India Morning Roundup

April 08, 2024

Contents

- **Wipro Ltd- SELL- Information Technology | Event update- CEO Resigns. Insider takes charge:**

  Key Points

  - Thierry Delaporte, who took up the CEO role in July 2020, has resigned a year before his contract ended in June 2025. He was an external candidate for that role. That he would be forced to resign was widely discussed in the media for 6-12 months. There was a perception that he had lost the confidence of Premjis (promoters) not only due to the underperformance vis-à-vis the Tier-1 Indian peer set, but also due to the loss of senior Wipro talent to other companies. A string of SBU heads and other senior folks quit over the last 2 years and joined in senior roles in other firms (some examples: Angan Guha – Head of Americas 2 (~30% of revenue) which housed the critical BFSI unit joined as CEO of Birlasoft in December 2022, Rajan Kohli – the Digital business head joined as CEO of Citius Tech in April 2023, Jatin Dalal – the CFO joined Cognizant in December 2023).

  - Thierry has been replaced by Srini Pallia who is a 32-year veteran of Wipro and last served as CEO of the Americas 1 unit, a role he took on in January 2021. Americas 1 unit includes Healthcare & Medical Devices, Consumer Goods & Lifesciences, Retail, Transportation & Services, Communication, Media & Info services, Tech Products & Platforms and Latin America.

  - In the near term, we think external demand conditions will dictate the growth trajectory of Wipro and the consulting unit may act as a drag. The test for Srini Pallia would be how Wipro measures up against its peers when demand normalizes. He needs to put in place the blocks now, to see that Wipro starts running fast as soon as the demand picks up. We think both investors and promoters would give him three years to deliver though his tenure has been set at 5 years.

  - Over the last 25 years, Wipro has had both internal and external candidates as CEOs and has seen greater M&A activity than other Tier-1 Indian peers. But as things stand today, Wipro Global IT services US$ revenue (FY24E) is ~42% lower than that of Infosys with lower EBIT margins, whereas in FY2000 Wipro global IT services revenue was 15% larger.

  - We maintain a SELL on Wipro with TP of Rs441, which is based on target PE multiple of 16.6x (30% discount to TCS) on FY26E EPS. The high discount of 30% that we are assigning is due to its significantly below peer group revenue performance in the recent quarters and the significantly lower ROIC due to its inability to squeeze out enough value from its M&A moves. We believe the new CEO needs to execute before we can think of changing our target PE multiple.

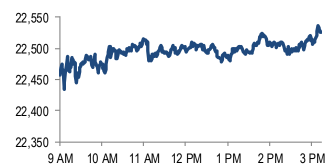
- **India Defence Industry- Defence | Initiating Coverage- Moving Towards a Sustainable Defence Ecosystem**

- **Corporate/Global/Local News**

- **Valuation Of Companies In Our Coverage Universe**

Local Indices			
(Chg %)	**Close**	**Daily**	**YTD**
BSE Sensex	74,248	0.0	2.8
NSE Nifty	22,514	(0.0)	3.6
Sectoral Indices			
(Chg %)	**Close**	**Daily**	**YTD**
CNX Mid-Cap	50,023	0.6	8.3
CNX Bank Nifty Index	48,493	0.9	0.4
CNX Metal Index	8,699	0.2	9.0
CNX FMCG Index	53,926	0.5	(5.4)
CNX Infrastructure Index	8,362	(0.4)	14.5
CNX Auto Index	21,601	(0.2)	16.0
CNX Pharma Index	19,161	0.2	13.8
CNX Energy Index	39,452	(0.2)	17.9
CNX IT Index	35,248	(0.5)	(0.8)
World Indices			
Dow Jones	38,904	0.8	3.2
S & P 500	5,204	1.1	9.1
FTSE 100	7,911	(0.8)	2.3
Nasdaq	16,249	1.2	8.2
Hang Seng	16,677	(0.3)	(2.2)
Shanghai Comp	3,059	(0.3)	2.8
Net Investment			
	8-Apr	**1M**	**3M**
FIIs (US$mn)	(150.4)	(1.5)	166.8
MFs (US$mn)	168.1	(0.4)	(48.3)
DII turnover (Rsmn)	(893.1)	1,834.6	(3,497.6)
Volume			
	8-Apr	**US$bn**	**Chg%**
Cash (NSE + BSE)	5.5	5.5	(4.1)
F&O (net)	17.2	17.2	23.0

Forex/Money Markets				
	8-Apr	**1 D**	**1 M**	**3M**
Rs/US$	83.3	83.4	82.9	83.2
Rs/EUR	90.3	90.6	90.0	90.8
Rs/GBP	105.2	105.7	105.2	105.3
10 yr G-Sec	7.1	7.1	7.1	7.2
Call Money	6.2	6.5	6.5	6.1
Commodities & others				
	8-Apr	**1 D**	**1 M**	**3 M**
Gold (US$/ounce	2,326	2,330	2,179	2,028
Brent Crude (US$	90	91	82	76
Aluminimum (US$	2,451	2,445	2,229	2,274
Copper (US$/mt)	9,330	9,359	8,492	8,463



Please refer to the disclaimer towards the end of the document.

NBIE Research
Institutional.research@nirmalbang.com

- **Banks and Gold NBFCs- 4QFY24 Result Preview- Banks' earnings growth to remain strong; CoF to remain elevated amid tight liquidity:**

  Key Points

  - As per the latest RBI data as of March 22, 2024, system loan growth (adjusted for e-HDFC) stood healthy at 16.1% YoY, which indicates better top line growth for banks. Sectoral credit deployment data shows continued double-digit growth in Retail and Services segments, but the Industrial segment growth remains in single digits.

  - We expect our coverage banks to report strong earnings growth of 41.0% YoY on the back of 22.1% YoY credit growth, 17.2% YoY growth in operating profit and further improvement in credit costs. It also includes the one-off effect of net loss in case of Axis Bank on account of Citi acquisition in 4QFY23. In terms of margins, banks are expected to see mixed trends. We expect private banks across our coverage universe to see 1-10bps QoQ decline in NIM. Considering the liquidity on their balance sheets, PSBs are in a better position to manage NIMs.

  - Gold NBFCs are expected to see improved loan growth and lower credit costs due to increase in gold prices during 4QFY24, but change in tonnage will be a key monitorable.

  - In our view, following will be the key monitorables from 4QFY24 results of Banks – (1) Growth guidance considering that interest rates continue to be high and the impact of series of RBI regulations in the past few months on growth (2) As the higher cost term deposits continue to grow faster than overall deposit growth, outlook for NIMs will be key (3) Asset quality outlook.

- **Chemical Sector- 4QFY24 Result Preview- 4QFY24 could be the bottom for Indian CPC:**

  Key Points

  - NBIE's Agro-Chemical coverage stocks are likely to report YoY decline in 4QFY24 results - barring CSM major PI Industries (PI) and Sumitomo Chemical India (SCIL). Revenue/EBITDA is likely to decline (except PI and SCIL) due to weak topline/margins **amid persistent pressure on prices, unabated Chinese dumping at below cost and de-stocking.** Adverse weather and rising freight have been added challenges.

  - Weak agronomic conditions – low soil moisture/water levels (weak SW monsoon) combined with All India rainfall deficit in Rabi FY24 season (32% below LPA) has resulted in a subdued trend in Rabi cropped area – flat YoY with-area under Rice/Pulses down 2.7%/3.7%, while area sown under Wheat is up a tad.

  - UPL will see 653bps YoY decline in 4QFY24 EBITDA margin due to muted India sales (weak CPC sales due to hit on Rabi crops) and a delayed recovery in Brazil/NA - still saddled with high channel inventory. Consolidated PAT is likely to plunge from Rs1.2bn in 4QFY23 to a loss of Rs12.16bn in 4QFY24 vs street's profit estimate of Rs393mn.

  - CSM major PI and SCIL are set to lead the pack with 52.9%/10.8% YoY growth in 4QFY24 PAT. We expect Tata Chemicals (TTCH)/ Coromandel International (CRIN)/small cap CSM player Anupam Rasayan (ARIL) to report YoY decline in PAT at 72.1%/29.3%/36.4%.

  - Watch out for management comments during the earnings calls - on de-stocking, pricing power and any signs of revival in pre-buying by trade for current/future consumption. Also keep an eye on movement in inventory & receivables and any inventory-related adjustments through P&L, which could be less QoQ, but may still weigh on global CPC companies like UPL.

- **Pharmaceutical Sector- 4QFY24 Result Preview- US pricing pressure eases; margins improve:**

  Key Points

  - NBIE Pharma coverage universe's revenue is expected to grow by ~12% YoY, driven by pick-up in US sales, boosted by gRevlimid & gSpiriva and favourable currency movements. Domestic growth is expected to be supported by the Acute segment and price hike in Chronic therapies. We expect the Chronic therapies to grow by >10%.

  - Margins are expected to improve YoY on the back of a better product mix, price hike benefits in branded markets and normalizing cost inflation. Also, diminishing US pricing pressure will support margins.

  - Growth in Domestic Formulations is expected to moderate to ~10% YoY (Excluding Mankind) even as new launches and price hikes provide support.

  - US is expected to grow by ~10% YoY in CC terms mainly on the back of gRevlimid & gSpiriva and new launches, but it is expected to remain almost flat QoQ. Also, the softer raw material prices are supporting US growth.

- **Monetary Policy Review- India Economy | Update- 'Status Quo' policy; Robust growth to delay rate cuts to 2HFY25:**

  Key Points

  - The RBI's Monetary Policy Committee (MPC) decided to keep rates unchanged with a 5:1 majority besides also maintaining the stance as "withdrawal of accommodation".

  - FY25 GDP is projected at 7% and CPI at 4.5% (unchanged from Feb'24). Our GDP forecast for FY25 is lower at 6.2% while CPI estimate is marginally higher at 4.8% (factoring in volatility in food prices). However, high frequency indicators and resilient global growth warrant some upward revision in our GDP forecast for FY25.

  - Robust growth provides room for the RBI to focus on bringing inflation down to its target. Moreover, the Governor noted that volatile food prices could potentially impact the disinflationary process. Geopolitical tensions also remain a key risk.

  - Resilient growth, with credit growth holding up, has led us to push back our rate cut expectations to 2HFY25 from our earlier base case of June'24. We continue to expect ~50bps of rate cuts from RBI in FY25, spurred by global rate cuts and high real interest rates. We expect the European Central Bank (ECB) to lead the rate cut cycle followed by the Fed and eventually the RBI.

Corporate News

- **Cochin Shipyard** (CSL) has signed the Master Shipyard Repair Agreement with United States Navy. This will facilitate repair of US Naval vessels under Military Sealift Command in CSL.

- Reserve Bank of India has imposed a penalty of Rs 4.9 mn on **LIC Housing Finance** for non-compliance with of the RBI Master Directions.

- **Tata Power Company** has signed share purchase agreement and acquired 100% equity stake in Jalpura Khurja Power Transmission for Rs 38.6 mn. The objective being to establish and operate build own operate transfer basis.

- **Mahindra EPC Irrigation** has been awarded contracts for ~Rs 132 mn for supply of Micro Irrigation Systems. The order is to be executed within 12 months.

- **RITES** has signed a MoU with Indian Institute of Technology, Madras to collaborate for green energy projects in the field of transport and mobility.

- **Dalmia Bharat's** WoS- DCBL has entered into an agreement to acquire 18.13% of equity share capital of O2 Renewable Energy V to source wind power as a captive consumer for a capacity upto 11 MW.

- **Dr. Reddy's Laboratories** and Bayer have entered into a partnership to market and distribute a second brand of Vericiguat in India.

- **GE Power India** has received a purchase order for supply of spares for STG at Mangalore Refinery and Petrochemicals. The order size is ~ Rs 100 mn.

- **Mphasis** has signed multi-year global strategic collaboration agreement with Amazon Web Services. The collaboration aims to establish the Gen AI Foundry, a dedicated business unit focusing on artificial intelligence solutions.

- **Voltas** said it has recorded a 35 per cent sales growth to over 2 mn units in FY24, becoming the first company in the domestic market to cross this mark.

Global/Local News

- Sanofi plans to introduce new drugs and enhance localisation while expanding the reach of its existing brands through collaboration with domestic drug firms in India.

- Amazon India has launched a new vertical called Bazaar, which features unbranded fashion and lifestyle products at a low price point.

- Maruti Suzuki India said it is confident of its overseas shipments crossing 3 lakh units in FY25 as part of gradual scaling up to meet the target of up to 8 lakh units by 2030.

- Redington has entered into a strategic partnership with Zoho Corporation. This alliance aims to bring Zoho's cloud solutions for office productivity, team collaboration, and customer engagement to a broader customer base in India.

- Demand trends in March have indicated that makers of seasonal products such as air conditioners, beverages and ice-creams have begun seeing soaring sales. AC, beverage and ice-cream companies are eyeing strong double digit growth rates.

Wipro Ltd

Information Technology | Event update

SELL

CMP: Rs485 | Target Price (TP): Rs441 | Downside: 9% **April 07, 2024**

CEO Resigns. Insider takes charge.

Key Points

- Thierry Delaporte, who took up the CEO role in July 2020, has resigned a year before his contract ended in June 2025. He was an external candidate for that role. That he would be forced to resign was widely discussed in the media for 6-12 months. There was a perception that he had lost the confidence of Premjis (promoters) not only due to the underperformance vis-à-vis the Tier-1 Indian peer set, but also due to the loss of senior Wipro talent to other companies. A string of SBU heads and other senior folks quit over the last 2 years and joined in senior roles in other firms (some examples: Angan Guha – Head of Americas 2 (~30% of revenue) which housed the critical BFSI unit joined as CEO of Birlasoft in December 2022, Rajan Kohli – the Digital business head joined as CEO of Citius Tech in April 2023, Jatin Dalal – the CFO joined Cognizant in December 2023).
- Thierry has been replaced by Srini Pallia who is a 32-year veteran of Wipro and last served as CEO of the Americas 1 unit, a role he took on in January 2021. Americas 1 unit includes Healthcare & Medical Devices, Consumer Goods & Lifesciences, Retail, Transportation & Services, Communication, Media & Info services, Tech Products & Platforms and Latin America.
- In the near term, we think external demand conditions will dictate the growth trajectory of Wipro and the consulting unit may act as a drag. The test for Srini Pallia would be how Wipro measures up against its peers when demand normalizes. He needs to put in place the blocks now, to see that Wipro starts running fast as soon as the demand picks up. We think both investors and promoters would give him three years to deliver though his tenure has been set at 5 years.
- Over the last 25 years, Wipro has had both internal and external candidates as CEOs and has seen greater M&A activity than other Tier-1 Indian peers. But as things stand today, Wipro Global IT services US$ revenue (FY24E) is ~42% lower than that of Infosys with lower EBIT margins, whereas in FY2000 Wipro global IT services revenue was 15% larger.
- We maintain a SELL on Wipro with TP of Rs441, which is based on target PE multiple of 16.6x (30% discount to TCS) on FY26E EPS. The high discount of 30% that we are assigning is due to its significantly below peer group revenue performance in the recent quarters and the significantly lower ROIC due to its inability to squeeze out enough value from its M&A moves. We believe the new CEO needs to execute before we can think of changing our target PE multiple.

