

Market snapshot



Equities - India	Close	Chg. %	CYTD.%
Sensex	73,730	-0.8	2.1
Nifty-50	22,420	-0.7	3.2
Nifty-M 100	50,624	0.8	9.6
Equities-Global	Close	Chg. %	CYTD.%
S&P 500	5,100	1.0	6.9
Nasdaq	15,928	2.0	6.1
FTSE 100	8,140	0.8	5.3
DAX	18,161	1.4	8.4
Hang Seng	6,270	2.4	8.7
Nikkei 225	37,935	0.8	13.4
Commodities	Close	Chg. %	CYTD.%
Brent (US\$/Bbl)	89	1.4	15.2
Gold (\$/OZ)	2,338	0.2	13.3
Cu (US\$/MT)	9,853	1.1	16.4
Almn (US\$/MT)	2,540	0.1	8.3
Currency	Close	Chg. %	CYTD.%
USD/INR	83.4	0.0	0.2
USD/EUR	1.1	-0.3	-3.1
USD/JPY	158.3	1.7	12.3
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	7.2	-0.02	0.0
10 Yrs AAA Corp	7.6	0.00	-0.2
Flows (USD b)	26-Apr	MTD	CYTD
FII	-0.4	6.61	0.3
DII	0.52	2.08	17.6
Volumes (INRb)	26-Apr	MTD*	YTD*
Cash	1,324	1123	1179
F&O	1,21,212	3,47,966	3,86,700

Note: Flows, MTD includes provisional numbers.

*Average



Today's top research idea

ICICI Bank: Another steady quarter; cost control emerging as additional earnings lever

- ❖ ICICI Bank (ICICIB) reported a healthy performance in 4QFY24, with 17% YoY growth in net earnings (in line) amid contained opex and provisions. The pace of NIM contraction decelerated, down 3bp QoQ at 4.4% (vs. -10bp in 3Q).
- ❖ Credit growth was healthy at 16% YoY/3% QoQ, led by healthy traction in the Retail, SME and BB segments. Deposit growth surprised positively at 20% YoY/6% QoQ.
- ❖ On the asset quality side, slippages declined QoQ as 3Q had KCC slippages. GNPA/NNPA ratios decreased 14bp/2bp QoQ. The bank holds a prudent contingency buffer of INR131b (1.1% of loans).
- ❖ We increase our EPS estimates by 2% for FY26, with little change to our FY25 outlook. We estimate RoA/RoE of 2.26%/18.0% in FY26. We expect the bank to sustain a ~14% CAGR in PAT over FY24-26E. **Reiterate BUY with a revised SoTP-based TP of INR1,300.**



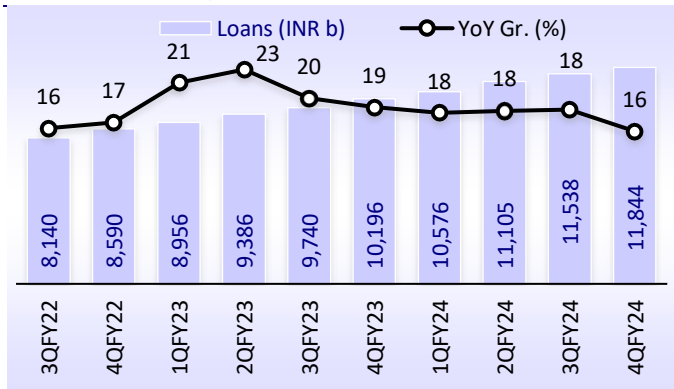
Research covered

Cos/Sector	Key Highlights
ICICI Bank	Another steady quarter; cost control emerging as additional earnings lever
HCL Technologies	FY25 guidance disappointing, but remains ahead of peer set
Maruti Suzuki	Operating performance misses estimates
Other Updates	SBI Life Insurance Shriram Finance Apollo Hospitals SBI Cards IDFC First Bank RBL Bank Automobiles L&T Finance Holdings Atul Craftsman Automation Mahindra Lifespace

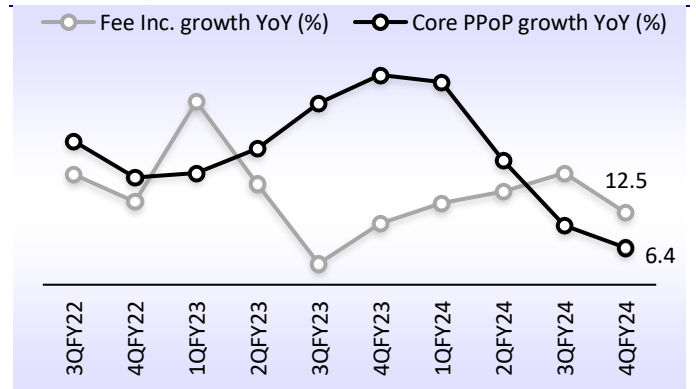


Chart of the Day: ICICI Bank (Another steady quarter)

Overall loan book grew 16.2% YoY (~2.7% QoQ)



Fee income grew 12.5% YoY; Core PPOP at 6% YoY



Research Team (Gautam.Duggad@MotilalOswal.com)

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

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



Kindly click on textbox for the detailed news link

1

Banks may have to slowdown loan growth in FY25: S&P

S&P Global Ratings forecasts robust credit growth, profitability, and asset quality for Indian banks in FY25, yet warns of potential slowdown in loan growth due to tepid deposit growth. Loan-to-deposit ratios are deteriorating, urging banks to align loan growth with deposits to maintain profitability

2

Go First revival hopes fade over valuation mismatch

A Delhi High Court order on Friday allowing lessors to repossess their aircraft has further dented hopes of reviving Go First, they said. Ajay Singh, promoter of SpiceJet, and an entity owned by Nishant Pitti-owner of online travel portal EaseMyTrip had jointly bid for the airline.

3

AdaniConneX raises \$1.44 bn from 8 global banks to build data centres

Adani Enterprises Ltd, the flagship of billionaire Gautam Adani-run conglomerate, is investing around USD 1.5 billion in its fledgling data centre business in the next three years

4

Railways sets eyes on having 200 Gati Shakti Cargo terminals

These terminals are used for handling bulk cargo by corporates that have interlinkages with Indian Railways. The GCT operates for non-passenger commercial uses like freight. They are set up under a new policy that helps monetize vacant railway land.

5

Tata Steel CEO raises concerns on rising steel imports, says need to be watchful

"It would be a pity if the situation continues in the long run. We have to be watchful about imports," Narendran said.

6

Indian ecommerce market to grow to \$325 billion; digital economy to reach \$800 billion by 2030

One of the primary drivers is the increasing internet penetration, with around 87% of Indian households expected to have internet connections by 2025

7

CII-IGBC expects surge in private capex, FDI after Lok Sabha polls

It says top priority for new govt should be to strike balance between economic growth and environmental sustainability



ICICI Bank

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR1,108 TP: INR1,300 (+17%) Buy

Another steady quarter; cost control emerging as additional earnings lever

Pace of NIM compression moderates

- ICICI Bank (ICICIBC) reported a healthy performance in 4QFY24, with 17% YoY growth in net earnings (in line) amid contained opex and provisions. The pace of NIM contraction decelerated, down 3bp QoQ at 4.4% (vs. -10bp in 3Q).
- Credit growth was healthy at 16% YoY/3% QoQ, led by healthy traction in the Retail, SME and BB segments. Deposit growth surprised positively at 20% YoY/6% QoQ.
- On the asset quality side, slippages declined QoQ as 3Q had KCC slippages. GNPA/NNPA ratios decreased 14bp/2bp QoQ. The bank holds a prudent contingency buffer of INR131b (1.1% of loans).
- We increase our EPS estimates by 2% for FY26, with little change to our FY25 outlook. We estimate RoA/RoE of 2.26%/18.0% in FY26. We expect the bank to sustain a ~14% CAGR in PAT over FY24-26E. **Reiterate BUY with a revised SoTP-based TP of INR1,300.**

Slippages, credit cost ratio decline; opex growth slows

- ICICIBC's 4QFY24 PAT grew 17% YoY to INR107.1b (in line), led by healthy NII growth, controlled opex (as the bank achieves operational efficiency) and contained credit costs. The bank reported annualized RoA of 2.4% and RoE of 18.5%. For FY24, PAT stood at INR408.9b, up 28.2% YoY.
- NII grew 8% YoY (in line), aided by healthy loan growth of 16.2% YoY/2.7% QoQ. NIMs moderated 3bp QoQ to 4.40%. Other income was up 11% YoY but down 7% QoQ at INR56.5b, led by healthy core fees (13% YoY growth), while treasury gains were modest at INR2.8b.
- Opex rose 9% YoY (9% lower than our estimate), leading to 9% YoY growth in PPOP at INR148b (in line). Core PPOP grew 6.4% YoY.
- On the business front, advances grew 16.2% YoY/2.7% QoQ, led by retail, BB, and SME loans. Within retail, growth was healthy in housing, rural and unsecured credit (PL/CC). Unsecured loan mix increased to ~14.2% of total loans. SME book increased by 25% YoY, while BB grew 29% YoY.
- On the liability front, deposits surprised positively, growing 19.6% YoY/6% QoQ, led by healthy traction in CASA deposits (up 10% YoY/13% QoQ). The average CASA ratio declined by 50bp QoQ to 38.9% in 4QFY24.
- Fresh slippages declined to INR51b after a hiccup in 3Q amid high KCC slippages. The GNPA ratio declined 14bp QoQ to 2.2%, while the NNPA ratio fell to 0.42% and PCR was broadly stable at 80.8%. The bank maintains a total contingency buffer of INR131b or 1.1% of loans.

Bloomberg	ICICIBC IN
Equity Shares (m)	6984
M.Cap.(INRb)/(USDb)	7782.8 / 93.4
52-Week Range (INR)	1126 / 899
1, 6, 12 Rel. Per (%)	0/3/-5
12M Avg Val (INR M)	16145

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	743	844	991
OP	581	658	789
NP	409	457	537
NIM (%)	4.7	4.5	4.5
EPS (INR)	58.4	65.1	76.5
EPS Gr (%)	27.5	11.5	17.5
ABV/Sh (INR)	320	376	442
Cons. BV/Sh (INR)	363	433	503

Ratios

RoE (%)	18.9	17.9	18.0
RoA (%)	2.4	2.2	2.3

Valuations

P/BV (x) (Cons)	3.1	2.6	2.2
P/ABV (x)	2.8	2.4	2.0
P/E (x)	19.0	17.0	14.5
Adj P/E (x)*	15.1	13.6	11.6

*Adjusted for Investment in subsidiaries

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	0.0	0.0	0.0
DII	36.7	37.4	36.9
FII	55.6	54.7	54.8
Others	7.7	7.9	8.3

FII Includes depository receipts

Highlights from the management commentary

- Some increase in deposit costs is anticipated, which may lead to a downside bias in margins; however, NIMs are expected to stay range-bound.
- Opex growth is expected to remain moderate going forward. Sourcing costs have been optimized, leading to low employee expenses.
- Yields increased in 4Q, with some moderation in lending intensity. The bank aims to maintain discipline in yields. In deposits, the bank raised rates by 10bp in Feb'24 in retail.

Valuation and view: Maintain Buy with a revised TP of INR1,300

ICICIB reported another steady quarter, driven by healthy NII and controlled opex and provisions backed by healthy asset quality. The stable mix of a high-yielding portfolio (Retail/Business Banking) and continued traction in BB, SME, and secured retail drove broad-based growth, which helps to retain healthy business diversification. Although the pace of NIM contraction has decelerated (3bp QoQ), persistent funding cost pressure may keep margins low. Improvements in asset quality led to a further decline in GNPA/NNPA ratios. The additional contingency provisioning buffer (1.1% of loans) provides further comfort. We increase our EPS estimates by 2% for FY26, with little change to our FY25 outlook. We expect RoA/RoE of 2.26%/18.0% in FY26. We expect the bank to sustain a ~14% CAGR in PAT over FY24-26E. **Reiterate BUY with a revised SoTP-based TP of INR1,300 (vs. INR 1,250 earlier), based on 2.4x FY26E ABV + INR223 for subs.**

Quarterly performance (INR b)

	FY23				FY24				FY23	FY24	FY24	v/s
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE	Est	
Net Interest Income	132.1	147.9	164.6	176.7	182.3	183.1	186.8	190.9	621.3	743.1	191.8	0%
% Change (YoY)	20.8	26.5	34.6	40.2	38.0	23.8	13.4	8.1	30.9	19.6	8.6	
Other Income	46.7	50.5	50.2	50.9	54.4	57.8	61.0	56.5	198.3	229.6	61.9	-9%
Total Income	178.8	198.4	214.9	227.5	236.6	240.8	247.8	247.4	819.6	972.6	253.7	-2%
Operating Expenses	75.7	81.6	82.2	89.3	95.2	98.6	100.5	97.0	328.7	391.3	106.5	-9%
Operating Profit	103.1	116.8	132.7	138.3	141.4	142.3	147.2	150.4	490.9	581.3	147.2	2%
% Change (YoY)	15.9	17.8	30.8	34.3	37.2	21.8	10.9	8.8	25.1	18.4	6.5	
Provisions	11.4	16.4	22.6	16.2	12.9	5.8	10.5	7.2	66.7	36.4	6.2	16%
Profit before Tax	91.7	100.4	110.1	122.1	128.5	136.5	136.7	143.2	424.2	544.9	141.0	2%
Tax	22.6	24.8	27.0	30.8	32.0	33.9	34.0	36.1	105.2	136.0	34.7	4%
Net Profit	69.0	75.6	83.1	91.2	96.5	102.6	102.7	107.1	319.0	408.9	106.3	1%
% Change (YoY)	49.6	37.1	34.2	30.0	39.7	35.8	23.6	17.4	36.7	28.2	16.5	
Operating Parameters												
Deposit	10,503	10,900	11,220	11,808	12,387	12,947	13,323	14,128	11,808	14,128	13,863	2%
Loan	8,956	9,386	9,740	10,196	10,576	11,105	11,538	11,844	10,196	11,844	12,011	-1%
Deposit Growth (%)	13.4	11.5	10.3	10.9	17.9	18.8	18.7	19.6	10.9	19.6	17.4	
Loan Growth (%)	21.3	22.7	19.7	18.7	18.1	18.3	18.5	16.2	18.7	16.2	17.8	
Asset Quality												
Gross NPA (%)	3.4	3.2	3.1	2.8	2.8	2.5	2.3	2.2	2.9	2.3	2.3	
Net NPA (%)	0.7	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.5	0.5	0.4	
PCR (%)	79.9	81.3	82.6	83.5	83.1	83.1	81.3	80.8	82.8	80.8	82.0	

Source: MOFSL estimate, Company



HCL Technologies

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR1,477 TP: INR1,700 (+15%) Buy

FY25 guidance disappointing, but remains ahead of peer set

Growth in FY25 to remain back-ended; reiterate BUY

Bloomberg	HCLT IN
Equity Shares (m)	2714
M.Cap.(INRb)/(USDb)	3999.5 / 48
52-Week Range (INR)	1697 / 1048
1, 6, 12 Rel. Per (%)	-8/1/12
12M Avg Val (INR M)	3588

Financials & Valuations (INR b)

Y/E Mar	2024	2025E	2026E
Sales	1,099	1,149	1,292
EBIT Margin (%)	18.2	18.6	19.3
PAT	157	170	200
EPS (INR)	57.9	62.8	73.6
EPS Gr. (%)	5.6	8.4	17.3
BV/Sh. (INR)	252	249	245

Ratios

RoE (%)	23.5	25.1	29.9
RoCE (%)	21.7	23.2	27.4
Payout (%)	82.9	90.0	90.0

Valuations

P/E (x)	25.4	23.5	20.0
P/BV (x)	5.8	5.9	6.0
EV/EBITDA (x)	16.2	15.2	13.2
Div Yield (%)	3.3	3.8	4.5

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	60.8	60.8	60.8
DII	15.0	15.2	15.3
FII	19.9	19.6	19.2
Others	4.3	4.4	4.7

FII Includes depository receipts

- HCL Technologies (HCLT) reported weak 4QFY24 performance with 0.3% QoQ CC consolidated revenue growth, below our estimate of 0.9% QoQ CC. The weak performance was due to the seasonality in HCL Software (-18.5% QoQ CC) coupled with weakness in ERS (1.6% QoQ CC), while ITBS posted an impressive 4% QoQ growth in CC. Services grew 3.0% QoQ in CC, above our estimate of +2.7% QoQ. The new deal TCv was healthy at USD2.3b (+18.8% QoQ/10.4% YoY) in 4QFY23. HCLT announced disappointing revenue growth guidance of 3-5% CC for FY25, amid weak 1QFY25 expectations (-2% QoQ). The weak expectations are led by the offshoring of a large deal and the transfer of productivity benefits to clients.
- EBIT margin came in lower than expected at 17.6% (-220bp QoQ; missing our estimate of 18.5%) due to the HCL Software seasonality. Services margin contracted 70bp QoQ. Management retained its EBIT margin guidance band of 18-19% for FY25.
- While healthy deal wins and a strong 4QFY24 exit should bode well for a robust FY25 growth, weaker 1QFY25 growth and the impact of the divestment of State Street business in 2QFY24 is dampening the FY25 revenue growth trajectory. More importantly, management indicated that it has built in some caution in its guidance because of the weaker demand environment seen over the recent past. With significant consolidation opportunities at the enterprise level, HCLT is more focused on long-term growth.
- We expect FY25 revenue growth to be near the upper-end of its guidance band, which would put HCLT ahead of its large-cap IT services peer set (barring TCS, which is executing the mega BSNL deal, and LTIM). Over FY24-26E, HCLT should deliver a USD revenue CAGR of 8.3% YoY, which we view as good given the tough demand environment.
- Lack of strong growth in FY25 should limit a meaningful margin expansion. We expect FY25 EBIT margin at 18.6%, near the mid-point of its guidance band of 18-19%, which should translate into an INR PAT CAGR of 12.8% over FY24-26.
- While we expect some near-term pressure on the stock on account of weak FY25 revenue growth guidance, we continue to expect the stock to outperform its peers and reiterate it as our top idea for FY25. We cut our FY25-26 earnings estimates by 6-8% to factor in a weaker-than-expected guidance. **Reiterate BUY with a TP of INR1,700, premised on 23x FY26E EPS.**

Miss on revenue and margin; FY25 guidance disappointing

- HCLT's USD revenue of INR3.4b, up 0.3% QoQ in CC (0.4% QoQ reported), missed our estimates of +0.9% QoQ in CC
- Services business grew 3.0% QoQ in CC, with IT Services growth at 4% QoQ in CC, and ER&D declining 1.6% QoQ in CC. HCL Software (P&P) was down 18.5% QoQ in CC but was flat YoY.

- 4QFY24 EBIT margin was weak at 17.6%, missing our estimate of 18.5%. The margin contraction was led by seasonality in HCL Software and weak margins in both IT Services and ER&D businesses.
- The 4Q new Deal TCW was healthy at USD2.3b (+18.8% QoQ/ 10.4% YoY).
- FY25 revenue growth guidance came in lower than expected at +3-5% CC for the company and the Services business each. Management reiterated its EBIT margin guidance at 18.0-19.0%.
- Net employee count rose 2.7k, which was positive. Attrition, at 12.4%, was down 40bp QoQ.
- PAT of INR40b, declined 8.4% QoQ/flat YoY and missed our estimate of INR42.5b because of the weak revenue and margin performance.
- The Board declared a final dividend of INR18/share.

