

Market snapshot



Equities - India	Close	Chg. %	CYTD.%
Sensex	44,633	0.0	8.2
Nifty-50	13,134	0.2	7.9
Nifty-M 100	20,127	0.6	17.7
Equities-Global	Close	Chg. %	CYTD.%
S&P 500	3,667	-0.1	13.5
Nasdaq	12,377	0.2	37.9
FTSE 100	6,490	0.4	-13.9
DAX	13,253	-0.5	0.0
Hang Seng	10,586	0.1	-5.2
Nikkei 225	26,809	0.0	13.3
Commodities	Close	Chg. %	CYTD.%
Brent (US\$/Bbl)	49	2.4	-26.9
Gold (\$/OZ)	1,841	0.5	21.3
Cu (US\$/MT)	7,669	0.0	24.7
Almn (US\$/MT)	2,016	-1.3	13.2
Currency	Close	Chg. %	CYTD.%
USD/INR	73.9	0.2	3.6
USD/EUR	1.2	0.2	8.3
USD/JPY	103.8	-0.6	-4.4
YIELD (%)	Close	1MChg	CYTDchg
10 Yrs G-Sec	5.8	0.00	-0.7
10 Yrs AAA Corp	6.6	0.01	-1.0
Flows (USD b)	3-Dec	MTD	CYTD
FII	0.49	1.00	16.61
DII	-0.19	-0.56	-0.27
Volumes (INRb)	3-Dec	MTD*	CYTD*
Cash	791	727	565
F&O	49,245	31,906	18,578

Note: \*Average

Today's top research idea



UltraTech: Revving up the volume growth engine

- ❖ UltraTech's (UTCEM) announcement today of organic expansion of 19.5mtpa (19%) by FY23 is positive on multiple counts – 1) provides visibility on above industry 10% CAGR in volume over FY21-24E, 2) incrementally positive for ROCE as expansion is at cost of only ~USD55/t implying a ROCE of ~14% (vs 10% currently), and 3) addresses capital allocation concerns as cash flows over the next two years is deployed in the core business. Despite the expansion, we estimate UTCEM to become net cash by 1HFY23.
- ❖ We estimate 14%/ 28% CAGR in consolidated EBITDA/ PAT over FY20-22E driven by robust volumes and lower operating and interest costs.
- ❖ Valuation is reasonable at 12.2x FY22E EV/EBITDA and USD179/t of capacity, which is a ~20% discount to its past five-year average and ~10% discount to its past 10-year average. We value UTCEM at 14x FY22E EV/EBITDA to arrive at TP of INR5,760. Reiterate Buy.

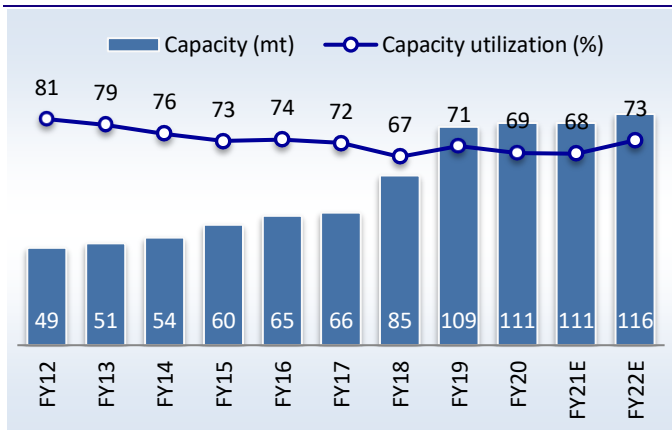


Research covered

Cos/Sector	Key Highlights
UltraTech	Revving up the volume growth engine
HDFC Bank	RBI temporarily halts sourcing of new credit cards and digital launches
Mindtree	Bigger aspirations would require more investments
Corner Office	ENDURANCE: Roadmap in place for continued superior growth in India
Telecom	Subscriber churn taking place
Bulls & Bears	Market rallies for second consecutive month; FII inflows highest ever

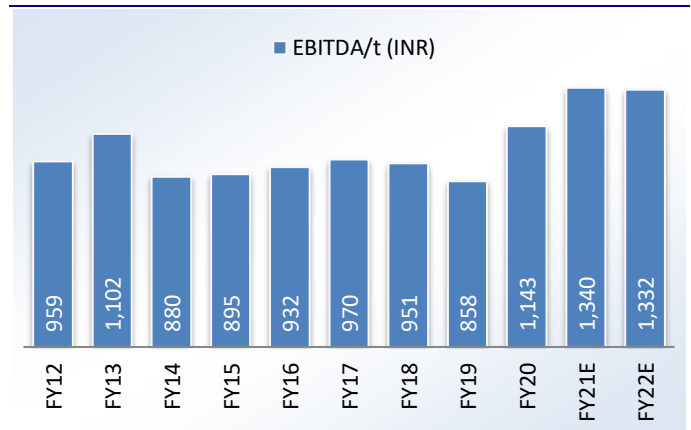
Chart of the Day: UltraTech (Revving up the volume growth engine)

Utilization to rise in FY22E



Source: Company, MOFSL

Expect EBITDA/t of INR1,300+ over FY21-22



Source: Company, MOFSL

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

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



Kindly click on textbox for the detailed news link

1

**Airtel gains 2.3 million more subscribers than Reliance Jio in September**

Bharti Airtel was the biggest gainer in terms of users in September with 3.8 million subscriber additions, the Telecom Regulatory Authority of India said. According to the latest Trai data, Reliance Jio added 1.5 million users while Vodafone Idea continued...

2

**NCLT gives nod to Reliance Infratel resolution plan; lenders may get around Rs 4,400 cr**

The National Company Law Tribunal on Thursday approved a resolution plan of Reliance Infratel following which lenders may get around Rs 4,400 crore and Reliance Jio may pick up the assets of the debt-ridden telecom infrastructure company, according to sources. Reliance Jio through its subsidiary placed bids to acquire assets of Reliance Communications' fully owned subsidiary Reliance Infratel which has been approved by the tribunal as part of the resolution plan, a source aware of the development told PTI...

3

**UltraTech Cement announces ₹5,477 cr investment to expand capacity**

Aditya Birla Group firm UltraTech Cement Ltd on Thursday announced ₹5,477 crore investment towards 12.8 mtpa capacity expansion with a mix of brown field and green field expansion. Upon completion of the latest round of expansion, company's capacity will grow to 136.25 mtpa...

4

**Government allows 10% more domestic flights from December 3**

Indian carriers have been allowed to operate more domestic flights with the government on Thursday allowing them to have upto 80% of their pre-Covid flights — up from 70% earlier. Domestic air travel is steadily reviving after being allowed to resume at one-third of pre-Covid level on May 25...

5

**JSW Steel sweetens offer for BPSL by Rs 400 crore**

JSW Steel has sweetened its offer to lenders of Bhushan Power & Steel, agreeing to make an upfront payment of Rs 19,350 crore plus an additional Rs 400 crore, thus taking the deal size to Rs 19,750 crore. "We have received a fresh offer in which JSW Steel has agreed to make an upfront payment for Bhushan Power & Steel; also the offer has been hiked by Rs 400 crore," said a lender involved in the negotiations...

6

**Tata Power fully repays Mundra unit's bank loans worth Rs 4,150 cr**

Tata Power on Thursday said its Mundra subsidiary has made the second tranche of repayment for its bank loans. With this, the company said, all of the unit's bank loans have been fully repaid. In a statement to the BSE, Tata Power said Coastal Gujarat Power (CGPL)...

7

**Hiring activity remains flat in November versus October: Naukri JobSpeak Index**

India Inc hiring activity remained flat in November compared to a month ago, according to the Naukri JobSpeak index. The index for November was at 1727 - nearly flat in hiring activity compared to October index at 1759 - on account of Diwali holiday...



# UltraTech Cement

BSE SENSEX 44,633 S&P CNX 13,134



### Stock Info

Bloomberg	UTCEM IN
Equity Shares (m)	288
M.Cap.(INRb)/(USDb)	1412.1 / 19.3
52-Week Range (INR)	4998 / 2913
1, 6, 12 Rel. Per (%)	-3/-4/6
12M Avg Val (INR M)	2527
Free float (%)	40.1

### Financials Snapshot (INR b)

Y/E MARCH	2020	2021E	2022E
Sales	421	429	482
EBITDA	94	111	122
Adj. PAT	38	53	63
EBITDA Margin (%)	22	26	25
Adj. EPS (INR)	133	183	218
EPS Gr. (%)	47	38	19
BV/Sh. (INR)	1,425	1,600	1,813

### Ratios

Net D:E	0.4	0.3	0.1
RoE (%)	10.5	12.7	13.4
RoCE (%)	9.6	10.1	11.3
Payout (%)	8.6	8.3	6.7

### Valuations

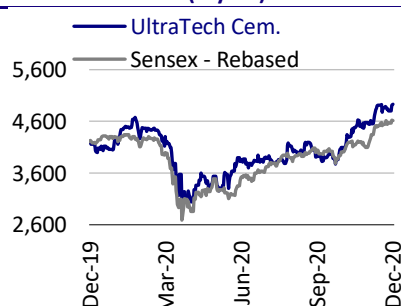
P/E (x)	36.8	26.7	22.5
P/BV (x)	3.4	3.1	2.7
EV/EBITDA(x)	16.8	13.8	12.2
EV/ton (USD)	198	191	179
Div. Yield (%)	0.2	0.3	0.3
FCF Yield (%)	5.1	4.4	4.7

### Shareholding pattern (%)

As On	Sep-20	Jun-20	Sep-19
Promoter	59.9	60.0	61.7
DII	15.5	14.7	12.0
FII	15.4	16.2	17.9
Others	9.3	9.1	8.4

FII Includes depository receipts

### Stock Performance (1-year)



**CMP: INR 4,892 TP: INR5,760 (+18%)**

**Buy**

## Revving up the volume growth engine

### Expansion implies incremental ROCE of 14%

UltraTech (UTCEM)'s announcement today of organic expansion of 19.5mtpa (19%) by FY23 is positive on multiple counts – 1) it provides visibility on above-industry volumes at a 10% CAGR over FY21–24E, 2) it is incrementally positive for ROCE as expansion is at a cost of only ~USD55/t, implying ROCE of ~14% (v/s 10% currently), and 3) it addresses capital allocation concerns as cash flows over the next two years are deployed in the core business. Despite the expansion, we estimate UTCEM to turn net cash by 1HFY23. Reiterate Buy and the top-pick status in the Cement sector.

### Announces pan-India expansion at <USD60/t

UTCEM announced an INR65.3b capex plan of 19.5mtpa cement, along with 11.4mtpa clinker in North, Central, and East India by end-FY23. This includes new expansions of 12.8mtpa cement and 9.1mtpa clinker, with INR54.8b (USD750m) capex and under-execution capacities of 6.7mtpa cement and 2.3mtpa clinker. The geographical mix of the new expansion plan is: (a) East – 4.5mt cement and 2.7mt clinker (b) Central – 6.4mt cement and 3.7mt clinker, and (c) North – 1.9mt cement and 2.7mt clinker. The expanded capacity would meet ~40% of its power requirement through WHRS, thereby saving significantly on power cost. Moreover, UTCEM announced a planned expansion of another 30mtpa over FY23–30, implying a ~3% CAGR during this period. UTCEM would keep evaluating further expansions and inorganic growth opportunities to build up the capacity pipeline beyond FY23.

### Key positives from announced expansion plan

**Low-cost expansion to yield higher RoCE:** As ~72% of the expansion is brownfield in nature, this entails capex cost of only USD58/t – significantly lower than the replacement cost of ~USD100/t. Assuming 75% utilization (at par with the industry) and EBITDA/t of INR1,300, the expansion would thus generate higher post-tax RoCE of ~14% (v/s 10% currently; Exhibit 2).

