	2.4	18.6	17.9
Zee Ent.	Neutral	131	150	14	3.8	6.5	9.7	-20.3	70.4	50.3	34.7	20.3	1.2	1.1	3.4	5.6
Aggregate								12.0	21.2	21.1	22.0	18.2	1.8	1.7	8.2	9.5
Metals																
Coal India	Buy	449	530	18	60.7	55.9	66.0	17.8	-7.9	18.1	7.4	8.0	3.3	2.8	45.2	34.6
Hindalco	Buy	626	670	7	44.6	57.8	60.2	-1.5	29.5	4.1	14.0	10.8	1.8	1.5	13.4	15.2
Hind. Zinc	Neutral	528	370	-30	18.4	24.6	29.4	-26.2	34.2	19.2	28.7	21.4	14.7	10.9	55.2	58.3
JSPL	Buy	930	1000	7	61.3	61.2	92.6	68.3	-0.1	51.2	15.2	15.2	2.1	1.9	14.8	13.1
JSW Steel	Neutral	854	860	1	38.1	64.2	72.6	159.5	68.4	13.0	22.4	13.3	2.8	2.4	13.3	19.6
Nalco	Neutral	174	150	-14	8.3	10.0	12.6	6.5	20.1	26.4	20.9	17.4	2.3	2.1	11.3	12.6
NMDC	Buy	255	250	-2	21.3	23.0	26.0	27.4	8.1	13.0	12.0	11.1	2.8	2.5	25.6	23.9
SAIL	Neutral	157	140	-11	2.8	10.8	13.1	-40.2	289	21.2	56.5	14.5	1.1	1.1	2.1	7.7
Tata Steel	Neutral	162	150	-8	2.6	10.3	13.0	-62.7	290	26.3	61.5	15.8	2.2	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	411	360	-12	13.3	25.4	30.6	-53.1	92	20.5	31.0	16.2	5.0	4.8	14.1	30.3
Aggregate								0.7	30.7	18.8	16.1	12.3	2.6	2.3	16.2	18.8
Oil & Gas																
Aegis Logistics	Neutral	599	430	-28	14.8	16.0	17.2	0.8	8.8	7.2	40.6	37.3	5.4	5.0	14.0	13.9
BPCL	Neutral	619	660	7	129.3	72.3	73.3	1,272.2	-44.1	1.4	4.6	8.2	1.6	1.5	41.9	19.0
Castrol India	Buy	191	240	25	8.7	9.6	10.5	6.0	10.0	9.3	21.9	19.9	8.9	8.4	43.1	43.4
GAIL	Buy	193	214	11	14.2	13.1	16.6	76.6	-8.1	27.2	13.5	14.7	1.9	1.7	15.9	13.2
Gujarat Gas	Buy	530	650	23	16.0	20.9	23.3	-27.8	30.7	11.3	33.1	25.4	4.7	4.2	15.0	17.6
Gujarat St. Pet.	Buy	293	350	19	22.8	11.6	12.1	35.9	-48.9	4.1	12.9	25.2	1.6	1.5	13.1	6.3
HPCL	Buy	501	600	20	112.9	71.8	72.0	-329.5	-36.4	0.3	4.4	7.0	1.5	1.3	40.4	20.1
IOC	Buy	159	195	23	29.5	12.5	13.4	344.7	-57.6	7.4	5.4	12.7	1.2	1.1	25.1	9.1
IGL	Sell	446	390	-13	25.0	27.4	29.3	21.0	9.5	7.2	17.9	16.3	3.6	3.2	22.4	20.8
Mahanagar Gas	Buy	1302	1565	20	132.3	106.6	110.6	65.4	-19.4	3.8	9.9	12.2	2.5	2.2	28.2	19.3
MRPL	Sell	211	175	-17	20.5	14.0	13.6	36.4	-31.6	-3.5	10.2	15.0	2.9	2.5	32.1	18.2
Oil India	Buy	619	694	12	65.2	67.0	74.0	3.9	2.7	10.4	9.5	9.2	1.7	1.5	21.4	17.6