Key highlights from the management commentary

- Management highlighted a sequential decline in 1QFY25 revenue of 2% due to the annual productivity transfer and the impact of a large deal moving to offshore.
- The full impact from the divestment of the JV with State Street will start from Jul'24, thereby impacting 2QFY25.
- Consequently, management has provided a weak revenue growth guidance for FY25 at 3-5% CC. It has assumed the same level of run-off and business environment as in FY24. The growth in FY25 should remain back-ended.
- HCLT has retained its margin guidance band of 18-19% for FY25, and continues to aspire for 19-20% margin in the longer run.

Valuation and View

- Higher exposure to Cloud, which comprises a larger share of non-discretionary spending, offers better resilience to its portfolio in the current context, with higher demand for Cloud, Network, Security, and Digital workplace services.
- Given its capabilities in the IMS and Digital space, along with strategic partnerships and investments in Cloud, we expect HCLT to emerge stronger on the back of healthy demand for these services in the medium term. The stock is trading at ~20x FY26E EPS, which offers a margin of safety. Our TP of INR1,700 is based on 23x FY26E EPS. We reiterate our **BUY** rating on the stock.

Quarterly performance

Y/E March	FY23				FY24				FY24	FY25E	FY24	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	4Q	4QE	4QE	(%/bp)
Revenue (USD m)	3,025	3,082	3,244	3,235	3,200	3,225	3,415	3,430	13,270	13,840	3,459	-0.9
QoQ (%)	1.1	1.9	5.3	-0.3	-1.1	0.8	5.9	0.4	5.4	4.3	1.3	-86bp
Revenue (INR b)	235	247	267	266	263	267	284	285	1,099	1,149	287	-0.7
YoY (%)	16.9	19.5	19.6	17.7	12.1	8.0	6.5	7.1	8.3	4.5	7.9	-80bp
GPM (%)	35.8	35.8	37.4	36.5	35.6	36.2	36.7	35.0	35.9	36.2	36.1	-115bp
SGA (%)	12.9	12.2	12.0	12.8	13.6	12.4	11.5	12.0	12.4	12.3	12.2	-18bp
EBITDA	50	54	63	59	55	59	67	61	242	258	64	-4.9
EBITDA margin (%)	21.1	22.0	23.7	22.3	20.8	22.3	23.5	21.4	22.0	22.5	22.3	-93bp
EBIT	40	44	52	48	45	49	56	50	200	214	53	-5.5
EBIT margin (%)	17.0	17.9	19.6	18.2	17.0	18.5	19.7	17.6	18.2	18.6	18.5	-88bp
Other income	3	2	1	4	2	2	3	3	9	11	3	-12.6
ETR (%)	24.3	23.9	23.8	23.4	24.8	25.3	25.9	24.2	25.1	24.2	24.0	18bp
Adjusted PAT	33	35	41	40	35	38	44	40	157	170	43	-6.2
QoQ (%)	-8.7	6.3	17.4	-2.8	-11.2	8.4	13.5	-8.4			-2.3	-610bp
YoY (%)	2.1	6.9	19.0	10.8	7.6	9.8	6.2	0.1	5.7	8.4	6.8	-667bp
EPS	12.1	12.9	15.1	14.7	13.0	14.1	16.0	14.7	57.9	62.8	15.7	-6.2



Maruti Suzuki

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR12,703 **TP: INR14,700 (+16%)** **Buy**

Operating performance misses estimates

Multi-tech approach seems best-suited for India

- Maruti Suzuki's (MSIL) 4QFY24 operating performance was below our estimates as benefits from operating leverage (140bp) and lower discounts (80bp) were partially offset by one-off costs (60bp). Considering a healthy order backlog, a steady launch pipeline and an improving mix, we expect MSIL to post a steady 13% earnings CAGR over FY24-26.
- The stock trades at 25x/22.5x FY25E/FY26E consolidated EPS. Any favorable tax on hybrids may drive incremental re-rating. **Reiterate BUY with a TP of INR14,700 (premised on 26x Mar'26E consolidated EPS).**

Sequential dip in margins despite operating leverage benefits

- MSIL's revenue/EBITDA/PAT grew 19%/40%/48% YoY to ~INR382.35b/INR46.85b/INR38.9b in 4QFY24 (vs. est. INR389.5b/INR49.9b/INR39.7b). FY24 revenue/EBITDA/adj. PAT jumped 20%/51%/64% YoY.
- Net realizations improved ~5% YoY to INR654.7k/unit (est. INR666.9k). However, ASP was below our estimate mainly due to lower CNG volumes.
- EBITDA margin at 12.3% was below our est. of 12.8% largely due to a one-off impact of 60bp for lumpy CSR spending in 4Q, certain provisions taken for the full year, and upfront product development costs.
- EBIT margin improved 90bp QoQ, led by operating leverage (+140bp) and lower sales promotion (+80bp). This was partially offset by 140bp of adverse factors, of which 60bp was one-off, as per the management.
- Further, higher other income boosted adj. PAT to INR38.9b (vs. est. of INR39.7b) in 4QFY24.
- MSIL declared a dividend of INR125/share (vs. INR90/share in FY23).
- FCF for FY24 stood at INR82b (vs. INR29.8b in FY23) due to improved cash flow from operations at INR151.7b (vs. INR92.3b in FY23) despite higher capex of INR69.6b (vs. INR62.5b in FY23).

Highlights from the management commentary

- **MSIL continues to enjoy healthy order backlog:** MSIL's order backlog stands at 200k units, of which almost 111k units are for CNG vehicles. The CNG order backlog is majorly led by Ertiga. Further, MSIL is currently seeing high-single digit growth in both bookings and enquiries.
- **MSIL continues to work on multi-tech strategy:** MSIL aims to sell 600k units of CNG vehicles (growth of ~30%) in FY25. Mix of green vehicles (CNG + Smart hybrid + Strong hybrid) for MSIL stood at 42% in FY24 (vs. 37% in FY23).

Bloomberg	MSIL IN
Equity Shares (m)	314
M.Cap.(INRb)/(USDb)	3994 / 47.9
52-Week Range (INR)	13074 / 8435
1, 6, 12 Rel. Per (%)	2/3/23
12M Avg Val (INR M)	5553

Financials & valuations (INR b)

Y/E MARCH	2024	2025E	2026E
Sales	1,409	1,572	1,744
EBITDA	164	196	224
Adj. PAT	132	155	176
Cons. Adj. EPS (INR)	424	499	565
EPS Gr. (%)	56.1	17.6	13.1
BV/Sh. (INR)	2,671	3,040	3,455

Ratios

RoE (%)	15.7	16.3	16.2
RoCE (%)	20.5	21.1	21.0
Payout (%)	29.5	29.1	29.2

Valuations

P/E (x)	29.9	25.4	22.5
P/BV (x)	4.7	4.2	3.7
EV/EBITDA (x)	20.1	16.5	14.0
Div. Yield (%)	1.0	1.1	1.3

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	58.2	58.2	56.5
DII	19.0	17.8	18.7
FII	19.7	20.16	21.1
Others	3.2	3.4	3.7

FII Includes depository receipts

Valuation and view

- We have marginally raised our FY25-26 estimates by 2-4%. As highlighted above, we expect MSIL to continue to outperform industry growth in FY25. While the bulk of input cost benefits are likely to be behind, we expect MSIL to post about 70bp margin improvement to ~12.5% in FY25, largely led by an improved mix. This would, in turn, drive a steady 13% earnings CAGR over FY24-26E.
- Any GST cuts or favorable policy for hybrids by the government may drive a re-rating as MSIL would be the key beneficiary of such changes. The stock trades at 25x/22.5x FY25E/FY26E consolidated EPS. **Reiterate BUY with a TP of INR14,700 (premised on 26x FY26 EPS).**

S/A Quarterly Performance

(INR b)

Y/E March	FY23				FY24				FY23	FY24	4QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Financial Performance											
Volumes ('000 units)	467.9	517.4	465.9	514.9	498.0	552.1	501.2	584.0	1,966.2	2,135.3	584.0
Change (%)	32.3	36.3	8.2	5.4	6.4	6.7	7.6	13.4	19.0	8.6	13.4
ASP (INR '000/car)	566.3	578.5	623.4	622.4	649.1	671.3	664.6	654.7	597.7	660.0	666.9
Change (%)	12.7	6.9	15.5	13.7	14.6	16.1	6.6	5.2	11.9	10.4	7.1
Net operating revenues	265.0	299.3	290.4	320.5	323.3	370.6	333.1	382.3	1,175	1,409	389
Change (%)	49.1	45.7	24.9	19.9	22.0	23.8	14.7	19.3	33.1	19.9	21.5
RM Cost (% of sales)	74.6	73.1	72.7	73.3	72.8	70.6	70.9	71.4	73.4	71.4	70.9
Staff Cost (% of sales)	4.4	3.8	4.1	3.5	4.5	3.5	4.0	3.6	3.9	3.9	3.7
Other Cost (% of sales)	13.8	13.9	13.4	12.8	13.5	12.9	13.3	12.8	13.3	13.1	12.6
EBITDA	19.1	27.7	28.3	33.5	29.8	47.8	39.1	46.9	110	164	50
EBITDA Margins (%)	7.2	9.3	9.8	10.5	9.2	12.9	11.7	12.3	9.4	11.6	12.8
Depreciation	6.5	7.2	7.1	7.4	7.5	7.9	7.5	7.3	28.2	30.2	8
EBIT	12.6	20.5	21.2	26.1	22.4	39.9	31.6	39.6	82	134	42
EBIT Margins (%)	4.8	6.8	7.3	8.1	6.9	10.8	9.5	10.3	7.0	9.5	10.9
Interest	0.3	0.3	0.3	1.0	0.5	0.4	0.4	0.8	1.9	1.9	0.4
Non-Operating Income	0.9	6.1	8.6	7.4	10.0	8.4	9.3	11.2	21.6	38.5	9.4
PBT	13.2	26.3	29.5	32.5	31.9	48.0	40.5	50.0	101.6	170.4	51.3
Effective Tax Rate (%)	23.4	21.6	20.4	19.4	22.1	22.6	22.8	22.4	20.8	22.5	22.5
Adjusted PAT	10.1	20.6	23.5	26.2	24.9	37.2	31.3	38.8	80.5	132.1	39.7
Change (%)	129.8	333.7	132.5	42.7	145.4	80.3	33.1	47.8	113.7	64.1	51.4

Key Performance Indicators

Y/E March	FY23				FY24				FY23	FY24
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Dom. PV Market Sh (%)	42.6	43.5	42.4	43.1	42.8	44.1	41.6	43.7	42.9	43.1
Volumes ('000 units)	467.9	517.4	465.9	514.9	498.0	552.1	501.2	584.0	1,966.2	2,135.3
Change (%)	32.3	36.3	8.2	5.4	6.4	6.7	7.6	13.4	19.0	8.6
Discounts (INR '000/unit)	12.8	13.8	18.3	13.3	16.2	17.7	23.3	14.5	14.9	19.8
% of Net Realn	2.3	2.4	2.9	2.1	2.5	2.6	3.5	2.2	2.5	3.0
ASPs (INR '000/unit)	566.3	578.5	623.4	622.4	649.1	671.3	664.6	654.7	597.7	660.0
Change (%)	12.7	6.9	15.5	13.7	14.6	16.1	6.6	5.2	11.9	10.4
Gross Profit (INR/unit)	143.8	155.6	170.4	166.2	176.6	197.3	193.4	187.4	159.1	188.9
EBITDA (INR '000/unit)	40.9	53.5	60.8	65.1	59.9	86.7	78.0	80.2	56.0	76.8
EBIT (INR '000/unit)	26.9	39.6	45.6	50.7	44.9	72.3	63.0	67.7	41.6	62.7



SBI Life Insurance

CMP: INR1,415 TP: INR1,700 (+20%) BUY

Estimate change	↑
TP change	↔
Rating change	↔

VNB in line; margin improves QoQ

Focusing on protection and non-par to improve margins in FY25

Bloomberg	SBILIFE IN
Equity Shares (m)	1000
M.Cap.(INRb)/(USDb)	1417.3 / 17
52-Week Range (INR)	1572 / 1104
1, 6, 12 Rel. Per (%)	-7/-10/1
12M Avg Val (INR M)	1627

- SBILIFE reported decent performance in 4QFY24. APE grew 17% YoY (in line), while VNB rose 5% YoY as margins improved 90bp QoQ to 28.3%. PAT grew 4.4% YoY to INR8.1b (12% beat vs. our estimate of INR7.2b).
- In terms of NBP, group savings/ULIPs /annuity products witnessed a healthy YoY growth of 275%/30%/75%, while par and non-par savings declined 40% and 23% YoY, respectively, in 4QFY24.
- For FY24, APE stood at INR197.2b and VNB at INR 55.5b. VNB margin for FY24 came in at 28.1% (30.1% for FY23).
- We expect SBILIFE to deliver an 18% CAGR in APE over FY24-26, enabling a 22% VNB CAGR. RoEV is expected to stay at around ~20%. We reiterate our BUY rating on the stock with a TP of INR1,700 (2.0x Mar'26E EV).

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Net Premiums	805.9	949.9	1,121.2
Surplus / Deficit	28.0	36.8	41.5
Sh. PAT	18.9	19.9	21.2
NBP gr- unwt'd (%)	29.2	18.0	18.0
NBP gr- APE (%)	22.3	21.0	18.0
Premium gr (%)	22.8	16.0	18.0
VNB margin (%)	28.1	28.4	28.9
RoEV (%)	26.5	22.7	21.3
Total AUMs (INRt)	3.9	4.6	5.4
VNB	55.5	69.9	83.8
EV per share	583	715	867

Valuations

P/EV (x)	2.4	2.0	1.6
P/EVOP (x)	14.1	11.7	9.6

*VNB, VNB margins based on ETR

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	55.4	55.4	55.5
DII	15.4	14.6	15.1
FII	25.2	25.9	25.1
Others	4.0	4.0	4.3

FII Includes depository receipts

ULIP share in APE increases to 58.7% in 4QFY24

- SBILIFE reported 26% YoY growth in gross premium to INR252b (6% above our estimates), led by 93% growth in single premium. Shareholders' PAT grew 4.4% YoY to INR8.1b (vs. our estimate of INR 7.2b).
- Total APE grew 17% YoY (in line), in which group savings and group protection grew 233% and 16%, respectively. Total protection business grew 5.5% YoY, led by group protection. On a YoY basis, the ULIP segment grew 32% YoY, whereas the par segment declined 43% YoY.
- For 4QFY24, absolute VNB grew 5% YoY to INR15.1b (in line), while VNB margins improved 90bp QoQ to 28.3% (vs. estimate of 28%).
- For FY24, the share of ULIPs in APE increased to 60.5% vs. 55.3% in FY23. The share of protection business was flat YoY at 10.6%. In FY24, the increase in share of group protection was offset by a decline in individual protection segment.
- On the distribution front, the share of the banca and agency channels in total APE was 61.8% and 25.2%, respectively, in FY24.
- On a YoY basis, persistency improved across all cohorts in FY24, except for 37th month, which declined 310bp YoY to 71.3%.

Highlights from the management commentary

- In the SBI channel, the penetration stood at 2% of the overall SBI customers and 3.5-4% of insurable customers (more than INR10k balance), which leaves significant scope for penetration.
- Other channels, which include corporate agents, brokers, online, and web aggregators, saw a healthy 49% growth in individual NBP and 17% in APE.
- Protection continues to be a focus area and SBILIFE is looking to launch new products in the segment in addition to ROP products launched recently.
- Group savings are lumpy businesses and the company would principally maintain the share at 18-20% of NBP.

Valuation and view

SBILIFE reported decent performance during the quarter, with APE and VNB in line with estimates margins (VNB margins improved 90bp QoQ to 28.3%). SBI channel productivity has been improving and the company is working on improving its efficiency in the agency channel. SBILIFE maintains its cost leadership. We expect SBILIFE to deliver an 18% CAGR in APE over FY24-26, enabling a 22% VNB CAGR. RoEV is expected to stay at around ~20%. We reiterate our BUY rating on the stock with a TP of INR1,700 (2.0x Mar'26E EV).

Quarterly performance

Policy holder's A/c (INRb)	FY23				FY24				FY24E	V/s est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	4QE	
First year premium	25.7	34.8	50.6	40.9	26.4	46.3	56.8	45.3	48.1	(5.8)
Growth (%)	83%	-4%	24%	6%	3%	33%	12%	11%	18%	
Renewal premium	57.6	91.2	109.1	119.4	73.5	101.2	127.2	130.0	142.7	(8.9)
Growth (%)	14%	17%	13%	10%	28%	11%	17%	9%	20%	
Single premium	30.2	40.2	33.7	39.9	35.7	54.2	40.6	77.1	47.0	64.0
Growth (%)	56%	20%	-24%	42%	18%	35%	21%	93%	18%	
Gross premium income	113.5	166.2	193.3	200.1	135.6	201.8	224.6	252.4	237.7	6.2
Growth (%)	35%	13%	6%	14%	19%	21%	16%	26%	19%	
PAT	2.6	3.8	3.0	7.8	3.8	3.8	3.2	8.1	7.2	12.1
Growth (%)	18%	53%	-16%	16%	45%	1%	6%	4%		
Key metrics (INRb)										
New Business APE	29.0	39.3	54.3	45.5	30.3	51.8	61.3	53.3	52.8	1.0
Growth (%)	79.0	-1.0	18.8	10.2	4.5	31.7	12.9	17.1	16.0	
VNB	8.8	12.4	15.1	14.4	8.7	14.9	16.8	15.1	14.8	2.1
Growth (%)	131.6	24.0	31.3	23.1	-1.1	20.2	11.3	4.9	2.7	
AUM	2,624	2,826	3,000	3,073	3,283	3,452	3,714	3,889	3,641	6.8
Growth (%)	13.3	15.7	16.8	14.9	25.1	22.1	23.8	26.5	18.5	
Key Ratios (%)										
VNB margins (%)	30.4	31.6	27.8	31.6	28.7	28.5	27.4	28.3	28.0	29
Solvency ratio (%)	221.0	219.0	225.0	215.0	215.0	212.0	209.0	196.0	187.5	853



Shriram Finance

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR2,499 TP: INR2,950 (+18%) Buy

Execution getting better; earnings in line

NIM stable QoQ; asset quality improved with higher PCR on standard loans

Bloomberg	SHFL IN
Equity Shares (m)	375
M.Cap.(INRb)/(USDb)	939 / 11.3
52-Week Range (INR)	2606 / 1306
1, 6, 12 Rel. Per (%)	3/20/52
12M Avg Val (INR M)	2965

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Total Income	202	237	285
PPOP	142	169	209
PAT	71.9	84.4	103.7
EPS (INR)	191	225	276
EPS Gr. (%)	20	17	23
Standalone BV (INR)	1,292	1,472	1,693

Valuations

NIM on AUM (%)	9.2	9.1	9.3
C/I ratio (%)	29.7	28.7	26.7
RoAA (%)	3.3	3.3	3.3
RoE (%)	15.7	16.2	17.4
Div. Payout (%)	23.5	22.3	21.8

Valuations

P/E (x)	13.1	11.1	9.1
P/BV (x)	1.9	1.7	1.5
Div. Yield (%)	1.8	2.0	2.4

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	25.4	25.4	25.5
DII	15.7	15.8	11.8
FII	53.9	54.0	49.8
Others	5.0	4.8	13.0

FII Includes depository receipts

- Shriram Finance's (SHFL) 4QFY24 PAT grew ~49% YoY to ~INR19.5b (in line) and PPOP grew 27% YoY to ~INR39.1b (in line). FY24 PAT grew ~20% YoY to ~INR71.9b. YoY numbers may not be comparable because of a few one-off items in 4QFY23.
- 4Q NII grew 22% YoY to INR50.9b (in line). Reported NIM rose ~3bp QoQ to ~9%, aided by improvement in product mix and only a ~5bp QoQ increase in CoB. Credit costs at INR12.6b (in line) translated into annualized credit costs of ~2.3% (3QFY24: 2.4% and 4QFY23: 2.6%).
- The management shared that it does not expect a further rise in CoB and that higher-yielding products such as PL, 2W, and Gold will continue to grow faster than the CV segment. We model NIMs (on AUM) of 9.1%/9.3% for FY25E/FY26E.
- More cross-selling opportunities for non-vehicle products from improved distribution should translate into a CAGR of ~18%/~20% in AUM/PAT over FY24-26E. This will result in RoA/RoE of ~3.3%/~17.4% in FY26E.
- As a merged entity, SHFL is well positioned to capitalize on the diversified AUM mix, improved access to liabilities, and enhanced cross-selling opportunities. The potential monetization of its stake in Shriram Housing can further unlock optionality value, improve its capital adequacy, and help it engage constructively with credit rating agencies. **Reiterate BUY with a TP of INR2,950 (premised on 1.7x FY26E BVPS).**

AUM up 21% YoY; NON-CV products continue to grow faster than CV

- In 4Q, disbursements grew ~27% YoY to ~INR393b and AUM rose ~21% YoY to INR2.25t. AUM growth of ~5% QoQ was driven by healthy growth across non-CV segments, like MSME (+14% QoQ), farm equipment (+11% QoQ), gold (up 7% QoQ), and PV (+4% QoQ). PL declined ~6% QoQ primarily because the company calibrated its growth in this segment.
- As and when non-CV products, such as MSME and gold, are gradually introduced to more branches, we anticipate the momentum to remain intact in disbursement and AUM. We model an AUM CAGR of ~18% over FY24-26E.