Thierry held out hopes: Thierry had indicated multiple times that he enjoyed the trust of the promoter family and the board (Rishad reiterated this in his Davos interview in January 2024). Also, he was of the view that decisions like acquiring Capco and Rizing will play out eventually when spending returns. Both are consulting firms, which did very well when discretionary spending was high during the pandemic years, but whose revenues likely declined at rates faster than the company during the subsequent slowdown.

Thierry probably sees another weak year ahead: We believe he threw in the towel as he probably foresaw another year of weak growth (despite talking of green shoots in consulting during 3QFY24 analyst call) and did not want to take the pressure of possibly a dissatisfied board/media/investor. Also, one should remember that he was the highest paid CEO amongst the India listed IT services players in FY24.

Est Change	No change
TP Change	No change
Rating Change	No change

Company Data and Valuation Summary

Reuters	WIPR.BO
Bloomberg	WPRO IN Equity
Mkt Cap (Rsbn/US$bn)	2,534.5 / 30.4
52 Wk H / L (Rs)	546 / 352
ADTV-3M (mn) (Rs/US$)	4,363.4 / 52.6
Stock performance (%) 1M/6M/1yr	(5.5) / 19.2 / 31.2
Nifty 50 performance (%) 1M/6M/1yr	0.8 / 4.7 / 27.9

Shareholding	1QFY24	2QFY24	3QFY24
Promoters	72.9	72.9	72.9
DIIs	7.6	8.0	8.1
FIIs	6.3	6.5	6.7
Others	10.9	10.1	9.9
Pro pledge	0.0	0.0	0.0

Financial and Valuation Summary

Particulars (Rsbn)	FY23	FY24E	FY25E	FY26E
Revenue (Rsbn)	905	898	942	1038
YoY Growth (%)	*14.4*	*(0.7)*	*4.8*	*10.2*
Gross Margin (%)	*28.7*	*30.2*	*30.6*	*30.0*
EBIT (Rsbn)	140	137	149	166
EBIT (%)	*15.4*	*15.2*	*15.8*	*16.0*
Adj. PAT (Rsbn)	114	112	123	139
PAT Margin (%)	*12.5*	*12.4*	*13.1*	*13.4*
YoY Growth (%)	*(7.1)*	*(1.7)*	*10.4*	*13.0*
FDEPS (Rs)	20.7	20.9	23.5	26.6
ROE (%)	15.8	14.5	15.6	16.2
Post Tax ROCE (%)	*11.4*	*10.4*	*11.1*	*11.6*
Post Tax ROIC (%)	*19.0*	*17.6*	*19.5*	*21.2*
P/E (x)	23.4	23.2	20.6	18.2
EV/EBITDA	13.2	12.8	11.5	10.2

Source: Bloomberg, Company, Nirmal Bang Institutional Equities Research

Key Links:

Wipro analyst meet note November 2020: 'Obsession with growth' has to now show up in numbers

Wipro 3QFY24 results note: Much better than worst fears

Our March 2024 Sector update: Continued uncertainty to keep a lid on spending

Please refer to the disclaimer towards the end of the document

Girish Pai
Research Analyst
girish.pai@nirmalbang.com
+91-22-6273 8017

Suket Kothari
Research Associate
suket.kothari@nirmalbang.com
+91-22-6273 8280

There have been accusations that Thierry was an accountant and unfit to be the CEO. We think that view is unfair. Persons of various backgrounds have become CEOs of Global IT services outfits over the years. There have been both successes and failures. Julie Sweet, current CEO of Accenture is a lawyer by training, was the General Counsel and Chief compliance officer of Accenture before she led Accenture US for 5 years then stepped into the CEO role of Accenture globally.

In fact, Thierry was the CEO of Capgemini's global financial services unit – based in New York – for 5+ years. He was also COO of Capgemini before he took on the current role with Wipro. He probably lost the battle to become the CEO of Capgemini to Aiman Ezzat in mid-2020.

The movement of senior folks into smaller firms is also a reflection of the success of the industry (where in both PE firms and even first-generation entrepreneurs and even business families are stepping aside and letting senior folks from larger firms run their companies). The trend was set by Sanjay Jalona in LTI and Sudhir Singh in NIIT Technologies (currently named Coforge) and then it went into a copy paste mode across many other firms.

View on the Indian IT Services sector: We downgraded Indian IT Services to UW through a report on 10th April, 2022 (Positive surprises likely low in FY23; Tier-2 risky) and continued to remain underweight through our notes on 19th May, 2022 (Customer stress shows up), 8th July, 2022 (Negatives not in price), 10th October, 2022 (Growth expectations too high), 20th March, 2023 (Sell into delayed landing outperformance), 14thJune 2023 (Too early to be positive), 26th September, 2023(Cut FY25 estimates; Slower for longer; Sell into the FOMO rally), 15th December, 2023(A No/Soft landing) and 20th March 2024 (Continued uncertainty to keep a lid on spending)

Nifty IT index's TSR from 31st Dec, 2019 till 14th March, 2024 has been 163% with a 70 percentage point outperformance vs the Nifty. But, the outperformance was front-loaded in the first two years of the period (CY2020 and CY2021). Since 31st December 2021, Nifty IT TSR has underperformed Nifty by 29 percentage points.

The massive outperformance of Nifty IT in 2020 and 2021 was on the back of pandemic-driven Digital Transformation (DT) services-based earnings acceleration and significant multiple expansion on unprecedented monetary stimulus in the US and in Europe. While DT services will continue to remain a key theme over the long term, we believe that IT spends will be curtailed by an 'ability-to-spend' problem as enterprise customers battle earnings pressure from wage inflation, reduced end customer spending power, higher interest rates and likely below-trend growth in western developed economies. Customers, we believe, had pulled forward spending into the compressed transformation phase of FY20-FY23 from future years. We believe customers are now evaluating ROIs on those projects and on spending normalization.

Macro environment now has one good and two bad scenarios: The good scenario is obviously the soft-landing scenario where inflation, economy and employment cool, thereby allowing the Fed to lower Fed funds rate to what is considered a neutral rate – which is widely believed to 2.5% (we are currently at 5.25-5.5%). The two bad scenarios are: (1) some sort of a recession in 2024 or (2) a strong economic growth scenario with higher than 2% inflation, which keeps fed funds rate 'high for longer'.

We persist with our 'UW' stance. This is because:

(1) Valuations for most IT stocks in our coverage universe are expensive in relation to their 5-year or 10-year histories and we see no material upside to FY25/FY26 earnings for our coverage in the next 12 months

(2) As things stand today, while our earlier base case of a shallow recession sometime in 2024 seems to have a low probability (though professional forecasters still give a probability of 40% for a recession in the next 12 months based on Bloomberg consensus), chances of a no landing with hotter inflation with 'higher rates for longer' scenario seems to have a better probability and is also not a positive scenario for customers.

A 'higher for longer' rates scenario could mean tepid growth in both FY25 and FY26; a shallow recession could mean a significant deceleration in demand and consequently in revenue & earnings growth for the sector.

Even if one were to ignore the next 12–18 months' risks around a recession/the 'higher for longer' interest rate regime and take a 5-year view, we believe that starting valuations are expensive and can at best deliver mid to high single-digit total stock returns (including capital return to shareholders) for TCS/Infosys, as we believe that structural revenue/earnings growth is being overestimated by the street. We believe that USD revenue growth over a 5-year period (FY23-FY28) for Tier-1 set in aggregate will at best be at par with the FY15-FY20 period (~7%). We also expect margins for most coverage companies to remain in a narrow band at around FY24 levels and not see a material expansion (except for Tech Mahindra where it starts from a very low base). *Ceteris Paribus,* this has valuation/return implications.

We continue to maintain TCS as our industry valuation benchmark: We are valuing TCS at target 12-month forward PE of 23.7x, which represents 1SD below the 5-year historical mean. This has been raised from the 20x that we had assigned earlier (10-year mean less 0.5SD). Target multiples for others are at a premium/discount to TCS. If one were to look back in history, our Target PE multiples are not overly pessimistic as PE multiples of many Tier-1 IT stocks are in fact at the higher end of the pre-pandemic PE range. We have used a higher target PE multiple not because we think that a material earnings upgrade cycle is on the cards for FY25/FY26, but to acknowledge the higher domestic inflows into equities, which have lifted valuations of the entire Indian market and particularly that of Mid-cap and Small-cap stocks.

The Tier-2 pack has held out better than anticipated: Growth for well-run Tier-2 IT companies has materially decelerated from their FY22/FY23 levels but has not been as bad as we had expected. That we believe is because the US macro held up better than we/consensus had anticipated. Had we seen a shallow recession (our earlier base case scenario), growth in both Tier-1 and Tier-2 set would have come off a lot more than it eventually did in FY24.

Tier-2 still faces significant risks: Tier-2 set has a less diversified revenue mix (client, service line and vertical), which could throw up negative growth surprises (as has been seen in case of Mphasis in the last 12-18 months), and a larger exposure to non-Global 1000 clientele, whose profits are more vulnerable in a weaker macro environment. Indian Tier-2 IT pack is now at a PE premium of ~27% to Tier-1 compared to a discount of 25% on 1st January 2020. The premium is at the highest ever level, driven by strong flows into SMID stocks by the Indian mutual funds.

This premium reflects expectations of a big positive earnings growth gap between Tier-2 and Tier-1 IT companies over FY21-FY23 and improving return ratios sustaining beyond FY23. We do not agree with that view. We think that the earnings growth gap will compress due to slower revenue growth and next-to-no margin expansion from current levels for most Tier-2 IT companies. The high PE multiples are also a reflection of the market's view that some Tier-2 IT companies will become US$5-10bn enterprises in the next 10-20 years. Once the 'Digital' high tide recedes, it remains to be seen which of the current Tier-2 set will continue to show promise. In the initial phase of any new tech cycle, customers tend to be open to new vendors, but as the cycle matures (post FY23 in our view), vendors that have scale – Tier-1 - tend to do better. We think customers are looking for revolutionary transformation, which Tier-1 companies with multi-vertical exposure and deeper domain/technology skills are best placed to deliver.

Financials

Exhibit 1: Income statement

Y/E March (Rsbn)	FY23	FY24E	FY25E	FY26E	FY27E
Average INR/USD	80.4	82.7	84.3	85.7	86.8
Net Sales - IT Services (USD mn)	**11,234**	**10,824**	**11,140**	**12,087**	**12,792**
-Growth (%)	***8.5***	***-3.7***	***2.9***	***8.5***	***5.8***
Net Sales - Overall	**905**	**898**	**942**	**1038**	**1113**
-Growth (%)	*14.4*	*-0.7*	*4.8*	*10.2*	*7.2*
Cost of Sales & Services	645	627	654	726	785
% of sales	*71.3*	*69.8*	*69.4*	*70.0*	*70.6*
Gross profit	**259**	**271**	**288**	**312**	**327**
% of sales	***28.7***	***30.2***	***30.6***	***30.0***	***29.4***
SG& A	**124**	**135**	**139**	**145**	**145**
% of sales	***13.7***	***15.0***	***14.8***	***14.0***	***13.0***
EBIT	**140**	**137**	**149**	**166**	**182**
% of sales	***15.4***	***15.2***	***15.8***	***16.0***	***16.4***
Interest expenses	10	12	12	12	12
Other income (net)	18	23	26	29	30
PBT	148	147	162	183	200
-PBT margin (%)	*16.3*	*16.4*	*17.2*	*17.7*	*18.0*
Provision for tax	34	35	39	44	48
Effective tax rate (%)	*23.0*	*24.0*	*24.0*	*24.0*	*24.0*
Minority Interest	0.2	0.5	0.3	0.3	0.3
Net profit	**114**	**112**	**123**	**139**	**152**
-Growth (%)	*(7.1)*	*(1.7)*	*10.4*	*13.0*	*9.2*
-Net profit margin (%)	*12.5*	*12.4*	*13.1*	*13.4*	*13.7*
Number of Shares (Fully Diluted) in Mn	5,490	5,231	5,231	5,231	5,231

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 2: Cash flow

Y/E March (Rsbn)	FY23	FY24E	FY25E	FY26E	FY27E
EBIT	140	137	149	166	182
(Inc.)/dec. in working capital	-13	-8	-8	-8	-6
Cash flow from operations	126	128	141	159	176
Other income	18	23	26	29	30
Depreciation & amortisation	42	40	44	48	81
Financial expenses	-10	-12	-12	-12	-12
Tax paid	-34	-35	-39	-44	-48
Dividends paid	-5	-5	-62	-70	-76
Net cash from operations	**137**	**139**	**97**	**110**	**151**
Capital expenditure	-4	1	-16	-20	-20
Net cash after capex	133	139	81	90	131
Inc./(dec.) in debt	-2	6	0	0	0
(Inc.)/dec. in investments	-69	15	0	0	0
Equity issue/(buyback)	0	-148	0	0	0
Cash from financial activities	**-71**	**-127**	**0**	**0**	**0**
Others	-74	16	-20	-50	-140
Opening cash	104	92	120	181	221
Closing cash	92	120	182	221	212
Change in cash	-12	28	61	40	-9