ONGC	Buy	270	315	17	37.5	43.2	47.9	23.4	15.2	10.9	7.2	6.3	1.1	1.0	16.3	16.9
PLNG	Neutral	300	300	0	23.7	23.2	25.0	9.6	-2.2	7.9	12.7	12.9	2.7	2.4	22.4	19.5
Reliance Ind.	Buy	2815	3245	15	102.9	117.7	135.9	4.4	14.4	15.4	27.4	23.9	2.3	2.1	8.6	9.6
Aggregate								75.1	-11.2	11.4	13.0	14.7	1.9	1.8	14.9	12.0
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	826	850	3	10.6	16.2	17.6	-6.8	52.7	8.2	77.7	50.9	3.7	3.4	6.8	9.8
Godrej Propert.	Buy	2691	3000	11	26.9	34.2	38.1	20.3	27.2	11.5	100.1	78.7	7.5	6.8	7.8	9.1
Kolte Patil Dev.	Buy	487	700	44	3.3	10.1	20.8	-75.7	207.0	106.4	148.0	48.2	3.6	3.5	2.4	7.3
Oberoi Realty	Neutral	1471	1390	-6	40.7	45.1	60.6	-22.3	10.9	34.3	36.1	32.6	3.9	3.5	11.5	11.4
Macrotech Devel.	Buy	1123	1415	26	16.9	25.0	37.3	6.0	47.9	49.0	66.3	44.9	6.1	5.4	10.7	12.8
Mahindra Lifespace	Neutral	609	600	-1	6.3	7.7	6.3	111.6	21.2	-18.1	96.4	79.5	5.0	4.8	5.3	6.2
Sunteck Realty	Buy	413	640	55	9.1	16.6	22.9	8,909.9	82.4	38.1	45.4	24.9	2.1	1.9	4.7	8.1
Sobha	Buy	1699	1740	2	12.0	40.8	83.6	11.1	239.8	104.7	141.3	41.6	6.3	5.6	4.6	14.3
Prestige Estates	Buy	1508	1535	2	20.6	21.1	26.5	7.0	2.7	25.1	73.3	71.3	5.0	4.7	7.2	6.8
Phoenix Mills	Neutral	2857	3220	13	61.5	69.6	89.4	50.5	13.0	28.4	46.4	41.1	5.4	4.8	12.3	12.4
Aggregate								12.2	40.0	26.8	68.1	48.6	5.4	4.9	8.0	10.1
Retail																
Avenue Supermarts	Buy	4795	5310	11	39.0	53.3	70.8	6.2	36.8	32.8	123.0	89.9	16.7	14.1	14.6	17.0
Aditya Birla Fashion	Neutral	256	270	5	-7.5	-6.4	-6.7	977.3	Loss	Loss	NM	NM	9.2	7.0	-23.9	-19.8
Bata India	Neutral	1307	1460	12	23.1	30.3	41.7	-8.0	31.3	37.4	56.6	43.1	9.9	8.0	18.9	20.5
Barbeque-Nation	Neutral	510	600	18	-3.3	-0.1	1.9	-182.9	Loss	LP	NM	NM	5.1	5.1	-3.3	-0.1
Campus Activewe.	Buy	250	285	14	2.7	4.0	5.2	-29.6	46.9	32.2	92.8	63.2	12.1	10.1	13.0	16.0
Devyani Intl.	Buy	161	195	21	0.8	1.4	2.2	-66.4	79.4	60.8	208.5	116.2	23.8	25.0	10.4	21.0
Jubilant Food.	Neutral	462	520	12	4.2	5.2	6.7	-29.2	24.8	28.6	111.0	88.9	15.0	14.9	13.5	16.8
Metro Brands	Buy	1038	1320	27	11.6	15.3	19.6	-12.8	32.4	27.6	89.5	67.6	15.8	13.7	19.1	22.2
Raymond	Buy	2150	2585	20	104.1	134.5	149.4	10.2	29.2	11.1	20.6	16.0	3.1	2.6	18.4	17.7