Asset quality improves with higher PCR on standard loans

- GS3 declined ~20bp QoQ to ~5.5%, while NS3 was stable QoQ at 2.7%. PCR on Stage 3 declined ~160bp QoQ to ~52%.
- SHFL has also increased the PCR on S1 loans by ~15bp QoQ and on S2 loans by ~30bp QoQ. Write-offs (calc.) stood at INR6.8b (4QFY23: INR6.3b), which translates into ~1.5% of TTM AUM (4QFY23: 1.6%).
- The management continued to guide for credit costs of ~2.0%, while our credit cost estimates are marginally higher at ~2.5% for FY25/FY26E.

Highlights from the management commentary

- The management continued to guide for CV AUM growth of ~12% and other products to grow >20% to deliver total AUM growth of ~15%
- The company shared that it does not expect any significant increase in its CoB from hereon and was confident of maintaining its NIM at ~9%
- The company does not expect any residual one-offs or moving pieces on the accounting side from the merger.

Valuation and View

- SHFL reported an operationally healthy quarter with healthy AUM growth and broadly stable NIM. It is yet to fully utilize its distribution network for products like MSME and gold loans. As it does this over the next one year, AUM growth in MSME, PL and gold loans will remain stronger than that in other segments.
- With an expanded geographical presence and a larger workforce, SHFL can leverage cross-selling opportunities to reach new customers and introduce new products, leading to improved operating metrics and a solid foundation for sustainable growth. The current valuation of 1.5x FY26E BVPS is attractive for a 20% PAT CAGR over FY24-26E and RoA/RoE of ~3.3%/17.4% in FY26E. **Reiterate BUY with a TP of INR2,950 (based on 1.7x FY26E BVPS).**

Quarterly Performance

	(INR M)											
Y/E March	FY23				FY24E				FY23	FY24	4QFY24E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	67,796	70,024	73,099	74,232	76,880	82,166	86,179	90,773	2,86,074	3,35,997	90,573	0
Interest Expenses	29,516	32,249	31,178	32,422	34,875	36,219	37,069	39,898	1,25,458	1,48,061	40,099	0
Net Interest Income	38,280	37,775	41,921	41,810	42,004	45,947	49,110	50,874	1,60,616	1,87,935	50,474	1
YoY Growth (%)	33.8	24.2	30.8	19.9	20.0	21.6	17.1	21.7	27.5	17.0	20.7	
Other Income	2,237	4,162	3,022	3,460	3,167	3,479	3,094	4,206	11,955	13,980	3,381	24
Total Income	40,517	41,937	44,944	45,270	45,171	49,426	52,204	55,080	1,72,571	2,01,915	53,855	2
YoY Growth (%)	31.8	29.6	28.9	21.1	22.0	17.9	16.2	21.7	27.5	17.0	19.0	
Operating Expenses	10,841	11,999	11,928	14,459	13,908	14,618	15,311	16,024	49,131	59,895	15,866	1
Operating Profit	29,676	29,938	33,016	30,810	31,262	34,808	36,893	39,056	1,23,441	1,42,020	37,989	3
YoY Growth (%)	32.3	30.4	31.4	13.9	17.3	16.3	11.7	26.8	26.5	15.1	23.3	
Provisions & Loan Losses	11,597	8,976	9,173	11,846	8,786	11,286	12,497	12,615	41,592	45,183	12,268	3
Profit before Tax	18,079	20,962	23,844	18,964	22,476	23,523	24,396	26,441	81,849	96,836	25,721	3
Tax Provisions	4,690	5,411	6,074	5,881	5,722	6,014	6,213	6,983	22,056	24,932	6,561	6
Net Profit	13,390	15,551	17,770	13,083	16,754	17,508	18,183	19,459	59,793	71,905	19,161	2
YoY Growth (%)	254.3	47.6	82.6	-5.8	30.8	12.6	2.3	48.7	57.7	20.3	46.5	
Key Parameters (Calc., %)												
Yield on loans	16.9	16.9	16.9	16.4	16.2	16.6	16.5	16.5				
Cost of funds	7.9	8.3	8.0	8.3	8.7	8.9	8.7	8.8				
Spread	9.0	8.5	8.9	8.0	7.5	7.8	7.9	7.8				
NIM	9.5	9.1	9.7	9.2	8.9	9.3	9.4	9.3				
C/I ratio	26.8	28.6	26.5	31.9	30.8	29.6	29.3	29.1				
Credit cost	2.9	2.2	2.1	2.6	1.9	2.3	2.4	2.3				
Tax rate	25.9	25.8	25.5	31.0	25.5	25.6	25.5	26.4				
Balance Sheet Parameters												
Disbursements (INR b)	246	258	292	311	305	346	378	393				
Growth (%)	42.3	21.1	26.5	26.7	23.8	34.2	29.2	26.6				
AUM (INR b)	1,630	1,694	1,775	1,857	1,932	2,026	2,142	2,249				
Growth (%)	9.4	11.4	13.2	17.7	18.6	19.7	20.7	21.1				
Borrowings (INR b)	1,521	1,582	1,533	1,579	1,619	1,653	1,775	1,858				
Growth (%)	15.7	17.1	7.7	8.8	6.4	4.5	15.7	17.7				
Asset Quality Parameters												
GS 3 (INR B)	101.3	105.8	110.6	113.8	115.1	115.6	119.5	120.8				
GS 3 (%)	6.3	6.3	6.3	6.2	6.0	5.8	5.7	5.5				
NS 3 (INR B)	52.1	53.9	54.5	56.7	54.6	54.2	55.7	58.2				
NS 3 (%)	3.4	3.4	3.3	3.3	3.1	2.9	2.8	2.8				
PCR (%)	48.6	49.1	50.7	50.1	52.5	53.1	53.4	51.8				

E: MOFSL estimates



Apollo Hospitals

BSE SENSEX 73,730 S&P CNX 22,420

CMP: INR6259 TP: INR7,280 (+16%) Buy



Bloomberg	APHS IN
Equity Shares (m)	139
M.Cap.(INRb)/(USDb)	899.9 / 10.8
52-Week Range (INR)	6874 / 4365
1, 6, 12 Rel. Per (%)	-3/13/16
12M Avg Val (INR M)	2552
Free float (%)	70.7

Financials Snapshot (INR b)

Y/E MARCH	FY24E	FY25E	FY26E
Sales	189.9	215.7	252.1
EBITDA	23.7	28.0	36.3
Adj. PAT	8.9	13.9	19.6
EBIT Margin (%)	12.5	13.0	14.4
Cons. Adj. EPS (INR)	62.2	96.4	136.1
EPS Gr. (%)	29.2	55.0	41.1
BV/Sh. (INR)	503.8	597.4	732.0

Ratios

Net D:E	0.1	-0.1	-0.3
RoE (%)	13.5	18.1	21.2
RoCE (%)	13.4	17.3	20.4
Payout (%)	9.4	6.1	4.3

Valuations

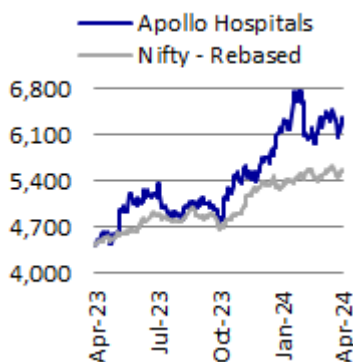
P/E (x)	103.4	66.7	47.3
EV/EBITDA (x)	39.6	33.0	24.9
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	1.0	2.1	2.6
EV/Sales (x)	4.9	4.3	3.6

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	29.3	29.3	29.3
DII	19.8	19.1	18.0
FII	45.6	46.3	47.0
Others	5.3	5.3	5.7

FII Includes depository receipts

Stock Performance (1-year)



Part-stake sale at 'Healthco' infuses growth capital

Deal integrates Keimed (distribution) business with AHL

- Apollo Hospitals Enterprises (AHEL) has proposed to infuse equity capital (INR24.8b) from Advent international at Apollo healthco level (AHL) and integrate Keimed private ltd (distribution arm of Apollo group) with AHL.
- The deal values AHL at INR145b (USD1.8b) at an expected valuation of EV/sales of 1.9x. Keimed is valued at INR80b (23x FY24E EBITDA of INR3.5b).
- The deal establishes a strong pharmacy franchise that spans the entire value chain from distribution to direct and online customer engagement. This expansion not only increases scale but also boosts efficiency throughout the value chain, leading to enhanced profitability.
- AHEL has been expanding across the healthcare services comprising hospitals and both offline and online pharmacy businesses. Overall, we expect 48% earnings CAGR over FY24-26. We value AHEL on an SOTP basis (26x EV/EBITDA for hospitals, 12x EV/EBITDA for retained pharmacy, 20x EV/EBITDA for front-end pharmacy, 25x EV/EBITDA for AHL and 2x EV/sales for Apollo 24/7) to arrive at a PT of INR7,280. Maintain BUY.

Transaction details

- AHL proposes to raise equity capital of INR24.8b (USD300m) from Advent International for a stake of 16.9% in two tranches.
- In the first tranche, 70% of the 16.9% stake will be acquired for INR17b. In the second tranche, Advent plans to invest around INR7.4b to acquire the remaining 30% of the 16.9% stake in the next 12M.
- The funds will be utilized for a) Growth capital in AHL: INR8.6b, b) retirement of INR8.9b of the INR12.9b slump sale consideration owed to AHEL and c) Acquisition of 11.2% stake in Keimed for INR7.3b.
- As a part of the transaction, Keimed would be merged in AHL with the swap ratio capped at 0.81 shares of AHL for every 1 share of Keimed.
- Post completion of transaction, the AHL would have 59% holding by AHEL, 12% holding by Advent, and the remaining by Keimed shareholders.
- AHL (pre-merger of Keimed) is valued at INR145b (USD1.8b). Effectively, valuing AHL at EV/sales of 1.9x. Keimed is valued at INR80b, effectively at the valuation of 23x FY24E EBITDA of INR3.5b.
- The combined entities value would be INR225b (USD2.7b).
- Proforma 12M ending Dec'23 sales of combined entity are INR136b. Effectively, valuing the combined entity at EV/Sales of 1.7x.
- Proforma 12M ending Dec'23 EBITDA (pre-24/7 operating cost) would be INR9.5b (7%). After 24/7 operating cost, 12M ending Dec'23 EBITDA would be INR2b (1.5%). The transaction is expected to be completed in 24-30M.

Integration of AHL and Keimed to drive synergies over medium term

- This transaction would enable AHL to establish an integrated pharmacy distribution business, complemented by a fast-growing omnichannel digital health segment.
- Following integration with Keimed, growth would be driven by a) faster expansion into Tier 2/3 markets by leveraging on existing infrastructure b) broadened channels for AHL's private label promotion, and c) an end-to-end supply chain capabilities with a wide array of product selections.
- Further, the merged entity targets to a) achieve EBITDA breakeven for the digital business in 6-8 quarters, b) higher margin realization through supply chain efficiencies and c) accelerated growth in private label business, which would drive margin expansion.
- Additionally, Keimed's vast network and a library of historical data, combined with AHL's digital capabilities, will contribute to a robust digital analytics engine, enhancing the reliability of data analytics.

Highlights from management commentary

- Management intends to scale up the combined business (Healthco and Keimed) to INR250b over the next three years from its current annual sales of INR136b.
- From the current 1.5% EBITDA margin at the merged entity level, management intends to expand margins to 7-8% on the back of:
 - On-going margin strengthening in off-line pharmacies
 - Enhancing GMV and improving efficiencies at Apollo 24/7 (digital business) to achieve EBITDA break-even in 6-8 quarters
 - Apollo private label push through Keimed as well
 - Scaling volumes at Keimed
- Ms. Shobana would continue to drive the business post merger of AHL and Keimed.
- Out of the capital infused by Advent, INR8.6b would be used for the expansion of stores, working capital and repayment of debts at Apollo Healthco.
- About 55% of Apollo hospitals Enterprise (AHEL) required is currently met by Keimed. Keimed caters to almost 64K pharmacies, including 6K pharmacies of the Apollo group.
- Keimed has witnessed doubling of sales over FY19-23 at stable operating margins.
- Keimed has almost 45K SKUs and holds a 15% market share in the regions where it operates.
- Keimed paid INR6b to buy a 20% stake of Mistui in Keimed.
- Net debt at the Keimed level stands at INR16b.

Valuation and view

AHEL has been expanding across the healthcare services, comprising hospitals and both offline/online pharmacy businesses. Overall, we expect 48% earnings CAGR over FY24-26. We value AHEL on an SOTP basis (26x EV/EBITDA for hospitals, 12x EV/EBITDA for retained pharmacy, 20x EV/EBITDA for front-end pharmacy, 25x EV/EBITDA for AHLL, and 2x EV/sales for Apollo 24/7) to arrive at a PT of INR7,280. Maintain BUY.



SBI Cards

Estimate change	↓
TP change	↔
Rating change	↔

CMP: INR750 TP: INR850 (+13%) Neutral

Low opex aids earnings; credit cost stays high

NIM contracts sharply by 39bp QoQ

- SBI Cards (SBICARD) reported a healthy beat on PAT in 4QFY24 amid lower opex (20% lower than our estimate). PAT jumped 21% QoQ to INR6.6b, while NII inched up 2% QoQ (in line).
- Margin declined 39bp QoQ to 10.9% on the back of a sharp decline in yields on a quarterly average basis. The share of revolver mix improved to 24% vs. 23% in 3Q, while EMI mix declined to 37% vs. 38% in 3Q. Spending growth decelerated by 18% QoQ, as corporate spending declined 35% YoY after recent RBI guidelines. Retail spending, however, grew 25% YoY.
- Asset quality remained under pressure, with GNPA/NNPA ratios increasing 12bp/2bp QoQ to 2.76%/0.99%. The drop in corporate spending led to a decline in overall opex, and as a result RoA/RoE improved to 4.7%/22.2%.
- We further cut our FY25E/FY26E EPS by 7%/8%, factoring in sharp margin pressure and elevated credit costs. **We maintain Neutral with a TP of INR850 (premised on 20x FY26E EPS).**

Bloomberg	SBICARD IN
Equity Shares (m)	946
M.Cap.(INRb)/(USDb)	713.7 / 8.6
52-Week Range (INR)	933 / 679
1, 6, 12 Rel. Per (%)	6/-22/-29
12M Avg Val (INR M)	1266

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
NII	53.3	66.6	88.2
OP	65.2	81.1	102.9
NP	24.1	30.1	40.0
NIM (%)	11.5	11.5	12.2
EPS (INR)	25.4	31.7	42.1
EPS Gr. (%)	6.2	24.7	33.0
BV/Sh. (INR)	127	156	195
ABV/Sh. (INR)	123	152	190

Ratios

RoE (%)	22.0	22.4	24.0
RoA (%)	4.6	4.6	5.0

Valuations

P/E(X)	29.5	23.7	17.8
P/BV (X)	5.9	4.8	3.8
P/ABV (X)	6.1	4.9	3.9

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	68.6	68.8	69.0
DII	16.7	16.3	17.5
FII	8.6	9.4	8.5
Others	6.1	5.6	5.1

FII Includes depository receipts

Corporate spending declines sharply; C/I ratio moderates ~8.8% QoQ

- SBICARD reported an 18% beat on PAT at INR6.62b (up 21% QoQ), as opex came in 20% lower than our estimates due to seasonality and lower corporate spending. However, it was partly offset by lower other income. Gross credit costs/ECL came in high at 7.6%/3.5% in 4QFY24.
- NII rose 21% YoY/2% QoQ to INR14.1b (in line). Margins declined 39bp QoQ to 10.9%, owing to a sharp decline in yields by 45bp and elevated borrowing costs. The revolver mix improved to 24%, while EMI declined to 37%. CoF is expected to stay elevated in 1Q amid the impact of an increase in RWA, while the nominal increase should be absorbed through transmission to the asset side.
- Fee income declined 13% QoQ and formed 53% of total income. Opex was also down 3% YoY/21% QoQ at INR19.1b (20% lower than our estimate). Thus, PPop rose 28% YoY (8% above our estimate). The C/I ratio declined to 51% vs. 60% in 3Q and 57% in 2Q.
- Cards-in-force rose 13% YoY/2% QoQ to 18.9m. New card sourcing declined 6% QoQ to ~1m (-25% YoY), with the open market channel contributing 56% to total sourcing (58% on an outstanding basis).
- Spending growth moderated to 11% YoY as corporate spending declined 35% YoY amid seasonality and partly due to revised guidelines by the RBI. Retail spending grew strongly by 25% YoY. Receivables grew at a healthy pace of 4% QoQ (+25% YoY).
- GNPA/NNPA ratios increased 12bp/3bp QoQ to 2.76%/0.99%. PCR improved to 64.9% in 4Q.

Highlights from the management commentary

- The cost of fund (CoF) will marginally increase in 1QFY25 but the company feels comfortable to absorb this nominal increase through a slight improvement in asset yields, thus maintaining stable margins.
- Gross credit cost stood at 7.6% in 4Q vs. 7.5% in 3Q. The company expects the average credit cost for FY24-25 to be lower than the current levels but may prevail above 7%.
- NIMs are expected to remain flat depending on how soon the bank will be able to transfer the cost of funds to the asset side.