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 3: Balance sheet

Y/E March (Rsbn)	FY23	FY24E	FY25E	FY26E	FY27E
Equity capital	11	10	10	10	10
Reserves & surplus	771	750	811	881	957
Net worth	782	760	822	891	967
Deferred tax liability, net	13	13	13	13	13
Other liabilities	34	45	45	45	45
Total loans	61	62	62	62	62
Lease Liability	25	17	17	17	17
Total liabilities	**915**	**897**	**959**	**1,028**	**1,104**
Goodwill	308	311	311	311	311
Other intangible assets	43	34	34	34	34
Net block	89	73	65	87	166
Investments	331	316	316	316	316
Other non-current assets	35	29	29	29	29
Unbilled receivables	61	57	63	69	73
Inventories	1	1	1	1	1
Other current assets	69	60	62	64	66
Receivables	127	126	139	151	160
Cash & bank balance	92	120	181	221	212
Right-of-use Assets	19	16	16	16	16
Total current assets	368	380	462	522	529
Total current liabilities	259	246	259	271	281
Net current assets	109	134	203	251	248
Total assets	**915**	**897**	**959**	**1,028**	**1,104**

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 4: Key ratios

Y/E March	FY23	FY24E	FY25E	FY26E	FY27E
Per Share (Rs)					
EPS	20.7	21.1	23.6	26.7	29.1
FDEPS	20.7	20.9	23.5	26.6	29.0
Dividend Per Share	1.0	1.0	11.8	13.3	14.6
Dividend Yield (%)	0.2	0.2	2.4	2.7	3.0
Book Value	143	146	158	171	185
Dividend Payout Ratio (%)	4.8	4.7	50.0	50.0	50.0
Return ratios (%)					
RoE	15.8	14.5	15.6	16.2	16.3
Post Tax RoCE	11.4	10.4	11.1	11.6	11.9
Post Tax ROIC	19.0	17.6	19.5	21.2	21.2
Turnover Ratios					
Asset Turnover Ratio	0.8	0.8	0.8	0.8	0.8
Debtor Days (incl. unbilled Rev)	76	74	78	77	77
Working Capital Cycle Days	29	33	34	34	34
Valuation ratios (x)					
PER	23.4	23.2	20.6	18.2	16.7
P/BV	3.4	3.3	3.1	2.8	2.6
EV/EBITDA	13.2	12.8	11.5	10.2	8.3
EV/Sales	2.7	2.5	2.3	2.1	2.0
Net Debt/Equity	-0.3	-0.3	-0.4	-0.4	-0.4
M-cap/Sales	2.9	2.8	2.7	2.4	2.3

Source: Company, Nirmal Bang Institutional Equities Research

Rating track

Rating track – Wipro

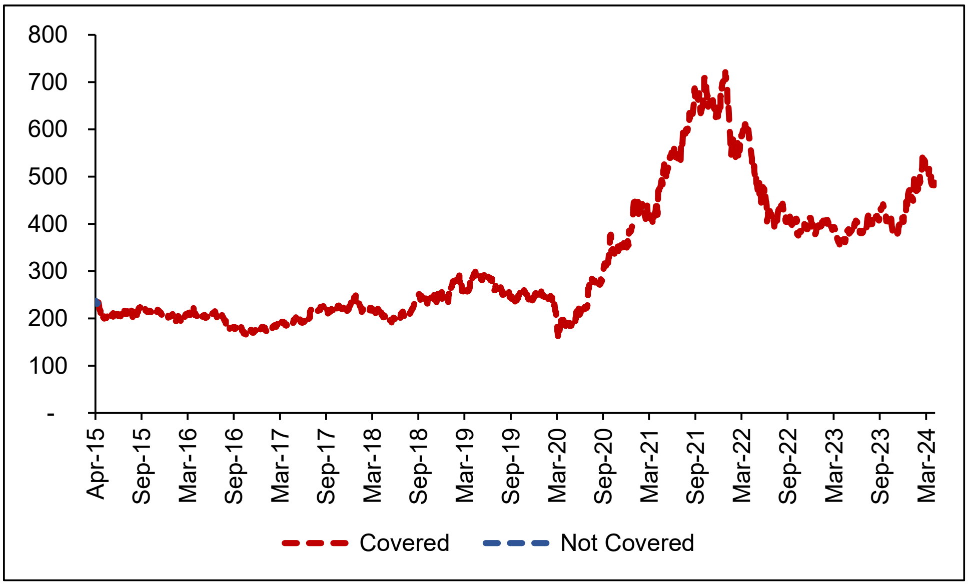
Date	Rati ng	Market price (Rs)	Target price (Rs)
13 April 2015	Sell	618	576
22 April 2015	Sell	588	546
24 July 2015	Sell	588	548
30 September 2015	Sell	587	546
23 October 2015	Sell	578	544
8 January 2016	Under Review	556	-
19 January 2016	Under Review	549	-
14 March 2016	Sell	540	498
21 April 2016	Sell	601	489
20 July 2016	Sell	549	478
24 October 2016	Sell	499	436
10 January 2017	Sell	472	410
27 January 2017	Sell	474	413
14 February 2017	Sell	474	427
26 April 2017	Sell	495	437
21 June 2017*	Sell	254	197
21 July 2017	Sell	269	235
28 September 2017	Sell	290	228
18 October 2017	Sell	290	244
26 December 2017	Under Review	302	-
22 January 2018	Under Review	329	-
17 March 2018	Accumulate	296	302
26 April 2018	Accumulate	287	303
3 July 2018	Buy	262	335
23 July 2018	Buy	282	323
5 October 2018	Buy	325	377
17 October 2018	Buy	309	364
27 December 2018	Sell	326	297
7 January 2019	Sell	324	268
21 January 2019	Sell	347	277
19 March 2019**	Sell	258	209
18 April 2019	Sell	282	219
18 July 2019	Sell	260	212
23 September 2019	Sell	239	222
15 October 2019	Sell	244	221
2 January 2020	Under review	248	-
15 January 2020	Under review	256	-
31 March 2020	Accumulate	186	186
16 April 2020	Accumulate	186	178
9 July 2020	Under Review	222	-
15 July 2020	Under Review	225	-
6 September 2020	Buy	276	326
28 September 2020	Accumulate	314	346
14 October 2020	Accumulate	376	382
19 November 2020	Accumulate	345	382
29 December 2020	Accumulate	383	411
14 January 2021	Accumulate	459	480
5 March 2021	Accumulate	439	461
16 April 2021	Accumulate	431	465
5 July 2021	Accumulate	536	563
16 July 2021	Accumulate	576	604
22 September 2021	Accumulate	668	698
14 October 2021	Accumulate	673	706
20 December 2021	Buy	671	790
13 January 2022	Accumulate	691	776
8 April 2022	Accumulate	581	571
1 May 2022	Accumulate	509	501
19 May 2022	Sell	481	400
8 July 2022	Sell	421	367
21 July 2022	Sell	412	362
10 October 2022	Sell	408	355
13 October 2022	Sell	408	340
14 January 2023	Sell	394	347
20 March 2023	Sell	377	351
28 April2023	Sell	374	350
14 June2023	Sell	396	350
14 July2023	Sell	394	338
26 September 2023	Sell	436	358

19 October 2023	Sell	407	353
15 December 2023	Sell	434	370
14 January 2024	Sell	467	384
19 March 2024	Sell	510	441
07 April 2024	Sell	485	441

* Post 1:1 bonus share issue, **Post 1:3 bonus share issue

* Post 1:1 bonus share issue, * Post 1:3 bonus share issue

Rating track graph



Banks and Gold NBFCs

4QFY24 Result Preview

April 08, 2024

Banks' earnings growth to remain strong; CoF to remain elevated amid tight liquidity

Key Points

- As per the latest RBI data as of March 22, 2024, system loan growth (adjusted for e-HDFC) stood healthy at 16.1% YoY, which indicates better top line growth for banks. Sectoral credit deployment data shows continued double-digit growth in Retail and Services segments, but the Industrial segment growth remains in single digits.
- We expect our coverage banks to report strong earnings growth of 41.0% YoY on the back of 22.1% YoY credit growth, 17.2% YoY growth in operating profit and further improvement in credit costs. It also includes the one-off effect of net loss in case of Axis Bank on account of Citi acquisition in 4QFY23. In terms of margins, banks are expected to see mixed trends. We expect private banks across our coverage universe to see 1-10bps QoQ decline in NIM. Considering the liquidity on their balance sheets, PSBs are in a better position to manage NIMs.
- Gold NBFCs are expected to see improved loan growth and lower credit costs due to increase in gold prices during 4QFY24, but change in tonnage will be a key monitorable.
- In our view, following will be the key monitorables from 4QFY24 results of Banks – (1) Growth guidance considering that interest rates continue to be high and the impact of series of RBI regulations in the past few months on growth (2) As the higher cost term deposits continue to grow faster than overall deposit growth, outlook for NIMs will be key (3) Asset quality outlook.

System credit growth continues to remain healthy at 16.1% YoY: System level credit growth momentum continued to remain strong at 16.1% YoY as on 22nd Mar'24 (19.8% YoY incl. e-HDFC loan book). Deposit growth too improved and stood at 12.7% YoY (13.3% incl. e-HDFC deposit book), supported by strong growth in term deposits as banks continue to raise interest rates on term deposits. As evident from the provisional business updates shared by a few banks, low-cost CASA deposit mobilization continued to remain challenging for most players in the industry. Owing to liquidity-related challenges and lower CASA deposit mobilization, banks are expected to continue to witness some moderation in NIMs. However, benign credit cost is expected to support overall returns in terms of RoAs. Unsecured lending by banks is expected to witness some slowdown in 4QFY24. Overall, credit growth in 4QFY24 is expected to remain strong, supported by robust growth traction in Retail advances, including Housing Loan, Vehicle Loan and SME advances. With respect to corporate credit growth, while the commentary of managements remains positive, clear trend will be visible post LS elections.

Company	TP (Rs)	Rating
Axis Bank	1,256	BUY
Bandhan Bank	222	ACC.
HDFC Bank	1,994	BUY
ICICI Bank	1,264	BUY
IndusInd Bank	1,854	BUY
Kotak Bank	1,909	ACC
State Bank of India	862	BUY
Bank of Baroda	286	ACC
Punjab National Bk.	105	SELL
Federal Bank	178	BUY
City Union Bank	156	ACC
RBL Bank	273	ACC
DCB Bank	165	BUY
AU SFB	721	BUY
Equitas SFB	127	BUY
Muthoot Finance	1,702	BUY
Manappuram Fin.	223	BUY

Source: Company, Nirmal Bang Institutional Equities

Link to recent Sectorial Reports:

- Sectoral Credit Deployment-Feb'24
- Banks and Gold Finance NBFCs 3QFY24 Result Review Report
- Gold Finance Sector Thematic Report

Company Update Reports:

- AU Small Finance Bank (AUSFB)
- IndusInd Bank (IIB)

Please refer to the disclaimer towards the end of the document.

Rati J Pandit, CFA
Research Analyst
rati.pandit@nirmalbang.com
+91-22-6273-8068

Debesh Agarwala
Research Associate
debesh.agarwala@nirmalbang.com
+91-22-6273-8028

As per the provisional numbers, we have observed that banks like Federal Bank, IndusInd Bank and RBL Bank have gained momentum, with their loan book growing by 5.1% QoQ, 4.8% QoQ and 4.6% QoQ, respectively. In case of HDFC Bank (including HDFC Ltd.'s 4QFY23 no's), growth stood weaker at 12.8% YoY (up by 1.6% QoQ) based on a like-to-like comparison as the bank's focus is on deposit mobilization with the same growing by 7.5% QoQ to improve its C/D ratio. Among the PSBs under our coverage, both BOB and PNB witnessed loan growth lower than the industry at 12.4% YoY and 11.5% YoY, respectively. We expect our coverage banks to report 22.1% YoY and 3.8% QoQ loan growth.

On the opex front, as banks continue to expand physical presence and upgrade technology, cost ratios are expected to remain higher on YoY basis. For PSBs, as most of them frontloaded wage revision provisions in 3QFY24, on a sequential basis, employee costs are expected to decline. However, those banks which are yet to account for the pension component in wage revision and ex-gratia / dearness neutralization, will continue to see elevated employee costs.

Slippages across banks are expected to continue to remain benign and recoveries are expected to trend higher, which will lead to improved/stable asset quality, thereby keeping credit costs in check. Restructured books are expected to continue to decline and SMA 0-2 loans are unlikely to surprise negatively.

We expect our coverage banks to report an average PAT growth of 41.0% YoY/15.4% QoQ.

NIMs to see a mixed trend: Considering the rise in banks' term deposit growth, CoF is expected to remain under pressure. Banks are expected to see mixed trends in terms of margins on a sequential basis. Private banks under our coverage are expected to see 1-10bps QoQ decline in margins. Considering the liquidity on their balance sheets, PSBs are relatively in a better position to manage NIMs.

SFBs: The two SFBs under our coverage universe, AU Small Finance Bank and Equitas Small Finance Bank, have reported YoY/QoQ growth of 25.1%/9.4% and 23.2%/4.8%, respectively in their 4QFY24 provisional business update. Cost of funds (CoF) for Equitas SFB increased by 9bps QoQ and for AU SFB also we estimate the same increasing by 10bps QoQ. However, since the banks have been passing on higher CoF to customers, we have estimated that their NIIs will grow by 16.5% YoY / 6.0% QoQ. NIMs for both banks are expected to drop by an average of 25bps QoQ. The opex ratio, which is one of the key monitorable for SFBs, is expected to remain elevated at ~62%. We expect the two SFBs to report average earnings growth of 3.3% YoY.

Gold NBFCs: AUMs of Manappuram Finance and Muthoot Finance are expected to grow by 19.1% YoY/5.5% QoQ and 17.7% YoY/4.5% QoQ, respectively, supported by an increase in gold price as well as robust new customer additions. Their MFI subsidiaries are expected to see good customer addition, healthy credit growth and improved asset quality. Change in tonnage will be a key monitorable on the Gold Loan side. While CoF is expected to remain under pressure in the near term, the advantages that NBFCs overall have is that their fixed rate portfolios are expected to see a gradual re-pricing, thereby helping margins whenever interest rates decline in future. The overall asset quality trend remains healthy. PAT for both NBFCs is expected to grow by an average 22.8% YoY/2.2% QoQ.

Impact of revised AIF provisioning norms

We spoke to few banks on RBI's circular dated March 27, 2024 on revised norms on provisions for AIF investments.