Relaxo Footwear	Neutral	851	790	-7	8.1	10.1	13.2	30.5	24.7	30.7	104.6	82.3	10.5	9.6	10.4	12.0
Restaurant Brands	Buy	103	140	36	-3.9	-0.8	0.9	-21.1	Loss	LP	NM	NM	7.8	8.3	-25.4	-6.4
Sapphire Foods	Buy	1419	1650	16	8.2	15.3	25.3	-52.2	86.6	65.4	175.3	93.7	6.8	6.3	4.0	7.0
Shoppers Stop	Neutral	728	695	-5	7.2	14.8	18.5	-50.1	104.0	24.8	100.5	49.3	18.8	13.6	21.8	32.0
Titan Company	Buy	3291	4100	25	39.3	49.8	61.9	6.8	26.9	24.2	83.8	66.1	31.1	16.8	32.8	33.2
Trent	Buy	4471	4870	9	29.4	37.3	48.1	163.7	27.0	29.0	152.3	119.9	36.5	27.5	31.3	28.0
V-Mart Retail	Neutral	2106	2210	5	-54.6	-3.6	28.6	1,159.5	Loss	LP	NM	NM	5.1	5.1	NM	NM
Vedant Fashions	Neutral	983	1010	3	17.1	20.5	25.2	-3.5	20.1	23.2	57.6	47.9	15.4	12.9	27.6	28.4
Westlife Foodworld	Neutral	845	775	-8	4.4	7.7	12.2	-38.0	74.3	57.6	190.5	109.3	22.4	15.4	12.0	16.7
Aggregate								-1.7	39.5	30.7	113.7	81.5	18.1	13.9	15.9	17.1



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	1722	2500	45	68.2	86.0	112.0	30.3	26.1	30.2	25.2	20.0	5.1	4.6	20.9	24.2
HCL Tech.	Buy	1316	1700	29	57.9	62.8	73.6	5.6	8.4	17.3	22.7	21.0	5.2	5.3	23.5	25.1
Infosys	Buy	1425	1650	16	63.3	63.8	74.0	10.0	0.7	16.0	22.5	22.4	6.7	6.7	29.8	30.0
LTI Mindtree	Neutral	4608	5020	9	154.8	168.4	200.9	2.0	8.8	19.3	29.8	27.4	6.8	6.0	24.4	23.2
L&T Technology	Buy	4361	6750	55	125.0	151.1	177.7	13.1	20.9	17.6	34.9	28.9	8.8	7.6	25.9	28.2
Mphasis	Neutral	2230	2600	17	81.5	94.5	112.7	-6.3	15.9	19.3	27.4	23.6	4.9	4.5	18.8	20.2
Coforge	Neutral	4465	6310	41	140.6	190.3	225.2	7.7	35.3	18.3	31.7	23.5	8.0	6.8	26.3	31.1
Persistent Sys	Neutral	3368	4055	20	74.2	95.1	117.4	19.3	28.2	23.4	45.4	35.4	10.3	9.0	25.6	27.5
TCS	Buy	3896	4600	18	126.3	147.5	169.6	9.5	16.8	15.0	30.9	26.4	15.7	16.1	50.9	59.9
Tech Mah	Neutral	1265	1210	-4	41.1	50.8	67.3	-28.2	23.7	32.3	30.8	24.9	4.2	4.1	13.3	16.6
Wipro	Neutral	452	490	8	20.4	22.4	26.9	-1.5	10.0	19.9	22.2	20.1	3.2	3.2	14.4	16.0
Zensar Tech	Neutral	604	600	-1	26.8	24.6	28.5	86.9	-8.3	15.9	22.5	24.5	4.1	3.7	19.3	15.8
Aggregate								3.8	12.6	17.0	28.8	25.6	8.1	8.0	28.1	31.5
Telecom																