Valuation and view

SBICARD reported a mixed quarter as lower opex led to an earnings beat but margins and asset quality remained under pressure. Spending growth moderated due to a sharp decline in corporate spending; however, the management expects to recover this in the near term. The mix of revolvers and EMI loans remains sticky. The management indicated that the recent tightening in interest rates, along with the impact of risk weights and asset quality pressure, will keep funding costs elevated at ~7%. The reversal in the rate cycle and improvement in the revolver mix remain the key triggers, though they appear to be a few quarters away from now. We further cut our FY25E/FY26E EPS by 7%/8%, factoring in NIM pressure and high credit costs. **We maintain Neutral with a TP of INR850 (premised on 20x FY26E EPS).**

Quarterly performance

	FY23				FY24				FY24	FY24E	V/s our
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Net Interest Income	10.8	11.2	11.4	11.7	12.3	13.0	13.9	14.1	53.3	14.5	-2.3
% Change (Y-o-Y)	16.7	21.5	14.9	16.7	14.3	16.1	21.2	21.4	21.1	24.3	
Other Income	18.8	19.7	20.5	22.4	22.4	23.2	26.6	23.4	95.6	26.6	-12.3
Total Income	29.5	30.9	31.9	34.1	34.8	36.2	40.5	37.5	148.9	41.1	-8.8
Operating Expenses	16.6	18.3	19.7	19.8	19.6	20.7	24.3	19.2	83.7	24.1	-20.4
Operating Profit	12.9	12.5	12.2	14.3	15.2	15.5	16.2	18.3	65.2	17.0	7.8
% Change (Y-o-Y)	22.5	18.3	6.4	22.0	17.3	23.9	33.1	28.2	25.6	18.9	
Provisions	4.5	5.5	5.3	6.3	7.2	7.4	8.8	9.4	32.9	9.4	0.0
Profit before Tax	8.4	7.1	6.8	8.0	8.0	8.1	7.4	8.9	32.3	7.6	17.5
Tax	2.1	1.8	1.7	2.0	2.0	2.1	1.9	2.3	8.2	1.9	17.5
Net Profit	6.3	5.3	5.1	6.0	5.9	6.0	5.5	6.6	24.1	5.6	17.5
% Change (Y-o-Y)	105.8	52.4	32.1	2.7	-5.4	14.7	7.8	11.0	6.7	-5.5	
Operating Parameters											
Loan (INRb)	320.8	365.0	373.5	393.6	418.1	435.6	471.6	490.8	490.8	501.5	
Loan Growth (%)	39.2	43.7	33.6	30.4	30.3	19.3	26.3	24.7	24.7	27.4	
Asset Quality											
Gross NPA (%)	2.2	2.1	2.2	2.4	2.4	2.4	2.6	2.8	2.8	2.8	
Net NPA (%)	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.0	1.0	1.0	
PCR (%)	65.1	64.0	64.2	63.6	63.8	64.1	64.1	64.9	64.8	64.7	



IDFC First Bank

Estimate change	↓
TP change	↕
Rating change	↔

Bloomberg	IDFCFB IN
Equity Shares (m)	6618
M.Cap.(INRb)/(USDb)	599.5 / 7.2
52-Week Range (INR)	101 / 58
1, 6, 12 Rel. Per (%)	7/-19/18
12M Avg Val (INR M)	3704

Financial and Valuation Summary (INR b)

Y/E March	FY24	FY25E	FY26E
NII	164.5	203.2	242.3
OP	62.4	86.6	113.1
NP	29.6	37.6	50.7
NIM (%)	6.1	6.2	6.0
EPS (INR)	4.3	5.3	7.2
BV/Sh. (INR)	45	51	58
ABV/Sh. (INR)	43	49	56

Ratios

RoE (%)	10.2	11.0	13.2
RoA (%)	1.1	1.1	1.3

Valuations

P/E(X)	19.6	15.9	11.8
P/BV (X)	1.9	1.7	1.5
P/ABV (X)	1.9	1.7	1.5

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	37.4	37.5	40.0
DII	10.5	10.4	11.7
FII	23.7	24.3	19.3
Others	28.4	27.9	29.1

CMP: INR85

TP: INR88 (+4%)

Neutral

Earnings in line; credit costs near normalized levels

Operating leverage to improve from 2HFY25

- IDFC First Bank (IDFCFB) reported broadly in-line PAT of INR7.2b (down10% YoY/up1.2% QoQ) in 4QFY24, amid elevated provisions and higher opex.
- NII grew 24% YoY, led by healthy loan growth, while margins contracted 7bp QoQ to 6.35%. Opex continued to grow at a higher pace of 29.4% YoY to INR44.5b, resulting in an elevated C/I ratio of 72.8% in 4QFY24.
- Gross advances rose 25.1% YoY and 6.1% QoQ, while net advances rose 24.4% YoY and 4.9% QoQ. Deposits surged 39% YoY/10% QoQ, with CASA mix improving to 47.2% (up 40bp QoQ). C/D ratio thus eased to 97% (the first time below the 100% mark).
- **We estimate the bank to deliver ~30% earnings CAGR over FY24-26, with RoA/RoE reaching to 1.3%/13.2% in FY26. Reiterate Neutral with a revised TP of INR88 (premised on 1.6x FY26E ABV).**

Deposit growth robust; NIM contracts 7bp QoQ

- IDFCFB reported flattish 4QFY24 PAT of INR7.2b (up 1.2% QoQ), amid elevated provisions and opex, while revenue growth stood in line. Provisions increased 49.7% YoY to INR7.2b (16% higher than MOFSLe).
- NII grew 24.2% YoY to INR44.7b (in line), backed by healthy loan growth (up 24% YoY), while margins contracted 7bp QoQ to 6.35%. Further, management expects the margins to remain broadly stable, while it plans to achieve an RoA of 1.9-2.0% by FY29.
- Other income grew 17.5% YoY, with steady 36% YoY growth in core fees. Opex grew 29.4% YoY, with C/I ratio remaining elevated at 72.8%. PPOp rose 7% YoY to INR16.6b (in line with our estimates).
- On the business front, gross advances grew 25.1% YoY/6.1% QoQ (while net advances rose 24.4% YoY/4.9% QoQ), led by 30.9%/20.5% YoY growth in retail/business finance. Rural book stood largely flat QoQ (up 24.5% YoY). Within retail, growth was led by housing and LAP (up 14.2% and 20% YoY, respectively), VF (40% YoY) and cards (58% YoY). The share of consumer & rural finance stood at ~71% as of 4QFY24.
- Deposits grew 39% YoY (up 9.9% QoQ), led by healthy growth in CASA deposits. The CASA ratio, thus, improved 40bp QoQ to 47.2% in 4QFY24.
- GNPA ratio contracted 16bp QoQ to 1.88%, while NNPA ratio too contracted to 0.6%. PCR improved to ~69%. The SMA book stood the same as 3QFY24 at 0.85%, while the restructured book declined to 0.31% of funded assets in 4QFY24.

Highlights from the management commentary

- Management expects deposits to grow above 30% going forward.
- The bank anticipates a consistent balance sheet growth of ~20% with profit of INR120b-130b by FY29.
- Management has guided for: 1) 1.9-2.0% RoA and 17-18% RoE; and 2) GNPA/NNPA ratio of ~1.5%/0.4% by FY29.
- The C/I ratio would be flattish for the next two quarters, and is likely to improve steadily from 3QFY25.

Valuation and view: Reiterate Neutral with a TP of INR88

IDFCFB delivered a mixed quarter, with earnings being largely in line, but provisioning and opex were elevated. NIM contracted 7bp QoQ; however, the outlook remains broadly stable. On the business front, deposit traction continues to remain robust, while CASA mix improved sequentially and advances growth too remained healthy. We believe that the C/I ratio may remain elevated in the near term, mainly due to the need to mobilize deposits at a healthy run rate and continued investments in business, technology and branches. However, improvement in operating leverage mainly from 2HFY25 onwards coupled with steady loan growth, limited deposit re-pricing, and further replacement of high-cost borrowings in FY25 will support IDFCFB's underlying profitability. We estimate the bank to deliver ~30% earnings CAGR over FY24-26, with RoA/RoE reaching to 1.3%/13.2% in FY26. **Reiterate Neutral with a revised TP of INR88 (premised on 1.6x FY26E ABV).**

Quarterly performance (INR b)

	FY23				FY24E				FY23	FY24	FY24E	V/s
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Est
Net Interest Income	27.5	30.0	32.9	36.0	37.5	39.5	42.9	44.7	126.4	164.5	44.9	0%
% Change (YoY)	25.9	32.1	27.3	34.7	36.1	31.6	30.5	24.2	30.2	30.2	24.8	
Other Income	8.6	10.6	11.5	14.0	14.1	14.3	15.2	16.4	44.7	60.0	16.3	1%
Total Income	36.1	40.6	44.4	49.9	51.6	53.8	58.0	61.1	171.0	224.5	61.1	0%
Operating Expenses	26.6	28.9	31.8	34.4	36.6	38.7	42.4	44.5	121.7	162.2	44.6	0%
Operating Profit	9.4	11.7	12.6	15.6	15.0	15.1	15.6	16.6	49.3	62.4	16.5	1%
% Change (YoY)	-5.1	68.7	63.8	88.6	59.0	29.2	23.9	6.8	50.2	26.5	6.1	
Provisions	3.1	4.2	4.5	4.8	4.8	5.3	6.5	7.2	16.6	23.8	6.2	16%
Profit before Tax	6.4	7.4	8.1	10.8	10.2	9.8	9.1	9.4	32.7	38.6	10.3	-9%
Tax	1.6	1.9	2.1	2.7	2.6	2.3	1.9	2.2	8.3	9.0	2.8	-23%
Net Profit	4.7	5.6	6.0	8.0	7.7	7.5	7.2	7.2	24.4	29.6	7.5	-3%
% Change (YoY)	NM	266.1	115.1	134.2	61.3	35.2	18.4	-9.8	NM	21.3	-6.5	
Operating Parameters												
Deposit (INR b)	1,133	1,234	1,330	1,446	1,544	1,712	1,825	2,006	1,446	2,006	1,921	4%
Deposit Growth (%)	24.1	36.8	43.4	36.9	36.2	38.7	37.2	38.7	36.9	38.7	32.8	588
Loan (INR b)	1,326	1,402	1,457	1,564	1,674	1,781	1,855	1,946	1,518	1,946	1,925	1%
Loan Growth (%)	22.0	37.1	25.2	26.0	26.3	27.0	27.3	24.4	28.8	28.2	23.1	135
Asset Quality												
Gross NPA (%)	3.4	3.2	3.0	2.5	2.2	2.1	2.0	1.9	2.6	1.9	2.0	
Net NPA (%)	1.3	1.1	1.0	0.9	0.7	0.7	0.7	0.6	0.9	0.6	0.6	
PCR (%)	62.0	66.3	66.0	66.4	68.1	68.2	66.9	68.8	66.4	68.8	68.5	

Source: MOFSL, Company



RBL Bank

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR265 TP: INR280 (+6%) Neutral

Low opex and steady other income drive earnings

Business growth remains healthy

- RBL Bank (RBK) reported a 4QFY24 PAT of INR3.53b (5% beat, 30% YoY growth) due to healthy other income (7% beat) and controlled opex, aided by the reversal of employee provisions.
- NII grew 18% YoY to INR16b (in line), while NIM moderated 7bp QoQ to 5.45%. Other income jumped 30% YoY to INR8.76b during the quarter.
- Advances growth was healthy at 19.6% YoY/5.1% QoQ, led by strong growth in the retail segment. Deposit growth was steady at 21.9% YoY/11.6% QoQ.
- Fresh slippages were at INR6.8b. The GNPA/NNPA ratio improved 47bp/6bp QoQ to 2.65%/0.74% aided by write-offs, while PCR declined 235bp QoQ to 72.7%.
- We broadly retain our earnings estimates and FY26E RoA/RoE at 1.2%/12.7%. **Reiterate Neutral with a TP of INR280 (based on 1.0x FY26E ABV).**

Revenue growth steady; NIM moderates 7bp QoQ

- RBK reported a PAT of INR3.53b (up 30% YoY, 5% beat) led by robust fee and distribution income. NIM moderated 7bp QoQ to 5.45% in 4QFY24.
- Other income grew 30% YoY to INR8.76b (7% beat), led by a 25.9% YoY increase in fee income. Treasury gains stood at INR438m (vs. INR467m in 3QFY24). Opex rose 10.5% YoY (up 1.9% QoQ). C/I ratio, thus moderated 290bps QoQ to 64.2%. PPop grew ~49.4% YoY to INR8.87b (9% beat).
- Advances grew 19.6% YoY (up 5.1% QoQ) to INR839.9b, driven by ~30.1% YoY growth in retail loans vs. 7.4% YoY growth in wholesale books. Rural vehicle finance grew 11.2% QoQ, while MFI rose 10% QoQ. Personal loan/credit card book grew 9.6%/6.7% QoQ, with the mix of cards standing at 20.3% of loans.
- Deposits grew 21.9% YoY, led by 15% YoY growth in CASA deposits (up 16.3% QoQ). CASA mix, thus, improved 143bp QoQ to 35.2%.
- Fresh slippages stood at INR6.8b. The GNPA/NNPA ratio improved 47bp/6bp QoQ to 2.65%/0.74%, while PCR declined 235bp QoQ to 72.7% in 4QFY24. Restructured book moderated to 0.5% of loans vs. 0.6% in 3QFY24.

Highlights from the management commentary

- Opex grew 10% YoY and the growth rate is expected to remain within the range of 10-15%, remaining below the growth rate of advances.
- Slippages stood at INR6.8b, with credit cards at INR3.78b, MFI at INR1.62b, wholesale at INR0.7b, and other retail at INR0.69b. Net slippages decreased to INR4.41b from INR4.66b in 3Q.
- Yields for various segments: Credit cards at 20-21%, comprising a mix of transactor and revolver; MFI at 24-25%; HL/LAP at 9%; and wholesale at 9%.
- Deposits below INR20m witnessed rapid growth within the overall deposit base. Efforts will be made to operate within the 120-130% LCR range.

Bloomberg	RBK IN
Equity Shares (m)	600
M.Cap.(INRb)/(USDb)	160.7 / 1.9
52-Week Range (INR)	301 / 139
1, 6, 12 Rel. Per (%)	9/4/47
12M Avg Val (INR M)	2728

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	60.4	70.5	83.1
OP	30.3	37.8	48.2
NP	11.7	15.2	20.5
NIM (%)	5.1	5.1	5.1
EPS (INR)	19.3	25.2	33.9
EPS Gr. (%)	31.1	30.5	34.8
BV/Sh. (INR)	245	257	279
ABV/Sh. (INR)	237	249	270

Ratios

RoE (%)	8.2	10.0	12.7
RoA (%)	0.9	1.0	1.2

Valuations

P/E(X)	13.8	10.6	7.8
P/BV (X)	1.1	1.0	1.0
P/ABV (X)	1.1	1.1	1.0

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	0.0	0.0	0.0
DII	20.6	19.8	22.6
FII	25.1	28.3	22.3
Others	54.3	52.0	55.1

- The bank anticipates a credit cost range of 2%, with RoA levers focused on margins, operational efficiency, and cost reduction.
- The RoA profile is expected to remain consistent with the addition of these new partnerships, which will also broaden access to opportunities in new geographical areas.

Valuation and view

RBK reported steady performance with earnings beat led by higher other income. The business is seeing healthy growth and the management anticipates the momentum to sustain driven by retail loans. Deposit growth was healthy with CASA mix improving. CD ratio has moderated to ~81% and bank anticipates its medium term CD ratio to be within the range of 83-87% even as deposits are also expected to grow at a healthy pace. Asset quality has seen an improvement with a decline in restructured book. The management remains confident of steadily improving the RoA trajectory on the back of improving fee intensity and continued moderation in operating costs. We broadly maintain our earnings estimates and estimate FY26 RoA/RoE of 1.2%/12.7%. **Reiterate Neutral with a revised TP of INR280 (vs. INR270 earlier) premised on 1.0x FY26E ABV.**

Quarterly Performance

(INR m)

	FY23				FY24E				FY23	FY24	FY24E	V/s our
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Est
Net Interest Income	11,890	11,743	12,770	13,570	14,222	14,750	15,459	15,999	49,973	60,429	16,140	-1%
% Change (Y-o-Y)	22.6	28.3	26.4	19.9	19.6	25.6	21.1	17.9	24.1	20.9	18.9	
Other Income	6,136	5,833	6,184	6,741	6,854	7,044	7,776	8,755	24,894	30,429	8,199	7%
Total Income	18,026	17,576	18,954	20,311	21,076	21,794	23,234	24,753	74,867	90,858	24,339	2%
Operating Expenses	12,735	12,453	13,282	14,373	14,601	14,484	15,582	15,883	52,843	60,550	16,182	-2%
Operating Profit	5,291	5,124	5,672	5,938	6,475	7,310	7,652	8,870	22,025	30,308	8,157	9%
% Change (Y-o-Y)	-30.9	-25.9	-10.1	-9.7	22.4	42.7	34.9	49.4	-19.8	37.6	37.4	
Provisions	2,530	2,415	2,927	2,347	2,662	6,404	4,581	4,138	10,219	17,785	3,725	11%
Profit before Tax	2,761	2,709	2,745	3,591	3,813	906	3,071	4,732	11,805	12,523	4,432	7%
Tax	750	693	655	880	932	-2,035	740	1,206	2,978	844	1,078	12%
Net Profit	2,012	2,016	2,090	2,711	2,881	2,941	2,331	3,526	8,827	11,679	3,354	5%
% Change (Y-o-Y)	NM	NM	33.9	37.0	43.2	45.9	11.5	30.1	NM	32.3	23.7	
Operating Parameters												
Deposit (INR b)	792.2	794.0	817.5	848.9	856.4	897.8	927.5	1,034.9	848.9	1,034.9	1,035.0	
Loan (INR b)	602.7	629.4	666.8	702.1	730.9	763.2	799.5	839.9	702.1	839.9	839.5	
Deposit Growth (%)	6.4	5.0	11.0	7.4	8.1	13.1	13.5	21.9	7.4	21.9	21.9	
Loan Growth (%)	6.6	12.4	14.7	17.0	21.3	21.3	19.9	19.6	17.0	19.6	19.6	
Asset Quality												
Gross NPA (%)	4.1	3.8	3.6	3.4	3.2	3.1	3.1	2.7	3.4	2.7	3.0	
Net NPA (%)	1.2	1.3	1.2	1.1	1.0	0.8	0.8	0.7	1.1	0.7	0.8	
PCR (%)	72.5	67.8	68.0	68.1	69.6	75.6	75.1	72.7	68.1	72.7	73.6	

E: MOFSL Estimates



Automobiles

Retail demand remains steady in 2Ws and PVs...