**Expansion provides strong volume growth visibility:** The expansion would take UTCEM's India capacity to 131mtpa by FY23-end v/s current capacity of 111mtpa with only 68% utilization. We, thus, expect UTCEM to deliver above-industry volumes at a 10% CAGR over FY21–24E. Driven by further planned expansion of 30mtpa over FY24–30, UTCEM would have spare capacity for sustained volume growth even beyond FY24.

**Visibility on cash flow utilization in core business:** UTCEM's OCF generation is expected to be strong at >100b p.a. from FY22. Announced capex of INR25b in each FY22 and FY23 would thus aid the utilization of this strong OCF in the core Cement business and still help deleverage the balance sheet. We estimate UTCEM to turn net cash in 1HFY23.

**Highlights from management commentary**

- UTCEM targets an 8% CAGR in volumes for the next 10 years.
- UTCEM has planned 11mt of the 19.5mt capacity (including ongoing expansion) for the East market as it has been falling short of capacity in the peak demand season. This would reduce logistics cost in the region for UTCEM and realign its capacities in South and Maharashtra.
- Post the expansion, the regional capacity mix for East/Central/West/North/South would be at 26.2mt/28.4mt/29.5mt/26.3mt/20.5mt. UTCEM's total capacity would go up to 136.25mt (including 5.4mt in the UAE).
- The management expects UTCEM to be debt-free by FY23 despite growth capex plans of INR65b.

**Growth at reasonable valuations – 28% EPS CAGR over FY20–22E**

- UTCEM's strong pan-India distribution network and preferred supplier status for key infrastructure projects places it well to tap into expected growth in both retail and institutional (non-trade) cement demand in India.
- While it is ramping-up under-utilized acquired capacities (Binani, Century), it also has a strong pipeline of projects and brownfield expansion potential, offering visibility on long-term growth.
- We estimate a 14%/28% CAGR in consolidated EBITDA/PAT over FY20–22E, driven by robust volumes and lower operating and interest costs.
- Valuations are reasonable at 12.2x FY22E EV/EBITDA and USD179/t of capacity, a ~20% discount to its past five-year average and ~10% discount to its past 10-year average. The stock is also trading 30% cheaper than peer Shree Cement, v/s the historical average of 10%. We value UTCEM at 14x FY22E EV/EBITDA to arrive at TP of INR5,760. Reiterate **Buy**.

# HDFC Bank

BSE SENSEX 44,633 S&P CNX 13,134



### Stock Info

Bloomberg	HDFCB IN
Equity Shares (m)	5,504
M.Cap.(INRb)/(USDb)	7582.9 / 104.8
52-Week Range (INR)	1464 / 739
1, 6, 12 Rel. Per (%)	-1/4/0
12M Avg Val (INR M)	15337
Free float (%)	78.8

### Financials Snapshot (INR b)

Y/E MARCH	FY21E	FY22E	FY23E
NII	648.1	740.8	864.8
OP	565.5	663.8	778.5
NP	300.9	364.7	437.7
NIM (%)	4.1	4.1	4.2
EPS (INR)	54.9	66.5	79.8
EPS Gr. (%)	14.2	21.2	20.0
BV/Sh. (INR)	357.1	413.4	482.3
ABV/Sh. (INR)	342.3	394.1	460.5

### Ratios

RoE (%)	16.4	17.3	17.8
RoA (%)	1.8	1.9	2.0
Payout (%)	17.5	15.4	13.6

### Valuations

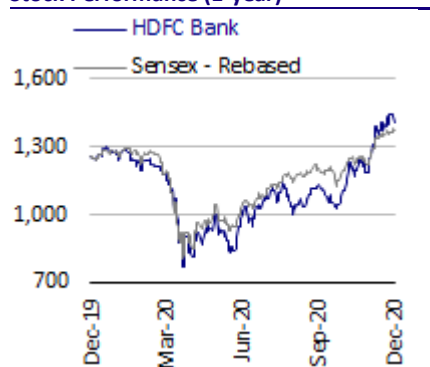
P/E(X)	25.1	20.7	17.2
P/BV (X)	3.9	3.3	2.9
P/ABV (X)	4.0	3.5	3.0
Div. Yield (%)	0.7	0.7	0.8

### Shareholding pattern (%)

As On	Sep-20	Jun-20	Sep-19
Promoter	21.2	21.2	21.3
DII	18.6	18.0	17.3
FII	49.1	48.8	49.4
Others	11.1	12.0	12.1

FII Includes depository receipts

### Stock Performance (1-year)



**CMP: INR1,377 TP: INR1,500 (+9%) Buy**

## RBI temporarily halts sourcing of new credit cards and digital launches

### Strong message from regulator to ensure seamless digital banking services

The Reserve Bank of India (RBI) has asked HDFCB to temporarily stop: a) all launches of digital business generating activities planned under Digital 2.0, b) other proposed business generating IT applications, and c) sourcing of new credit card customers. The regulator took such a firm stance after the bank faced multiple incidents of outages in net banking/payment facilities over the past two years.

Through this order, RBI has set a precedent for other banks to strengthen their existing digital infrastructure and maintain high level of proficiency as high competitive intensity among private banks is forcing them to launch new payment or digital solutions without adequate testing in some instances. We learn that the global regulators are much stricter in dealing with such instances and RBI is now also apparently aiming to follow the same.

**Valuation and view:** HDFCB indicated that the RBI order will not have an impact on its existing credit cards business and operations of the bank. However, this order could likely delay the launch of digital auto loan financing portal, which the management has guided for during 2QFY21. The timeline of lifting these orders would be a key monitorable and we remain watchful on future developments in this regard. At the current juncture, we do not see any meaningful risk to our estimates and continue to maintain our BUY rating with a TP of INR1,500/share (3.3x Sep'22E ABV).

### HDFCB faced multiple technical outage over the past few years

HDFCB had faced multiple technical outages over the past few years such as the one on Nov'20 due to the power failure, while similar downtime was witnessed in Dec'19 as well. We note that many other banks too have faced similar system outages in the past, resulting in a disruption in the continuity of banking services. HDFCB in its annual report highlighted that 95% of retail transactions are undertaken digitally. NCPI data suggests a significant rise in retail payments such as UPI (excluding BHIM, transaction value of INR18.9t over FY21 YTD). Thus, the higher instances of technical glitches over the past had forced the RBI to take a firm stance, sending a strong message to the banks to provide seamless services.

### Global regulators maintain a strict stance; RBI apparently aiming for the same

Global regulators are much stricter for such lapses and ensure banks maintain a high standard of service quality and continuity of banking services. RBI's strict stance towards the top private sector bank could be a step in this direction as the bank witnessed multiple outage instances over the past two years. At present, private sector banks are facing high competition and have launched digital products to gain market share without proper testing, which could be a reason for such failures. To promote a digital economy, a strong digital infrastructure is necessary to handle high volumes of transactions flowing through the banking system, which is growing exponentially.

**Credit card outstanding across key players**

O/s credit cards (in m)	FY12	FY14	FY16	FY18	FY20	1HFY21
<b>HDFCB</b>	<b>5.6</b>	<b>5.1</b>	<b>7.3</b>	<b>10.7</b>	<b>14.5</b>	<b>15.0</b>
SBIN	2.2	2.9	3.6	6.3	10.5	11.0
ICICIBC	2.8	3.2	3.7	5.0	9.1	9.3
AXSB	0.8	1.4	2.4	4.5	7.0	6.9
RBL	-	0.1	0.1	0.8	2.7	2.7

Source: MOFSL, Company

**Market share trends in credit card outstanding**

Market share in o/s cards (%)	FY12	FY14	FY16	FY18	FY20	1HFY21
<b>HDFCB</b>	<b>31.7</b>	<b>26.8</b>	<b>29.7</b>	<b>28.5</b>	<b>25.1</b>	<b>25.5</b>
SBIN	12.6	14.9	14.8	16.7	18.3	18.8
ICICIBC	16.1	16.6	14.9	13.3	15.8	15.8
AXSB	4.4	7.2	9.8	12.0	12.1	11.7
RBL	-	0.7	0.6	2.1	4.6	4.6

Source: MOFSL, Company

**Market share trends credit card spends**

Market share in o/s spends (%)	FY12	FY14	FY16	FY18	FY20	1HFY21
<b>HDFCB</b>	<b>26.9</b>	<b>29.4</b>	<b>30.6</b>	<b>28.6</b>	<b>28.8</b>	<b>31.2</b>
SBIN	7.9	10.6	12.0	16.6	17.8	20.1
ICICIBC	12.5	11.1	10.9	11.1	12.2	13.6
AXSB	2.4	5.7	7.5	9.6	10.4	8.3
RBL	-	0.1	0.4	1.5	4.0	4.8

Source: MOFSL, Company

**Market share trends – POS terminals**

POS - Market share (%)	FY15	FY16	FY17	FY18	FY19	FY20
RBK	0.0%	0.1%	3.2%	13.1%	18.6%	25.5%
SBICARD	17.8%	21.8%	20.1%	20.2%	15.5%	13.1%
AXSB	22.1%	19.0%	17.1%	16.0%	13.6%	10.2%
<b>HDFCB</b>	<b>21.7%</b>	<b>20.4%</b>	<b>17.0%</b>	<b>12.9%</b>	<b>13.2%</b>	<b>17.0%</b>
ICICIBC	19.7%	14.5%	12.1%	10.4%	10.5%	9.4%

Source: MOFSL, Company



# Mindtree

BSE SENSEX 44,633 S&P CNX 13,134



**CMP: INR1442 TP: INR1550 (+7%) Neutral**

## Bigger aspirations would require more investments

We attended Mindtree's (MTCL) Analyst Day, where the management shared its new 4x4x4 strategy and opportunities in digital trends. Here are the key highlights from the meet:

### Stock Info

Bloomberg	MTCL IN
Equity Shares (m)	165
M.Cap.(INRb)/(USDb)	237.6 / 3.2
52-Week Range (INR)	1605 / 692
1, 6, 12 Rel. Per (%)	-1/28/91
12M Avg Val (INR M)	1349

### Financials Snapshot (INR b)

Y/E Mar	FY20	FY21E	FY22E
Sales	77.6	79.2	90.4
EBIT Margin (%)	10.5	16.4	16.5
PAT	6.3	9.9	11.5
EPS (INR)	38.3	60.1	69.6
EPS Gr. (%)	(16.4)	56.8	15.9
BV/Sh. (INR)	192	238	285

### Ratios

RoE (%)	20.0	25.2	24.5
RoCE (%)	32.0	19.6	19.4
Payout (%)	33.9	37.4	28.7

### Valuations

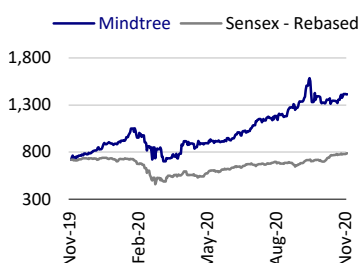
P/E (x)	37.6	24.0	20.7
P/BV (x)	7.5	6.0	5.1
EV/EBITDA (x)	21.2	14.4	12.1
Div Yield (%)	0.9	1.6	1.4

### Shareholding pattern (%)

As On	Sep-20	Jun-20	Sep-19
Promoter	67.6	73.5	73.8
DII	12.0	7.9	5.3
FII	12.0	10.4	10.8
Others	8.4	8.2	10.1

FII Includes depository receipts

### Stock Performance (1-year)



## Healthcare a potential future addition to industry verticals

- MTCL announced it is looking to expand its presence in the Healthcare vertical as it is seeing new business overlap between its core verticals of CPG, Retail and Technology into areas like Payer, Provider and Device Manufacturing.
- It plans to grow this gradually, using current capabilities and has no plans for significant investments to increase its presence rapidly.

## New strategy should aid growth, but would need investments

- We see the new strategy of expanded regional focus and planned expansion into Healthcare as potential additions to its medium-term revenue aspiration of growing above industry growth.
- But increasing presence in Continental Europe and APAC would require an upfront investment, which can impact MTCL's near-term profitability, as its recent margin improvement (660bp YoY in 2QFY21) was accompanied with a reduction in SG&A spend. We would wait for further progress on the new strategy before baking in any impact into our estimates.
- Its Chairman reiterated there is no plan to combine MTCL and LTI, and any decision will be taken by both managements and not by LT.