Following are key highlights of the discussions:

- Banks will benefit because of two reasons – (1) As per the revised guidelines, banks will have to make provisions on common exposure of the AIF and the bank to the debtor company and not on the bank's entire investment in the AIF schemes (2) Equity investment by the AIF is excluded from the provisions banks have to make.
- Assuming that the banks have not liquidated their AIF investments disclosed in 3QFY24 results, partly or fully, the benefit to provisions on existing AIF investments could be 30-80% depending on bank wise exposures.
- As redemptions from AIF investments are not easy to do, most banks that have made excess provisions earlier are likely to retain the surplus AIF provisions in their standard / contingent provision buffers.

Link to March 27, 2024 RBI notification on revised AIF investment provisioning norms – https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12639&Mode=0

Exhibit 1: 3QFY24 disclosures on provision on AIF Investments

Bank Name	3QFY24 AIF Provisions (Rs mn)	Comments
Axis Bank	1,817.0	The Bank had investments in AIF's aggregating Rs. 2070mn. Details are as follows: (i) ~ 46% of the AIF investment was in AIFs that are directly or indirectly government owned or from sponsoring entities like NIIF, NABFID and NABARD; (ii) The Bank has not invested in any single AIF amounts greater than Rs. 50 crores; (iii) The portfolio overlap with AIF's is 85% A- and above rated exposures, 15% is AAA rated exposures; (iv) the realizable value at December 31, 2023 was close to the holding cost the investment. The Bank has prudently provided 100% of the entire AIF outstanding at December 31, 2023 agnostic of overlap as on date.
HDFC Bank	12,197.6	The fair value of AIF was up by Rs 5bn, but 100% provisions were made on book value.
ICICI Bank	6,270.3	Not mentioned if its 100% of AIF investments. But assuming its for entire amount.
IndusInd Bank	0.0	Not made provisions on AIF investments of Rs 1.13bn, as the bank was in the process of selling it. It earned 18% yields on same and had mentioned that there is enough demand for these investments in market.
Kotak Bank	1,901.3	Rs 1430mn provision post tax on AIF. 100% provision made. Downstream investments were Rs 650mn. The bank had no investments which were in subordinated units with priority distribution at all.
Federal Bank	0.0	AIF impact will be taken in Q4FY24.
RBL Bank	1,153.7	Bulk of investments were into venture debt funds, which invest in new-age digital businesses. Against investment value of Rs 1150mn, NAV was Rs 1610mn.
City Union Bank	0.0	No disclosure.
DCB Bank	45.4	Provision on AIF investments.
State Bank of India	2,400.0	Provision on AIF investments.
Bank of Baroda	504.9	Provision on AIF investments.
Punjab National Bank	1,136.7	Provision on AIF investments.
AU Small Finance Bank	0.0	No disclosure.
Equitas Small Finance Bank	0.0	No disclosure.

Source: Company, Nirmal Bang Institutional Equities

Exhibit 2: NBIE Banks/Gold NBFCs Coverage Universe

Banks Name	CMP (Rs)	TP (Rs)	Rating	ABV (Rs)			P/ABV (x)			RoA (%)			RoE (%)		
				FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Axis Bank	1,059	1,256	BUY	469	548	571	2.3	1.9	1.9	1.7	1.6	1.6	17.5	16.3	16.1
HDFC Bank	1,550	1,994	BUY	553	621	701	2.8	2.5	2.2	1.9	1.8	1.9	16.5	15.5	16.1
ICICI Bank	1,083	1,264	BUY	314	363	418	3.5	3.0	2.6	2.3	2.2	2.1	18.7	17.7	17.3
Indusind Bank	1,552	1,854	BUY	772	887	1,022	2.0	1.7	1.5	1.9	2.0	2.0	15.9	16.3	16.5
Kotak Mahindra Bank	1,785	1,909	ACC	482	553	635	3.7	3.2	2.8	2.5	2.4	2.4	14.7	14.2	14.1
Bandhan Bank	197	222	ACC	120	139	161	1.6	1.4	1.2	1.9	2.0	2.1	15.1	15.8	16.6
Federal Bank	155	178	BUY	115	129	145	1.3	1.2	1.1	1.3	1.3	1.3	14.9	14.4	14.9
RBL Bank	255	273	ACC	233	253	282	1.1	1.0	0.9	0.9	1.0	1.2	8.2	9.2	11.6
City Union Bank	158	156	ACC	109	124	140	1.4	1.3	1.1	1.5	1.5	1.5	12.8	13.2	13.2
DCB Bank	127	165	BUY	145	162	184	0.9	0.8	0.7	0.9	0.9	1.0	10.8	11.8	13.5
State Bank of India	765	862	BUY	396	460	534	1.9	1.7	1.4	1.0	1.1	1.1	17.7	17.9	17.9
Bank of Baroda	269	286	ACC	212	245	282	1.3	1.1	1.0	1.2	1.2	1.1	16.7	16.3	16.1
Punjab National Bank	137	105	SELL	82	95	109	1.7	1.4	1.2	0.5	0.8	0.8	7.0	11.5	11.6
AU SFB	635	721	BUY	181	213	252	3.5	3.0	2.5	1.6	1.6	1.7	13.5	14.7	16.5
Equitas SFB	99	127	BUY	48	55	65	2.1	1.8	1.5	2.0	2.0	2.1	14.6	16.2	18.3
Muthoot Finance	1,655	1,702	BUY	522	606	700	3.2	2.7	2.4	5.1	5.0	5.0	18.1	18.1	18.0
Manappuram Finance	192	223	BUY	118	135	155	1.6	1.4	1.2	5.3	5.2	5.1	17.2	17.1	16.7

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 3: 4QFY24 earnings estimates

(Rsmn)	Net interest income			Pre-provision profit			PAT		
Banks	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***
Axis Bank	1,31,435	*11.9%*	*4.9%*	1,02,744	*12.1%*	*12.4%*	63,344	*Na*	*4.3%*
HDFC Bank	2,89,429	*23.9%*	*1.7%*	2,96,791	*59.4%*	*25.5%*	1,85,927	*54.3%*	*13.6%*
ICICI Bank	1,90,632	*7.9%*	*2.1%*	1,49,574	*8.2%*	*1.6%*	1,00,480	*10.2%*	*-2.2%*
IndusInd Bank	54,721	*17.2%*	*3.3%*	43,857	*16.9%*	*9.6%*	24,741	*21.2%*	*7.7%*
Kotak Mahindra Bank	67,134	*10.0%*	*2.4%*	51,421	*10.6%*	*12.6%*	35,147	*0.5%*	*17.0%*
Bandhan Bank	27,281	*10.4%*	*8.0%*	19,304	*7.5%*	*16.6%*	9,003	*11.4%*	*22.9%*
Federal Bank	22,364	*17.1%*	*5.3%*	14,899	*11.6%*	*3.7%*	10,147	*12.4%*	*0.8%*
RBL Bank	15,709	*29.7%*	*1.6%*	8,492	*43.0%*	*11.0%*	3,097	*14.2%*	*32.9%*
City Union Bank	5,558	*8.1%*	*7.7%*	4,277	*2.5%*	*17.5%*	2,507	*15.0%*	*-0.9%*
DCB Bank	4,862	*0.1%*	*2.6%*	2,311	*-5.3%*	*9.3%*	1,365	*-4.0%*	*7.9%*
Private Banks	**8,09,126**	***15.4%***	***2.8%***	**6,93,670**	***27.5%***	***14.6%***	**4,35,759**	***86.9%***	***7.9%***
AU Small Finance Bank	14,369	*18.4%*	*8.5%*	7,067	*23.8%*	*7.6%*	4,386	*3.3%*	*16.9%*
Equitas Small Finance Bank	7,994	*13.1%*	*1.8%*	4,035	*4.4%*	*12.0%*	1,961	*3.2%*	*-2.9%*
Small Finance Bank	**22,363**	***16.5%***	***6.0%***	**11,102**	***16.0%***	***9.1%***	**6,347**	***3.3%***	***9.9%***
Bank of Baroda	1,15,395	*0.1%*	*3.9%*	78,246	*-3.1%*	*11.5%*	46,302	*-3.0%*	*1.1%*
Punjab National Bank	1,04,100	*9.6%*	*1.1%*	71,016	*21.1%*	*12.2%*	20,857	*80.0%*	*-6.2%*
State Bank of India	4,17,226	*3.3%*	*4.8%*	2,46,239	*0.0%*	*21.1%*	1,47,430	*-11.7%*	*60.9%*
Govt. Banks	**6,36,722**	***3.7%***	***4.0%***	**3,95,501**	***2.6%***	***17.4%***	**2,14,589**	***-5.2%***	***34.4%***
Grand Total (Banks)	**14,68,211**	***10.0%***	***3.4%***	**11,00,273**	***17.2%***	***15.6%***	**6,56,694**	***41.0%***	***15.4%***
Gold NBFCs									
Manappuram Finance	10,341	*31.0%*	*3.0%*	6,204	*48.7%*	*1.3%*	4,398	*42.3%*	*2.6%*
Muthoot Finance	20,003	*7.9%*	*5.0%*	14,195	*9.9%*	*1.8%*	10,484	*16.1%*	*2.1%*
Total (Gold NBFCs)	**30,344**	***14.8%***	***4.3%***	**20,399**	***19.4%***	***1.7%***	**14,882**	***22.8%***	***2.2%***

Source: Respective banks and NBFCs, Nirmal Bang Institutional Equities Research

Exhibit 4: 4QFY24 loans and deposits/borrowings estimates

(Rsmn)	Loans & advances (Rsmn)			Deposits (Rsmn)		
Company	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***
Banks						
Axis Bank	99,28,850	*17.5%*	*6.5%*	1,10,53,895	*16.7%*	*10.0%*
HDFC Bank	2,50,80,000	*55.9%*	*1.6%*	2,38,00,000	*26.4%*	*7.5%*
ICICI Bank	1,20,56,907	*18.2%*	*4.5%*	1,39,22,687	*17.9%*	*4.5%*
IndusInd Bank	34,28,570	*18.3%*	*4.8%*	38,47,890	*14.4%*	*4.3%*
Kotak Mahindra Bank	37,21,736	*16.4%*	*3.5%*	42,90,678	*18.2%*	*5.0%*
Bandhan Bank	12,85,720	*18.1%*	*10.9%*	13,51,980	*25.1%*	*15.1%*
Federal Bank	21,27,580	*19.9%*	*5.1%*	25,25,830	*18.4%*	*5.4%*
RBL Bank	8,56,400	*19.2%*	*4.6%*	10,34,540	*21.9%*	*11.5%*
City Union Bank	4,62,182	*7.4%*	*5.0%*	5,53,627	*5.7%*	*5.0%*
DCB Bank	4,05,090	*17.8%*	*4.0%*	4,87,692	*18.3%*	*3.5%*
Private Banks	**5,93,53,035**	***31.3%***	***3.7%***	**6,28,68,819**	***20.7%***	***7.0%***
AU Small Finance Bank	7,39,990	*25.1%*	*9.4%*	8,71,820	*25.7%*	*8.8%*
Equitas Small Finance Bank	3,43,370	*23.2%*	*4.8%*	3,61,290	*42.5%*	*11.6%*
Small Finance Bank	**10,83,360**	***24.5%***	***7.9%***	**12,33,110**	***30.2%***	***9.6%***
Bank of Baroda	1,08,98,220	*12.4%*	*3.9%*	1,32,69,190	*10.2%*	*6.6%*
Punjab National Bank	98,59,860	*11.5%*	*1.9%*	1,37,03,010	*7.0%*	*3.5%*
State Bank of India	3,67,78,924	*15.0%*	*4.5%*	5,00,03,317	*13.0%*	*5.0%*
Govt. Banks	**5,75,37,004**	***13.9%***	***3.9%***	**7,69,75,517**	***11.4%***	***5.0%***
	Loans and Advances (Rsmn)			**Borrowings (Rsmn)**		
NBFCs	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***
Manappuram Finance	2,98,498	*19.1%*	*5.5%*	2,28,379	*15.3%*	*5.5%*
Muthoot Finance	7,44,117	*17.7%*	*4.5%*	6,06,235	*21.9%*	*4.5%*

Source: Respective banks and NBFCs, Nirmal Bang Institutional Equities Research

Exhibit 5: 4QFY24 profitability parameters

(Rsmn)	NIM (%)			Cost-to-income ratio (%)			Credit cost (%)		
Company	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***	**Q4FY24E**	***YoY (Δ)***	***QoQ (Δ)***
Banks									
Axis Bank	3.81	*-14 bps*	*-6 bps*	46.35	*145 bps*	*-312 bps*	0.60	*47 bps*	*30 bps*
HDFC Bank	3.48	*-71 bps*	*-1 bps*	39.48	*-248 bps*	*-82 bps*	0.72	*1 bps*	*-1 bps*
ICICI Bank	4.42	*-40 bps*	*-9 bps*	40.20	*97 bps*	*-37 bps*	0.45	*-21 bps*	*8 bps*
IndusInd Bank	4.65	*22 bps*	*-1 bps*	46.47	*151 bps*	*-150 bps*	1.30	*-18 bps*	*14 bps*
Kotak Mahindra Bank	4.95	*-34 bps*	*-5 bps*	44.43	*51 bps*	*-398 bps*	0.50	*32 bps*	*-16 bps*
Bandhan Bank	6.99	*-15 bps*	*1 bps*	43.38	*130 bps*	*-271 bps*	2.50	*-49 bps*	*-8 bps*
Federal Bank	3.15	*-8 bps*	*5 bps*	50.38	*88 bps*	*-149 bps*	0.35	*16 bps*	*4 bps*
RBL Bank	5.22	*59 bps*	*-11 bps*	65.00	*-351 bps*	*-207 bps*	2.20	*116 bps*	*-22 bps*
City Union Bank	3.30	*6 bps*	*13 bps*	46.26	*506 bps*	*-239 bps*	1.50	*-21 bps*	*126 bps*
DCB Bank	3.36	*-69 bps*	*-5 bps*	63.20	*330 bps*	*-142 bps*	0.50	*-14 bps*	*7 bps*
AU Small Finance Bank	5.52	*-31 bps*	*1 bps*	62.97	*-11 bps*	*-1 bps*	0.75	*45 bps*	*-26 bps*
Equitas Small Finance Bank	7.72	*-105 bps*	*-26 bps*	62.05	*291 bps*	*-159 bps*	1.90	*-15 bps*	*74 bps*
Bank of Baroda	3.04	*-34 bps*	*4 bps*	46.82	*68 bps*	*-276 bps*	0.50	*36 bps*	*10 bps*
Punjab National Bank	2.85	*4 bps*	*-4 bps*	52.10	*-249 bps*	*93 bps*	1.50	*-34 bps*	*16 bps*
State Bank of India	2.98	*-27 bps*	*5 bps*	58.85	*416 bps*	*-149 bps*	0.50	*34 bps*	*29 bps*
NBFCs									
Manappuram Finance	14.23	*105 bps*	*-16 bps*	42.85	*-704 bps*	*135 bps*	0.45	*38 bps*	*5 bps*
Muthoot Finance	10.83	*-122 bps*	*12 bps*	31.83	*-100 bps*	*284 bps*	0.10	*-39 bps*	*3 bps*