Bharti Airtel	Buy	1303	1570	21	18.9	32.6	40.6	29.4	72.8	24.4	69.0	39.9	8.6	5.9	13.0	17.4
Indus Towers	Neutral	331	340	3	22.4	24.8	27.6	151.1	10.7	11.1	14.8	13.3	3.3	2.6	25.1	22.0
Vodafone Idea		13			-11.1	-10.2	-9.2	9.3	Loss	Loss	NM	NM	-0.4	-0.3	NM	NM
Tata Comm	Neutral	1741	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	-310	110.1	35.6	-169.5	-11.5
Others																
APL Apollo Tubes	Buy	1534	-		27.3	41.4	57.0	18.1	51.5	37.6	56.2	37.1	11.7	9.2	22.9	27.9
BSE	Neutral	2650	3000	13	57.0	71.7	87.0	275.5	25.8	21.3	46.5	37.0	10.9	10.0	23.4	27.0
Cello World	Buy	873	1100	26	15.7	19.6	24.2	25.3	25.0	23.3	55.5	44.4	27.3	16.9	49.1	38.1
Coromandel Intl	Buy	1181	1400	19	55.8	65.1	73.2	-18.5	16.6	12.5	21.2	18.2	3.7	3.2	19.0	18.8
DreamFolks Services	Buy	513	650	27	13.2	16.6	21.6	-1.2	25.6	30.5	38.9	31.0	11.8	8.5	37.4	33.0
EPL	Buy	190	250	31	8.2	11.2	13.8	13.5	37.3	22.6	23.3	17.0	2.9	2.6	12.7	16.2
Godrej Agrovet	Neutral	559	570	2	18.7	22.1	25.9	44.1	18.2	17.0	29.9	25.3	4.3	3.9	14.8	16.2
Indiamart Inter.	Buy	2665	3000	13	51.9	65.6	86.2	11.8	26.5	31.4	51.4	40.6	6.9	6.1	14.3	15.9
Indian Hotels	Buy	543	680	25	8.9	11.2	13.3	25.9	26.0	19.2	61.3	48.6	8.2	7.1	14.4	15.6
Interglobe	Neutral	4017	4065	1	224.1	187.1	187.5	-	-17	0	17.9	21	66.0	16.2	-436.0	121.3
Info Edge	Neutral	6030	5720	-5	63.6	68.4	81.6	99.8	7.6	19.2	94.9	88.1	6.6	6.1	0.0	0.0
Kajaria Ceramics	Buy	1181	1500	27	27.2	33.4	38.2	27.2	23.0	14.2	43.4	35.3	7.2	6.7	17.1	19.2
Lemon Tree Hotel	Buy	143	170	19	1.7	3.1	4.2	9.9	85.3	35.8	85.8	46.3	11.3	9.1	14.1	21.8
MCX	Buy	3818	4400	15	16.3	92.8	115.6	-44.2	469.4	24.6	234.3	41.1	14.1	13.2	5.8	33.2
One 97	Neutral	350	475	36	-20.8	-15.0	8.5	-25.9	Loss	LP	NM	NM	1.7	1.9	-10.3	-7.8
Qess Corp	Neutral	641	600	-6	20.6	33.6	46.4	79.4	63.5	38.0	31.2	19.1	2.7	2.5	11.8	17.9
SIS	Buy	425	590	39	21.4	34.5	45.1	-7.9	61.3	30.6	19.9	12.3	1.1	0.9	12.8	17.9
Team Lease Serv.	Buy	3232	3620	12	70.0	104.1	150.9	7.5	48.7	45.0	46.2	31.1	5.9	5.0	13.3	16.9
UPL	Neutral	502	470	-6	-6.4	23.0	46.7	-110.9	LP	102.9	NM	21.8	1.0	0.9	-1.8	6.6
Updater Services	Buy	306	465	52	10.6	16.1	21.8	56.5	51.6	35.6	28.9	19.0	2.3	2.1	11.2	11.6