## Valuation and view

- Since Jul'19, after the disruption pertaining to the ownership change, MTCL has been taking steps toward achieving stability in its client and employee count.
- Persistent weakness in the Top 2-10 client bucket (-3.5% QoQ, eight-quarter CQGR of -2%) remains a concern given its 20% contribution to the topline. High exposure to Travel, Transport, and Hospitality is also expected to remain a drag on overall recovery.
- The stock is currently trading at 21x FY22E EPS. We believe the key positives are already captured and see limited upside hereafter. Our TP implies 22x FY22 EPS. Maintain Neutral.

## Roadmap in place for continued superior growth in India

### EVs not a big risk | Focus on mix improvement, cost cutting to drive margins

We had hosted the senior management of Endurance Technologies (ENDU). Our meeting with – Mr. Anurang Jain, Managing Director, ENDU; Mr. Satrajit Ray, Executive Director & Group Chief Financial Officer; and Mr. Massimo Venuti, Director & CEO, Endurance Overseas – included discussions on its growth strategy in India and the EU business, risk and opportunities from electrification and roadmap to further improve margins/capital efficiencies. Key highlights:

#### ■ 2W business: Several growth drivers in place

- **Supplies all four of its products to all OEMs:** While it supplied all four of its products to BJAUT and RE, it has recently started supplies of all products to HMSI (after the brake assembly order). It is targeting to further cross-sell to other OEMs like HMCL and TVSL.
- **Product mix change:** It is looking to improve its product mix by increasing the share of higher value components. For instance, inverted front fork (to KTM, HMSI, and HMCL) and supply of brakes and clutch to 200cc and above bikes (recent acquisition of Adler and Grimeca would aid this). It has already seen a sharp improvement in its suspension business as it received a lion's share of the orders from HMSI when the latter shifted all its Scooters from shock absorbers to front forks (3x ASP).
- **Focus on machined castings:** Like 4Ws, it is focused on shifting to fully machined castings for 2Ws and 3Ws. It would be supplying fully machined castings only to BJAUT from next year.
- Taking share from others/adding new OEMs.
- **Backward integration:** Aluminum forgings (for inverted front forks starting from 1QFY22) and wire grade hoses (for ABS brakes) to drive margins.

#### ■ ABS business getting closer to commercialization: The company cleared all

validations a month ago and received clearance for one model recently. It hopes to start supplying in Mar'21, or 1QFY22. For this customer, BOS is the key supplier. ENDU will be offering a lower price. The outlook has improved from initial expectations as the recovery has been better. After lowering its BS VI order book size from INR245b in 4QFY20 (pre-COVID) to ~INR185b in 1QFY21, it expects this number to improve from 1Q levels.

#### ■ Focus of India PV business is on gaining share with existing OEMs and adding new OEMs

- PVs currently contribute ~5% of standalone revenues, primarily from Hyundai, Kia, TTMT and GETRAG (exports). It also supplies to MM, Fiat and MSIL.
- It has bagged an annual order worth INR3.07b from Hyundai and Kia, with the business peaking in FY22. It is working on additional RFQs. Since it is entirely supplying fully machined castings, EBITDA margin stands over 18%.
- It tried expanding its Suspension business in PVs through a JV with Magneti Marelli, but didn't see much success.
- It is looking at other organic and inorganic opportunities, including EV components.

## Endurance Technologies



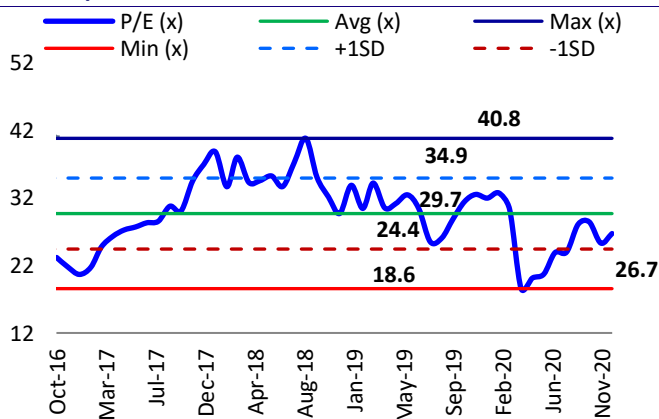
**Mr. Anurang Jain,**  
Managing Director,  
Endurance Technologies

Mr. Anurang Jain is the Promoter and Managing Director of Endurance Technologies. He has been associated with ENDU since its incorporation as a Director. He is responsible for overall operations of the company. Jain holds a Master's degree in Business Administration from the University of Pittsburgh. He has over 30 years of experience in the automobile components industry.

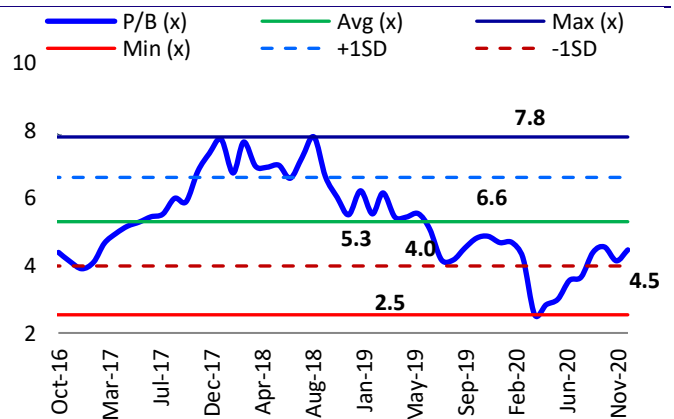


- EV opportunity in India for 2W/3W castings:** Aluminum die-castings can cater to EV components like battery housing, case transmission, terminal phases, upper plates, middle plates, brackets, etc. This would more or less off-set the loss of business in ICE. The management believes that not many players have the capability and balance sheet strength in this business for investing in new opportunities. Clutch business, which is at risk from EVs, contributes 7% to India revenue. The same stands at 70% for Motorcycles.
- Focus of EU business on maintaining revenue and margin over the next few years**
  - In FY21, it is targeting a revenue of EUR200m (v/s EUR220m in FY20). Over the next few years, it would focus on maintaining revenue and margin as the underlying industry transits to EVs.
  - It has won EUR115m business (50% of the order book) for the supply of hybrid and EV components to German customers like Daimler, BMW, VW, etc. Over the next six months, it expects more RFQs from its key customers for EV components.
  - It expects increase in transmission and suspension components as the share of EVs rise.
  - In 2QFY21, 60% revenue was from EV and hybrid solutions.
  - EVs v/s ICE profitability: PAT margin would be similar as depreciation for EV components would be lower due to higher life (7-8 years v/s five years earlier) as well as platform consolidation.
  - Structural parts: It is not focused on structural parts as it would require higher investments and volume/margin are low.
- Cost cutting:** Over the last couple of years, it has focused on consolidation of plants (from 19 to 16) as well as reducing employee cost (recently offered VRS to 86 employees, resulting in savings of INR30m/annually). During the lockdown period, it focused more on lowering RM cost (through clean sheet costing), variable cost and fixed cost, etc.
- Valuation and outlook:** Given ENDU's strong positioning in the 2W segment, it is the best proxy to play the India 2W opportunity, keeping in mind the underlying trends of premiumization. The strength in ENDU's business franchisee and strong management should help the stock continue to command premium valuation multiples in comparison to most domestic auto-ancillary companies. In the domestic auto-ancillary space, there are only a handful of high-quality, large-scale, multi-product auto component suppliers. Considering ENDU's size and strong market share in its operating segments, the stock should command a premium to its domestic peers. The stock trades at 24.4x/20.5x at FY22E/FY23E consolidated EPS. Maintain Buy with a TP of INR1,330/share (25x Sep-22E consolidated EPS).

P/E and P/B band



Source: MOFSL

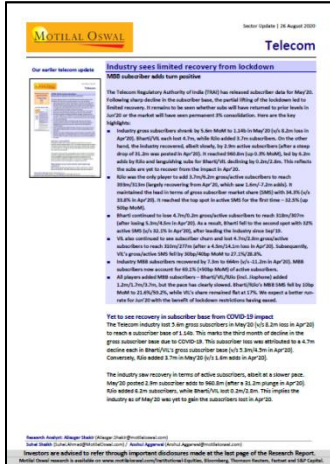


Source: MOFSL



# Telecom

## Our earlier telecom update



## Subscriber churn taking place

### BHARTI captures the lion's share of IDEA's subscriber loss

The Telecom Regulatory Authority of India's (TRAI) released data for Sep'20. The key highlights are below:

- Gross subscribers increased by a mere 0.7m MoM (v/s 3.5m/3.7m in Jul'20/Aug'20) to 1.15b in Sep'20. There is a churn taking place, with IDEA losing 4.7m subscribers to Bharti/RJio, which added 3.8m/1.5m. Active subscriber additions slowed down to 1m (v/s 1.6m additions in Aug'20), as BHARTI/RJio added 3.8m/0.7m against a 3.4m churn in IDEA's active subscribers.
- RJio's gross/MBB subscriber additions has slowed significantly to 1.5m (1.9m in Aug'20), to touch 404m in Sep'20, from the peak of 6-8m until last fiscal. Its active subscriber additions fell to 0.7m (v/s 4.6m in Aug'20) to touch 318m in Sep'20. Despite slower subscriber growth, RJio largely maintained its gross/active subscriber market share (SMS) at 35.2%/33.2%.
- BHARTI saw strong (3.8m) gross subscriber additions for the third straight month, recouping 10m (after a cumulative loss of 12.4m during the lockdown). It added 3.8m active subscribers (v/s 2.3m in Aug'20) to reach 316m in Sep'20. Subsequently, its gross/active SMS increased by 30bp/40bp MoM to touch 28.4%/33%.
- IDEA gross/active subscriber loss accelerated to 4.7m/3.4m (v/s 1.2/4.5m decline in Aug'20) to reach 295m/261m in Sep'20. As a result, IDEA's gross/active SMS both fell by 40bp MoM to 25.7%/27.3%.
- Industry MBB subscriber additions remained steady at 9.5m to reach 705m (v/s 10.4m additions in Aug'20). MBB subscribers now account for 73.5% (up 90bp MoM) of active subscribers.
- BHARTI continued to add robust MBB subscribers at 7m, while RJio additions have significantly slowed to a mere 1.5m, even as it just maintained its MBB subscribers. As a result, BHARTI gained 70bp MBB SMS to 23.2%, while RJio/IDEA lost 60bp/20bp to 57.4%/17%.
- Wired broadband industry saw a healthy 650k subscriber additions, up 3% MoM. RJio added ~42% of new additions, while BHARTI added 10%. Smaller regional players added ~48%, underscoring the strength of local players in the wired broadband space.