Source: Respective banks and NBFCs, Nirmal Bang Institutional Equities Research

Exhibit 6: 4QFY24 provisional numbers declared by banks (including non-coverage banks)

Gross Advances (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
System Credit Growth (in trn)* **	**163.4**	**158.1**	**140.8**	***16.1***	***3.3***
HDFC Bank	2,50,80,000	2,46,93,000	2,22,25,627	*12.8*	*1.6*
IndusInd Bank (Net Adv.)	34,28,570	32,70,570	28,99,240	*18.3*	*4.8*
Bandhan Bank	12,85,720	11,59,400	10,91,220	*17.8*	*10.9*
Federal Bank	21,27,580	20,24,750	17,73,770	*19.9*	*5.1*
RBL Bank	8,56,400	8,18,640	7,18,570	*19.2*	*4.6*
South Indian Bank	8,03,370	7,76,860	7,20,920	*11.4*	*3.4*
Karur Vysya	7,44,600	7,26,920	6,41,680	*16.0*	*2.4*
Yes Bank (Net Adv.)	22,84,650	21,75,230	20,02,010	*14.1*	*5.0*
Dhanlaxmi Bank	1,04,090	1,03,140	98,540	*5.6*	*0.9*
CSB Bank	2,45,740	2,28,670	2,08,420	*17.9*	*7.5*
Private Banks	**3,69,60,720**	**3,59,77,180**	**3,23,79,997**	***14.1***	***2.7***
AU Small Finance Bank	7,39,990	6,76,240	5,91,580	*25.1*	*9.4*
Equitas Small Finance Bank	3,43,370	3,27,760	2,78,610	*23.2*	*4.8*
Ujjivan Small Finance Bank	2,97,790	2,77,430	2,40,850	*23.6*	*7.3*
Suryoday Small Finance Bank	86,500	76,000	61,140	*41.5*	*13.8*
ESAF Small Finance Bank	1,88,780	1,71,530	1,41,180	*33.7*	*10.1*
Utkarsh Small Finance Bank	1,82,990	1,64,070	1,39,570	*31.1*	*11.5*
Small Finance Bank	**18,39,420**	**16,93,030**	**14,52,930**	***26.6***	***8.6***
Bank of Baroda	1,08,98,220	1,04,93,270	96,95,480	*12.4*	*3.9*
Punjab National Bank	98,59,860	96,72,560	88,46,810	*11.5*	*1.9*
Bank of Maharashtra	20,36,770	18,86,700	17,51,200	*16.3*	*8.0*
Union Bank of India	90,48,440	89,59,740	80,99,050	*11.7*	*1.0*
Bank of India	58,57,910	56,50,600	51,58,520	*13.6*	*3.7*
Indian Bank	53,40,000	51,00,000	47,40,000	*12.7*	*4.7*
Govt. Banks	**4,30,41,200**	**4,17,62,870**	**3,82,91,060**	***12.4***	***3.1***
Grand Total (Banks)	**8,18,41,340**	**7,94,33,080**	**7,21,23,987**	***13.5***	***3.0***

Source: Banks exchange filings, Nirmal Bang Institutional Equities Research

Domestic Advances (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Bank of Baroda	89,73,660	86,20,860	79,55,600	*12.8*	*4.1*
Punjab National Bank	94,49,750	93,03,430	84,97,660	*11.2*	*1.6*
Union Bank of India	87,35,920	86,66,890	78,53,020	*11.2*	*0.8*
Bank of India	49,26,410	47,50,120	43,16,370	*14.1*	*3.7*
Total Domestic Advances	**3,20,85,740**	**3,13,41,300**	**2,86,22,650**	***12.1***	***2.4***

Source: Banks exchange filings, Nirmal Bang Institutional Equities Research

Deposits (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
System Deposit Growth (in trn)* **	**208.2**	**204.0**	**184.8**	*12.7*	*2.1*
HDFC Bank	2,38,00,000	2,21,40,000	2,03,55,111	*16.9*	*7.5*
IndusInd Bank	38,47,890	36,89,560	33,64,380	*14.4*	*4.3*
Bandhan Bank	13,51,980	11,74,220	10,80,690	*25.1*	*15.1*
Federal Bank	25,25,830	23,95,910	21,33,860	*18.4*	*5.4*
RBL Bank	10,34,540	9,27,460	8,48,870	*21.9*	*11.5*
South Indian Bank	10,19,290	9,91,550	9,16,510	*11.2*	*2.8*
Karur Vysya	8,91,130	8,56,650	7,66,380	*16.3*	*4.0*
Yes Bank	26,63,640	24,18,310	21,75,020	*22.5*	*10.1*
Dhanlaxmi Bank	1,42,590	1,43,400	1,33,510	*6.8*	*-0.6*
CSB Bank	2,97,190	2,73,450	2,45,060	*21.3*	*8.7*
Private Banks	**3,75,74,080**	**3,50,10,510**	**3,20,19,391**	***17.3***	***7.3***
AU Small Finance Bank	8,71,820	8,01,200	6,93,650	*25.7*	*8.8*
Equitas Small Finance Bank	3,61,290	3,23,850	2,53,490	*42.5*	*11.6*
Ujjivan Small Finance Bank	3,16,500	2,96,690	2,55,380	*23.9*	*6.7*
Suryoday Small Finance Bank	77,750	64,840	51,670	*50.5*	*19.9*
ESAF Small Finance Bank	1,98,680	1,88,600	1,46,660	*35.5*	*5.3*
Utkarsh Small Finance Bank	1,74,730	1,51,110	1,37,100	*27.4*	*15.6*
Small Finance Bank	**20,00,770**	**18,26,290**	**15,37,950**	***30.1***	***9.6***
Bank of Baroda	1,32,69,190	1,24,53,000	1,20,36,880	*10.2*	*6.6*
Punjab National Bank	1,37,03,010	1,32,34,850	1,28,11,630	*7.0*	*3.5*
Bank of Maharashtra	27,07,270	24,57,340	23,40,830	*15.7*	*10.2*
Union Bank of India	1,22,15,250	1,17,24,550	1,11,77,160	*9.3*	*4.2*
Bank of India	73,79,140	70,78,280	66,95,860	*10.2*	*4.3*
Indian Bank	68,90,000	65,40,000	62,10,000	*11.0*	*5.4*
Govt. Banks	**5,61,63,860**	**5,34,88,020**	**5,12,72,360**	***9.5***	***5.0***
Grand Total (Banks)	**9,57,38,710**	**9,03,24,820**	**8,48,29,701**	***12.9***	***6.0***

Domestic Deposits (Rs mn)	4QFY24	3QFY24	4QFY23	*YoY (%)*	*QoQ (%)*
Bank of Baroda	1,12,85,230	1,06,73,710	1,04,73,750	*7.7*	*5.7*
Punjab National Bank	1,33,39,600	1,28,92,700	1,25,17,080	*6.6*	*3.5*
Union Bank of India	1,19,91,940	1,15,43,250	1,10,60,890	*8.4*	*3.9*
Bank of India	62,97,140	59,91,370	56,70,630	*11.0*	*5.1*
Total Domestic Deposits	**4,29,13,910**	**4,11,01,030**	**3,97,22,350**	***8.0***	***4.4***

C/D Ratio (%)-Cal.	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
HDFC Bank	105.4	111.5	109.2	*-382 bps*	*-616 bps*
IndusInd Bank	89.1	88.6	86.2	*293 bps*	*46 bps*
Bandhan Bank	95.1	98.7	101.0	*-588 bps*	*-364 bps*
Federal Bank	84.2	84.5	83.1	*111 bps*	*-28 bps*
RBL Bank	82.8	88.3	84.7	*-187 bps*	*-549 bps*
South Indian Bank	78.8	78.3	78.7	*16 bps*	*47 bps*
Karur Vysya	83.6	84.9	83.7	*-18 bps*	*-130 bps*
Yes Bank	85.8	89.9	92.0	*-628 bps*	*-418 bps*
Dhanlaxmi Bank	73.0	71.9	73.8	*-81 bps*	*108 bps*
CSB Bank	82.7	83.6	85.0	*-237 bps*	*-94 bps*
Private Banks	**98.4**	**102.8**	**101.1**	***-276 bps***	***-440 bps***
AU Small Finance Bank	84.9	84.4	85.3	*-41 bps*	*48 bps*
Equitas Small Finance Bank	95.0	101.2	109.9	*-1487 bps*	*-617 bps*
Ujjivan Small Finance Bank	94.1	93.5	94.3	*-23 bps*	*59 bps*
Suryoday Small Finance Bank	111.3	117.2	118.3	*-708 bps*	*-596 bps*
ESAF Small Finance Bank	95.0	90.9	96.3	*-125 bps*	*407 bps*
Utkarsh Small Finance Bank	104.7	108.6	101.8	*293 bps*	*-385 bps*
Small Finance Bank	**91.9**	**92.7**	**94.5**	***-254 bps***	***-77 bps***
Bank of Baroda	82.1	84.3	80.5	*159 bps*	*-214 bps*
Punjab National Bank	72.0	73.1	69.1	*291 bps*	*-114 bps*
Bank of Maharashtra	75.2	76.8	74.8	*43 bps*	*-155 bps*
Union Bank of India	74.1	76.4	72.5	*162 bps*	*-235 bps*
Bank of India	79.4	79.8	77.0	*235 bps*	*-45 bps*
Indian Bank	77.5	78.0	76.3	*118 bps*	*-48 bps*
Govt. Banks	**76.6**	**78.1**	**74.7**	***196 bps***	***-145 bps***
Grand Total (Banks)	**85.5**	**87.9**	**85.0**	***47 bps***	***-246 bps***

CASA (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
HDFC Bank	90,90,000	83,56,000	83,60,000	*8.7*	*8.8*
IndusInd Bank	14,58,350	14,20,481	13,49,116	*8.1*	*2.7*
Bandhan Bank	5,01,510	4,24,130	4,24,550	*18.1*	*18.2*
Federal Bank	7,42,490	7,33,880	6,97,410	*6.5*	*1.2*
RBL Bank	3,64,480	3,13,380	3,17,170	*14.9*	*16.3*
South Indian Bank	3,26,540	3,15,290	3,02,270	*8.0*	*3.6*
Karur Vysya	2,70,850	2,70,120	2,54,490	*6.4*	*0.3*
Yes Bank	8,23,150	7,17,490	6,69,030	*23.0*	*14.7*
Dhanlaxmi Bank	43,810	44,600	42,600	*2.8*	*-1.8*
CSB Bank	80,840	75,430	78,860	*2.5*	*7.2*
Private Banks	**1,37,02,020**	**1,26,70,801**	**1,24,95,496**	***9.7***	***8.1***
AU Small Finance Bank	2,91,260	2,64,460	2,66,600	*9.2*	*10.1*
Equitas Small Finance Bank	1,15,520	1,05,930	1,07,000	*8.0*	*9.1*
Ujjivan Small Finance Bank	83,320	75,560	67,440	*23.5*	*10.3*
Suryoday Small Finance Bank	15,660	11,980	8,840	*77.1*	*30.7*
ESAF Small Finance Bank	45,020	35,630	31,380	*43.5*	*26.4*
Utkarsh Small Finance Bank	35,820	30,160	28,640	*25.1*	*18.8*
Small Finance Bank	**5,86,600**	**5,23,720**	**5,09,900**	***15.0***	***12.0***
Bank of Baroda	-	-	-	*Na*	*Na*
Punjab National Bank	55,18,910	54,75,150	53,80,150	*2.6*	*0.8*
Bank of Maharashtra	14,27,590	12,33,220	12,49,610	*14.2*	*15.8*
Union Bank of India	41,00,670	39,70,150	39,39,650	*4.1*	*3.3*
Bank of India	-	-	-	*Na*	*Na*
Indian Bank	28,20,000	26,00,000	26,10,000	*8.0*	*8.5*
Govt. Banks	**1,38,67,170**	**1,32,78,520**	**1,31,79,410**	***5.2***	***4.4***
Grand Total (Banks)	**2,81,55,790**	**2,64,73,041**	**2,61,84,806**	***7.5***	***6.4***

CASA Ratio (%)-Cal.	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
HDFC Bank	38.2	37.7	41.1	*-288 bps*	*46 bps*
IndusInd Bank	37.9	38.5	40.1	*-220 bps*	*-61 bps*
Bandhan Bank	37.1	36.1	39.3	*-220 bps*	*98 bps*
Federal Bank	29.4	30.6	32.7	*-329 bps*	*-124 bps*
RBL Bank	35.2	33.8	37.4	*-214 bps*	*145 bps*
South Indian Bank	32.0	31.8	33.0	*-95 bps*	*24 bps*
Karur Vysya	30.4	31.5	33.2	*-282 bps*	*-114 bps*
Yes Bank	30.9	29.7	30.8	*15 bps*	*124 bps*
Dhanlaxmi Bank	30.7	31.1	31.9	*-119 bps*	*-38 bps*
CSB Bank	27.2	27.6	32.2	*-498 bps*	*-39 bps*
Private Banks	**36.5**	**36.2**	**39.0**	***-256 bps***	***28 bps***
AU Small Finance Bank	33.4	33.0	38.4	*-503 bps*	*41 bps*
Equitas Small Finance Bank	32.0	32.7	42.2	*-1024 bps*	*-74 bps*
Ujjivan Small Finance Bank	26.3	25.5	26.4	*-9 bps*	*86 bps*
Suryoday Small Finance Bank	20.1	18.5	17.1	*304 bps*	*167 bps*
ESAF Small Finance Bank	22.7	18.9	21.4	*127 bps*	*377 bps*
Utkarsh Small Finance Bank	20.5	20.0	20.9	*-39 bps*	*55 bps*
Small Finance Bank	**29.3**	**28.7**	**33.2**	***-384 bps***	***65 bps***
Bank of Baroda	-	-	-	*0 bps*	*0 bps*
Punjab National Bank	40.3	41.4	42.0	*-172 bps*	*-110 bps*
Bank of Maharashtra	52.7	50.2	53.4	*-66 bps*	*255 bps*
Union Bank of India	33.6	33.9	35.2	*-168 bps*	*-30 bps*
Bank of India	-	-	-	*0 bps*	*0 bps*
Indian Bank	40.9	39.8	42.0	*-111 bps*	*118 bps*
Govt. Banks	**24.7**	**24.8**	**25.7**	***-102 bps***	***-14 bps***
Grand Total (Banks)	**29.4**	**29.3**	**30.9**	***-146 bps***	***11 bps***