Zomato	Buy	201	220	9	0.4	1.1	2.7	-134.7	168.2	140.0	487.0	181.6	8.7	8.3	1.8	4.7



Index	1 Day (%)	1M (%)	12M (%)
Sensex	0.4	-3.2	17.3
Nifty-50	0.4	-3.1	20.4
Nifty Next 50	0.8	1.0	57.7
Nifty 100	0.5	-2.4	26.1
Nifty 200	0.6	-2.3	29.6
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	0.9	3.9	66.1
Amara Raja Ener.	-1.9	22.0	73.9
Apollo Tyres	0.5	-1.6	30.4
Ashok Leyland	1.9	11.1	33.2
Bajaj Auto	1.5	-0.3	97.1
Balkrishna Inds	1.5	2.4	12.6
Bharat Forge	-1.1	18.7	80.1
Bosch	1.8	2.1	57.2
CEAT	-2.3	-14.9	29.2
Craftsman Auto	0.0	-2.6	27.0
Eicher Motors	2.0	7.9	36.3
Endurance Tech.	7.0	8.9	50.5
Escorts Kubota	3.1	17.2	73.5
Exide Inds.	0.8	17.8	140.2
Happy Forgings	0.2	4.5	
Hero Motocorp	2.4	8.5	88.6
M & M	-0.9	5.6	75.6
CIE Automotive	-0.7	0.3	13.3
Maruti Suzuki	1.4	-0.1	38.3
MRF	1.1	-3.8	31.2
Sona BLW Precis.	-2.5	-9.4	9.4
Motherson Sumi	1.7	7.2	63.0
Motherson Wiring	-1.5	-1.9	21.1
Tata Motors	1.6	3.3	105.4
TVS Motor Co.	0.0	-1.6	66.3
Tube Investments	3.1	14.1	49.3
Banks-Private	0.2	-3.9	7.1
AU Small Fin. Bank	1.1	0.1	-8.3
Axis Bank	0.4	3.0	25.9
Bandhan Bank	2.3	2.4	-20.8
DCB Bank	1.9	4.1	16.8
Equitas Sma. Fin	-2.0	-2.7	117.8
Federal Bank	1.8	0.6	23.8
HDFC Bank	-0.7	-6.4	-13.0
ICICI Bank	0.1	0.7	19.3
IDFC First Bank	0.9	-9.6	19.5
IndusInd Bank	0.6	-9.2	20.3
Kotak Mah. Bank	-0.9	-10.8	-16.9
RBL Bank	1.6	-6.1	62.1
SBI Cards	1.4	-3.7	-12.6
Banks-PSU	-0.3	-3.0	78.7
BOB	-3.0	-5.9	42.8
Canara Bank	0.5	-10.6	82.2
Indian Bank	-0.6	-2.7	79.3
Punjab Natl.Bank	1.4	-9.1	155.5
St Bk of India	-0.3	4.9	42.8
Union Bank (I)	-0.1	-5.9	101.7

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	0.6	-2.1	32.3
Nifty Midcap 100	0.9	-1.7	52.4
Nifty Smallcap 100	0.7	-2.8	63.9
Nifty Midcap 150	1.0	-1.1	51.1
Nifty Smallcap 250	0.7	-1.8	57.8
NBFCs	0.0	-2.9	9.1
Aditya Birla Capital Ltd	3.2	6.6	26.5
Angel One	2.1	-15.2	87.1
Bajaj Fin.	1.2	-7.6	0.8
Cholaman.Inv.&Fn	4.1	6.8	28.6
Can Fin Homes	2.1	-9.0	13.7
Cams Services	3.6	5.2	53.6
CreditAcc. Gram.	-0.5	-1.0	37.1
Fusion Microfin.	0.6	-3.0	9.9
Home First Finan	-3.7	-9.1	15.1
Indostar Capital	2.5	-4.9	67.4
IIFL Finance	6.2	-5.6	-7.9
L&T Finance	-1.2	-8.2	63.4
LIC Housing Fin.	1.0	-3.5	68.2