### Active subscriber base — subscriber base increases to 958m

(m)	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	Jul'20	Aug'20	Sep'20
BHARTI	310	313	315	313	314	315	307	307	311	310	313	316
IDEA	302	299	298	297	294	294	280	277	273	269	265	261
RJio	304	302	305	310	311	314	306	313	310	313	318	318
<b>Top 3 players</b>	<b>916</b>	<b>914</b>	<b>917</b>	<b>920</b>	<b>920</b>	<b>923</b>	<b>893</b>	<b>896</b>	<b>894</b>	<b>893</b>	<b>895</b>	<b>896</b>
<b>Other players</b>	<b>66</b>	<b>65</b>	<b>66</b>	<b>66</b>	<b>67</b>	<b>67</b>	<b>65</b>	<b>64</b>	<b>64</b>	<b>63</b>	<b>63</b>	<b>62</b>
<b>Total</b>	<b>981.2</b>	<b>979.1</b>	<b>982.6</b>	<b>986.4</b>	<b>986.9</b>	<b>989.1</b>	<b>957.9</b>	<b>960.8</b>	<b>958.0</b>	<b>955.8</b>	<b>957.4</b>	<b>958.4</b>

Source: TRAI, MOFSL

### Active subscriber net additions – healthy growth in BHARTI (m)

	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	Jul'20	Aug'20	Sep'20
BHARTI	6.8	3.7	1.4	-1.7	1.5	0.9	-8.0	-0.2	3.7	-0.4	2.3	3.8
IDEA	-0.7	-3.1	-1.1	-0.3	-2.8	-0.8	-14.1	-2.8	-3.7	-3.8	-4.5	-3.4
RJio	14.3	-2.4	3.0	4.9	1.3	2.5	-7.2	6.2	-2.1	2.5	4.6	0.7
<b>Top 3 players</b>	<b>20.4</b>	<b>-1.7</b>	<b>3.2</b>	<b>2.9</b>	<b>0.0</b>	<b>2.5</b>	<b>-29.3</b>	<b>3.2</b>	<b>-2.2</b>	<b>-1.7</b>	<b>2.4</b>	<b>1.1</b>
<b>Other players</b>	<b>-0.1</b>	<b>-0.4</b>	<b>0.2</b>	<b>0.9</b>	<b>0.4</b>	<b>-0.3</b>	<b>-2.0</b>	<b>-0.3</b>	<b>-0.6</b>	<b>-0.4</b>	<b>-0.8</b>	<b>-0.1</b>
<b>Total</b>	<b>20.3</b>	<b>-2.1</b>	<b>3.5</b>	<b>3.8</b>	<b>0.5</b>	<b>2.2</b>	<b>-31.2</b>	<b>2.9</b>	<b>-2.8</b>	<b>-2.2</b>	<b>1.6</b>	<b>1.0</b>

Source: TRAI, MOFSL

### Strategy: Market rallies for second consecutive month; FII inflows highest ever

- Nifty maintains winning streak:** The Nifty surpassed the 13,000 mark in Nov'20 to hit a record high after a 3.5% rise in Oct'20. It ended 11.4% higher MoM in Nov'20 to close at 12,969. The rally was propelled by strong FII inflows, good corporate earnings season, and trends from the festive season, which suggests that the demand recovery continues. FII and DII inflows showed record inflows and outflows, respectively. While FIIs continued their buying streak in Nov'20 (inflows increased to USD9.6b in Nov'20 from USD2.5b in Oct'20), DII inflows remained negative (-USD6.6b). Mid-caps outperformed large-caps by 4% in Nov'20. Over the last 12 months, mid-caps are up 14% v/s the Nifty's rise of 8%. Over the last five years, mid-caps have underperformed by 14%. In terms of P/E ratio, the Nifty Mid-cap 100 now trades at a 13% premium to large-caps at 23.6x (v/s 11.9x in Mar'20).
- Blockbuster 2QFY21 earnings - Broad-based beat and upgrades:** 2QFY21 has seen blockbuster earnings and upgrades with a broad-based beat. Sales for the MOFSL universe are in-line, while EBITDA/PAT is above expectations. EBITDA margin (ex-Financials) expanded 310bp YoY to 19.4%. For our Nifty universe, 2QFY21 EBITDA/PAT growth was above expectations. About 31 of 50 companies reported above expectation earnings.
- GDP declines by 7.5% YoY in 2QFY21; trends to get better:** Real GDP declined 7.5% YoY in 2Q, but was sequentially better than the 23.9% YoY contraction reported in 1QFY21. As of 3QCY20, India is no longer the worst affected major economy in the world as the Philippines, UK, and Mexico are reporting sharper declines YoY.
- All major economies ended higher in Nov'20:** In Nov'20, all key global markets - Russia (+18%), Brazil (+16%), Japan (+15%), Korea (+14%), the UK (+12%), India (+11%), the US (+11%), Indonesia (+9%), Taiwan (+9%), MSCI EM (+9%) and China (+5%) - closed higher in local currency terms. Over the last 12 months, MSCI EM (+16%) outperformed MSCI India (+9%). Over the last 10 years, MSCI India has outperformed MSCI EM by 78%. In P/E terms, MSCI India is trading at a 55% premium to MSCI EM and is near its historical average premium of 53%.
- Breadth positive in Nov'20 - All sectors delivered positive returns:** PSU Banks (+27%), Metals (+25%), Private Banks (+22%), NBFCs (+20%) and Capital Goods (+20%) were the top performers. Bajaj Finserv (+57%), Bajaj Finance (+48%), IndusInd Bank (+46%), Tata Steel (+41%) and Tata Motors (+36%) were the top performers MoM. UPL (-8%), Reliance Industries (-6%), HCL Technologies (-2%), Cipla (-1%) and Dr Reddy's Laboratories (-1%) were the only laggards. In this edition, we take a deep-dive into the valuation metrics of the Metal sector.
- Sentiments have improved; fundamentals and rural theme remain key:** The Central government came up with an Atmanirbhar Bharat Abhiyaan 3.0 in which the rural sector and employment generation remained the key focus areas. Estimated benefits from this announcement is worth INR2.7t and the actual fiscal outgo could be INR 1.1t. In the recently concluded 2QFY21 results, one of the key and defining features of this performance was the better-than-expected focus on cost mitigation measures, apart from demand recovery and a healthy tailwind from gross margin expansion. 2QFY21 was an optimum combination of gross margin expansion and operating cost reduction. The market capitalization-to-GDP ratio has been volatile. It increased from 79% in FY19 to 56% (FY20 GDP) in Mar'20 and 91% at present (FY21E GDP) - above its long-term average of 75%. The rally since June'20 has led to the m-cap-to-GDP ratio being at its highest levels since FY10. We stay Overweight on IT, BFSI, Healthcare, Telecom and Auto, and maintain Neutral on Consumer in our model portfolio. Sustenance of the demand recovery after the festive season would be key to any further upside in the markets.
- Top Ideas: Large-caps:** ICICI Bank, SBI, Infosys, Divi's Laboratories, Hero MotoCorp, HUL, Bharti Airtel, Muthoot Finance, UltraTech Cement.  
**Mid-caps:** AU Small Finance Bank, IEX, IPCA Labs, ICICI Securities, Crompton Consumer, ABFRL, Mphasis, Emami, LIC HF, JSPL.



### **Maruti Suzuki: Seeing good enquiry & bookings continuing post Diwali; Shashank Srivastava, ED-Marketing & Sales**

- Retail sales are up 70% YoY and higher than wholesales in Nov. Entry level segment has very strong retail sales. Hatchback segment growing very well in both wholesale & retail
- Industry retails at 3.33lk units in Nov, Wholesale at 2.88 lk units
- Manufacturers are confident of December sales
- Inventory is down to about 1.1lk in November
- Seeing cost pressures due to rise in steel prices, change in technology
- Ended H1 on -47%on wholesale. It has been gradually improving

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### **Ashok Leyland: See pickup in CV sales in Q4FY21; Anuj Kathuria, COO**

- Initial signs of demand coming back in long haul segment. Truck demand is returning due to movement of cement & steel
- Seeing growth in intermediate CVs. Tipper segment is holding strong. Expect further growth in M&HCV segment this month
- Volume is not yet back to last year's levels. We will see demand come back once utilisation crosses 80%
- May see some replacement demand as ownership cost of BS VI is lower. State transport undertaking activity has intensified, more orders coming through
- Bus segment demand much lower compared to last year. Green shots visible here
- Margins should improve QoQ aided by volume growth

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### **Shree Cement: Expect 8-10% volume growth in Q3FY21; HM Bangur, MD**

- Confident of achieving sales volume target of 25 mt, expect 8-10% volume growth in Q3FY21
- Shree Cement says rumours w.r.t co buying India Cements are meaningless
- More focused on organic growth rather than inorganic
- Demand across India is very strong and is stronger in Rural. Have recovered sales volumes which were lost due to pandemic
- Saw some pricing pressure near Diwali, but it was not major. Expect the correction to reverse

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**UPL: Will continue to grow at 10-12% a year; Jai Shroff, Global CEO**

- UPL is by far the largest player in agriculture solutions and technology in the country and in Asia as well
- We have to grow \$500 million a year in revenues to grow 10-12% a year
- Raised funds through international market and conserved cash to stay liquid during the pandemic
- UPL Corp has Rs. 100bn of cash on the balance sheet and hence repaying some liabilities to address the overhang of high debt
- Have committed to reduce debt by more than half a billion dollars this year
- Have reached almost (75%) last full year sales number in H1 itself. Running at almost full capacities
- Agriculture one of the best performing sectors and are confident that the prospects for our industry are good
- KPMG remains our auditor globally. But KPMG Mauritius, due to resource constraints requested to withdraw assignment

[➔ Read More](#)**DLF: Premium apartments priced between Rs. 3-5 crore sold out on Day 1; Ashok Tyagi, Whole-time Director**

- Seeing demand come back in a big way in the mid-income segment
- Demand for premium products has revived over the last few months. Premium apartments priced between Rs. 3-5 crore were sold out on Day 1
- Looking at launching products across income segments
- Expects more than Rs. 750 crore sales in H2FY21; expect at least Rs. 1000 crore per quarter in the next year
- Plotting timelines for launches across NCR over the next 18 months
- Have significant pipeline in terms of inventory and land

[➔ Read More](#)**Tata Consumer: Will continue to target double digit growth; Sunil D'Souza, MD & CEO**

- Company is evaluating 5-10 deals at any point of time; no comment on Big Basket acquisition
- Total 2.5% online biz in March is now up to 5-6% of sales
- See significant growth in ready-to-eat food category with Sampan
- Tea is coming back to double-digit volume growth, outpacing the industry
- Eight O' Clock coffee is seeing good momentum
- Some softness in Europe due to decline in out-of-home consumption
- On Starbucks; about 86-88% of stores are now open with improvement in SSG. Number of outlets opened this year may be more than last year