Term Deposit (Rs mn)-Cal.	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
HDFC Bank	1,47,10,000	1,37,84,000	1,19,95,111	*22.6*	*6.7*
IndusInd Bank	23,89,540	22,69,079	20,15,264	*18.6*	*5.3*
Bandhan Bank	8,50,470	7,50,090	6,56,140	*29.6*	*13.4*
Federal Bank	17,83,340	16,62,030	14,36,450	*24.1*	*7.3*
RBL Bank	6,70,060	6,14,080	5,31,700	*26.0*	*9.1*
South Indian Bank	6,92,750	6,76,260	6,14,240	*12.8*	*2.4*
Karur Vysya	6,20,280	5,86,530	5,11,890	*21.2*	*5.8*
Yes Bank	18,40,490	17,00,820	15,05,990	*22.2*	*8.2*
Dhanlaxmi Bank	98,780	98,800	90,910	*8.7*	*0.0*
CSB Bank	2,16,350	1,98,020	1,66,200	*30.2*	*9.3*
Private Banks	**2,38,72,060**	**2,23,39,709**	**1,95,23,894**	***22.3***	***6.9***
AU Small Finance Bank	5,80,560	5,36,740	4,27,050	*35.9*	*8.2*
Equitas Small Finance Bank	2,45,770	2,17,920	1,46,490	*67.8*	*12.8*
Ujjivan Small Finance Bank	2,33,180	2,21,130	1,87,940	*24.1*	*5.4*
Suryoday Small Finance Bank	62,090	52,860	42,830	*45.0*	*17.5*
ESAF Small Finance Bank	1,53,660	1,52,970	1,15,280	*33.3*	*0.5*
Utkarsh Small Finance Bank	1,38,910	1,20,950	1,08,460	*28.1*	*14.8*
Small Finance Bank	**14,14,170**	**13,02,570**	**10,28,050**	***37.6***	***8.6***
Bank of Baroda	1,32,69,190	1,24,53,000	1,20,36,880	*10.2*	*6.6*
Punjab National Bank	81,84,100	77,59,700	74,31,480	*10.1*	*5.5*
Bank of Maharashtra	12,79,680	12,24,120	10,91,220	*17.3*	*4.5*
Union Bank of India	81,14,580	77,54,400	72,37,510	*12.1*	*4.6*
Bank of India	73,79,140	70,78,280	66,95,860	*10.2*	*4.3*
Indian Bank	40,70,000	39,40,000	36,00,000	*13.1*	*3.3*
Govt. Banks	**4,22,96,690**	**4,02,09,500**	**3,80,92,950**	***11.0***	***5.2***
Grand Total (Banks)	**6,75,82,920**	**6,38,51,779**	**5,86,44,894**	***15.2***	***5.8***

LCR Ratio (%)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Bandhan Bank	172.0	157.9	140.6	3144 bps	1411 bps
RBL Bank Ltd	140.0	132.0	126.0	1400 bps	800 bps
Yes Bank	116.1	118.4	118.5	-241 bps	-231 bps

Gold Loan (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Dhanlaxmi Bank	28,390	26,750	22,740	24.8	6.1
CSB Bank	1,18,170	1,08,370	96,940	21.9	9.0

Cost of Fund (%)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Equitas Small Finance Bank	7.4	7.4	6.6	83 bps	9 bps

Certificate of Deposit (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Federal Bank	1,04,280	95,030	94,610	10.2	9.7

InterBank Deposits (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Federal Bank	20,830	26,240	17,920	16.2	-20.6

Bulk Deposits (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Suryoday Small Finance Bank	16,260	11,320	13,880	17.1	43.6
Bandhan Bank	4,14,040	3,37,470	3,11,250	33.0	22.7

Retail Deposits (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Federal Bank	24,00,720	22,74,640	20,21,330	18.8	5.5
Bandhan Bank	9,37,940	8,36,750	7,69,440	21.9	12.1
RBL Bank Ltd	4,31,390	4,12,130	3,69,340	16.8	4.7
Suryoday Small Finance Bank	61,490	53,520	37,790	62.7	14.9

Disbursements (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Suryoday Small Finance Bank	23,400	17,920	16,880	38.6	30.6
Ujjivan Small Finance Bank	66,810	56,750	60,010	11.3	17.7

Micro Loan (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
ESAF Small Finance Bank	1,29,830	1,21,250	1,00,400	29.3	7.1

Retail and Other Loan (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
ESAF Small Finance Bank	58,950	50,280	40,780	44.6	17.2

Securitized Loan (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Au Small Finance Bank	81,760	85,530	49,140	66.4	-4.4

GNPA (%)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Suryoday Small Finance Bank	2.8	2.9	3.1	-30 bps	-10 bps
Ujjivan Small Finance Bank	2.1	2.1	2.6	-50 bps	0 bps
ESAF Small Finance Bank	5.3	4.2	2.5	280 bps	113 bps

NNPA (%)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
ESAF Small Finance Bank	2.7	2.2	1.1	152 bps	46 bps

GNPA (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
ESAF Small Finance Bank	9,980	7,130	3,520	*183.5*	*40.0*

NNPA (Rs mn)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
ESAF Small Finance Bank	4,870	3,680	1,580	*208.2*	*32.3*

PAR (%)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Ujjivan Small Finance Bank	*3.5*	*3.6*	*3.8*	*-30 bps*	*-10 bps*

Collection Efficiency (%)	4QFY24	3QFY24	4QFY23	YoY (%)	QoQ (%)
Suryoday Small Finance Bank	*100.6*	*100.1*	*102.2*	*-161 bps*	*50 bps*

Collection Efficiency (%)	Mar24	Feb'24	Jan'24	YoY (%)	QoQ (%)
Ujjivan Small Finance Bank	*99.0*	*98.0*	*98.0*	*Na*	*Na*

*Note: *- For IndusInd Bank CASA Deposits have been calculated as the bank gave CASA deposits in percentage terms instead of deposit in value terms*

*Note: **- For HDFC Bank Gross Advances and Deposits have been adjusted for HDFC Ltd No's to make like to like comparison*

*Note:***- System credit and deposit growth are based on Scheduled Banks' Statement of Position in India as on Friday, March 22, 2024*

Chemical Sector

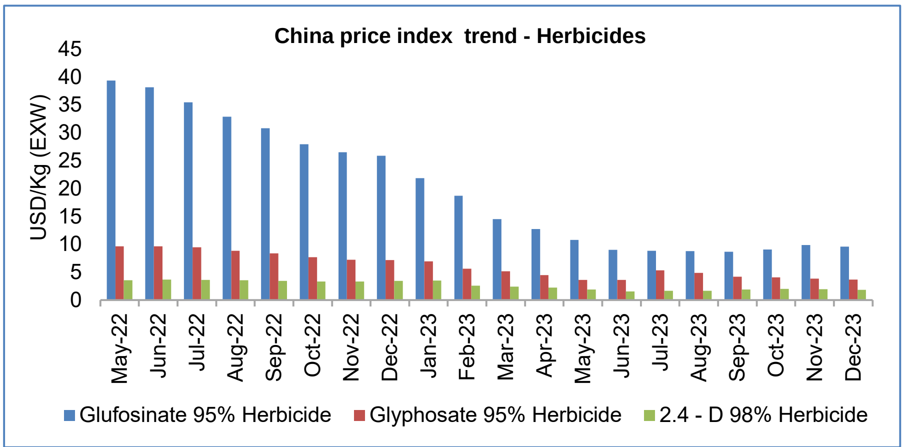
4QFY24 Result Preview

April 05, 2024

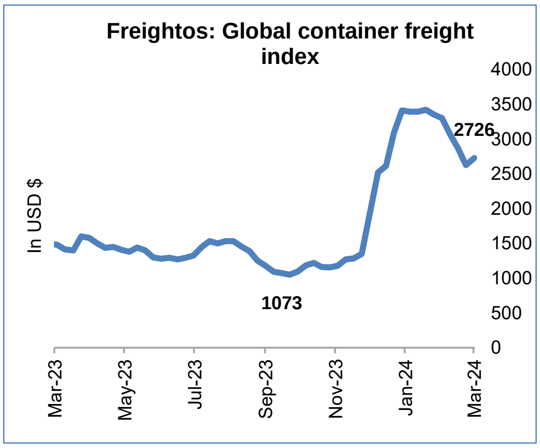
4QFY24 could be the bottom for Indian CPC

Key Points

- NBIE's Agro-Chemical coverage stocks are likely to report YoY decline in 4QFY24 results - barring CSM major PI Industries (PI) and Sumitomo Chemical India (SCIL). Revenue/EBITDA is likely to decline (except PI and SCIL) due to weak topline/margins **amid persistent pressure on prices, unabated Chinese dumping at below cost and de-stocking.** Adverse weather and rising freight have been added challenges.
- Weak agronomic conditions – low soil moisture/water levels (weak SW monsoon) combined with All India rainfall deficit in Rabi FY24 season (32% below LPA) has resulted in a subdued trend in Rabi cropped area – flat YoY with- area under Rice/Pulses down 2.7%/3.7%, while area sown under Wheat is up a tad.
- UPL will see 653bps YoY decline in 4QFY24 EBITDA margin due to muted India sales (weak CPC sales due to hit on Rabi crops) and a delayed recovery in Brazil/NA - still saddled with high channel inventory. Consolidated PAT is likely to plunge from Rs1.2bn in 4QFY23 to a loss of Rs12.16bn in 4QFY24 vs street's profit estimate of Rs393mn.
- CSM major PI and SCIL are set to lead the pack with 52.9%/10.8% YoY growth in 4QFY24 PAT. We expect Tata Chemicals (TTCH)/ Coromandel International (CRIN)/small cap CSM player Anupam Rasayan (ARIL) to report YoY decline in PAT at 72.1%/29.3%/36.4%.
- Watch out for management comments during the earnings calls - on de-stocking, pricing power and any signs of revival in pre-buying by trade for current/future consumption. Also keep an eye on movement in inventory & receivables and any inventory-related adjustments through P&L, which could be less QoQ, but may still weigh on global CPC companies like UPL.



Global Chemical prices - 4QFY24 YoY trend: Soda Ash down 19.5%, Benzene up 7.9%, Methanol down 6.7%, Acetic Acid up 2.1% and Ammonia down 45.9%.



Source: Freightos website, Nirmal Bang Institutional Research

Please refer to the disclaimer towards the end of the document.

Ramesh Sankaranarayanan
Research Analyst
ramesh.s@nirmalbang.com
+91-22-6273 8145

Corp action to watch for:

UPL: Rs42bn rights issue – pending SEBI approval; expected to open in ~6 months.

CRIN: Final details on timeline for the Rs10bn capex on CPC expansion

Tata Chemicals: US Soda Ash export contract pricing for CY24

NBIE Agro Chemical coverage: Barring PI and ARIL, Revenue/EBITDA is likely to decline YoY due to pressure on topline and margins. Pressure on pricing as well as the inventory overhang in the Indian CPC sector is likely to persist, although it is unlikely to be as severe as in 1HFY24. The Indian CPC sector may however face headwinds due to the weak trend in Rabi crops. Global CPC (ex-India) could be under more pressure due to surplus channel stocks amid weak demand and excess supply, which could gradually improve by 2HCY24 as per comments by global CPC majors in their 4QCY23 results release.

Exhibit 1: 4QFY24 earnings estimates for NBIE Chemical/Agrochem coverage universe

Company	CMP (Rs)	TP (Rs)	4QFY24E		4QFY24E		*EBITDA margin (%)*		4QFY24E	
			Revenue (Rsmn)	*YoY growth (%)*	EBITDA (Rsmn)	*YoY growth (%)*	*4QFY23*	4QFY24E	PAT (Rsmn)	*YoY growth (%)*
UPL	494	568	1,31,918	*-20.4*	13,054	*-52.0*	16.4	9.9	-1,221	*PTL*
Coromandel International	1161	1,058	47,042	*-14.1*	3,030	*-24.9*	7.4	6.4	1,743	*-29.3*
PI Industries	3872	3,994	20,255	*29.4*	5,456	*59.2*	21.9	26.9	4,290	*52.9*
Tata Chemicals	1132	665	36,560	*-17.0*	5,062	*-47.5*	21.9	13.8	1,985	*-72.1*
Sumitomo Chemicals	380	440	6,127	*-6.0*	1,016	*26.1*	12.4	16.6	799	*10.8*
Anupam Rasayan	893	671	2,785	*-25.0*	780	*-15.7*	28	28	326	*-36.4*

Source: Company; Nirmal Bang Institutional Equities Research; PTL refers to Profit to loss

Sector aggregates NBIE Chemical/Agrochem coverage universe: We estimate 4QFY24 sector revenue to decline by 15.3% YoY and EBITDA margin to come in at 11.34%, resulting in EBITDA/PAT declining by 37%/62% YoY.

EX-UPL, our 4QFY24E sector Revenue/EBITDA/PAT will show a lower YoY decline of 8.6% 13.2%/27.9%.

Subdued FY24 Rabi could be offset by better Kharif FY25

Key lead indicators in Rabi'24 are weak but summer crop trend looks promising:

The progress in Rabi cropped area has been tardy. The overall rabi cropped area has remained flat YoY at 70.93mn hectares – acreage in Wheat (up 0.7%), Paddy (down 2.7%), Coarse Cereals (up 7.1%) and Oilseeds (up 1.1%); Pulses acreage is down by 3.7%.