M & M Fin. Serv.	-0.9	-17.1	-12.3
Muthoot Finance	4.1	0.8	55.7
Manappuram Fin.	5.2	-10.6	52.5
MAS Financial Serv.	-1.3	-2.6	18.7
ICICI Sec	-0.2	-1.1	45.1
360 One	2.4	1.7	84.3
PNB Housing	-2.2	-3.8	59.5
Repco Home Fin	-0.6	9.8	134.0
Shriram Finance	-0.7	-7.3	73.3
Spandana Sphoort	-0.5	-12.0	20.2
Insurance			
HDFC Life Insur.	1.7	-11.7	-2.5
ICICI Pru Life	2.3	-5.7	31.3
ICICI Lombard	0.6	-1.5	49.9
Life Insurance	1.0	-6.8	63.3
Max Financial	1.4	-6.6	47.1
SBI Life Insuran	0.7	-4.7	20.5
Star Health Insu	-0.5	-4.3	-9.5
Chemicals			
Alkyl Amines	-1.1	-7.7	-22.6
Atul	2.4	-3.6	-12.9
Clean Science	0.2	-5.0	-13.2
Deepak Nitrite	2.4	8.6	27.4
Fine Organic	4.5	0.6	-2.7
Galaxy Surfact.	0.9	-4.0	-1.2
Navin Fluo.Intl.	0.8	0.1	-31.8
NOCIL	0.1	-5.4	11.4
P I Inds.	1.3	-7.7	3.3
SRF	-0.6	-13.9	-11.4
Tata Chemicals	1.4	-9.4	8.6
Vinati Organics	-1.0	2.2	-21.2
Capital Goods	-1.5	-11.8	80.9
A B B	2.8	8.1	88.1
Bharat Electron	0.4	-0.7	110.2



Company	1 Day (%)	1M (%)	12M (%)
Cummins India	0.4	13.7	108.0
Hitachi Energy	-2.1	16.9	132.3
K E C Intl.	-1.6	-5.3	31.1
Kalpataru Proj.	-2.0	-2.7	117.8
Kirloskar Oil	-1.1	16.9	168.5
Larsen & Toubro	-0.1	-12.8	38.4
Siemens	0.6	10.5	66.1
Thermax	2.2	0.8	93.5
Triveni Turbine	0.9	0.1	41.3
Cement			
Ambuja Cem.	1.3	-7.0	42.5
ACC	-2.3	-6.5	34.8
Birla Corp.	-1.7	-5.6	46.0
Dalmia Bhar.	-0.8	-13.3	-17.8
Grasim Inds.	1.0	3.1	34.5
India Cem	1.4	-10.0	5.9
J K Cements	-0.6	-11.3	28.4
JK Lakshmi Cem.	0.5	-3.0	-1.9
The Ramco Cement	1.8	-10.2	-0.6
Shree Cement	0.6	0.2	5.0
UltraTech Cem.	0.5	-3.3	22.6
Consumer	1.2	1.8	13.6
Asian Paints	2.3	-4.3	-8.9
Britannia Inds.	-0.1	5.4	10.0
Colgate-Palm.	1.2	5.4	74.5
Dabur India	-0.4	8.8	7.1
Emami	-0.9	13.8	35.4
Godrej Consumer	-0.7	7.4	37.2
Hind. Unilever	1.6	4.5	-6.3
ITC	1.9	-0.8	1.9
Indigo Paints	-1.5	1.2	6.1
Jyothy Lab.	0.7	4.8	126.8
Marico	1.0	14.0	10.1
Nestle India	0.8	0.2	14.9
Page Industries	0.2	-7.9	-16.7
Pidilite Inds.	2.9	-2.7	16.4
P & G Hygiene	0.1	-1.3	14.5
Tata Consumer	0.5	-4.7	37.9
United Breweries	0.5	4.3	38.6
United Spirits	0.6	0.2	51.4
Varun Beverages	1.3	2.8	82.3
Consumer Durables	1.1	-2.9	33.1
Polycab India	6.1	17.3	91.8