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY20	FY21E	FY22E	FY20	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E
<b>Automobiles</b>																
Amara Raja	Neutral	917	800	-13	38.7	37.2	42.3	36.7	-3.7	13.5	24.6	21.7	3.8	3.4	16.5	16.7
Ashok Ley.	Buy	95	101	6	1.2	0.4	3.7	-83.1	-68.9	918.5	262.8	25.8	3.8	3.5	1.5	14.0
Bajaj Auto	Neutral	3294	3300	0	187.4	157.2	197.9	13.3	-16.1	25.9	21.0	16.6	4.4	3.9	21.8	24.9
Bharat Forge	Buy	539	565	5	9.2	4.3	15.3	-58.4	-52.9	252.9	124.1	35.2	4.6	4.2	3.8	12.5
Bosch	Neutral	12999	13500	4	418.8	301.6	429.7	-22.5	-28.0	42.5	43.1	30.3	4.0	3.6	9.4	12.6
CEAT	Buy	1160	1317	14	57.1	86.9	97.0	-14.7	52.2	11.6	13.3	12.0	1.5	1.3	11.5	11.7
Eicher Mot.	Buy	2549	2670	5	66.9	54.0	85.6	-17.8	-19.3	58.5	47.2	29.8	6.3	5.4	14.0	19.5
Endurance Tech.	Buy	1187	1330	12	38.0	32.3	48.7	3.2	-15.1	50.8	36.7	24.4	5.0	4.4	14.4	19.2
Escorts	Neutral	1406	1350	-4	54.0	78.6	85.3	1.4	45.6	8.5	17.9	16.5	2.9	2.5	19.8	16.2
Exide Ind	Buy	184	193	5	9.9	8.1	10.6	9.4	-18.5	31.0	22.8	17.4	2.3	2.2	10.3	12.4
Hero Moto	Buy	3139	3700	18	153.0	147.1	190.9	-9.7	-3.8	29.8	21.3	16.4	4.2	3.9	20.4	24.9
M&M	Buy	746	838	12	15.0	31.0	39.1	-64.9	106.9	26.2	24.1	19.1	2.4	2.1	9.9	11.1
Mahindra CIE	Buy	162	165	2	9.4	3.2	10.8	-33.2	-65.7	233.1	49.9	15.0	1.3	1.2	2.6	8.2
Maruti Suzuki	Buy	7740	7850	1	188.0	171.4	273.8	-25.8	-8.8	59.8	45.2	28.3	4.5	4.1	10.0	14.2
Motherson Sumi	Buy	157	160	2	3.7	1.7	5.9	-27.5	-53.3	242.2	90.5	26.5	4.2	3.8	4.8	15.2
Tata Motors	Buy	185	230	24	-25.3	-14.8	11.7	480.5	Loss	LP	NM	15.8	1.2	1.1	-8.8	7.3
TVS Motor	Neutral	498	445	-11	13.0	9.8	19.9	-7.8	-24.4	102.4	50.7	25.0	6.1	5.1	12.4	22.3
<b>Aggregate</b>								<b>-50.8</b>	<b>14.2</b>	<b>120.1</b>	<b>47.4</b>	<b>21.5</b>	<b>3.3</b>	<b>2.9</b>	<b>6.9</b>	<b>13.6</b>
<b>Banks - Private</b>																
AU Small Finance	Buy	881	1100	25	22.6	44.8	35.8	71.3	98	-20.2	19.7	24.6	4.7	4.0	27.2	17.5
Axis Bank	Buy	603	650	8	6.0	22.0	36.7	-66.9	264	67.1	27.4	16.4	1.8	1.7	7.0	10.6
Bandhan Bank	Buy	376	425	13	21.6	22.3	29.1	31.9	3	30.5	16.9	12.9	3.4	2.8	21.6	23.5
DCB Bank	Neutral	116	87	-25	10.9	9.6	11.3	3.6	-12.0	18.1	12.1	10.3	1.0	0.9	8.9	9.7
Equitas Hold.	Buy	69	65	-6	7.1	8.0	11.7	15.5	12.5	46.0	8.6	5.9	0.8	0.8	9.7	13.5
Federal Bank	Buy	66	70	7	7.8	7.7	10.7	23.4	-0.7	39.2	8.5	6.1	0.8	0.7	10.1	12.7
HDFC Bank	Buy	1377	1500	9	48.0	54.9	66.5	21.2	14.2	21.2	25.1	20.7	3.9	3.3	16.4	17.3
ICICI Bank	Buy	482	525	9	12.3	20.0	27.7	135.0	62.7	38.9	24.1	17.4	2.3	2.1	10.5	12.8
IndusInd	Buy	896	720	-20	68.2	34.0	69.1	24.2	-50.1	103.2	26.3	13.0	1.7	1.5	6.7	12.5
Kotak Mah. Bk	Neutral	1822	1800	-1	44.9	49.2	58.2	19.0	9.6	18.1	37.0	31.3	4.7	4.1	12.6	12.4
RBL Bank	Buy	232	220	-5	9.9	8.9	17.4	-51.1	-10.3	95.0	26.0	13.3	1.1	1.0	4.6	8.0
<b>Aggregate</b>								<b>23.7</b>	<b>26.4</b>	<b>33.8</b>	<b>26.0</b>	<b>19.4</b>	<b>3.0</b>	<b>2.7</b>	<b>11.6</b>	<b>13.7</b>
<b>Banks - PSU</b>																
BOB	Neutral	58	48	-18	1.2	3.6	6.1	-27.8	207.4	68.4	16.1	9.5	0.4	0.4	2.3	3.8
SBI	Buy	256	300	17	22.1	30.9	41.3	759.6	39	33.7	8.3	6.2	0.9	0.8	9.9	12.4
<b>Aggregate</b>								<b>643.2</b>	<b>44</b>	<b>36</b>	<b>8</b>	<b>6.2</b>	<b>0.8</b>	<b>0.7</b>	<b>9.0</b>	<b>11.1</b>
<b>NBFCs</b>																
Aditya Birla Cap	Buy	91	100	9	3.8	4.5	5.1	-3.5	17.9	14.6	20.4	17.8	1.6	1.5	8.2	8.7
Bajaj Fin.	Neutral	4868	3350	-31	87.7	72.1	132.0	26.7	-17.8	83.1	67.5	36.9	8.0	6.7	12.6	19.9
Cholaman.Inv.&Fn	Buy	371	420	13	12.8	20.0	23.3	-15.4	55.7	16.5	18.5	15.9	3.1	2.7	18.4	18.1
H D F C	Buy	2254	2450	9	49.2	53.6	60.4	10.8	8.9	12.7	42.1	37.3	3.6	3.4	12.3	11.9
HDFC Life Insur.	Neutral	648	625	-4	6.4	7.2	8.5	1.3	11.9	17.8	90.1	76.5	5.2	4.5	20.8	17.3
ICICI Pru Life	Buy	477	525	10	7.4	8.3	9.5	-6.3	11.4	14.6	57.6	50.3	2.5	2.2	20.2	15.0
IIFL Wealth Mgt	Buy	992	1240	25	23.1	39.1	49.9	-47.8	69.4	27.5	25.4	19.9	2.8	2.7	11.2	13.8
IndoStar	Neutral	300	306	2	-35.1	3.4	12.2	-234.5	LP	264.7	89.4	24.5	0.9	0.9	1.3	3.8
L&T Fin Holdings	Buy	90	90	0	10.9	4.7	10.7	-2.7	-57.0	129.4	19.3	8.4	1.2	1.1	6.4	13.4
LIC Hsg Fin	Buy	357	385	8	47.6	59.6	59.6	-1.2	25.4	0.0	6.0	6.0	0.9	0.8	15.8	14.0
Manappuram Fin.	Buy	175	205	17	17.5	19.6	23.8	55.7	11.7	21.6	8.9	7.3	2.1	1.7	25.6	25.1
MAS Financial	Buy	1028	980	-5	33.2	28.6	34.4	19.2	-13.7	20.1	35.9	29.9	5.1	4.5	14.9	15.9
M&M Fin.	Buy	168	185	10	14.7	8.0	9.1	-41.8	-46.0	13.9	21.1	18.5	1.3	1.3	7.3	7.0
Muthoot Fin	Buy	1179	1460	24	75.3	87.3	102.2	52.9	16.0	17.1	13.5	11.5	3.3	2.7	27.0	25.6
Piramal Enterp.	Buy	1492	1750	17	-24.5	109.8	128.1	-135.4	LP	16.7	13.6	11.6	1.1	1.0	8.4	9.4
PNB Housing	Neutral	382	360	-6	38.4	56.9	66.6	-46.0	48.1	17.1	6.7	5.7	0.7	0.7	11.4	12.2
Repco Home Fin	Buy	259	325	26	44.8	48.0	50.8	19.5	7.1	5.8	5.4	5.1	0.8	0.7	15.6	14.3
SBI Life Insurance	Buy	859	1050	22	14.2	16.6	18.3	7.2	16.6	10.5	51.8	46.9	2.8	2.4	16.6	16.7