...tractor retails for Navratras below expectations

- When assessing retail demand momentum in Apr2024, it's important to consider the favorable baseline of last year compared to this year. In Mar'23, pent-up demand was evident due to the transition to OBD-2 norms (which had its adverse impact in Apr2023). Additionally, the occurrence of Chaitra Navratras in Apr'24 influenced consumer behavior. Accordingly, while demand has been steady for both 2Ws and PVs as per our interactions with channel partners, the occurrence of a low base and a festive month seem to be driving healthy YoY growth in retail sales for April. On the other hand, there was weakness in demand across regions, which had elections in Apr'24. 2W retail growth is expected to be ~20% YoY. PV retail growth is expected to be 10-15% YoY, driven by stable demand in UVs and CNG variants. MHCVs are expected to decline ~3% YoY and LCVs are expected to remain flat YoY. Tractors are expected to witness a retail decline of 5-7% YoY with commercial tractor retail demand declining 20-25% YoY. For Apr'24, we estimate dispatches for 2Ws/PVs/3Ws/CVs to grow 10%/7%/10%/3% YoY, while that of tractors to decline 11.5% YoY.
- 2Ws:** Retails are expected to grow 20% YoY, aided by the low base of last year and nine days Navratras which were positive for 2W retails and contributed to incremental growth of 10-15% YoY. However, Gudi Padwa (occurred in March last year), an auspicious day in Maharashtra, saw a 5-7% YoY drop in retails as per our interactions with channel partners in Maharashtra. HMCL's Xtreme 125R seems to have been received well by the customers with allocation to dealers now improved at 40% of the demand (vs. 20% last month). The vehicle is still not available at all dealerships despite a strong initial demand. Dealers are quoting a waiting period of 7-10 days for the vehicle availability. As per a dealer in Tamil Nadu, Mavrick needs strong advertisement campaign from the company as the market of premium motorcycles is getting competitive. HF Deluxe experienced a decline in sales this month due to the absence of discounts, whereas HMCL's premium portfolio offered discounts of up to INR5k. Although RE's 450cc platform has been receiving positive feedback, dealers note the absence of a modern classic segment bike in RE's lineup for that segment. Inventory stands at 40-42 days for HMCL (post inventory correction in Mar/Apr) and 28-30 days for TVSL/BJAUT/HMSI. Inventory for RE stands at approximately 2 weeks. Most of the e-2W OEMs, except Ola, have increased prices following the reduction in subsidies in Apr'24. Ola has reduced prices of its S1X series by up to INR10k. We expect dispatches for HMCL/BJAUT/TVSL/RE to grow 14%/8%/10%/4% YoY over last year.
- PVs:** Apr'24 retails are expected to grow 10-15% YoY, driven by healthy demand in UVs. North region retails are expected to grow in double digits, while southern retails growth is expected in single digits. Gudi Padwa retails in Maharashtra have largely remained flat or declined slightly on a YoY basis. Inquiries were minimal in regions with elections such as Tamil Nadu, but dealers seem confident demand would pick up, post this lean period. Entry-level demand continues to face pressure for MSIL, with discounts remaining consistent on a MoM basis. There are no discounts on MSIL's Brezza/Ertiga and

"Yes, I think things have stabilized, not just stabilized, they have improved since the last two or three quarters. The domestic market is turning in nice growth. We expect the markets to be growing at about 7% to 8% in the coming year with the upper half of the industry growing at perhaps 2-3% points more and the bottom half, growing at 2-3% points less than the average of 7% to 8%."

Mr. Rakesh Sharma,
ED, BJAUT

TTMT's Nexon. The waiting period continues to remain under two months for MM's XUV700/ScorpioN. Inventory for all the key PV OEMs stood at 40-45 days. We expect dispatches to grow ~7%/5%/10% YoY for MSIL/TTMT/MM (including pick-ups).

- **CVs:** While MHCV volumes are expected to decline 3% YoY, LCV volume growth is expected to remain flattish YoY. CVs required for mining remained muted, while construction and cement demand is doing fine. Bus demand continues to remain healthy and we expect a double-digit growth during the month. Large fleet operators are benefiting from higher discounting (~10-15% of cost of vehicle). LTV ratio continues to hover around 80-90%. Inventory stands at around 4-6 weeks for CVs. We expect dispatches for TTMT/AL/VECV to grow ~2%/2%/1% YoY.
- **Tractors:** Our channel checks for April 2024 indicates a subdued year-over-year growth of 1-3% for tractor volumes, despite the Navratri festival falling during the month. Southern states experienced a significant double-digit decline in sales, whereas growth in northern states were relatively better. In certain parts of Maharashtra, sales remained uninspiring even during Gudipadwa due to untimely rainfall, adversely impacting crops such as wheat and cotton, alongside stringent financing conditions. The decline was particularly severe for the non-agricultural tractor segment, with a noted 16-18% year-over-year decline in key regions. While Escorts had already announced a price hike, interactions confirmed John Deere too has announced the price hike. Conversely, Mahindra & Mahindra has reduced cash discounts previously offered to dealers. The average inventory level is currently at 5-6 weeks, with some northern states reporting inventory as high as 7 weeks. We expect dispatches for MM to decline ~14% YoY while ESC remains flat.
- **Valuation and view:** We are positive on the PV segment, which is expected to see better earnings growth, led by improved mix, which is in turn driven by outperformance in SUVs. While expected volume growth for the two-wheeler sector at high single digits is likely to be better than other segments, most of it seems already priced in the recent run-up of stocks. Also, we expect CV demand to remain weak in the near term, closer to Elections, and then pick up pace from 2HFY25. Within auto OEMs, we like MSIL, AL, and MM. Among auto component stocks, we prefer CRAFTSMA and Happy Forgings.

L&T Finance Holdings

BSE SENSEX
73,730S&P CNX
22,420

CMP: INR164

BUY

Conference Call Details

Date: 29th Apr 2024

Time: 11:00 AM IST

Call details:

+91 22-6280-1486

[Registration Link](#)

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Total Income	75.4	89.8	111.5
PPP	51.7	64.4	83.1
Adj. PAT	23.2	29.8	39.2
EPS (INR)	9.3	12.0	15.8
EPS Gr. (%)	42.4	22.1	31.3
BV/Sh. (INR)	94	102	112
Ratios			
NIM (%)	9.6	10.0	9.9
C/I ratio (%)	40.4	37.5	34.1
RoAA (%)	2.2	2.6	2.7
RoE (%)	10.3	12.2	14.8
Payout (%)	26.9	50.0	30.0
Valuation			
P/E (x)	17.6	13.6	10.4
P/BV (x)	1.7	1.6	1.5
Div. Yield (%)	1.5	3.7	2.9

Big earnings miss due to elevated credit costs

Additional provisions on SRs; NIM expanded and asset quality improved

- L&T Finance Holdings (LTFH) reported a 4QFY24 PAT of INR5.5b (18% miss). PPOP grew ~7% YoY to INR13.6b (in line), while credit costs of ~INR6.7b translated into annualized credit costs of 3.2% (PQ: 2.5% and PY: 2.2%). Effective tax rate for 4QFY24 stood at ~20% (3QFY24: 22% and 4QFY23: 37%).
- Earnings miss was primarily because of additional provisions of ~INR1.75b on the Security Receipts (SRs). LTFH now carries ~INR7.2b of additional provisions on the SRs.
- Total loan book grew ~6% YoY and ~5% QoQ to ~INR856b. Wholesale loans continued to run down and declined ~21% QoQ and 72% YoY to ~INR55b (PQ: ~INR70b).

Strong momentum in Retail except PL; wholesale segments continued to decline

- Retail assets contributed ~94% to the loan mix (PQ: 81%). Retail loans grew ~31% YoY, led by healthy growth in MFI, 2W, Home loans, and SME. The company continued to calibrate growth in personal loans, which was flat QoQ for the second consecutive quarter.
- Total disbursements grew 25% YoY to ~INR154b, driven by ~33% YoY growth in retail disbursements to ~INR150b in 4QFY24.
- Wholesale disbursements was flat QoQ and declined ~69% YoY with disbursements primarily in infrastructure finance.

Asset quality improved sequentially; provisioning coverage broadly stable

- Consol. GS3 declined ~6bp QoQ to ~3.15%, while NS3 remained stable at ~0.8%. PCR rose ~20bp QoQ to ~75.5%.
- Retail GS3 declined ~10bp QoQ to 2.8%, while Retail NS3 was stable at 0.6%.

Margin and fee income higher, aided by an improving retail mix

- NII grew ~13% YoY to INR19.9b (in line). Consol NIMs+Fees improved ~30bp QoQ to 11.2% in 4QFY24. This improvement is driven by the changing portfolio mix toward retail.
- Spreads (calc.) declined 50bp QoQ to ~8.9%, led by a ~60bp sequential decline in yields (calc.) to ~15.9%.

Valuation and view

Within Retail – MFI, Home Loans, 2W, and SME segments continued to exhibit strong growth, with retail now contributing ~94% to the loan mix. The company continues to focus on digital initiatives to sustain its retail growth momentum. Barring any one-offs in credit costs (like in 4QFY24), we expect credit costs to continue to moderate in the near term, driven by further reduction in the wholesale book and improvement in retail asset quality. We expect this to translate into sustainable consolidated RoA of ~2.7%. Mr. Sudipta Roy (ex-ICICI), MD & CEO, will look to leverage his vast experience in his prior role to further strengthen the franchise. We might revise our estimates post the earnings call on 29th Apr'24.

Quarterly performance

(INR M)

Y/E March	FY23				FY24				FY23	FY24	4QFY24E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	29,466	30,862	33,216	32,107	31,165	31,685	33,063	33,226	125,651	129,139	34,667	-4
Interest Expenses	14,132	14,385	15,007	14,449	13,638	13,249	13,534	13,351	57,972	53,772	14,275	-6
Net Interest Income	15,334	16,477	18,209	17,658	17,527	18,436	19,529	19,875	67,679	75,367	20,392	-3
Change YoY (%)	2.3	12.8	24.1	15.7	14.3	11.9	7.2	12.6	13.7	11.4	15.5	
Other Operating Income	1,318	1,090	1,109	53	1,068	453	2,277	3,492	3,569	6,667	2,647	32
Net Operating Income	16,652	17,567	19,318	17,711	18,596	18,889	21,805	23,367	71,248	82,034	23,040	1
Change YoY (%)	2.1	9.1	16.1	7.0	11.7	7.5	12.9	31.9	8.6	15.1	30.1	
Other income	1,474	1,193	585	2,016	1,535	2,682	473	56	5,268	4,745	525	-89
Total Income	18,126	18,760	19,903	19,726	20,130	21,572	22,278	23,422	76,515	86,779	23,565	-1
Change YoY (%)	7.1	10.8	11.0	11.1	11.1	15.0	11.9	18.7	10.0	13.4	19.5	
Operating Expenses	6,577	6,868	7,417	7,870	7,782	8,598	8,896	9,803	28,732	35,079	9,363	5
Change YoY (%)	19.9	16.3	20.3	23.2	18.3	25.2	19.9	24.6	20.0	22.1	19.0	
Operating Profits	11,549	11,891	12,486	12,698	12,348	12,974	13,382	13,619	48,624	51,701	14,201	-4
Change YoY (%)	0.9	7.9	6.2	11.8	6.9	9.1	7.2	7.3	6.7	6.3	11.8	
Provisions	7,989	5,765	6,417	5,232	5,212	5,000	5,142	6,679	25,404	21,410	4,775	40
Profit before Tax	3,560	6,126	6,069	7,466	7,136	7,974	8,240	6,940	23,220	30,290	9,426	-26
Tax Provisions	948	2,070	990	2,455	1,831	2,032	1,847	1,410	6,464	7,119	2,649	-47
Profit after tax	2,612	4,056	4,538	5,011	5,305	5,942	6,394	5,530	16,216	23,171	6,777	-18
Change YoY (%)	47	81	39	46	103	47	41	10	52	43	35	
Key Operating Parameters (%)												
Rep. Net Income (% of Avg Assets)	8.23	2.54	2.67	9.21	9.64	10.84	10.92	11.25				
Rep. Cost of funds (%)												
Cost to Income Ratio	7.27	7.33	7.54	7.71	7.77	7.79	7.81	7.82				
Rep Credit Cost	36.3	36.6	37.3	39.9	38.7	39.9	39.9	41.9				
Tax Rate	3.63	2.54	2.67	2.24	2.33	2.58	2.52	3.23				
Balance Sheet Parameters												
Gross Customer Assets (INR B)	881	901	884	809	786	787	818	856				
Change YoY (%)	-0.4	3.6	3.4	-8.4	-10.8	-12.6	-7.5	5.8				
Borrowings (INR B)	818	853	862	830	754	766	760	765				
Change YoY (%)	-3.0	1.0	3.9	-2.5	-7.8	-10.3	-11.9	-7.8				
Customer Assets /Borrowings (%)	108	106	103	97	104	103	108	112				
Asset Quality Parameters (%)												
GS 3 (INR B)	35.6	35.9	37.2	38.3	31.7	25.8	26.3	27.0				
Gross Stage 3 (%)	4.1	4.0	4.2	4.7	4.0	3.3	3.2	3.2				
NS 3 (INR B)	15.9	16.2	14.9	11.8	9.1	6.3	6.5	6.6				
Net Stage 3 (%)	1.9	1.9	1.7	1.6	1.6	0.8	0.8	0.8				
PCR (%)	55.3	55.0	60.1	69.3	71.4	75.7	75.3	75.5				
Return Ratios (%)												
ROAA	1.0	1.6	1.7	1.9	2.1	2.4	2.5	2.2				
ROAE	5.2	8.0	8.4	9.4	9.4	10.8	11.4	9.5				

E: MOFSL Estimates

BSE SENSEX	S&P CNX
73,730	22,420

Analyst meet is on 2nd May, 2024

CMP: INR5,929

Neutral

Marginal beat on EBITDA; PAT miss led by higher depreciation and interest cost

- Revenue stood at INR12.1b (+1% YoY).
- Life Science chemicals revenue stood at INR3.8b (-8% YoY).
- Performance chemicals revenue stood at INR8.7b (+5% YoY).
- Gross margin stood at 49.7% (+390bp YoY) and EBITDA margin stood at 12.2% (-30bp YoY). EBIT margin contracted for Life Science Chemicals significantly on YoY basis
- Life Science Chemicals margin stood at 17.7% (-450bp YoY); EBIT at INR667m
- Performance Chemicals margin stood at 1.5% (-40bp YoY); EBIT at INR129m.
- EBITDA came in at INR1.5b (est. of INR1.4b, -1% YoY).
- PAT stood at INR588m (est. of INR718m, -36% YoY), resulting in EPS of INR19.9.
- Contribution from the subsidiaries/JVs remained negative (loss at INR161m in 4QFY24 vs. a loss of INR377m in 3QFY24 and PAT of INR38m in 4QFY23).
- **For FY24**, revenue stood at INR47.3b (-13% YoY), EBITDA at INR6.4b (-18% YoY), and PAT at INR3.2b (-36% YoY). EBITDAM stood at 13.5% (down 80bp YoY).
- For Life Science Chemicals, revenue stood at INR14.3b (-27% YoY), EBIT at INR2b (-52% YoY) and EBITM at 14.2% (-730bp YoY).
- For Performance & Other Chemicals, revenue stood at INR34.5b (-7% YoY), EBIT at INR2.4b (flat YoY) and EBITM at 6.9% (+50bps YoY).
- The BoD has recommended a dividend of INR20/share (200% of FV) for FY24.
- The board has also re-appointed Mr. Gopi Kannan Thirukonda as WTD effective 17th Oct'24 for a period of three years.

Consolidated - Quarterly Snapshot

(INR m)

Y/E March	FY23				FY24					Var. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	4QAct			
Gross Sales	14,769	14,873	12,683	11,952	11,820	11,937	11,378	11,548	12,122	5%	1%	7%
YoY Change (%)	36.7	19.0	-8.1	-12.8	-20.0	-19.7	-10.3	-3.4	1.4			
Gross Margin (%)	48.5%	47.1%	47.2%	45.8%	46.5%	44.1%	47.1%	46.4%	49.7%	3.4%	3.9%	2.6%
EBITDA	2,330	2,203	1,723	1,494	1,823	1,552	1,517	1,397	1,476	6%	-1%	-3%
Margin (%)	15.8	14.8	13.6	12.5	15.4	13.0	13.3	12.1	12.2	0.1	-0.3	-1.2
Depreciation	473	491	504	511	519	540	612	631	758			
Interest	16	19	22	22	20	19	21	20	51			
Other Income	359	319	229	242	82	221	150	177	129			
PBT before EO expense	2,200	2,011	1,425	1,203	1,365	1,215	1,034	924	796	-14%	-34%	-23%
PBT	2,200	2,011	1,425	1,203	1,365	1,215	1,034	924	796	-14%	-34%	-23%
Tax	577	544	394	297	364	325	334	229	242			
Rate (%)	26.2	27.0	27.6	24.7	26.7	26.7	32.3	24.8	30.4			
MI and Profit/Loss of Asso. Cos.	11	13	-3	16	20	22	21	23	34			
Reported PAT	1,635	1,481	1,029	922	1,021	912	721	718	588	-18%	-36%	-18%
YoY change (%)	-1.0	1.3	-34.4	-32.5	-37.6	-38.4	-30.0	-22.2	-36.2			
Margin (%)	11.1	10.0	8.1	7.7	8.6	7.6	6.3	6.2	4.9	-1.4	-2.9	-1.5
Segmental Revenue (INR mn)												
Life Science Chemicals	4,847	5,742	4,917	4,086	3,502	3,620	3,378	3,652	3,767	3%	-8%	12%
Performance & Other chemicals	10,570	9,913	8,280	8,299	8,745	8,684	8,406	8,558	8,696	2%	5%	3%
Others	113	94	159	130	117	165	109	204	241	18%	85%	121%
Segmental EBIT (INR mn)												
Life Science Chemicals	795	1,418	1,107	906	522	417	424	-	667		-26%	57%
Performance & Other chemicals	1,302	730	213	157	890	722	657	-	129		-18%	-80%
Others	-0	-24	26	11	18	41	-3	0	0		-99%	LP
Segmental EBIT Margin (%)												
Life Science Chemicals	16.4%	24.7%	22.5%	22.2%	14.9%	11.5%	12.6%	0.0%	17.7%		-4.5%	5.1%
Performance & Other chemicals	12.3%	7.4%	2.6%	1.9%	10.2%	8.3%	7.8%	0.0%	1.5%		-0.4%	-6.3%
Others	-0.3%	-25.7%	16.0%	8.2%	15.5%	25.0%	-2.6%	0.0%	0.0%		-8.1%	2.6%

Craftsman Automation

BSE SENSEX
73,730S&P CNX
22,420

CMP: INR4685

Buy

Conference Call Details

Date: 29th Apr'24

Time: 4PM IST

Dial-in details: [Link for concall](#)

+91 22 6280 1568

+91 22 7115 8391

Financials & Valuations (INR b)

INR b	FY24	FY25E	FY26E
Sales	44.5	51.0	59.6
EBITDA	8.8	10.4	12.1
Adj. PAT	3.0	3.5	4.7
EPS (INR)	144.2	165.7	223.9
EPS Gr. (%)	22.6	14.9	35.1
BV/Sh. (INR)	785	933	1,135

Ratios

RoE (%)	20.1	19.3	21.7
RoCE (%)	15.2	15.2	17.1
Payout (%)	7.8	10.9	9.8

Valuations

P/E (x)	32.5	28.3	20.9
P/BV (x)	6.0	5.0	4.1
Div. Yield (%)	0.2	0.4	0.5
FCF Yield (%)	-0.9	3.6	6.7

Overall performance below our estimates due to muted growth across verticals

Overall financials:

- Consol. 4QFY24 revenue grew 13% YoY to INR11.05b (vs. est. INR11.9b). This was driven by 28%/45% YoY growth in AI products/DR Axion.
- Gross margin expanded 20bp YoY to 45.9% (vs. est. 47.3%). Further, operating deleverage hurt EBITDA margin, which contracted 50bp YoY (-80bp QoQ) to 18.7% (vs. est. 20.3%).
- EBITDA grew 10% YoY to INR2.1b (vs. est. INR2.4b).
- Adj. PAT declined 22% YoY to INR623m (vs. est. INR863m).
- FY24 revenue/EBITDA/adj. PAT grew 40%/29%/23% YoY.
- FCF for FY24 was negative INR853m (vs. positive INR2.7b in FY23). This was mainly due to the higher capex in FY24 at INR7.2b (vs. INR3.4b in FY23), despite the strong operating performance of INR6.35b (vs. INR6.1b in FY23).