Rainfall: The departure from Long Period Average (LPA) in All-India seasonal cumulative rainfall (1st Jan'24 till 28th Feb'24) was (-)32%, with the same reading for East & North East-India at (-) 17%, North-West India at (-) 45%, Central India at (-) 25% and South Peninsula at 20%.

Water reservoir level is down 20% YoY: In the week ending 28th March, 2024, the total live water storage in 150 important reservoirs across the country (monitored by CWC) stood at 64.61 bn Cubic Meter (BCM), which was 36% of total live storage capacity (178.78 BCM). The current year's storage level is ~84% of last year's storage and 97% of the average storage of the last 10 years during the corresponding period. The overall storage position is less than the corresponding period of last year at an all-India level due to low storage levels in Southern and Northern regions.

Pest and diseases: Overall intensity of pests and diseases remained below Economic Threshold Level (ETL), except Rugose spiralling White Fly on Coconut in Tamil Nadu and Thrips on Chilli crop in Maharashtra.

Exhibit 2: Acreage data for Rabi crops as on February 02, 2024

S.No.	Crops	Normal Area [DES]	Area Sown (Lakh Ha)		Difference in Area Coverage FY24 Over FY23 (Lakh Ha)	Increase (+)/ Decrease (-) Over FY23 (%)
		Lakh ha	FY24	FY23		
1	Wheat	307.3	341.6	339.2	2.4	0.7
2	Rice	52.5	39.3	40.4	-1.1	-2.7
3	**Total Pulses**	**152.7**	**160.1**	**166.2**	**-6.1**	**-3.7**
(i)	Gram	100.9	104.7	110.7	-6.0	-5.4
(ii)	Lentil	14.4	19.6	18.5	1.1	5.7
(iii)	Pea	6.5	10.1	9.6	0.5	5.2
(iv)	Kulthi	2.0	4.1	4.1	0.0	0.0
(v)	Urad	8.8	7.0	7.7	-0.8	-10.0
(vi)	Moong	12.0	5.9	6.8	-0.9	-12.5
(vii)	Lathyrus	2.9	3.6	3.5	0.2	4.3
(viii)	Other Pulses	5.2	5.1	5.3	-0.2	-4.3
4	**Total Coarse Cereals**	**51.3**	**57.4**	**53.6**	**3.8**	**7.1**
(i)	Jowar	25.2	25.2	22.4	2.8	12.5
(ii)	Bajra	-	0.2	0.2	0.0	6.3
(iii)	Ragi	-	0.8	0.9	-0.1	-11.6
(iv)	Maize	20.4	23.1	22.6	0.5	2.0
(v)	Barley	5.7	8.2	7.6	0.6	8.5
5	**Total Oilseeds**	**84.5**	**111.0**	**109.8**	**1.2**	**1.1**
(i)	Rapeseed and Mustard	73.1	100.4	98.0	2.5	2.5
(ii)	Groundnut	6.9	4.9	5.7	-0.8	-14.1
(iii)	Safflower	0.7	0.8	0.9	-0.1	-8.1
(iv)	Sesamum	1.3	0.6	0.9	-0.4	-38.0
(v)	Sunflower	0.5	0.6	0.6	0.0	3.6
(vi)	Linseed	1.9	3.3	3.2	0.1	3.1
(vii)	Other Oilseeds	-	0.4	0.6	-0.2	-31.0
	Grand Total	**648.3**	**709.3**	**709.1**	**0.2**	**0.0**

Source: CWWG, agriwelfare.gov.in, Nirmal Bang Institutional Equities Research

Summer crops CY24: The overall summer cropped area has increased by 10.1% YoY to 5.14mn hectares, led by Pulses acreage (up 23.5%), Rice (up 9.8%), Coarse Cereals (up 5.4%) and Oilseeds (up 4.2%).

Exhibit 3: Quarterly and FY24 trend in chemical prices

Chemical name (currency)	1QFY24	2QFY24	3QFY24	4QFY24	FY23	FY24
China Methanol spot price (CNY/te)	2220	2320	2334	2312	2557	2296
QoQ	-10.5	4.5	0.6	-0.9	-	-
YoY	**-16.5**	**-7.8**	**-9.2**	**-6.7**	**-3.0**	**-10.2**
Soda Ash FOB China Physical spot (US$/te)	300	295	325	283	351	301
QoQ	-14.5	-1.7	10.0	-12.9	-	-
YoY	**-18.8**	**-16.5**	**-1.5**	**-19.5**	**-7.2**	**-14.3**
Benzene CFR China Physical spot (US$/te)	884	891	895	998	1006	917
QoQ	-4.5	0.9	0.5	11.5	-	-
YoY	**-29.6**	**-11.3**	**6.7**	**7.9**	**0.4**	**-8.9**
Acetic Acid China spot price (CNY/te)	2932	3632	3247	3079	3521	3222
QoQ	-2.8	23.9	-10.6	-5.2	-	-
YoY	**-35.7**	**8.9**	**2.3**	**2.1**	**-44.9**	**-8.5**
India Ammonia CFR spot price	321	393	548	378	907	410
QoQ	-54.1	22.3	39.7	-31.0	-	-
YoY	**-71.2**	**-58.5**	**-36.8**	**-45.9**	**27.7**	**-54.8**

Source: Bloomberg, Nirmal Bang Institutional Equities Research

- **Global Chemical prices 4QFY24 YoY trend:** Soda Ash down 19.5%, Benzene up 7.9%, Methanol down 6.7%, Acetic Acid up 2.1% and Ammonia down 45.9%.
- **Global Chemical prices 4QFY24 QoQ trend:** Soda Ash down 12.9%, Benzene up 11.5%, Methanol down 0.9%, Acetic Acid down 5.2% and Ammonia down 31.0%.
- **Global Chemical prices Mar'24 MoM trend:** Soda Ash down 12.6%, Benzene up 0.7%, Methanol down 1.7%, Acetic Acid down 6.2% and Ammonia up 12.1%.

Exhibit 4: Monthly trend in chemical prices

Chemical name (currency)	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
China Methanol spot price (CNY/te)	**2403**	**2341**	**2290**	**2354**	**2312**	**2343**	**2303**
MoM	1.9	-2.6	-2.2	2.8	-1.8	1.3	-1.7
YoY	-9.8	-15.5	-12.4	-1.4	-5.2	-5.8	-7.9
Soda Ash FOB China Physical spot (US$/te)	**367**	**348**	**272**	**335**	**310**	**289**	**253**
MoM	33.9	-5.2	-21.8	23	-7.4	-6.8	-12.6
YoY	9.5	6.1	-16.5	-0.1	-10.7	-18.9	-28.0
Benzene CFR China Physical spot (US$/te)	**972**	**930**	**888**	**864**	**931.9**	**1032.3**	**1040**
MoM	7.5	-4.3	-4.5	-2.7	7.9	10.8	0.7
YoY	6.3	3.1	8.4	8.1	4.1	7.3	13.1
Acetic Acid China spot price (CNY/te)	**4573**	**3497**	**3065**	**3575**	**3113**	**3191**	**2992**
MoM	33.9	-23.5	-12.4	16.6	-12.9	2.5	-6.2
YoY	45.1	2.6	-4.4	19.8	7.7	4.6	-2.7
India Ammonia CFR spot price	**459**	**540**	**570**	**570**	**425**	**335**	**376**
MoM	25.3	17.6	5.6	0	-25.4	-21.2	12.1
YoY	-47.2	-38.2	-34.6	-33.4	-50.3	-55.4	-29.7

Source: Bloomberg, Nirmal Bang Institutional Equities Research

Indian CPC sector and govt expect better FY25 Kharif tidings from La Nina

Global weather watchers and Indian policy makers are calling for LA Nina during June-Aug'24 to replace the ill effects of EL Nino – this implies positive prognosis for a normal southwest monsoon and even special distribution, thereby increasing area under each key crop from the weak base of FY24 kharif. This is also endorsed by our channel checks and management comments during 1-1 meetings and group calls with Indian CPC company leaders.

Overall, we see a weak 4QFY24 outlook for the CPC sector in India and worldwide

UPL: Consolidated 4QFY24 revenue is expected to decrease by 20.4% YoY to Rs131.92bn as prices are declining across all the regions. LatAm/North America/India/Europe markets will see revenue decline by 20%/40%/20%/30% YoY. ROW markets will see revenue increase by 10% YoY. LatAm will continue to dominate the total revenue pie at 39.1% contribution.

We estimate EBITDA margin falling by 653bps YoY to 9.9% due to pricing pressure and carry-over of high-cost inventory. EBITDA is likely to decline by 52% YoY. PBT will likely plunge from a year-ago profit of Rs13.0bn to a loss of Rs1.25bn in 4QFY24E (loss of Rs16.2bn in 3QFY24). The decline in PBT to a loss is likely to be due to steep decline in EBITDA and Fx loss of Rs2bn vs Fx gain of Rs610mn in 4QFY23.

We expect the adjusted consolidated PAT to decline to a loss of Rs1.2bn against a net profit of Rs7.9bn in 4QFY23 and a loss of Rs12.16bn in 3QFY24 (after inventory write-off worth Rs1.5bn).

There could be a downside to these estimates in terms of the loss being higher than our estimates. This is based on our channel checks, which indicate: (a) that there has been unexpected pressure on India CPC revenue as a result of UPL tightening credit terms and (b) higher rebates across all markets, pricing pressure as well as inventory related hits; weaker than expected sales volume could hit LatAm and NA revenues and earnings.

The silver lining: We learn that the company is likely to end March'24 with gross/net debt of US$3.8/US$2.8bn vs US$4.3/US$3.8bn as of end Dec'23 – based on improved cashflows from reduction in receivables and increase in payables.

Upside risk: The results could see an improvement on the back of higher-than-expected Revenue/EBITDA margin or the combined impact of these two variables. The variance in JV share of earnings/loss, Fx loss and tax rate are other variables that can swing the earnings compared to NBIE estimates.

Positives include new launches, potential improvement in cashflows and reduction in working capital/net debt. Also, watch out for revival in operating rates and reduction in pricing pressure based on cheaper supplies from China.

Negatives could be potential pressure from elevated input costs, higher-than-expected working capital and adverse currency impact.

Exhibit 5: UPL segment revenue details

Segment revenue break up – Rsmn	4QFY23	4QFY24E	Growth YoY (%)
INDIA	15,880	12,704	-20.0
LATAM	64,440	51,552	-20.0
NA	30,090	18,054	-40.0
EUROPE	28,000	19,600	-30.0
ROW	27,280	30,008	10.0
UPL Consolidated revenue	**1,65,690**	**1,31,918**	**-20.4**

Source: Company; Nirmal Bang Institutional Equities Research

PI: Segment revenue - CSM exports growth is expected at 24.2% YoY while the Domestic CPC segment is expected to see a marginal YoY decline. Our revenue estimates also include Pharma segment revenue estimated at Rs1.58bn vs nil in 4QFY23. The above factors underpin our overall revenue growth estimate of 29.4% YoY.

EBITDA margin is expected to expand by 504bps YoY to 26.9%. EBITDA is expected to increase by 59.2% YoY to Rs5.46bn, on a weaker base a year ago and improved CSM performance from topline growth and operating leverage gains.

We expect earnings to surge by 52.9% YoY to Rs4.29bn – the growth is partly due to Robust revenue growth and expansion in EBITDA margin YoY. On a QoQ basis, Revenue is up 6.7%, EBITDA margin is down 224bps, EBITDA is down 1.4% and Consolidated PAT down 4.4%.

Watch out for new product launches and improved performance from new Pharma assets under subsidiary PIHS- reduced hit from IndAS losses could add to Revenue and EBITDA vs 1HFY24, which was also hampered by IndAS costs as well as development expenses.

- Excluding development expenses, PI's 9MFY24 pro-forma Pharma EBITDA margin was reported at 16%.
- We already saw positive EBITDA reported in 3QFY24 in the Pharma segment - both pre IndAS/post IndAS of Rs1mn/Rs4mn. The 9MFY24 pre IndAS EBITDA was a profit of Rs118mn vs a loss of Rs233mn post IndAS.

The impact of rising input/freight costs not passed on to customers could be a potential risk to our estimates – although the company expects to pass on these costs in the CSM segment.

Also, any hit on revenue from one large molecule could pose a downside – we have built in a Rs389mn hit from lower sales in Pyroxasulfone (PYRO).

A 5% hit on PI's revenue implies 19.8% downside in our 4QFY24E consolidated PAT.

SCIL: We expect consolidated 4QFY24 revenue to decline by 6.0% YoY to Rs6.13bn due to YoY decline – 10% in domestic revenue and 25% in exports (does not include supply to Parent SCC, which is yet to commence).

Overall exports are estimated to come in at 27.9% of total revenue. EBITDA margin is expected to expand by 421bps to 16.6%. We estimate EBITDA/PAT to increase by 26.1%/10.8% YoY. Watch out for new launches, update on export of five molecules to the Japanese parent and specialty products' share.

Miss/Beat pointers: Any reduction in volume or negative inventory impact could hurt our estimates while better-than-expected realizations or any inventory gain could aid a beat in our estimates.

Coromandel International:

- 4QFY24 revenue is expected to decrease by 14.1% YoY. **Key factors:** 15.2% YoY decline in Nutrients & Others segment.
- EBITDA to decrease by 24.9% YoY and EBITDA margin is set to contract by 100bps to 6.4%.
- EBIT margin to contract by 90bps. The margin contraction is primarily because of CPC business EBIT margin, which will contract by 110bps to 12.6% while Nutrient business' margin to contract by 100bps.
- The company's total EBIT is expected to decrease by 26.9% YoY due to a decline in Nutrient segment EBIT by 31.2% YoY.
- PAT to decrease by 29.3% YoY to Rs1.74bn.

There could be some downside to our estimates for CRIN if the company's RM/Sales ratio comes in higher than our estimate of 77.0%.