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY20	FY21E	FY22E	FY20	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E
Shriram City Union	Buy	1077	1125	4	151.6	130.2	147.1	1.2	-14.1	13.0	8.3	7.3	0.9	0.8	11.3	11.5
Shriram Trans.	Buy	1033	1240	20	110.3	99.7	115.2	-2.4	-9.6	15.5	10.4	9.0	1.2	1.1	12.7	12.6
<b>Aggregate</b>								<b>0.4</b>	<b>17.7</b>	<b>25.1</b>	<b>25.2</b>	<b>20.1</b>	<b>3.0</b>	<b>2.6</b>	<b>11.7</b>	<b>13.1</b>
<b>Capital Goods</b>																
ABB	Buy	1171	1030	-12	16.6	9.7	21.6	38.1	-41.3	121.7	120.5	54.3	6.7	6.1	5.5	11.2
Bharat Elec.	Buy	115	130	13	7.4	7.1	8.5	-6.9	-3.3	19.8	16.2	13.5	2.6	2.3	15.9	17.3
BHEL	Sell	34	22	-36	-4.2	-1.0	1.4	-221.9	Loss	LP	NM	23.6	0.4	0.4	-1.3	1.7
Blue Star	Neutral	811	570	-30	15.3	7.1	16.6	-21.4	-53.5	133.0	114.1	48.9	9.6	8.9	8.5	18.3
CG Cons. Elec.	Buy	325	360	11	7.0	7.6	9.5	16.9	9.1	24.4	42.7	34.3	11.7	9.7	27.3	28.4
Cummins	Sell	572	336	-41	23.3	18.3	22.4	-10.8	-21.3	22.3	31.3	25.6	3.6	3.5	11.5	13.6
Engineers India	Buy	75	89	18	6.8	6.2	7.8	16.3	-9.5	26.0	12.2	9.7	2.1	2.1	16.3	20.0
Havells	Neutral	832	765	-8	11.7	13.1	15.7	-6.9	12.0	19.7	63.4	53.0	10.7	9.5	16.9	17.9
K E C Intl	Buy	364	395	9	22.0	22.6	26.5	16.3	2.6	17.7	16.1	13.7	2.8	2.4	17.6	17.5
L&T	Buy	1125	1110	-1	68.0	75.5	64.1	7.1	11.0	-15.1	14.9	17.6	2.1	2.0	8.0	11.3
Siemens	Neutral	1534	1420	-7	31.5	21.3	33.9	25.7	-32.6	59.1	72.1	45.3	5.8	5.2	8.0	11.5
Thermax	Neutral	917	710	-23	18.9	19.2	32.2	-30.6	1.9	67.3	47.7	28.5	3.3	3.0	6.9	10.7
Voltas	Neutral	806	775	-4	16.7	13.1	18.7	6.5	-21.9	43.3	61.7	43.0	5.8	5.3	9.4	12.3
<b>Aggregate</b>								<b>-10.4</b>	<b>-18.3</b>	<b>50.7</b>	<b>35.8</b>	<b>23.8</b>	<b>2.8</b>	<b>2.6</b>	<b>7.7</b>	<b>10.9</b>
<b>Cement</b>																
Ambuja Cem.	Neutral	261	250	-4	7.7	8.5	8.2	26.4	10.7	-4.0	30.6	31.9	2.5	2.4	7.9	7.7
ACC	Buy	1717	2005	17	72.3	71.6	83.2	35.1	-0.9	16.1	24.0	20.6	2.6	2.3	11.2	11.9
Birla Corp.	Buy	748	905	21	65.6	71.6	77.7	97.6	9.2	8.5	10.4	9.6	1.1	1.0	10.9	10.8
Dalmia Bhar.	Buy	1181	1232	4	11.5	40.9	43.6	-27.3	256.4	6.4	28.8	27.1	2.0	1.9	7.3	7.3
Grasim Inds.	Neutral	910	805	-12	67.3	39.4	66.8	1.8	-41.5	69.5	23.1	13.6	1.6	1.5	1.3	2.6
India Cem	Neutral	154	135	-12	0.7	5.5	5.0	-69.5	703.0	-9.3	27.9	30.8	0.9	0.8	3.1	2.7
J K Cements	Buy	2091	2185	4	62.6	74.6	100.0	83.4	19.2	34.1	28.1	20.9	4.6	3.9	17.6	20.2
JK Lakshmi Ce	Buy	359	420	17	22.6	24.8	25.0	233.6	10.2	0.6	14.4	14.3	2.1	1.9	15.8	13.8
Ramco Cem	Neutral	885	790	-11	25.5	35.9	35.0	18.1	40.7	-2.5	24.6	25.3	3.7	3.2	16.0	13.6
Shree Cem	Neutral	24895	23450	-6	435.2	620.5	663.3	34.3	42.6	6.9	40.1	37.5	6.0	5.3	16.1	14.9
Ultratech	Buy	4892	5760	18	132.9	183.0	218.0	47.0	37.7	19.1	26.7	22.5	3.1	2.7	12.7	13.4
<b>Aggregate</b>								<b>27.1</b>	<b>8.0</b>	<b>22.6</b>	<b>27.1</b>	<b>22.1</b>	<b>2.7</b>	<b>2.5</b>	<b>9.9</b>	<b>11.2</b>
<b>Consumer</b>																
Asian Paints	Neutral	2411	1980	-18	29.0	29.6	36.0	25.5	2.1	21.5	81.5	67.0	20.5	18.3	26.5	28.8
Britannia	Neutral	3635	3715	2	58.6	79.3	78.1	21.8	35.2	-1.5	45.8	46.5	20.8	20.2	44.4	44.1
Colgate	Buy	1538	1720	12	30.0	34.3	37.5	8.1	14.3	9.3	44.8	41.0	28.9	34.9	61.4	77.1
Dabur	Buy	501	605	21	8.6	9.4	10.9	1.4	8.8	16.0	53.4	46.0	12.6	11.6	24.3	26.3
Emami	Buy	429	440	3	12.4	14.9	14.2	2.0	20.3	-4.5	28.8	30.1	8.6	8.5	32.8	28.4
Godrej Cons.	Neutral	712	740	4	14.2	16.4	17.7	-2.9	15.5	7.9	43.5	40.3	9.2	9.2	21.1	22.8
HUL	Buy	2128	2620	23	31.2	34.8	42.7	11.1	11.5	22.7	61.1	49.8	10.2	10.2	28.6	20.4
ITC	Neutral	196	200	2	12.4	10.2	13.0	22.2	-17.9	27.5	19.1	15.1	3.6	3.3	19.1	22.9
Jyothy Lab	Neutral	144	145	0	4.5	5.4	5.6	-15.8	19.2	4.3	26.7	25.6	4.3	4.2	16.1	16.6
Marico	Buy	389	440	13	8.1	8.4	9.8	13.4	3.2	16.4	46.4	39.8	12.8	12.4	31.2	31.7
Nestle	Neutral	17498	16440	-6	206.8	226.4	244.4	15.8	9.5	7.9	77.3	71.6	72.0	65.0	102.1	95.4
Page Inds	Neutral	23248	20970	-10	307.7	259.1	433.4	-12.9	-15.8	67.3	89.7	53.6	28.7	25.4	31.9	47.4
Pidilite Ind.	Neutral	1615	1535	-5	23.1	20.2	25.4	24.5	-12.5	25.5	79.9	63.6	14.8	12.9	20.5	21.6
P&G Hygiene	Neutral	10921	11700	7	136.5	175.1	218.0	5.8	28.3	24.5	62.4	50.1	27.7	24.9	46.7	52.4
Tata Consumer	Buy	550	623	13	8.0	11.0	13.0	66.4	37.4	18.3	50.2	42.5	3.5	3.3	7.1	8.0
United Brew	Sell	1069	820	-23	16.2	4.9	11.6	-24.0	-69.6	135.5	217.1	92.2	7.8	7.4	3.6	8.2
United Spirits	Neutral	571	550	-4	10.9	6.6	13.2	16.9	-39.4	100.3	86.7	43.3	9.9	8.0	11.4	18.6
<b>Aggregate</b>								<b>15.9</b>	<b>-0.1</b>	<b>19.7</b>	<b>46.6</b>	<b>39.0</b>	<b>9.2</b>	<b>8.7</b>	<b>19.8</b>	<b>22.4</b>
<b>Healthcare</b>																
Alembic Phar	Neutral	1015	1120	10	44.0	61.2	54.4	47.7	39.1	-11.1	16.6	18.7	4.1	3.5	30.1	20.6
Alkem Lab	Buy	2848	3570	25	95.4	133.2	144.1	49.5	39.6	8.2	21.4	19.8	4.6	3.9	23.5	21.3
Ajanta Pharma	Buy	1557	1865	20	51.1	62.5	72.7	15.1	22.3	16.3	24.9	21.4	4.5	3.9	19.6	19.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY20	FY21E	FY22E	FY20	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E
Aurobindo	Buy	898	980	9	49.2	56.3	61.9	13.9	14.6	9.8	15.9	14.5	2.6	2.3	18.0	16.7
Biocon	Neutral	434	400	-8	6.2	7.3	10.8	-0.4	18.6	47.5	59.2	40.2	7.1	6.3	12.5	16.6
Cadila	Buy	463	490	6	14.7	20.4	23.4	-20.0	38.5	15.1	22.7	19.8	3.4	3.0	16.2	16.1
Cipla	Neutral	762	815	7	19.6	31.3	33.6	4.8	59.7	7.1	24.3	22.7	3.4	3.0	13.8	13.1
Divis Lab	Buy	3703	3900	5	48.9	76.3	97.7	-2.3	55.9	28.0	48.5	37.9	11.0	9.0	25.0	26.1
Dr Reddy's	Neutral	4925	5100	4	131.4	171.9	186.6	24.9	30.8	8.6	28.7	26.4	4.5	3.9	16.9	15.9
Glenmark	Neutral	488	495	1	24.6	33.1	33.1	-5.1	34.4	0.1	14.8	14.7	2.0	1.8	14.4	12.8
GSK Pharma	Neutral	1552	1410	-9	28.2	27.6	35.0	14.6	-2.1	26.8	56.2	44.3	14.1	12.7	25.1	28.6
Granules India	Buy	419	500	19	13.0	24.7	28.4	41.3	89.8	14.9	17.0	14.8	4.5	3.6	30.1	27.2
IPCA Labs	Buy	2239	2680	20	51.4	93.7	94.9	41.6	82.4	1.3	23.9	23.6	6.1	5.0	28.7	23.3
Jubilant Life	Buy	796	855	7	59.8	48.2	63.2	5.0	-19.5	31.2	16.5	12.6	2.0	1.7	12.6	14.6
Laurus Labs	Buy	320	410	28	4.8	17.6	20.8	132.6	268.4	18.1	18.2	15.4	6.7	4.9	43.3	36.5
Lupin	Buy	915	1130	24	23.3	24.8	37.9	74.1	6.3	52.9	36.9	24.1	3.1	2.8	8.7	12.3
Strides Pharma	Buy	767	790	3	15.2	31.7	45.8	72.1	108.8	44.5	24.2	16.7	2.5	2.2	10.7	13.9
Sun Pharma	Buy	548	610	11	16.4	23.1	24.4	8.7	40.7	5.9	23.7	22.4	2.9	2.6	12.1	12.1
Torrent Pharma	Neutral	2670	2510	-6	56.1	76.6	96.2	31.4	36.4	25.6	34.9	27.8	8.0	6.8	24.7	26.4
<b>Aggregate</b>								<b>14.2</b>	<b>36.5</b>	<b>13.8</b>	<b>26.1</b>	<b>22.9</b>	<b>4.0</b>	<b>3.5</b>	<b>15.5</b>	<b>15.4</b>
<b>Infrastructure</b>																
Ashoka Buildcon	Buy	83	110	32	13.8	12.2	11.1	20.2	-11.3	-9.4	6.8	7.5	0.8	0.7	12.4	10.0
IRB Infra	Neutral	118	103	-13	18.9	4.2	6.2	-21.9	-77.6	47.4	27.9	18.9	0.6	0.6	2.2	3.2
KNR Constructions	Buy	301	335	11	14.5	17.4	25.0	-18.3	20.0	43.8	17.3	12.0	2.3	1.9	14.1	17.5
<b>Aggregate</b>											<b>14.2</b>	<b>11.8</b>	<b>0.9</b>	<b>0.8</b>	<b>6.4</b>	<b>7.2</b>
<b>Media</b>																
PVR	Buy	1346	1340	0	32.2	-70.4	21.4	-15.0	PL	LP	NM	62.9	5.3	4.9	-27.0	8.1
Sun TV	Buy	443	530	20	34.8	35.5	41.1	-1.7	2.0	15.8	12.5	10.8	3.0	2.7	24.3	26.4
Zee Ent.	Neutral	205	190	-7	5.5	8.0	14.7	-66.6	45.1	84.3	25.7	13.9	2.0	1.8	10.0	13.7
<b>Aggregate</b>								<b>-21.3</b>	<b>-21.0</b>	<b>60.3</b>	<b>21.5</b>	<b>13.4</b>	<b>2.5</b>	<b>2.3</b>	<b>11.5</b>	<b>16.8</b>
<b>Metals</b>																
Hindalco	Buy	242	275	14	17.5	20.4	26.4	-29.2	16.6	29.5	11.9	9.2	1.4	1.2	11.6	13.8
Hind. Zinc	Neutral	238	215	-10	16.1	16.6	21.4	-14.5	3.3	28.8	14.3	11.1	3.2	3.1	19.6	28.2
JSPL	Buy	263	307	17	-5.5	25.6	15.8	-266.6	LP	-38.1	10.3	16.6	1.0	0.9	8.7	5.6
JSW Steel	Buy	371	413	11	9.0	19.6	32.7	-71.6	116.9	66.8	18.9	11.4	2.2	1.9	12.2	17.7
Nalco	Buy	42	41	-2	0.7	2.8	3.3	-92.2	288.9	19.9	15.1	12.6	0.8	0.8	5.4	6.4
NMDC	Buy	106	129	22	15.3	16.5	18.5	-1.9	7.9	11.8	6.4	5.7	1.1	0.9	17.4	17.3
SAIL	Neutral	54	49	-10	-0.5	1.7	5.4	-107.5	LP	215.2	31.9	10.1	0.5	0.5	1.7	5.1
Tata Steel	Neutral	621	604	-3	9.1	21.5	57.7	-89.8	138	167.9	28.8	10.8	1.0	1.0	3.6	9.3
Vedanta	Neutral	126	104	-18	8.8	19.6	17.5	-52.7	124	-10.7	6.4	7.2	0.9	0.9	13.8	12.6
<b>Aggregate</b>								<b>-55.4</b>	<b>64.6</b>	<b>31.7</b>	<b>12.6</b>	<b>9.6</b>	<b>1.2</b>	<b>1.1</b>	<b>9.5</b>	<b>11.6</b>
<b>Oil &amp; Gas</b>																
Aegis Logistics	Buy	252	251	0	3.0	6.8	12.1	-55.0	128.5	78.2	36.9	20.7	4.6	3.9	13.1	20.4
BPCL	Neutral	395	414	5	25.3	37.9	34.8	-41.6	49.5	-8.1	10.4	11.3	1.9	1.7	19.3	15.9
Castrol India	Buy	129	170	32	8.4	6.1	7.7	16.8	-26.8	25.9	21.0	16.7	8.7	8.0	42.8	50.0
GAIL	Buy	118	153	29	16.5	8.3	15.3	17.3	-49.3	83.8	14.2	7.7	1.1	1.0	8.3	14.2
Gujarat Gas	Buy	345	440	28	17.3	15.9	17.6	177.8	-8.2	10.4	21.7	19.6	5.7	4.7	29.4	26.1
Gujarat St. Pet.	Buy	227	300	32	19.7	16.8	17.8	39.5	-14.4	5.8	13.5	12.7	1.7	1.5	13.3	12.6
HPCL	Buy	220	308	40	23.9	44.5	38.2	-45.6	86.2	-14.1	5.0	5.8	1.0	1.0	21.1	17.1
IOC	Buy	90	148	65	10.3	15.2	17.4	-45.4	47.6	14.7	5.9	5.2	0.8	0.8	14.1	15.1
IGL	Neutral	485	485	0	16.2	12.9	17.0	44.5	-20.8	32.4	37.7	28.4	5.8	5.0	16.6	19.0
Mahanagar Gas	Buy	1040	1100	6	80.3	52.9	68.3	45.2	-34.1	29.1	19.7	15.2	3.2	2.9	17.0	20.1
MRPL	Neutral	34	30	-11	-15.4	-2.2	4.6	-895.4	Loss	LP	NM	7.4	0.8	0.7	-5.2	10.4
Oil India	Buy	104	105	1	22.9	6.3	15.5	-28.6	-72.3	145.4	16.5	6.7	0.5	0.5	2.0	7.0
ONGC	Buy	89	90	1	13.1	9.7	17.8	-51.8	-26.2	84.1	9.2	5.0	0.5	0.5	5.9	10.2
PLNG	Buy	256	335	31	18.5	18.5	21.3	28.5	0.1	15.1	13.8	12.0	3.3	3.0	24.4	26.0
Reliance Ind.	Buy	1963	2240	14	66.8	64.8	105.1	8.1	-3.0	62.1	30.3	18.7	2.5	2.2	8.7	12.6
<b>Aggregate</b>								<b>-24.6</b>	<b>0.6</b>	<b>46.8</b>	<b>18.7</b>	<b>12.7</b>	<b>1.7</b>	<b>1.6</b>	<b>9.2</b>	<b>12.2</b>





Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY20	FY21E	FY22E	FY20	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E
<b>Retail</b>																
Avenue Supermarts	Neutral	2469	2100	-15	20.1	18.2	29.2	38.9	-9.4	60.3	135.8	84.7	12.6	10.9	10.1	14.3
Aditya Birla Fashion	Buy	164	200	22	-0.2	-3.9	-0.7	-111.1	Loss	Loss	NM	NM	20.2	21.4	-51.5	-9.9
Jubilant Food.	Neutral	2544	2415	-5	22.5	15.5	38.1	-6.5	-31.2	146.1	164.1	66.7	27.1	21.9	16.5	32.8
Shoppers Stop	Neutral	188	190	1	-14.7	-41.9	-15.1	-289.1	Loss	Loss	NM	NM	-5.5	-3.8	323.1	36.4
Titan Company	Buy	1417	1400	-1	17.1	9.3	22.3	8.9	-45.7	140.9	153.0	63.5	18.4	16.1	12.2	27.0
Trent	Neutral	677	630	-7	3.0	-3.5	3.9	2.1	PL	LP	NM	175.1	9.9	9.4	-5.3	5.9
V-Mart Retail	Buy	2178	2350	8	27.3	-18.2	29.4	-31.0	PL	LP	NM	74.0	9.3	8.2	NM	11.8
<b>Aggregate</b>								<b>5.4</b>	<b>-64.9</b>	<b>291.5</b>	<b>319.1</b>	<b>81.5</b>	<b>14.7</b>	<b>12.9</b>	<b>4.6</b>	<b>15.8</b>
<b>Technology</b>																
Cyient	Neutral	482	400	-17	33.8	32.6	38.5	-22.2	-3.5	18.3	14.8	12.5	1.8	1.7	12.2	13.4
HCL Tech.	Buy	862	1050	22	40.7	46.1	53.6	11.1	13.1	16.3	18.7	16.1	3.9	3.4	22.6	21.7
Infosys	Buy	1127	1355	20	38.9	45.7	54.1	5.1	17.4	18.4	24.6	20.8	6.7	5.6	27.0	27.0
L & T Infotech	Buy	3299	3480	5	86.7	102.8	128.4	0.4	18.5	24.9	32.1	25.7	8.9	7.3	30.6	31.5
Mindtree	Neutral	1442	1550	7	38.3	60.1	69.6	-16.4	56.8	15.9	24.0	20.7	6.0	5.1	25.2	24.5
Mphasis	Buy	1353	1665	23	61.5	66.2	78.0	9.6	7.6	17.9	20.4	17.3	4.3	3.8	21.4	24.1
Coforge	Neutral	2480	2460	-1	73.5	72.8	98.4	11.0	-0.9	35.1	34.0	25.2	6.9	5.7	19.5	24.4
Persistent Sys	Buy	1231	1400	14	44.4	53.2	66.1	0.9	20.0	24.2	23.1	18.6	3.5	3.0	15.0	16.2
TCS	Neutral	2708	2900	7	86.2	86.5	106.9	3.7	0.3	23.6	31.3	25.3	10.9	10.6	36.2	42.4
Tech Mah	Neutral	915	940	3	45.9	43.8	46.1	-5.9	-4.6	5.2	20.9	19.9	3.2	2.9	15.4	14.7
Wipro	Neutral	360	385	7	16.6	17.6	19.1	8.5	5.9	8.6	20.4	18.8	3.6	3.3	17.8	18.4
Zensar Tech	Neutral	217	200	-8	11.9	14.7	17.0	-17.2	23.8	15.6	14.7	12.8	2.1	1.8	14.9	15.3
<b>Aggregate</b>								<b>2.9</b>	<b>7.0</b>	<b>18.4</b>	<b>26.3</b>	<b>22.2</b>	<b>6.6</b>	<b>6.0</b>	<b>25.3</b>	<b>27.0</b>
<b>Telecom</b>																
Bharti Airtel	Buy	480	650	35	-7.5	1.8	4.5	-14.6	LP	153.9	273.1	107.6	4.2	4.0	1.4	3.8
Bharti Infratel	Neutral	240	210	-12	17.8	16.5	18.2	31.1	-7.6	10.7	14.5	13.1	3.1	2.8	21.8	22.5
Vodafone Idea		10			-7.6	-8.1	-7.4	-59.1	Loss	Loss	NM	NM	-1.7	-0.7	411.5	75.9
Tata Comm	Neutral	1026	900	-12	10.6	51.2	66.0	-582.2	384.7	28.8	20.0	15.6	250.4	14.6	-251	177.9
<b>Aggregate</b>								<b>Loss</b>	<b>Loss</b>	<b>Loss</b>	<b>-21</b>	<b>-27.2</b>	<b>6.1</b>	<b>8.3</b>	<b>-29.7</b>	<b>-30.4</b>
<b>Utilities</b>																
Coal India	Buy	133	193	45	27.1	17.9	25.5	-4.4	-34.0	42.5	7.3	5.1	2.3	1.9	30.6	35.5
CESC	Buy	628	850	35	97.7	90.3	98.6	10.0	-7.6	9.2	7.0	6.4	0.8	0.7	11.9	11.9
Indian Energy Exchange	Buy	215	245	14	6.0	5.9	7.6	9.1	-1.2	28.4	36.5	28.4	14.5	12.6	42.2	47.3
JSW Energy	Buy	71	73	3	5.1	4.7	5.6	20.0	-7.9	20.3	15.1	12.5	1.0	0.9	6.5	7.5
NHPC	Neutral	22	23	6	2.9	2.9	2.9	10.7	2.6	-1.5	7.4	7.5	0.7	0.6	9.1	8.5
NTPC	Buy	99	140	42	13.8	15.1	16.6	19.2	9.1	10.3	6.5	5.9	0.8	0.7	12.2	12.7
Power Grid	Buy	194	222	15	21.1	23.1	24.5	10.2	9.1	6.4	8.4	7.9	1.5	1.4	18.0	17.9
Torrent Power	Buy	324	380	17	28.0	20.2	29.2	49.7	-27.8	44.4	16.0	11.1	1.6	1.4	10.2	13.4
Tata Power	Buy	69	65	-6	3.8	3.2	4.4	78.2	-16.1	38.6	21.9	15.8	1.0	1.0	4.7	6.3
<b>Aggregate</b>								<b>6.9</b>	<b>-7.2</b>	<b>15.9</b>	<b>7.4</b>	<b>6.4</b>	<b>1.1</b>	<b>1.0</b>	<b>15.1</b>	<b>16.1</b>
<b>Others</b>																
Brigade Enterpr.	Buy	232	236	2	7.1	-0.3	9.1	-39.1	PL	LP	NM	25.5	2.1	2.0	-0.3	8.0
BSE	Buy	557	680	22	24.9	37.9	47.3	-32.5	52.0	25.0	14.7	11.8	1.0	1.0	7.0	8.4
Concor	Buy	418	442	6	16.6	9.9	12.4	-16.7	-40.2	25.0	42.0	33.6	2.4	2.4	5.9	7.1
Coromandel Intl	Buy	791	981	24	36.3	50.1	54.5	42.8	37.8	8.8	15.8	14.5	4.4	3.7	30.5	27.5
EPL	Buy	262	326	25	6.8	9.3	11.5	14.3	37.1	23.2	28.0	22.7	5.0	4.2	18.5	20.1
Indiamart Inter.	Buy	5014	5830	16	51.3	92.7	95.4	566.2	80.8	2.9	54.1	52.5	17.9	12.3	68.1	43.8
Indian Hotels	Buy	128	147	15	2.7	-5.4	0.8	14.8	PL	LP	NM	154.0	4.0	4.0	-15.9	2.6
Interglobe	Neutral	1644	1350	-18	146.2	-128.8	54.3	3,502.3	PL	LP	NM	30.3	69.5	23.0	-146.3	114.2
Info Edge	Neutral	4154	3550	-15	16.7	20.3	26.3	-27.1	21.4	29.7	204.7	157.8	12.1	11.7	7.5	7.5
Godrej Agrovet	Buy	513	612	19	13.2	17.7	20.8	5.7	33.6	17.7	29.0	24.6	4.8	4.3	17.5	18.5
Kaveri Seed	Buy	487	634	30	43.1	52.5	52.8	19.5	21.9	0.6	9.3	9.2	2.7	2.4	30.8	27.7
Lemon Tree Hotel	Buy	39	46	18	-0.1	-1.2	0.1	-118.0	Loss	LP	NM	624.2	4.1	4.1	-11.6	0.7



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY20	FY21E	FY22E	FY20	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E
MCX	Buy	1571	2000	27	46.4	49.7	58.0	61.9	7.1	16.8	31.6	27.1	6.1	5.4	18.9	21.2
Oberoi Realty	Buy	532	480	-10	19.0	15.0	27.1	-15.6	-20.7	80.6	35.4	19.6	2.1	1.9	6.1	10.2
Phoenix Mills	Buy	756	750	-1	21.5	2.9	22.9	-13.7	-86.6	697.1	263.3	33.0	2.4	2.3	1.0	7.1
Qess Corp	BUY	507	545	8	18.3	14.3	29.0	4.3	-21.9	103.5	35.5	17.5	2.3	2.0	8.6	15.4
PI Inds.	Buy	2334	2611	12	30.1	52.1	68.0	11.3	73.2	30.4	44.8	34.3	6.7	5.7	20.0	17.9
SRF	Buy	5266	5654	7	155.2	200.3	241.5	49.4	29.1	20.6	26.3	21.8	4.6	3.8	20.0	19.2
S H Kelkar	Buy	135	136	1	4.2	8.2	9.7	-31.3	95.4	18.3	16.4	13.9	2.1	1.9	13.4	14.5
Tata Chemicals	Buy	455	381	-16	31.7	14.2	32.0	-6.4	-55.2	126.0	32.1	14.2	0.9	0.9	2.8	6.2
Team Lease Serv.	Buy	2807	2700	-4	48.9	53.8	82.9	-14.7	10.0	54.0	52.2	33.9	7.2	6.0	14.9	19.3
Trident	Buy	9	10	11	0.6	0.6	0.9	-26.9	-2.1	41.9	14.4	10.1	1.4	1.2	9.9	12.7
UPL	Neutral	455	497	9	34.8	41.2	45.2	8.0	18.4	9.6	11.0	10.1	1.9	1.1	18.1	17.4