Segmental performance:

- Revenue for Aluminum products/DR Axion grew 28%/45% YoY; however, auto powertrain (~35% contribution) declined 1% YoY. Industrial segment revenue declined 8% YoY.
- PBIT margin improved 360bp YoY/10pp YoY to 14.9%/17.3% for Aluminum products/DR Axion, while auto powertrain/industrial declined 840bp/710bp YoY to 15.2%/2.2%.

DR Axion: 4QFY24 performance (derived)

- Revenue came in at INR2.8b (~26% of consol. revenue; vs. est. INR3.4b); it grew 45% YoY.
- EBITDA came in at INR586m (~28% of consol. EBITDA; vs. est. INR680m), with margin of 20.7% (vs. est. 20%)

Others:

- The Board declared a final dividend of INR11.25/share for FY24, at similar levels of last year.
- The Board has decided to raise funds for an aggregate amount not exceeding INR12b by way issuance of equity shares or debt. The proceeds would be used to repay outstanding borrowings availed by the company.
- **Valuation & view:** The stock trades at 28x/21x FY25E/FY26E EPS.

Quarterly (Consol.)

(INR Million)

	FY23				FY24				FY23	FY24	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE
Net operating income	6,758	7,713	7,490	9,804	10,376	11,791	11,297	11,053	31,826	44,517	11,944
Change (%)	56.6	35.6	35.8	49.8	53.5	52.9	50.8	12.7	44.2	39.9	21.8
RM/Sales (%)	47.8	51.2	50.4	54.3	52.5	53.2	53.2	54.1	51.2	53.3	52.7
Staff Cost (% of Sales)	8.4	7.4	7.8	6.2	6.5	6.1	6.8	6.6	7.3	6.5	6.6
Other Exp. (% of Sales)	19.6	19.3	20.6	20.3	20.4	20.6	20.6	20.5	20.0	20.5	20.4
EBITDA	1,634	1,701	1,583	1,884	2,142	2,375	2,202	2,069	6,836	8,788	2,419
EBITDA Margins (%)	24.2	22.1	21.1	19.2	20.6	20.1	19.5	18.7	21.5	19.7	20.3
Non-Operating Income	13	17	46	49	37	47	35	53	125	172	36
Interest	254	233	296	419	424	416	442	464	1202	1745	466
Depreciation	532	547	538	599	683	668	703	723	2216	2777	711
Minority Int/Share of Profit	0	0	-2	-1	62	97	82	79	21	320	95
PBT after EO items	861	939	797	916	1,011	1,241	1,010	856	3,522	4,118	1,184
Eff. Tax Rate (%)	35.5	35.4	35.3	12.4	26.3	23.8	27.6	27.2	29.5	26.1	27.1
Rep. PAT	556	606	516	802	745	945	731	623	2,484	3,045	863
Change (%)	143.3	22.7	40.2	56.2	34.0	56.0	41.7	-22.3	54.8	22.6	7.6
Adj. PAT	556	606	516	802	745	945	731	623	2,484	3,045	863
Change (%)	143.3	22.7	40.2	56.2	34.0	56.0	41.7	-22.3	54.8	22.6	7.6

E: MOFSL Estimates

Key Performance Indicators

Segment Revenues	FY23				FY24				FY23	FY24	4QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Auto Powertrain	3,478	3,782	4,084	3,927	3,824	3,938	3,925	3,897	15,271	15,584	4,272
Growth (%)	49.7	29.5	39.7	16.3	10.0	4.1	-3.9	-0.8	32.3	2.0	8.8
Contribution (%)	51.5	49.0	54.6	40.1	36.9	33.4	34.7	35.3	48.0	35.0	35.8
PBIT Margin (%)	27.4	24.6	24.7	23.6	21.9	19.6	18.2	15.2	25.0	18.7	0.0
Aluminium Products	1,714	1,963	1,759	1,970	2,076	2,350	2,232	2,517	7,406	9,175	2,415
Growth (%)	69.1	39.5	22.6	18.3	21.1	19.7	26.9	27.8	34.2	23.9	22.6
Contribution (%)	25.4	25.5	23.5	20.1	20.0	19.9	19.8	22.8	23.3	20.6	20.2
PBIT Margin (%)	11.9	7.6	3.9	11.4	12.6	15.1	13.4	14.9	8.7	14.1	0.0
Industrial	1,567	1,968	1,633	1,959	1,658	1,956	1,895	1,810	7,126	7,320	1,858
Growth (%)	59.8	44.7	41.0	30.3	5.8	-0.6	16.0	-7.6	42.5	2.7	-5.1
Contribution (%)	23.2	25.5	21.8	20.0	16.0	16.6	16.8	16.4	22.4	16.4	15.6
PBIT Margin (%)	7.0	12.1	5.7	9.3	6.6	10.3	6.2	2.2	8.7	6.4	0.0
DR Axion				1,949	2,819	3,546	3,245	2,829	2,024	12,439	3399
Growth (%)								45	3.9		
Contribution (%)				19.9	27.2	30.1	28.7	25.6	6.4	27.9	37.5
EBIT Margin (%)				7.3	14.4	15.4	15.9	17.3	8.8	15.7	16.5
Total Product sales	6,758	7,713	7,476	9,804	10,376	11,791	11,297	11,053	31,826	44,517	11,944

Mahindra Lifespace

BSE SENSEX
73,730S&P CNX
22,420

CMP: INR666

Buy

Conference Call Details



Date: 29 Apr 2024

Time: 11:00 IST

Dial-in details:

Diamond pass [link](#)

Financials & Valuations (INR b)

Y/E Mar	FY24	FY25E	FY26E
Sales	2.1	4.0	4.9
EBITDA	-1.7	-1.0	-1.0
EBITDA Margin (%)	NM	NM	NM
PAT	1.0	1.2	1.0
EPS (INR)	6.3	7.9	6.5
EPS Gr. (%)	112.1	25.3	-17.8
BV/Sh. (INR)	123.1	131.0	137.5

Ratios

RoE (%)	5.3	6.2	4.9
RoCE (%)	-3.6	-3.4	-3.0
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	105.3	84.0	102.2
P/BV (x)	5.4	5.1	4.8
EV/EBITDA (x)	NM	NM	NM
Div yld (%)	0.0	0.0	0.0

Kandivali project drives a strong pre-sales performance

Muted velocity in ongoing projects leads to a miss on pre-sales

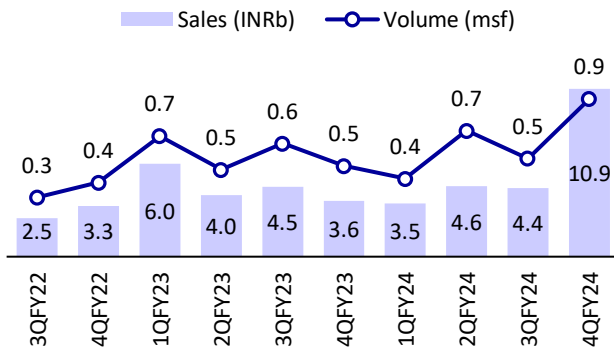
Operational performance

- MLDL achieved the highest ever quarterly bookings of INR10.9b, up 3.0x/2.5x YoY/QoQ driven by a strong response to the Kandivali project in Mumbai. About 80% of the project's launched inventory was sold. Bookings for FY24 stood at INR23.3b, up 28% YoY.
- Pre-sales were 28% lower than our estimate as MLDL had no bookings in its existing projects.
- Sales volume in 4QFY24 stood at 0.9msf, up 73%/60% YoY/QoQ. In FY24, MLDL sold 2.5msf of projects, up 21% YoY.
- Collections for the quarter stood at INR4.1b, up 36%/7% YoY/QoQ. In FY24, the company had collections of INR14b, up 32% YoY. Blended realization for the year improved 8% YoY to ~INR10,450 psf.
- During the quarter, MLDL launched 2.7msf across four projects – one each in Mumbai, Pune, Bengaluru and Chennai. However, except for the Mumbai project, all other projects were launched towards the end of the quarter and hence did not have any contribution to 4QFY24 bookings.
- In 4QFY24, MLDL acquired two land parcels in Bengaluru that have a cumulative development potential of 1.4msf, and a GDV of INR19b.
- Launches in the near term are expected to remain strong as the company has a pipeline of ~6.5msf across new and existing projects
- In the IC segment, MLDL leased 29 acres for INR1b. Full year leasing stood at 120 acres valued at INR3.7b, down 20% YoY.

Financial performance

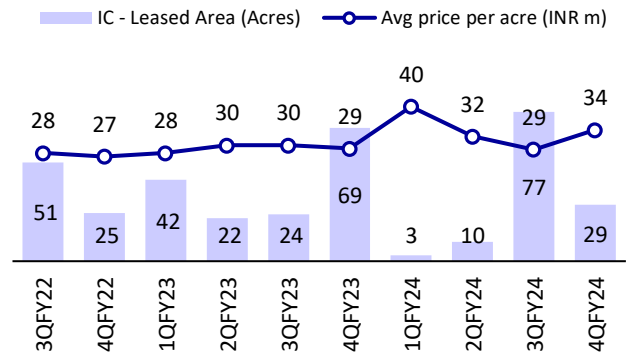
- MLDL's revenue came in at INR143m, down 94%/83% YoY/QoQ. Despite strong project deliveries of 0.6msf, revenue recognition remained weak as most of the completions were in JV projects.
- It reported an operating loss of INR0.2b.
- However, PAT came in at INR0.7b aided by INR0.8b contribution from the JV projects and the IC business.

Bookings surged 3x YoY to INR11b



Source: Company, MOFSL

In IC segment, MLDL achieved leasing of 29 acres



Source: Company, MOFSL

Quarterly performance

Y/E March	FY23				FY24				FY23	FY24	FY24E	Variance (%/bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4Q	
Income from Operations	946	698	1,869	2,554	980	178	820	143	6,066	2,121	905	-84
YoY Change (%)	-36.2	17.8	667.9	57.9	3.7	-74.5	-56.1	-94.4	54.1	-65.0	-64.6	
Total Expenditure	1,265	1,092	1,983	2,827	1,412	527	1,210	684	7,167	3,832	1,163	
EBITDA	-320	-394	-114	-274	-431	-349	-390	-541	-1,101	-1,711	-259	109
Margins (%)	-33.8	-56.4	-6.1	-10.7	-44.0	-196.5	-47.6	-378.6	-18.2	-80.7	-28.6	
Depreciation	24	32	34	31	30	31	38	38	122	137	36	
Interest	18	25	33	34	42	2	3	26	109	74	11	
Other Income	228	40	112	149	120	79	68	403	530	670	79	
PBT before EO expense	-134	-411	-69	-189	-383	-303	-364	-202	-803	-1,252	-226	-11
Extra-Ord expense	338	0	340	0	0	0	0	0	678	0	0	
PBT	204	-411	271	-189	-383	-303	-364	-202	-124	-1,252	-226	-11
Tax	76	-67	-14	34	-94	-108	-109	-129	28	-440	-72	
Rate (%)	37.0	16.4	-5.1	-17.9	24.4	35.7	30.1	63.8	-22.7	35.2	31.7	
Minority Interest & Profit/Loss of Asso. Cos.	625	266	48	229	247	6	754	788	1,167	1,790	113	
Reported PAT	754	-77	332	6	-43	-189	500	715	1,014	979	-42	NA
Adj PAT	541	-77	-8	6	-43	-189	500	715	461	983	-42	
YoY Change (%)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	
Margins (%)	57.2	-11.1	-0.4	0.2	-4.4	-106.5	61.0	500.2	7.6	46.3	-4.6	

E: MOFSL Estimates

Operational Performance

Area sold (msf)	0.7	0.5	0.6	0.5	0.4	0.7	0.5	0.9	2.2	2.5	1.2	-32
Booking value (INR b)	6.0	4.0	4.5	3.6	3.5	4.6	4.4	10.9	18	23	15.1	-28
Avg Realization (INR)	9262	8489	7393	7367	8214	6691	8358	12776	8,167	9,391	12056	6

Source: MOFSL, Company Note: We will revisit our estimates after the concall



Mphasis : EBIT Margin of 14.6-16.0% in FY26; Nitin Rakesh, MD & CEO

- Expect FY25 revenue growth to be better than industry
- Aim EBIT margin of 14.6-16.0% in FY25
- Significant uptick in \$0-\$10Mn deals in Q4
- Deal Pipeline is up 5% YoY, Seeing a lot of traction in AI led solutions

[→ Read More](#)

Alkem Labs : Domestic is the most resilient market seen across globe; Dr Vikas Gupta, CEO

- Bullish and will see strong growth on acute side
- Domestic is the most resilient market seen across globe
- Domestic in our core market and will continue to register strong growth
- Bullish on margin profile owing to price softening in raw material

[→ Read More](#)

LTTS : Margins around 17% over medium term; Amit Chadha,

- Investing for future growth, not witnessing pricing pressure
- IPM, Healthcare, Hitech might be slower in Q1
- Margins to improve going ahead

[→ Read More](#)

Laurus Labs : Building a solid foundation for future; DR Satyanarayana Chava

- Going through gestation period and pain of diversification
- All new initiatives in capex are putting drop in earnings
- We are in the middle phase of growth trajectory
- Have lot of interesting projects from big pharma co in different phases

[→ Read More](#)



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Automobiles																
Amara Raja Ener.	Neutral	1114	850	-24	51.1	57.7	60.9	19.6	13.0	5.5	21.8	19.3	3.2	2.9	15.6	15.7
Apollo Tyres	Buy	492	555	13	28.9	32.1	34.7	68.7	11.1	8.2	17.1	15.3	1.7	1.6	13.5	13.4
Ashok Ley.	Buy	185	210	13	8.7	10.5	11.8	92.2	20.9	12.1	21.3	17.7	5.2	4.2	27.1	26.5
Bajaj Auto	Neutral	8966	8360	-7	276.1	325.7	374.9	28.9	18.0	15.1	32.5	27.5	10.1	8.9	30.7	34.4
Balkrishna Inds	Neutral	2373	2260	-5	63.9	81.5	102.4	22.5	27.5	25.7	37.2	29.1	5.6	5.0	15.7	18.2
Bharat Forge	Buy	1310	1330	1	21.4	38.3	47.5	84.2	78.6	24.0	61.2	34.2	8.2	6.9	14.1	21.9
Bosch	Neutral	28872	27280	-6	599.8	778.1	921.2	24.2	29.7	18.4	48.1	37.1	6.8	6.2	15.0	17.4
CEAT	Buy	2528	3075	22	172.7	176.5	205.1	232.9	2.2	16.2	14.6	14.3	2.5	2.2	18.6	16.2
Craftsman Auto	Buy	4687	-	-	144.2	165.7	223.9	22.6	14.9	35.1	32.5	28.3	6.0	5.0	20.1	19.3
Eicher Mot.	Neutral	4598	3900	-15	146.8	170.6	195.4	37.8	16.2	14.5	31.3	26.9	7.1	6.0	24.5	24.1
Endurance Tech.	Buy	1974	2135	8	46.5	57.6	71.1	34.1	24.0	23.3	42.5	34.2	5.6	5.0	14.0	15.4
Escorts Kubota	Neutral	3292	2695	-18	84.9	95.0	107.8	65.4	12.0	13.5	38.8	34.6	4.4	4.0	12.0	12.1
Exide Ind	Neutral	467	320	-31	12.3	14.9	16.6	15.7	21.3	11.5	38.0	31.3	3.3	3.1	8.7	9.8
Happy Forgings	Buy	948	1115	18	25.3	33.6	42.9	8.3	32.9	27.8	37.5	28.2	5.6	4.8	18.4	18.3
Hero Moto	Buy	4492	5390	20	204.4	230.5	273.7	40.4	12.7	18.8	22.0	19.5	4.9	4.5	23.4	24.0
M&M	Buy	2044	2155	5	87.5	96.3	107.9	32.1	10.1	11.9	23.4	21.2	4.8	4.1	22.1	20.7
CIE Automotive	Buy	490	555	13	21.1	24.2	29.6	16.8	14.7	22.2	23.2	20.2	3.1	2.8	14.4	14.4
Maruti Suzuki	Buy	12687	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	130269	102110	-22	5,140.0	5,191.2	5,672.9	183.4	1.0	9.3	25.3	25.1	3.3	3.0	13.9	12.5
Samvardh. Motherson	Buy	131	140	7	3.3	6.1	7.1	44.2	82.7	16.6	39.4	21.6	3.7	3.3	9.7	16.1
Motherson Wiring	Buy	70	78	12	1.5	1.9	2.2	32.6	30.9	16.3	47.6	36.4	18.2	14.3	42.8	44.1
Sona BLW Precis.	Neutral	648	645	0	8.7	11.8	14.3	28.7	35.4	20.6	74.1	54.7	14.3	12.1	20.7	24.0
Tata Motors	Neutral	999	970	-3	54.4	59.7	70.0	2,429.0	9.7	17.4	18.4	16.8	5.9	4.3	38.0	29.4
TVS Motor	Neutral	2017	1940	-4	44.5	55.4	65.3	46.2	24.6	17.8	45.3	36.4	12.2	9.5	30.4	29.3
Tube Investments	Buy	3634	4245	17	51.0	67.7	82.6	25.8	32.8	21.9	71.2	53.7	14.7	11.9	22.6	24.5
Aggregate								89.7	16.2	15.5	27.6	23.8	5.5	4.7	20.0	19.8
Banks - Private																
AU Small Finance	Buy	600	735	23	23.0	30.5	39.6	4.3	33	30.1	26.1	19.7	3.2	2.6	13.1	14.5
Axis Bank	Neutral	1130	1200	6	80.7	89.9	104.3	13.0	11.4	16.1	14.0	12.6	2.3	2.0	18.0	16.9
Bandhan Bank	Neutral	184	190	3	18.8	23.0	27.0	37.9	22	17.5	9.8	8.0	1.4	1.2	14.7	16.1
DCB Bank	Neutral	139	155	12	17.1	20.3	24.5	14.6	18.4	20.7	8.1	6.8	0.9	0.8	11.9	12.6
Equitas Small Fin.	Buy	99	125	26	7.1	8.6	11.2	46.6	20.6	30.5	13.9	11.5	1.9	1.7	14.4	15.3
Federal Bank	Buy	157	175	12	16.5	18.2	21.9	15.5	10.4	20.1	9.5	8.6	1.3	1.2	14.9	14.3
HDFC Bank	Buy	1510	1950	29	80.0	92.4	107.7	1.0	15.4	16.6	18.9	16.3	2.6	2.3	14.6	15.0
ICICI Bank	Buy	1107	1300	17	58.4	65.1	76.5	27.5	11.5	17.5	19.0	17.0	3.3	2.8	18.9	17.9
IDFC First Bk	Neutral	85	88	4	4.3	5.3	7.2	13.8	23.1	35.0	19.6	16.0	1.9	1.7	10.2	11.0
IndusInd	Buy	1446	1850	28	115.5	137.4	169.3	20.3	18.9	23.2	12.5	10.5	1.8	1.6	15.3	15.8
Kotak Mah. Bk	Neutral	1608	1900	18	89.6	101.9	120.5	17.9	13.8	18.3	18.0	15.8	2.5	2.1	14.6	14.1
RBL Bank	Neutral	266	280	5	19.3	25.2	33.9	31.1	30.5	34.8	13.8	10.5	1.1	1.0	8.2	10.0
SBI Cards	Neutral	750	850	13	25.4	31.7	42.1	6.2	24.7	33.0	29.6	23.7	5.9	4.8	22.0	22.4
Aggregate								26.8	14.9	18.4	17.5	15.2	2.6	2.3	15.1	15.2
Banks - PSU																
BOB	Buy	268	310	16	34.2	38.7	43.8	25.6	13.0	13.2	7.8	6.9	1.3	1.1	17.8	17.3
Canara Bank	Buy	618	650	5	80.1	91.5	103.3	37.0	14.3	12.9	7.7	6.7	1.3	1.1	19.9	19.0
Indian Bank	Buy	527	600	14	61.8	70.6	82.6	45.8	14.2	17.0	8.5	7.5	1.3	1.1	16.9	16.7
Punjab Natl.Bank	Neutral	136	120	-12	7.3	11.4	14.9	222.7	54.5	31.4	18.6	12.0	1.4	1.3	8.4	11.8
SBI	Buy	801	860	7	71.8	90.9	106.2	15.2	27	16.9	11.2	8.8	1.8	1.5	17.6	18.9
Union Bank (I)	Buy	151	175	16	19.9	21.9	24.9	61.6	10	13.8	7.6	6.9	1.2	1.1	17.7	17.1
Aggregate								31.1	23	17	10	8.2	1.5	1.3	15.2	16.3
NBFCs																
AAVAS Financiers	Neutral	1605	1750	9	62.0	76.0	95.3	14.0	22.5	25.4	25.9	21.1	3.4	2.9	13.9	14.8
Aditya Birla Cap	Buy	231	230	-1	10.7	13.6	17.1	25.8	27.0	26.0	21.6	17.0	2.4	2.1	12.2	13.2
Angel One	Buy	2820	4200	49	135.9	173.6	214.7	26.4	27.8	23.7	20.8	16.2	7.7	3.9	43.3	31.9