R R Kabel	6.1	8.6	
Havells	0.8	12.4	34.3
Voltas	0.9	-4.1	59.5
KEI Industries	2.3	3.3	98.5
EMS			
Kaynes Tech	3.3	-0.6	159.8
Avalon Tech	-1.6	-2.5	39.4
Syrma SGS Tech.	2.0	-1.3	63.5
Cyient DLM	0.7	-4.6	
Data Pattern	-1.3	-6.5	72.0

Company	1 Day (%)	1M (%)	12M (%)
Healthcare	0.9	-2.7	46.3
Alembic Pharma	-2.6	-1.8	69.3
Alkem Lab	1.2	6.3	43.0
Apollo Hospitals	0.6	-10.0	27.0
Ajanta Pharma	-1.3	11.1	87.4
Aurobindo	1.1	1.7	82.2
Biocon	1.8	9.2	23.3
Zydus Lifesci.	1.4	-1.2	86.9
Cipla	-1.4	-5.9	41.8
Divis Lab	0.1	1.5	10.8
Dr Reddy's	0.7	-3.8	21.6
ERIS Lifescience	1.2	1.4	35.6
Gland Pharma	1.0	-4.6	21.9
Glenmark	2.4	-1.9	79.7
Global Health	1.0	-1.0	177.9
Granules	1.5	-6.7	32.4
GSK Pharma	-0.2	4.0	53.9
IPCA Labs	2.2	-1.3	89.1
Laurus Labs	2.4	-4.8	31.6
Lupin	1.6	0.2	114.4
Max Healthcare	1.9	-6.1	69.0
Piramal Pharma	1.7	3.7	103.1
Sun Pharma	0.8	-6.1	58.0
Torrent Pharma	3.0	0.8	56.3
Infrastructure	1.0	-2.5	51.1
G R Infraproject	1.3	-1.8	29.2
IRB Infra.Devl.	-4.5	-9.7	120.6
KNR Construct.	-0.2	-7.0	2.7
Logistics			
Adani Ports	1.8	-6.3	83.3
Blue Dart Exp.	-1.2	18.9	19.5
Container Corpn.	1.1	3.2	56.6
JSW Infrast	0.6	1.3	
Mahindra Logis.	0.8	-7.1	18.6
Transport Corp.	0.6	0.0	36.9
TCI Express	1.5	0.2	-26.6
VRL Logistics	-0.7	-2.4	-14.8
Media	0.2	-7.3	3.3
PVR INOX	-0.9	-8.7	-10.9
Sun TV	1.9	6.2	54.0
Zee Ent.	-0.7	-12.7	-31.9
Metals	1.5	-0.2	54.2
Hindalco	1.0	3.7	43.3
Hind. Zinc	15.2	30.9	67.2
JSPL	1.0	3.7	59.1
JSW Steel	2.3	-3.4	17.8
Nalco	1.9	-4.8	109.8
NMDC	0.9	5.9	135.2
SAIL	2.5	2.5	86.9
Tata Steel	0.2	-1.7	48.5
Vedanta	4.1	13.5	43.7
Oil & Gas	1.4	-2.7	50.0
Aegis Logistics	3.4	29.2	51.2



Company	1 Day (%)	1M (%)	12M (%)
BPCL	4.5	2.3	66.2
Castrol India	2.2	-13.2	66.8
GAIL	-0.4	-4.8	76.7
Gujarat Gas	-0.4	-6.3	14.5
Gujarat St. Pet.	0.6	-24.6	4.3
HPCL	0.1	2.9	95.9
IOCL	1.5	-8.1	88.7
IGL	1.4	-6.5	-11.9
Mahanagar Gas	-2.2	-10.7	18.3
MRPL	-1.8	-5.8	239.9
Oil India	0.3	-2.0	138.8
ONGC	1.9	-0.6	61.9
PLNG	1.3	-0.9	31.3
Reliance Ind.	1.0	-4.9	23.8
Real Estate	-0.4	-2.7	106.8
Brigade Enterpr.	-1.4	5.2	91.0
DLF	-1.3	-9.4	90.2
Godrej Propert.	-2.4	1.3	101.3
Kolte Patil Dev.	-1.5	-11.8	80.9
Mahindra Life.	1.4	-1.5	63.9