Index	1 Day (%)	1M (%)	12M (%)
<b>Sensex</b>	<b>0.0</b>	<b>10.9</b>	<b>9.7</b>
<b>Nifty-50</b>	<b>0.2</b>	<b>11.2</b>	<b>9.5</b>
<b>Nifty Next 50</b>	<b>1.1</b>	<b>13.5</b>	<b>10.5</b>
<b>Nifty 100</b>	<b>0.3</b>	<b>11.5</b>	<b>9.6</b>
<b>Nifty 200</b>	<b>0.3</b>	<b>12.1</b>	<b>10.6</b>
Company	1 Day (%)	1M (%)	12M (%)
<b>Automobiles</b>	<b>1.7</b>	<b>17.8</b>	<b>16.1</b>
Amara Raja Batt.	0.2	17.2	22.7
Ashok Leyland	2.0	13.6	22.7
Bajaj Auto	-1.3	13.0	1.0
Bharat Forge	4.6	17.6	20.4
Bosch	-2.2	9.9	-17.0
CEAT	-0.6	3.3	24.8
Eicher Motors	0.7	21.7	19.3
Endurance Tech.	4.5	12.2	8.6
Escorts	-0.8	13.9	125.7
Exide Inds.	0.1	14.9	-3.9
Hero Motocorp	0.4	6.8	29.7
M & M	-1.0	25.2	42.6
Mahindra CIE	-1.4	18.7	12.4
Maruti Suzuki	7.5	11.9	8.4
Motherson Sumi	2.2	45.1	19.3
Tata Motors	0.7	37.8	16.9
TVS Motor Co.	1.9	7.0	9.3
<b>Banks-Private</b>	<b>-0.5</b>	<b>14.6</b>	<b>-6.6</b>
AU Small Fin. Bank	-0.5	14.2	8.7
Axis Bank	-0.9	12.8	-17.8
Bandhan Bank	1.1	22.1	-34.9
DCB Bank	0.0	44.0	-34.9
Equitas Holdings	-0.6	55.0	-32.4
Federal Bank	0.8	22.6	-23.9
HDFC Bank	-2.1	10.3	9.7
ICICI Bank	0.3	8.5	-5.3
IndusInd Bank	-0.1	38.5	-42.0
Kotak Mah. Bank	0.4	14.3	10.6
RBL Bank	2.8	25.7	-36.6
<b>Banks-PSU</b>	<b>4.8</b>	<b>26.2</b>	<b>-34.9</b>
BOB	7.8	29.4	-42.4
SBI	3.9	25.2	-23.8
Company	1 Day (%)	1M (%)	12M (%)
<b>NBFCs</b>	<b>-0.3</b>	<b>13.4</b>	<b>0.0</b>
Aditya Birla Cap	0.2	34.9	-12.0
Bajaj Fin.	0.9	39.4	22.7
Cholaman.Inv.&Fn	-1.1	24.9	22.6
HDFC	-1.0	5.8	-2.9
HDFC Life Insur.	1.7	8.2	10.8
Indostar Capital	1.0	2.0	60.6
L&T Fin.Holdings	4.3	39.1	-22.7
LIC Hsg Fin	3.9	17.9	-20.3
M&M Fin.	1.5	33.5	-19.8
Muthoot Fin	2.1	-0.9	76.7
Manappuram Fin.	0.7	9.9	13.1
MAS Financial Serv.	-0.6	23.7	43.3
ICICI Pru Life	2.1	16.6	-5.4
ICICI Sec	0.3	0.8	31.3
IIFL Wealth Mgt	-0.4	10.6	-22.8
PNB Housing	1.7	5.9	-25.6

Note: Sectoral performance are of NSE/BSE Indices

Index	1 Day (%)	1M (%)	12M (%)
<b>Nifty 500</b>	<b>0.3</b>	<b>12.3</b>	<b>11.8</b>
<b>Nifty Midcap 100</b>	<b>0.6</b>	<b>16.6</b>	<b>19.0</b>
<b>Nifty Smallcap 100</b>	<b>0.6</b>	<b>16.4</b>	<b>16.7</b>
<b>Nifty Midcap 150</b>	<b>0.4</b>	<b>15.9</b>	<b>21.9</b>
<b>Nifty Smallcap 250</b>	<b>0.9</b>	<b>16.5</b>	<b>20.6</b>
Company	1 Day (%)	1M (%)	12M (%)
Repc Home	-1.7	30.1	-12.8
SBI Life Insuran	-1.9	8.9	-10.7
Shriram City Union	-0.4	25.3	-21.3
Shriram Trans.	0.3	35.4	-2.8
<b>Capital Goods</b>	<b>0.9</b>	<b>21.3</b>	<b>1.5</b>
ABB	-1.6	33.5	-11.0
Bharat Elec.	1.4	28.6	13.9
BHEL	1.0	22.2	-31.7
Blue Star	4.5	29.0	1.9
CG Cons. Elec.	-1.6	9.3	31.8
Cummins	-0.6	28.2	7.5
Engineers India	1.1	17.3	-27.1
Havells	-0.4	6.2	24.2
K E C Intl	-2.1	11.8	33.7
L&T	1.0	18.7	-14.4
Siemens	1.8	17.5	4.0
Thermax	2.0	21.4	-8.2
Voltas	0.4	13.6	16.9
<b>Cement</b>	<b>1.2</b>	<b>17.1</b>	<b>25.6</b>
Ambuja Cem.	-0.5	-0.4	29.3
ACC	-0.7	3.4	13.9
Birla Corp.	0.7	17.1	15.4
Dalmia Bhar.	1.3	40.1	36.8
Grasim Inds.	-0.6	15.1	16.2
India Cem	0.3	32.4	99.8
J K Cements	-0.3	13.6	81.7
JK Lakshmi Ce	0.3	27.3	26.5
Ramco Cem	0.5	6.9	12.7
Shree Cem	1.1	13.7	21.4
Ultratech	-0.8	7.5	16.2
<b>Consumer</b>	<b>0.3</b>	<b>8.1</b>	<b>4.0</b>
Asian Paints	4.1	11.9	38.8
Britannia	1.1	6.7	19.3
Colgate	1.2	3.3	6.2
Dabur	-0.2	-2.7	11.1
Emami	-1.4	12.9	32.3
Godrej Cons.	-0.8	6.4	-0.4
HUL	-0.5	3.3	4.9
ITC	0.2	15.4	-19.6
Jyothy Lab	1.4	10.6	-12.4
Marico	2.9	5.0	11.9
Nestle	1.3	4.2	22.0
Page Inds	0.6	18.1	6.3
Pidilite Ind.	1.0	3.1	22.2
P&G Hygiene	3.3	7.0	-3.3
Tata Consumer	2.0	12.4	74.9
United Brew	0.0	14.5	-14.2
United Spirits	0.3	12.0	-4.0
<b>Healthcare</b>	<b>1.0</b>	<b>7.4</b>	<b>51.7</b>
Alembic Phar	2.1	2.0	80.7
Alkem Lab	2.0	7.3	39.4



Company	1 Day (%)	1M (%)	12M (%)
Ajanta Pharma	0.7	-3.2	58.6
Aurobindo	1.0	16.7	101.8
Biocon	0.8	6.6	51.7
Cadila	2.6	5.8	78.1
Cipla	0.5	0.3	64.0
Divis Lab	1.7	19.8	106.1
Dr Reddy's	1.5	0.9	72.2
Glenmark	1.7	1.2	49.2
GSK Pharma	0.1	10.4	-8.1
Granules	-0.6	12.5	228.0
IPCA Labs	-1.1	-3.3	96.1
Jubilant Life	1.0	14.3	59.1
Laurus Labs	-0.4	9.7	371.0
Lupin	0.1	-2.4	16.4
Strides Pharma	-1.6	17.2	103.4
Sun Pharma	0.6	13.0	26.3
Torrent Pharma	-0.7	3.6	38.0
<b>Infrastructure</b>	<b>0.8</b>	<b>13.4</b>	<b>7.2</b>
Ashoka Buildcon	3.7	35.8	-10.3
IRB Infra.Devl.	0.3	8.3	63.6
KNR Construct.	4.8	22.9	30.0
<b>Media</b>	<b>2.8</b>	<b>11.9</b>	<b>-11.3</b>
PVR	1.1	22.1	-24.0
Sun TV	2.6	6.2	-4.7
Zee Ent.	3.4	12.3	-26.9
<b>Metals</b>	<b>2.5</b>	<b>30.7</b>	<b>21.9</b>
Hindalco	4.4	34.5	23.4
Hind. Zinc	2.5	12.2	12.9
JSPL	1.5	30.6	75.9
JSW Steel	0.8	18.0	44.4
Nalco	1.2	37.9	-2.9
NMDC	2.6	23.8	-2.2
SAIL	4.9	56.7	42.7
Tata Steel	2.8	52.6	55.4
Vedanta	1.8	33.2	-9.6
<b>Oil &amp; Gas</b>	<b>1.8</b>	<b>18.7</b>	<b>-6.6</b>
Aegis Logistics	-3.9	21.4	30.0
BPCL	2.8	12.5	-20.1
Castrol India	-1.3	15.0	-5.2
GAIL	1.3	40.7	-4.4
Gujarat Gas	-1.0	16.7	61.7
Gujarat St. Pet.	-1.3	22.2	4.2
HPCL	2.6	18.6	-19.7
IOC	1.8	15.3	-30.0
IGL	1.1	19.0	15.4
Mahanagar Gas	0.0	27.8	1.3
MRPL	0.9	21.9	-27.4
Oil India	2.1	23.7	-31.5
ONGC	4.5	33.9	-30.4
PLNG	1.5	13.8	-7.3
Reliance Ind.	0.3	6.2	25.5
Aditya Bir. Fas.	-0.3	7.5	-24.5
<b>Retail</b>			
Avenue Super.	0.5	11.8	34.6
Jubilant Food	0.4	18.0	61.2
Shoppers St.	1.6	11.9	-45.5
Titan Co.	2.1	18.1	22.3

Company	1 Day (%)	1M (%)	12M (%)
Trent	-1.8	3.4	30.1
V-Mart Retail	-1.9	12.8	26.0
<b>Technology</b>	<b>-0.5</b>	<b>7.1</b>	<b>48.8</b>
Cyient	1.5	17.6	21.4
HCL Tech.	2.1	5.9	53.2
Infosys	-1.3	6.1	61.3
L&T Infotech	-2.8	12.3	103.6
Mindtree	2.0	9.5	101.2
Mphasis	1.2	-0.7	59.5
Coforge	1.4	16.5	71.6
Persistent Sys	1.6	10.4	82.2
TCS	-1.5	2.9	32.1
Tech Mah	0.7	13.1	22.6
Wipro	0.3	7.3	52.1
Zensar Tech	-2.4	22.4	17.4
<b>Telecom</b>	<b>0.0</b>	<b>9.4</b>	<b>7.1</b>
Bharti Airtel	-1.0	5.6	4.6
Bharti Infra.	6.6	31.9	-3.5
Idea Cellular	0.3	15.9	41.0
Tata Comm	-2.4	5.9	150.6
<b>Utilites</b>	<b>1.6</b>	<b>19.3</b>	<b>9.8</b>
Coal India	2.9	14.5	-35.1
CESC	4.1	10.8	-14.3
Indian Energy Ex	-0.6	15.6	52.0
JSW Energy	12.5	20.6	-6.3
NHPC Ltd	0.9	8.8	-9.2
NTPC	4.0	14.8	-13.9
Power Grid	-0.3	7.5	2.2
Tata Power	1.8	29.1	24.7
Torrent Power	3.0	3.8	19.5
<b>Others</b>			
Brigade Enterpr.	4.1	26.8	16.1
BSE	1.3	16.5	11.4
Coromandel Intl	-1.8	7.9	62.4
Concor	1.9	4.7	-25.5
EPL Ltd	2.2	2.2	78.1
Indiamart Inter.	-0.9	6.1	128.4
Godrej Agrovet	0.7	-2.5	5.6
Indian Hotels	-1.0	32.7	-14.1
Interglobe	3.1	20.2	17.5
Info Edge	-1.2	17.0	62.9
Kaveri Seed	1.0	-2.8	-1.0
Lemon Tree Hotel	2.6	43.3	-35.3
MCX	0.1	-5.2	34.0
Oberoi Realty	5.9	17.8	-0.4
Piramal Enterp.	4.9	14.9	-11.3
Phoenix Mills	-1.6	36.1	0.9
PI Inds.	1.4	4.7	57.9
Quess Corp	-1.1	26.0	-2.5
SRF	1.0	19.8	64.3
S H Kelkar	-1.1	61.2	22.4
Tata Chemicals	6.6	47.0	56.4
Team Lease Serv.	6.0	28.5	17.0
Trident	10.2	16.6	25.6
UPL	2.9	9.0	-20.2

## NOTES

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

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

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