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Bajaj Fin.	Neutral	6730	7800	16	233.7	283.0	364.5	22.8	21.1	28.8	28.8	23.8	5.4	4.5	22.0	20.7
Cams Services	Buy	3209	3450	8	69.6	84.8	102.5	19.7	21.9	21.0	46.1	37.9	17.5	15.0	40.5	42.7
Can Fin Homes	Neutral	747	820	10	57.2	63.9	71.7	22.6	11.7	12.3	13.1	11.7	2.3	1.9	19.0	17.9
Cholaman.Inv.&Fn	Buy	1172	1410	20	39.8	56.4	69.8	22.7	41.8	23.8	29.5	20.8	5.1	4.1	19.8	21.8
CreditAccess	Buy	1468	1760	20	90.9	109.8	129.5	74.9	20.8	17.9	16.2	13.4	3.6	2.8	24.8	23.5
Fusion Micro	Buy	508	610	20	51.7	68.8	85.6	34.1	33.0	24.4	9.8	7.4	1.8	1.4	20.1	21.7
HDFC Life Insur.	Neutral	588	670	14	7.3	10.1	11.9	15.4	38.2	18.4	80.6	58.3	2.7	2.3	20.1	16.4
Home First Fin.	Buy	873	1140	31	34.4	42.1	53.5	32.8	22.3	27.0	25.3	20.7	3.7	3.2	15.6	16.4
ICICI Pru Life	Buy	566	700	24	5.9	6.3	6.5	5.0	5.6	4.7	95.7	90.5	1.9	1.6	18.8	19.7
ICICI Lombard	Buy	1692	2100	24	38.9	50.3	59.4	11.0	29.1	18.1	43.4	33.7	7.0	6.1	17.2	19.4
ICICI Securities	Under Review	730	-	-	52.6	56.0	63.8	50.7	6.5	14.0	13.9	13.0	6.5	5.5	52.5	46.0
IIFL Finance	Buy	415	535	29	49.1	54.6	68.1	24.4	11.2	24.8	8.5	7.6	1.5	1.3	19.1	18.1
360 ONE WAM	Buy	808	950	18	22.4	26.9	31.5	21.3	20.1	16.9	36.0	30.0	8.4	8.0	24.5	27.2
IndoStar	Buy	253	245	-3	7.8	17.3	28.1	-52.9	121.5	62.7	32.5	14.7	1.1	1.0	3.4	7.0
L&T Finance	Buy	164	-	-	9.3	12.0	15.8	42.4	28.9	31.7	17.6	13.6	1.7	1.6	10.3	12.2
Life Insurance Corp.	Buy	988	1270	29	58.5	61.4	67.3	1.6	4.9	9.7	16.9	16.1	0.9	0.8	20.3	12.6
LIC Hsg Fin	Buy	661	755	14	88.4	87.3	94.1	68.3	-1.3	7.9	7.5	7.6	1.2	1.1	16.8	14.8
Manappuram Fin.	Buy	195	230	18	26.3	30.0	35.7	48.6	14.0	18.8	7.4	6.5	1.4	1.2	21.0	20.0
MAS Financial	Buy	305	390	28	15.1	19.7	24.4	23.3	30.2	24.1	20.2	15.5	2.9	2.5	15.6	17.3
Max Financial	Neutral	998	1040	4	16.0	21.6	26.4	74.4	34.9	22.0	62.2	46.1	2.2	1.8	20.4	19.7
M&M Fin.	Buy	259	350	35	15.2	22.9	28.4	-5.7	51.2	23.9	17.0	11.3	1.8	1.7	11.1	15.4
Muthoot Fin	Neutral	1688	1450	-14	100.2	115.8	132.1	15.8	15.5	14.1	16.8	14.6	2.8	2.4	17.8	17.8
Piramal Enterp.	Buy	925	1100	19	-70.1	77.7	109.2	-193.5	LP	40.5	NM	11.9	0.8	0.7	-5.4	6.2
PNB Housing	Buy	786	1000	27	55.3	70.0	87.3	-10.7	26.4	24.8	14.2	11.2	1.4	1.2	11.1	11.5
Poonawalla Fincorp	Buy	485	580	20	13.0	18.6	26.0	68.4	42.6	40.0	37.2	26.1	4.5	3.9	13.6	16.0
Repco Home Fin	Neutral	530	475	-10	61.8	65.9	71.8	30.6	6.6	9.0	8.6	8.1	1.2	1.0	14.3	13.4
Spandana Sphoorty	Buy	880	1140	29	71.5	91.2	114.1	3,997.2	27.5	25.1	12.3	9.7	1.7	1.5	15.1	16.5
Shriram Finance	Buy	2502	2950	18	191.3	224.6	275.9	19.8	17.4	22.9	13.1	11.1	1.9	1.7	15.7	16.2
SBI Life Insurance	Buy	1415	1700	20	18.9	19.9	21.2	10.0	5.3	6.6	74.9	71.1	2.4	2.0	26.5	22.7
Star Health Insu	Buy	560	730	30	14.5	19.2	24.4	36.6	32.0	27.3	38.6	29.2	4.4	3.8	12.1	14.0
Aggregate								-1.9	27.5	23.8	20.6	16.2	2.9	2.5	14.3	15.7
Chemicals																
Alkyl Amines	Neutral	2077	2120	2	27.7	37.7	58.1	-38.0	36.1	53.9	74.9	55.0	8.3	7.4	11.6	14.3
Atul	Neutral	5929	-	-	103.4	111.2	153.3	-38.8	7.5	37.9	57.3	53.3	3.4	3.2	6.2	6.2
Clean Science	Neutral	1312	1420	8	21.4	27.0	33.1	-23.0	26.0	22.7	61.3	48.7	11.7	9.7	20.6	21.8
Deepak Nitrite	Neutral	2478	2115	-15	56.3	75.1	87.8	-9.9	33.5	16.9	44.0	33.0	7.1	6.0	17.3	19.6
Fine Organic	Sell	4477	3400	-24	105.1	100.6	96.0	-45.4	-4.3	-4.6	42.6	44.5	7.5	6.5	19.2	15.6
Galaxy Surfact.	Buy	2603	3480	34	87.7	103.0	120.4	-18.4	17.4	16.9	29.7	25.3	4.3	3.8	15.5	16.0
Navin Fluorine	Neutral	3308	2850	-14	42.2	63.9	87.2	-44.3	51.7	36.4	78.5	51.7	6.8	6.2	9.1	12.5
NOCIL	Neutral	277	250	-10	7.0	10.2	13.3	-22.0	46.8	29.8	39.8	27.1	2.9	2.7	7.3	10.2
PI Inds.	Buy	3775	4490	19	108.8	119.9	138.4	34.5	10.2	15.5	34.7	31.5	6.6	5.5	20.8	19.1
SRF	Neutral	2638	2440	-7	44.8	68.7	85.7	-41.2	53.4	24.8	58.9	38.4	7.0	6.1	12.4	17.0
Tata Chemicals	Neutral	1122	980	-13	48.1	38.2	51.4	-47.6	-20.5	34.6	23.4	29.4	1.4	1.4	6.1	4.7
Vinati Organics	Buy	1639	1850	13	28.8	37.5	49.2	-29.4	30.4	31.0	56.9	43.7	6.8	6.1	12.6	14.7
Aggregate								-28.8	24.7	22.7	50.0	40.1	5.9	5.2	11.8	13.1
Capital Goods																
ABB India	Buy	6409	7500	17	58.9	73.4	90.1	81.9	24.6	22.8	108.8	87.3	22.8	18.5	22.9	23.4
Bharat Electronics	Neutral	239	210	-12	5.1	5.8	6.6	24.2	14.4	12.2	46.8	40.9	11.0	9.5	23.6	23.3
Cummins India	Buy	3239	3300	2	55.5	65.1	77.6	23.6	17.3	19.2	58.3	49.7	15.1	13.5	27.2	28.6
Hitachi Energy	Sell	8920	5466	-39	24.7	66.0	116.9	11.6	167.1	77.0	361.0	135.1	28.7	23.6	7.9	17.5
Kalpataru Proj.	Buy	1186	1200	1	34.6	53.4	74.7	14.8	54.5	39.8	34.3	22.2	3.4	3.0	10.2	14.2
KEC International	Neutral	726	710	-2	13.7	28.3	41.6	100.7	105.8	46.9	52.9	25.7	4.6	3.9	9.0	16.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Vedanta	Neutral	397	360	-9	13.3	25.4	30.6	-53.1	92	20.5	29.9	15.6	4.8	4.7	14.1	30.3
Aggregate								-3.0	36.8	19.2	17.8	13.0	2.7	2.4	15.2	18.6
Oil & Gas																
Aegis Logistics	Neutral	636	430	-32	14.8	16.0	17.2	0.8	8.8	7.2	43.1	39.6	5.8	5.3	14.0	13.9
BPCL	Neutral	609	620	2	144.3	74.5	75.3	1,431.0	-48.4	1.2	4.2	8.2	1.8	1.6	49.2	21.2
Castrol India	Buy	213	230	8	8.7	9.7	10.4	6.0	11.0	7.6	24.3	21.9	9.9	9.3	43.1	43.8
GAIL	Buy	208	214	3	14.2	13.1	16.6	76.6	-8.1	27.2	14.6	15.9	2.0	1.8	15.9	13.2
Gujarat Gas	Buy	552	675	22	14.5	21.9	24.8	-34.5	51.1	13.1	38.0	25.1	4.9	4.3	13.6	18.4
Gujarat St. Pet.	Buy	294	355	21	23.0	11.3	11.8	37.2	-50.9	4.8	12.8	26.0	1.6	1.6	13.3	6.1
HPCL	Buy	491	590	20	105.7	79.5	80.0	-315.0	-24.8	0.6	4.6	6.2	1.6	1.4	39.8	23.9
IOC	Buy	172	195	14	34.4	16.2	15.4	304.9	-53.0	-4.9	5.0	10.6	1.4	1.3	31.0	12.9
IGL	Sell	459	350	-24	25.9	24.1	25.9	25.3	-6.8	7.6	17.8	19.1	3.8	3.4	23.4	18.9
Mahanagar Gas	Buy	1461	1740	19	132.6	118.2	124.3	65.9	-10.9	5.2	11.0	12.4	2.9	2.6	28.9	22.2
MRPL	Sell	251	180	-28	17.5	14.2	13.8	16.4	-19.3	-2.7	14.3	17.7	3.6	3.1	27.9	18.9
Oil India	Buy	628	694	10	65.2	67.0	74.0	3.9	2.7	10.4	9.6	9.4	1.7	1.6	21.4	17.6
ONGC	Buy	283	315	11	37.5	43.2	47.9	23.4	15.2	10.9	7.5	6.6	1.2	1.0	16.3	16.9
PLNG	Neutral	309	300	-3	23.7	23.2	25.0	9.6	-2.2	7.9	13.0	13.3	2.7	2.5	22.4	19.5
Reliance Ind.	Buy	2903	3245	12	102.9	117.7	135.9	4.4	14.4	15.4	28.2	24.7	2.4	2.2	8.6	9.6
Aggregate								76.5	-11.6	10.0	13.5	15.3	2.1	1.9	15.5	12.4
Real Estate																
Brigade Enterpr.	Buy	1022	1250	22	14.7	36.9	41.5	21.4	151.4	12.4	69.6	27.7	6.0	5.0	8.9	19.5
DLF	Neutral	908	850	-6	10.6	16.2	17.6	-6.8	52.7	8.2	85.4	55.9	4.1	3.8	6.8	9.8
Godrej Propert.	Buy	2632	2855	8	27.1	46.2	47.4	21.1	70.8	2.4	97.2	56.9	7.4	6.5	7.8	12.2
Kolte Patil Dev.	Buy	543	700	29	3.3	10.1	20.8	-75.7	207.0	106.4	165.1	53.8	4.0	3.9	2.4	7.3
Oberoi Realty	Neutral	1501	1390	-7	40.7	45.1	60.6	-22.3	10.9	34.3	36.9	33.2	4.0	3.6	11.5	11.4
Macrotech Devel.	Buy	1197	1415	18	16.9	25.0	37.3	6.0	47.9	49.0	70.7	47.8	6.5	5.8	10.7	12.8
Mahindra Lifespace	Neutral	667	-		6.3	7.9	6.5	112.1	25.3	-17.8	105.4	84.1	5.4	5.1	5.3	6.2
Sunteck Realty	Buy	443	640	45	9.1	16.6	22.9	8,909.9	82.4	38.1	48.7	26.7	2.2	2.1	4.7	8.1
Sobha	Buy	1752	1740	-1	12.0	40.8	83.6	11.1	239.8	104.7	145.7	42.9	6.5	5.7	4.6	14.3
Prestige Estates	Buy	1355	1535	13	20.6	21.1	26.5	7.0	2.7	25.1	65.8	64.1	4.5	4.2	7.2	6.8
Phoenix Mills	Neutral	3091	2425	-22	60.9	73.6	101.1	48.9	21.0	37.3	50.8	42.0	5.9	5.2	12.2	13.1
Aggregate								12.1	44.7	26.5	70.7	48.9	5.6	5.1	8.0	10.4
Retail																
Avenue Supermarts	Buy	4555	5160	13	39.4	55.7	73.8	7.4	41.3	32.6	115.6	81.8	15.8	13.3	14.7	17.7
Aditya Birla Fashion	Neutral	269	270	0	-7.5	-6.4	-6.7	977.3	Loss	Loss	NM	NM	9.7	7.3	-23.9	-19.8
Bata India	Neutral	1363	1460	7	23.1	30.3	41.7	-8.0	31.3	37.4	59.0	45.0	10.3	8.4	18.9	20.5
Barbeque-Nation	Neutral	555	600	8	-3.3	-0.1	1.9	-182.9	Loss	LP	NM	NM	5.6	5.6	-3.3	-0.1
Campus Activewe.	Buy	251	285	13	2.7	4.0	5.2	-29.6	46.9	32.2	93.4	63.6	12.1	10.2	13.0	16.0
Devyani Intl.	Buy	169	195	15	0.8	1.4	2.2	-66.4	79.4	60.8	218.6	121.8	24.9	26.2	10.4	21.0
Jubilant Food.	Neutral	437	520	19	4.2	5.2	6.7	-29.2	24.8	28.6	104.9	84.0	14.2	14.1	13.5	16.8
Metro Brands	Buy	1083	1320	22	11.6	15.3	19.6	-12.8	32.4	27.6	93.4	70.5	16.5	14.3	19.1	22.2
Raymond	Buy	2107	2340	11	103.2	117.0	144.9	9.3	13.4	23.9	20.4	18.0	3.1	2.6	18.5	15.8
Relaxo Footwear	Neutral	831	830	0	8.7	11.4	15.1	40.2	31.3	32.0	95.5	72.7	10.2	9.3	11.2	13.4
Restaurant Brands	Buy	101	140	38	-3.9	-0.8	0.9	-21.1	Loss	LP	NM	NM	7.7	8.2	-25.4	-6.4
Sapphire Foods	Buy	1357	1650	22	8.9	15.3	25.3	-48.2	71.6	66.1	152.6	88.9	6.4	5.6	4.3	6.7
Shoppers Stop	Neutral	711	715	0	8.3	15.1	14.3	-43.0	82.4	-5.6	85.9	47.1	20.1	14.1	26.2	35.1
Titan Company	Buy	3584	4300	20	40.4	52.9	65.2	9.8	30.9	23.3	88.8	67.8	22.2	18.0	27.4	29.5
Trent	Buy	4305	4460	4	24.4	35.0	45.4	119.3	43.5	29.7	176.3	122.9	41.3	30.4	28.6	30.5
V-Mart Retail	Neutral	2162	2210	2	-54.6	-3.6	28.6	1,159.5	Loss	LP	NM	NM	5.2	5.3	NM	NM
Vedant Fashions	Neutral	936	1050	12	16.7	21.2	26.1	-5.3	26.8	22.8	55.9	44.1	14.3	12.0	26.7	28.6
Westlife Foodworld	Neutral	887	775	-13	5.0	7.9	12.5	-30.5	59.3	57.9	178.4	112.0	20.2	18.1	12.4	17.1
Aggregate								-2.1	43.1	30.9	115.9	81.0	17.0	14.3	14.7	17.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Technology																
Cyient	Buy	1885	2500	33	68.2	86.0	112.0	30.3	26.1	30.2	27.6	21.9	5.6	5.1	20.9	24.2
HCL Tech.	Buy	1472	1700	15	57.9	62.8	73.6	5.6	8.4	17.3	25.4	23.5	5.8	5.9	23.5	25.1
Infosys	Buy	1430	1650	15	63.3	63.8	74.0	10.0	0.7	16.0	22.6	22.4	6.7	6.7	29.8	30.0
LTI Mindtree	Neutral	4790	5020	5	154.8	168.4	200.9	2.0	8.8	19.3	30.9	28.4	7.1	6.2	24.4	23.2
L&T Technology	Buy	4778	6750	41	125.0	151.1	177.7	13.1	20.9	17.6	38.2	31.6	9.6	8.3	25.9	28.2
Mphasis	Neutral	2298	2600	13	81.5	94.5	112.7	-6.3	15.9	19.3	28.2	24.3	5.1	4.7	18.8	20.2
Coforge	Neutral	5251	6310	20	140.6	190.3	225.2	7.7	35.3	18.3	37.3	27.6	9.4	8.0	26.3	31.1
Persistent Sys	Neutral	3399	4055	19	74.2	95.1	117.4	19.3	28.2	23.4	45.8	35.7	10.4	9.1	25.6	27.5
TCS	Buy	3813	4600	21	126.3	147.5	169.6	9.5	16.8	15.0	30.2	25.9	15.4	15.7	50.9	59.9
Tech Mah	Neutral	1277	1210	-5	41.1	50.8	67.3	-28.2	23.7	32.3	31.1	25.1	4.2	4.1	13.3	16.6
Wipro	Neutral	465	490	5	20.4	22.4	26.9	-1.5	10.0	19.9	22.8	20.7	3.3	3.3	14.4	16.0
Zensar Tech	Neutral	621	600	-3	26.8	24.6	28.5	86.9	-8.3	15.9	23.1	25.2	4.2	3.8	19.3	15.8
Aggregate								3.8	12.6	17.0	28.8	25.6	8.1	8.1	28.1	31.5
Telecom																
Bharti Airtel	Buy	1326	1570	18	18.9	32.6	40.6	29.4	72.8	24.4	70.2	40.6	8.7	6.0	13.0	17.4
Indus Towers	Neutral	353	285	-19	20.4	20.7	21.4	128.7	1.5	3.2	17.3	17.1	3.6	3.0	23.0	19.0
Vodafone Idea		14			-11.1	-10.2	-9.2	9.3	Loss	Loss	NM	NM	-0.4	-0.3	NM	NM
Tata Comm	Neutral	1757	1910	9	42.3	48.1	83.5	-30.0	13.8	73.6	41.6	36.5	28.0	17.7	72.9	59
Aggregate								Loss	Loss	LP	-65	-236	121.5	39.6	-185.5	-16.8
Others																
APL Apollo Tubes	Buy	1551	1800	16	27.3	41.4	57.0	18.1	51.5	37.6	56.8	37.5	11.9	9.3	22.9	27.9
BSE	Neutral	3210	2830	-12	64.3	70.0	82.1	309.2	8.9	17.3	50.0	45.9	16.3	14.7	32.6	32.1
Cello World	Buy	933	1100	18	15.7	19.6	24.2	25.3	25.0	23.3	59.4	47.5	29.2	18.1	49.1	38.1
Coromandel Intl	Buy	1185	1290	9	55.8	63.1	66.9	-18.5	13.1	6.0	21.2	18.8	3.7	3.2	19.0	18.4
DreamFolks Services	Buy	552	650	18	13.2	16.6	21.6	-1.2	25.6	30.5	41.8	33.3	12.7	9.1	37.4	33.0
EPL	Buy	182	250	38	8.2	11.2	13.8	13.5	37.3	22.6	22.2	16.2	2.7	2.5	12.7	16.2
Godrej Agrovet	Neutral	544	510	-6	18.6	21.7	24.2	43.2	16.6	11.3	29.2	25.1	4.2	3.9	14.8	16.0
Indiamart Inter.	Buy	2635	3000	14	51.9	65.6	86.2	11.8	26.5	31.4	50.8	40.2	6.8	6.1	14.3	15.9
Indian Hotels	Buy	568	680	20	8.9	11.2	13.3	25.9	26.0	19.2	64.1	50.9	8.5	7.4	14.4	15.6
Interglobe	Neutral	3936	3564	-9	224.1	187.1	187.3	-	-17	0	17.6	21	64.7	15.8	-436.0	121.3
Info Edge	Neutral	5896	5720	-3	63.6	68.4	81.6	99.8	7.6	19.2	92.8	86.2	6.5	6.0	0.0	0.0
Kajaria Ceramics	Buy	1204	1600	33	28.7	34.8	41.2	34.1	21.5	18.3	42.0	34.6	7.6	7.0	18.2	20.4
Lemon Tree Hotel	Buy	145	170	18	1.7	3.1	4.2	9.9	85.3	35.8	86.9	46.9	11.5	9.2	14.1	21.8
MCX	Buy	4167	4400	6	16.3	92.8	115.6	-44.2	469.4	24.6	255.7	44.9	15.4	14.4	5.8	33.2
One 97	Neutral	377	475	26	-20.8	-15.0	8.5	-25.9	Loss	LP	NM	NM	1.9	2.0	-10.3	-7.8
Qess Corp	Neutral	639	600	-6	20.6	33.6	46.4	79.4	63.5	38.0	31.1	19.0	2.7	2.5	11.8	17.9
SIS	Buy	474	590	25	21.4	34.5	45.1	-7.9	61.3	30.6	22.1	13.7	1.2	1.0	12.8	17.9
Team Lease Serv.	Buy	3249	3620	11	70.0	104.1	150.9	7.5	48.7	45.0	46.4	31.2	5.9	5.0	13.3	16.9
UPL	Neutral	509	470	-8	-6.4	23.0	46.7	-110.9	LP	102.9	NM	22.1	1.0	1.0	-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	188	220	17	0.4	1.1	2.7	-134.7	168.2	140.0	455.0	169.6	8.2	7.8	1.8	4.7