Macrotech Devel.	0.1	-8.3	130.7
Oberoi Realty Ltd	0.8	-3.2	56.4
Sobha	-3.3	3.3	236.1
Sunteck Realty	-0.3	-7.6	32.2
Phoenix Mills	1.1	-5.6	95.0
Prestige Estates	2.1	21.7	211.8
Retail			
Aditya Bir. Fas.	3.9	7.8	29.1
Avenue Super.	0.0	0.9	30.6
Bata India	0.8	-5.2	-12.6
Campus Activewe.	-1.3	6.3	-31.2
Barbeque-Nation	-0.6	-6.2	-14.6
Devyani Intl.	-0.1	-2.8	-8.3
Jubilant Food	1.6	2.1	-1.4
Metro Brands	0.6	-2.3	13.1
Raymond	3.3	11.1	38.1
Relaxo Footwear	1.0	2.5	-2.0
Restaurant Brand	4.2	2.6	-4.1
Sapphire Foods	3.5	-6.4	8.2
Shoppers St.	1.2	-2.0	7.5
Titan Co.	1.4	-11.4	19.8
Trent	1.4	11.2	210.4
V-Mart Retail	-0.2	0.2	1.1
Vedant Fashions	2.7	7.7	-23.3
Westlife Food	-0.5	4.5	9.2
Technology	-0.8	-6.7	17.2
Cyient	-1.9	-18.1	36.9
HCL Tech.	-0.3	-14.5	22.1
Infosys	-1.0	-5.4	12.8
LTIMindtree	-1.1	-6.3	0.3
L&T Technology	-1.0	-22.8	13.7
Mphasis	-0.8	-8.8	19.6
Coforge	3.8	-21.7	8.2

Company	1 Day (%)	1M (%)	12M (%)
Persistent Sys	0.3	-14.9	44.2
TCS	-1.7	-2.3	18.5
Tech Mah	-0.4	-0.2	20.9
Wipro	-0.9	-5.3	17.7
Zensar Tech	4.0	-1.2	98.3
Telecom	1.3	0.3	61.7
Bharti Airtel	2.0	5.8	63.5
Indus Towers	0.8	1.2	116.0
Idea Cellular	0.4	-1.9	88.1
Tata Comm	0.9	-11.6	36.5
Utilities	1.5	0.3	86.0
Coal India	1.3	-1.5	90.0
NTPC	2.7	-1.9	100.8
Power Grid Corpn	2.6	7.5	63.5
Others			
APL Apollo Tubes	-0.8	-2.1	29.9
BSE	-2.2	-7.5	401.1
Cello World	-0.9	4.8	
Coromandel Intl	-0.2	1.5	23.0
Dreamfolks Servi	-0.1	-2.6	5.2
EPL Ltd	-0.3	1.3	-0.8
Indiamart Inter.	0.8	4.0	-10.1
Godrej Agrovet	1.0	4.3	32.6
Havells	0.8	12.4	34.3
Indian Hotels	-1.3	-8.9	46.4
Interglobe	-0.6	5.9	80.7
Info Edge	1.4	-0.7	54.0
Kajaria Ceramics	-0.1	-4.4	3.5
Lemon Tree Hotel	-2.1	1.2	56.6
MCX	1.6	-2.2	180.9
One 97	5.0	-12.7	-52.0
Piramal Enterp.	3.9	-3.7	14.7
Quess Corp	2.2	11.2	74.0
SIS	4.1	-5.2	9.0
Team Lease Serv.	-0.3	-2.9	56.9
UPL	7.6	-0.5	-26.2
Updater Services	2.7	-2.6	
Voltas	0.9	-4.1	59.5
Zomato Ltd	3.1	2.2	225.7

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NOTES

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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

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