Index	1 Day (%)	1M (%)	12M (%)
Sensex	-0.8	1.7	22.3
Nifty-50	-0.7	1.9	25.9
Nifty Next 50	0.7	7.2	64.9
Nifty 100	-0.4	2.8	31.7
Nifty 200	-0.2	3.3	35.7
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	-0.3	5.1	70.4
Amara Raja Ener.	0.6	43.7	84.8
Apollo Tyres	-1.4	4.4	47.1
Ashok Leyland	4.1	9.7	31.2
Bajaj Auto	2.7	0.2	108.8
Balkrishna Inds	-0.6	4.8	15.2
Bharat Forge	-0.1	15.9	65.4
Bosch	0.2	-5.6	52.8
CEAT	-0.9	-3.9	80.9
Craftsman Auto	2.0	12.3	48.7
Eicher Motors	-0.3	17.6	41.6
Endurance Tech.	0.8	11.9	49.3
Escorts Kubota	1.3	19.6	67.2
Exide Inds.	4.3	53.2	142.7
Happy Forgings	1.8	6.9	
Hero Motocorp	-0.1	-3.8	79.3
M & M	-2.5	9.7	68.5
CIE Automotive	0.2	10.1	27.3
Maruti Suzuki	-1.7	3.7	49.3
MRF	0.5	-1.1	49.3
Sona BLW Precis.	-3.0	-7.4	39.3
Motherson Sumi	3.1	11.8	82.5
Motherson Wiring	-0.9	7.3	32.6
Tata Motors	-0.2	1.3	109.0
TVS Motor Co.	0.5	-3.2	79.2
Tube Investments	1.4	-3.2	44.2
Banks-Private	-0.5	3.0	10.8
AU Small Fin. Bank	-1.5	6.5	-6.8
Axis Bank	0.3	8.6	27.3
Bandhan Bank	-0.2	1.3	-17.7
DCB Bank	2.0	16.9	34.4
Equitas Sma. Fin	0.3	11.6	119.9
Federal Bank	0.7	4.9	16.4
HDFC Bank	-0.1	5.9	-9.7
ICICI Bank	-0.5	2.2	21.1
IDFC First Bank	1.7	9.1	44.0
IndusInd Bank	-3.3	-4.8	27.1
Kotak Mah. Bank	-2.1	-8.3	-14.4
RBL Bank	0.9	10.5	73.1
SBI Cards	-1.0	7.7	-3.3
Banks-PSU	-0.3	7.0	81.9
BOB	-0.2	2.5	46.0
Canara Bank	0.1	8.0	99.5
Indian Bank	-0.1	3.0	65.0
Punjab Natl.Bank	0.4	10.1	171.5
St Bk of India	-1.4	8.3	41.5
Union Bank (I)	0.6	0.6	101.5

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	-0.1	4.2	39.0
Nifty Midcap 100	0.8	5.9	62.1
Nifty Smallcap 100	0.6	12.3	78.4
Nifty Midcap 150	0.7	6.3	59.9
Nifty Smallcap 250	0.5	11.6	70.9
NBFCs	-0.9	3.1	12.4
Aditya Birla Capital Ltd	0.7	30.6	42.9
Angel One	-0.7	3.5	129.0
Bajaj Fin.	-7.7	-2.6	11.2
Cholaman.Inv.&Fn	1.4	5.1	39.8
Can Fin Homes	0.2	-1.0	27.7
Cams Services	-1.4	6.1	55.8
CreditAcc. Gram.	-0.7	4.8	51.5
Fusion Microfin.	-0.7	9.9	23.8
Home First Finan	0.7	-2.6	23.2
Indostar Capital	0.4	30.9	99.2
IIFL Finance	-0.8	32.9	-9.9
L&T Finance	-2.4	4.7	81.4
LIC Housing Fin.	0.0	11.6	94.5
M & M Fin. Serv.	0.3	-5.6	3.0
Muthoot Finance	2.0	13.8	66.0
Manappuram Fin.	0.4	11.4	52.5
MAS Financial Serv.	-1.2	7.6	32.5
ICICI Sec	-1.6	-1.2	67.8
360 One	-3.7	24.3	96.6
PNB Housing	0.2	24.8	79.4
Repco Home Fin	1.8	29.9	183.6
Shriram Finance	0.3	5.3	77.7
Spandana Sphoort	-1.0	10.2	47.2
Insurance			
HDFC Life Insur.	-1.2	-6.2	10.6
ICICI Pru Life	0.4	-5.6	32.1
ICICI Lombard	-0.8	2.7	58.1
Life Insurance	0.4	10.1	80.4
Max Financial	-1.9	1.1	62.5
SBI Life Insuran	-2.0	-4.8	26.6
Star Health Insu	-0.7	3.9	-5.6
Chemicals			
Alkyl Amines	0.2	10.2	-11.5
Atul	0.9	2.2	-15.8
Clean Science	0.0	-0.1	-6.5
Deepak Nitrite	2.2	15.8	33.3
Fine Organic	-1.6	10.8	4.2
Galaxy Surfact.	0.2	13.1	4.2
Navin Fluo.Intl.	0.1	5.8	-29.3
NOCIL	0.5	12.5	30.1
P I Inds.	0.4	-0.6	22.8
SRF	0.1	2.4	5.8
Tata Chemicals	0.8	3.2	20.4
Vinati Organics	2.4	5.3	-17.3
Capital Goods	-0.1	20.2	123.0
A B B	-0.3	8.1	88.5
Bharat Electron	0.6	19.8	135.1



Company	1 Day (%)	1M (%)	12M (%)
Cummins India	0.2	9.2	107.0
Hitachi Energy	-4.4	27.6	171.1
K E C Intl.	-1.0	7.8	60.2
Kalpataru Proj.	0.3	11.6	119.9
Kirloskar Oil	6.7	19.5	149.6
Larsen & Toubro	-1.3	-1.8	58.4
Siemens	0.3	12.7	66.7
Thermax	1.6	6.5	94.5
Triveni Turbine	0.9	-0.4	45.7
Cement			
Ambuja Cem.	-0.9	6.3	63.6
ACC	-1.8	3.4	45.7
Birla Corp.	1.2	2.1	57.8
Dalmia Bhar.	-0.4	-8.2	-6.9
Grasim Inds.	-1.1	4.6	38.4
India Cem	0.4	8.8	26.5
J K Cements	1.0	0.7	39.2
JK Lakshmi Cem.	-0.5	-7.8	0.7
The Ramco Cement	1.1	-1.4	9.2
Shree Cement	0.7	-6.0	0.7
UltraTech Cem.	0.2	1.0	30.1
Consumer	0.0	1.1	14.6
Asian Paints	-0.6	1.0	-2.3
Britannia Inds.	-0.9	-3.2	9.0
Colgate-Palm.	2.0	4.0	81.3
Dabur India	0.5	-2.3	-4.6
Emami	3.3	10.3	31.7
Godrej Consumer	0.1	0.3	23.2
Hind. Unilever	-0.4	-0.8	-11.5
ITC	0.6	2.9	6.7
Indigo Paints	0.3	3.2	15.1
Jyothy Lab.	-1.5	-1.7	117.0
Marico	1.5	4.3	4.2
Nestle India	-3.1	-4.0	18.1
Page Industries	-1.1	1.7	-14.2
Pidilite Inds.	2.2	-0.6	23.7
P & G Hygiene	0.0	-2.5	14.3
Tata Consumer	-0.3	-0.9	47.7
United Breweries	1.1	19.4	41.3
United Spirits	0.3	6.5	54.5
Varun Beverages	1.2	4.1	101.5
Consumer Durables	1.5	7.3	43.1
Polycab India	-0.7	11.5	76.0
R R Kabel	1.4	10.7	
Havells	5.1	10.3	34.4
Voltas	1.9	32.1	70.2
KEI Industries	-0.5	12.2	106.1
EMS			
Kaynes Tech	3.1	-3.2	181.5
Avalon Tech	-1.4	8.0	36.1
Syrma SGS Tech.	0.2	0.4	59.3
Cyient DLM	-1.0	1.2	
Data Pattern	0.7	32.3	88.7

Company	1 Day (%)	1M (%)	12M (%)
Healthcare	0.6	1.0	52.5
Alembic Pharma	-0.7	2.4	80.5
Alkem Lab	0.9	-1.8	43.3
Apollo Hospitals	-2.0	-1.0	41.9
Ajanta Pharma	2.5	-1.3	70.6
Aurobindo	2.5	7.4	84.4
Biocon	5.1	18.9	32.8
Zydus Lifesci.	-0.4	-6.8	83.4
Cipla	0.2	-4.3	54.7
Divis Lab	4.5	18.4	24.7
Dr Reddy's	0.5	1.9	29.0
ERIS Lifescience	1.1	5.8	44.7
Gland Pharma	-0.6	-3.5	25.3
Glenmark	-0.1	12.8	107.1
Global Health	0.6	12.2	184.7
Granules	1.5	-2.2	41.8
GSK Pharma	3.1	10.8	72.5
IPCA Labs	0.8	11.5	90.8
Laurus Labs	2.6	9.9	45.7
Lupin	1.4	0.1	128.3
Max Healthcare	0.0	3.6	82.4
Piramal Pharma	0.2	19.8	109.0
Sun Pharma	-0.9	-5.7	55.1
Torrent Pharma	-0.1	4.7	65.9
Infrastructure	-0.2	4.4	62.5
G R Infraproject	1.0	6.9	39.3
IRB Infra.Devl.	1.5	18.0	161.6
KNR Construct.	1.7	6.1	11.3
Logistics			
Adani Ports	-0.4	1.6	99.3
Blue Dart Exp.	0.2	6.2	5.0
Container Corpn.	6.3	23.0	74.9
JSW Infrast	0.1	5.5	
Mahindra Logis.	-0.1	15.2	27.8
Transport Corp.	-1.5	6.1	43.1
TCI Express	-1.6	4.3	-27.1
VRL Logistics	0.1	2.5	-9.0
Media	1.2	5.1	14.1
PVR INOX	-0.5	6.0	-3.2
Sun TV	4.6	13.5	58.1
Zee Ent.	2.2	4.8	-23.0
Metals	-0.2	13.0	61.4
Hindalco	0.4	16.2	52.8
Hind. Zinc	2.5	43.0	34.6
JSPL	-1.1	11.3	63.4
JSW Steel	-2.0	8.0	22.6
Nalco	0.3	24.4	129.2
NMDC	2.3	26.8	137.9
SAIL	2.2	29.1	107.6
Tata Steel	-1.1	8.8	55.2
Vedanta	4.1	47.7	43.6
Oil & Gas	0.3	5.6	60.1
Aegis Logistics	5.9	62.3	61.7



Company	1 Day (%)	1M (%)	12M (%)
BPCL	1.0	1.6	74.6
Castrol India	0.6	13.9	80.6
GAIL	0.0	15.3	88.8
Gujarat Gas	1.5	0.4	19.0
Gujarat St. Pet.	-0.1	-16.1	3.0
HPCL	0.0	3.9	98.6
IOCL	0.8	2.4	118.7
IGL	1.4	9.8	-5.7
Mahanagar Gas	0.8	7.7	44.1
MRPL	0.4	12.2	358.8
Oil India	2.6	2.8	142.2
ONGC	0.3	6.6	75.6
PLNG	2.0	16.2	31.0
Reliance Ind.	-0.5	0.8	35.0
Real Estate	0.6	9.1	122.3
Brigade Enterpr.	-2.0	12.1	105.0
DLF	1.6	4.0	118.0
Godrej Propert.	2.5	15.9	103.4
Kolte Patil Dev.	-0.1	20.2	123.0
Mahindra Life.	0.3	20.4	81.3
Macrotech Devel.	-1.3	3.4	164.1
Oberoi Realty Ltd	1.9	0.5	65.8
Sobha	0.0	22.5	280.3
Sunteck Realty	0.0	11.1	48.3
Phoenix Mills	-2.3	14.4	122.4
Prestige Estates	3.4	17.8	181.1
Retail			
Aditya Bir. Fas.	1.3	29.7	22.9
Avenue Super.	-2.2	1.5	31.5
Bata India	1.0	-0.7	-7.5
Campus Activewe.	-1.2	13.6	-29.6
Barbeque-Nation	-1.3	7.6	-10.1
Devyani Intl.	-0.2	8.8	5.3
Jubilant Food	-0.4	-6.1	-1.6
Metro Brands	1.0	-4.7	26.8
Raymond	-0.6	19.8	30.8
Relaxo Footwear	-1.1	1.9	0.1
Restaurant Brand	-0.4	-0.6	4.3
Sapphire Foods	-1.6	-14.6	15.5
Shoppers St.	0.0	-7.4	15.2
Titan Co.	0.4	-3.1	35.7
Trent	-0.4	10.9	213.4
V-Mart Retail	1.6	4.1	-0.5
Vedant Fashions	1.3	1.4	-25.1
Westlife Food	7.8	17.3	19.8
Technology	0.3	-3.7	24.4
Cyient	-1.5	-2.9	61.9
HCL Tech.	-2.0	-5.7	38.3
Infosys	-0.6	-4.2	16.5
LTIMindtree	3.3	-3.8	15.1
L&T Technology	-7.8	-11.8	38.6
Mphasis	3.1	-3.3	30.6
Coforge	0.8	-5.3	33.1

Company	1 Day (%)	1M (%)	12M (%)
Persistent Sys	-1.0	-15.9	51.9
TCS	-0.8	-1.4	19.5
Tech Mah	7.4	1.9	28.3
Wipro	0.8	-3.2	24.0
Zensar Tech	8.0	3.4	126.8
Telecom	-0.1	9.7	75.2
Bharti Airtel	-0.9	9.3	71.4
Indus Towers	0.5	24.6	147.1
Idea Cellular	0.7	5.3	113.7
Tata Comm	0.8	-9.8	41.2
Utilities	0.1	8.2	91.2
Coal India	0.7	4.6	98.4
NTPC	-0.9	8.2	109.6
Power Grid Corpn	-0.4	8.2	63.5
Others			
APL Apollo Tubes	0.3	4.3	28.6
BSE	2.0	39.0	543.0
Cello World	0.1	21.5	
Coromandel Intl	6.5	11.5	26.1
Dreamfolks Servi	5.5	14.9	28.7
EPL Ltd	2.4	0.8	9.6
Indiamart Inter.	-0.9	-2.0	-0.1
Godrej Agrovet	0.2	11.1	25.4
Havells	5.1	10.3	34.4
Indian Hotels	-1.4	0.0	66.9
Interglobe	3.2	12.7	95.1
Info Edge	-0.2	13.0	61.5
Kajaria Ceramics	-0.6	5.2	13.8
Lemon Tree Hotel	4.6	9.1	65.2
MCX	0.2	24.0	198.9
One 97	-0.6	-5.4	-41.8
Piramal Enterp.	2.0	7.9	29.1
Quess Corp	2.0	27.6	73.6
SIS	-0.6	6.8	24.6
Team Lease Serv.	-0.8	14.4	51.3
UPL	0.5	9.3	-28.9
Updater Services	-1.2	-3.6	
Voltas	1.9	32.1	70.2
Zomato Ltd	1.8	3.0	223.2

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

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

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

Disclosures:

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

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

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

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

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

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

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

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

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

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

Terms & Conditions:

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

Analyst Certification

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

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

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

For Singapore

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

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

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

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

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

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

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

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

Grievance Redressal Cell:

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

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

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