Exhibit 6: CRIN segment details

Segment Revenue (Rsmn)	4QFY23	4QFY24E	*Growth YoY%*
CPC	6,155	5,847	-5.0
NUTRIENT	48,806	41,366	-15.2
Inter-segment adjustment	-203	-172	
TOTAL	**54,758**	**47,041**	**-14.1**
SEGMENT EBIT Rsmn			***Growth YoY%***
CPC	846	737	-12.9
NUTRIENT	2741	1886	-31.2
CRIN EBIT	**3,587**	**2,623**	-26.9
SEGMENT EBIT MARGIN %			**Bps**
CPC	13.7	12.6	-110
NUTRIENT	5.6	4.6	-100
CRIN	**6.5**	**5.6**	-90

Source: Company, Nirmal Bang Institutional Equities Research

4QFY24E Segment outlook:

Nutrient segment

- 1.4% YoY growth in Manufactured Fertilizer volume at 0.55mn tonne - imports down 54% YoY and total volume down 6.3% YoY at 0.585mn tonne.
- Revenue to decrease by 15.2% YoY.
- We expect EBIT margin to contract by 100bps to 4.6%. This is based on a 27% YoY decline in EBIT/Mfd. tonne to Rs4,053 due to the steep cut in NBS rates fixed for 2HFY24 – nearly 12,000/te.
- Please note that there is a decline in imported Phosphoric Acid price from US$1,050/TE to ~US$980/TE YoY. This could hurt the value capture in CRIN's manufactured Phosphoric Acid (~40% of overall consumption). We understand this may be offset in NPK manufactured at Kakinada (60% of overall volume) that uses imported RMs and hence will benefit from the reduced cost of imported Phos Acid.

CPC segment

- EBIT margin is likely to contract by 110bps to 12.6%.
- Revenue is likely to be down 5% YoY at Rs5.85bn and EBIT is expected to be down by 12.9% YoY.

Tata Chemicals:

- 4QFY24 consolidated revenue to fall by 17.0% YoY; Soda Ash volume trend YoY is likely to be flat, although there will be 10% YoY decline in TCEL (UK) and 5% YoY in Africa but it will be offset by growth in India Soda Ash volume by 4.4% YoY, driven by additional production from the 45,000tpa Soda Ash expansion in operation - out of 225,000tpa slated for completion by end-FY25E.
- EBITDA margin is estimated at 13.8% vs. 21.9% in 4QFY23. EBITDA is estimated to decline by 47.5% YoY.
- Adjusted PBT is expected to decline by 67.6% YoY to Rs2.2bn due to decline in EBITDA, despite higher share of PAT from JV/Associates at Rs600mn (in line with 3QFY24) vs Rs13mn a year ago.
- Consolidated adjusted PAT is likely to fall by 72.1% YoY to Rs1.98bn
- If we exclude the impact of Rallis India, TTCH is expected to post consolidated PAT of Rs1.92bn vs PAT of Rs7.46bn in 4QFY23 and PAT of Rs1.47bn in 3QFY24.

Key drivers for TTCH:

- **Basic Chemistry** (BC) segment revenue is expected to decline by 19.4% YoY to Rs30.81bn.
- **Specialty segment** revenue, including Rallis, is expected to fall by 2.5% YoY to Rs5.74bn.

Segment EBIT:

- BC segment's EBIT is expected to decrease by 71.1% YoY to Rs2.53bn.
- Specialty segment's EBIT, including Rallis, is expected to rise from a loss of Rs930mn to a profit of Rs120mn.

Consolidated segment EBIT margin - 4QFY24 vs. 4QFY23:

- BC segment's EBIT margin is estimated to be lower at 8.2% vs 22.9% YoY
- EBIT margin for Specialty segment (including Rallis) is estimated to turn around at 2.1% vs (-15.8%) YoY.

Key pointers: (1) Risk to Soda Ash demand growth/margins due to (i) demand slowdown in key end-use sectors as a result of a global slowdown/recession in the aftermath of rising global inflation/interest rates and (ii) the adverse impact of high-cost stocks of coal, especially in India – this could get offset based on fresh stocks in 2HFY24 at prices which have corrected more than 25% since end March'23 (2) Progress in capex and new projects.

The slowdown lithium segment due to excess capacity and slowdown in EVs could temper the growth from new demand in Lithium battery.

Upside risk: Higher-than-expected volume/realization and/or lower-than-expected opex; earlier than expected recovery in Soda Ash demand, cut in production and/or delay in new capacities in China for Soda Ash.

Exhibit 7: Tata Chemicals 4QFY24E – Indian and Overseas business details

Rsmn	4QFY23	4QFY24E	4QFY23	4QFY24E	4QFY23	4QFY24E	4QFY23	4QFY24E	4QFY23	4QFY24E
	Soda Ash Volume 000' tonne		Revenue		EBITDA		EBITDA Margin (%)		EBITDA/Tonne US$	
India	166	173	13020	11,288	2590	2131	19.9	18.9	58	46
US	608	609	16500	12,491	4570	1693	27.7	13.6	91	33
UK	60	54	7070	5,824	2250	569	31.8	9.8	173	44
Africa	63	60	2080	1,524	910	236	43.8	15.5	176	47
Rallis	-	-	5226	5,423	-653	423	-12.5	7.8		
Adjustment	-	-	174	10	-18	10				
Total	**897**	**896**	**44,070**	**36,560**	**9650**	**5062**	**21.9**	**13.8**	**91.6**	**40.0**

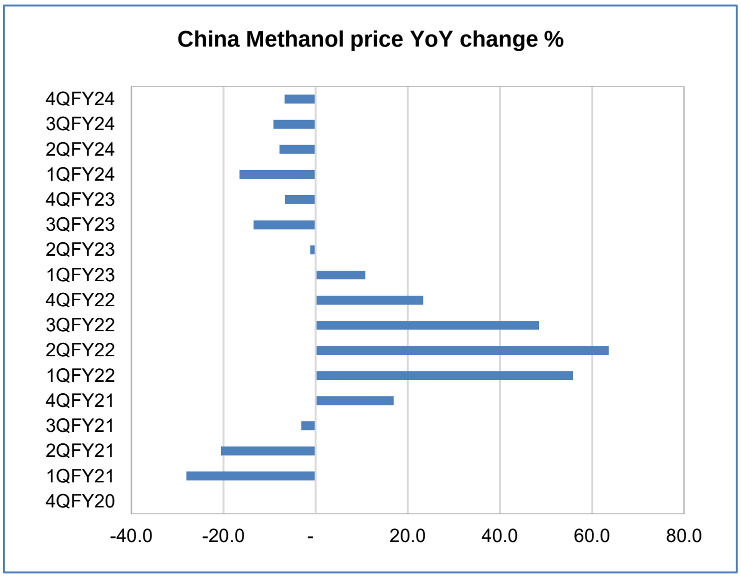
Source: Company, Nirmal Bang Institutional Equities Research

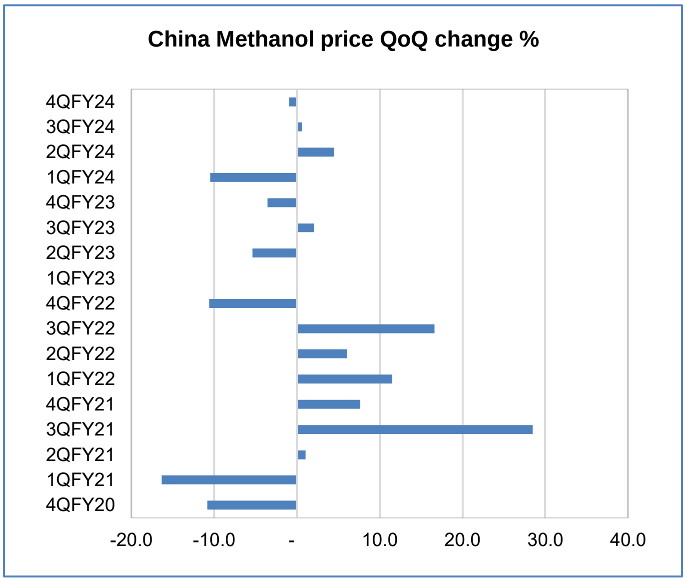
ARIL: We expect revenue to be down by 25% YoY. EBITDA margin is likely to expand by 310bps to 28% as gross margin is likely to expand by 672bps to 60%. Other expenses are likely to decrease by 25.5% YoY. We expect PAT to decrease by 36.4% YoY and EBITDA by 15.7% YoY.

The company has a healthy order book as of end FY24 at Rs81.76bn, which has increased by another Rs7.4bn based on the new order wins in Apr'24. This new order is from a Japanese client for two advance intermediates based on Flourine chemistry - to be executed over seven years starting FY25. This implies annual upside of ~Rs280-300mn in EBITDA, assuming 28-30% margins.

Chemical price change – YoY and QoQ

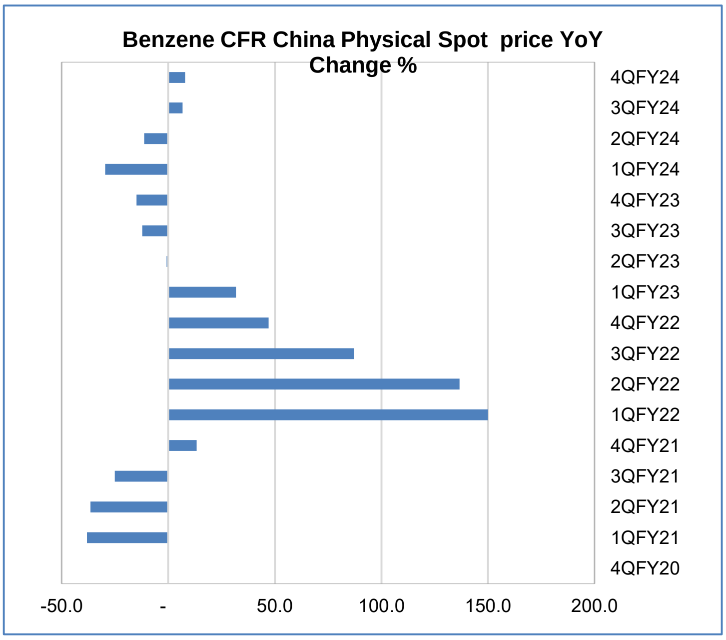
Exhibit 8: China Methanol price change – YoY and QoQ

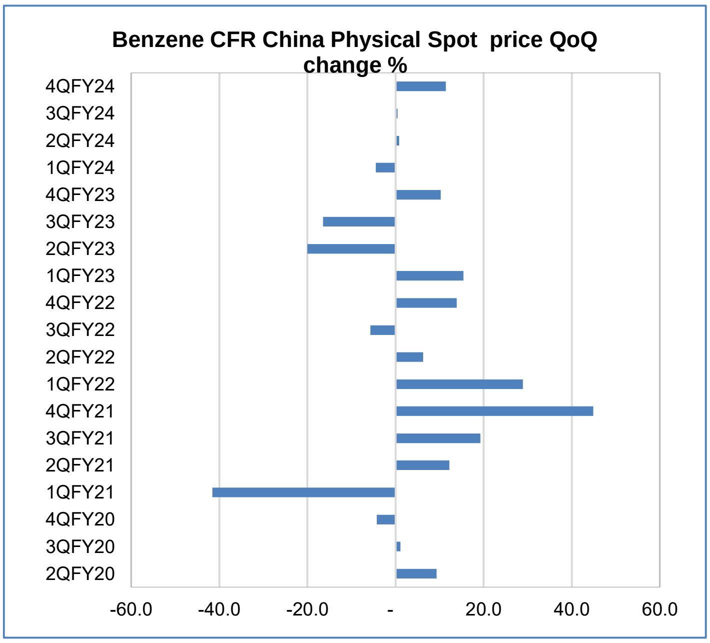




Source: Bloomberg, Nirmal Bang Institutional Equities Research

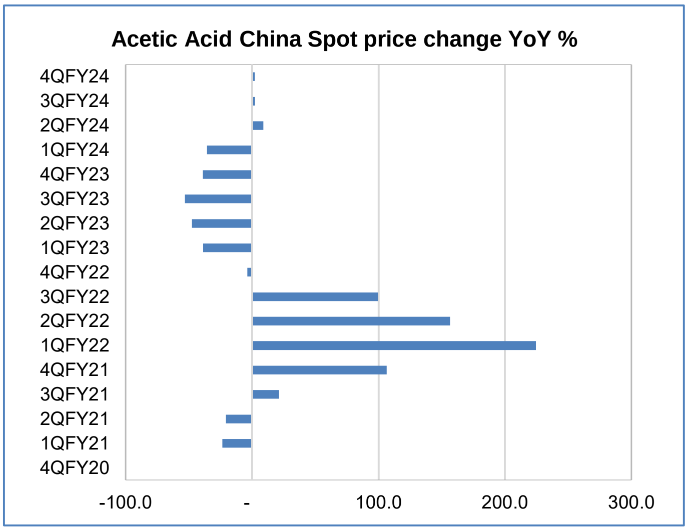
Exhibit 9: Benzene CFR China Physical Spot price change – YoY and QoQ

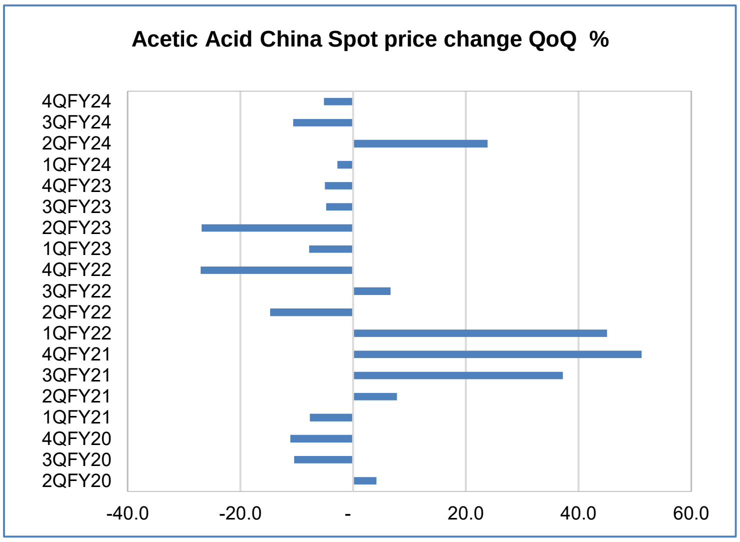




Source: Bloomberg, Nirmal Bang Institutional Equities Research

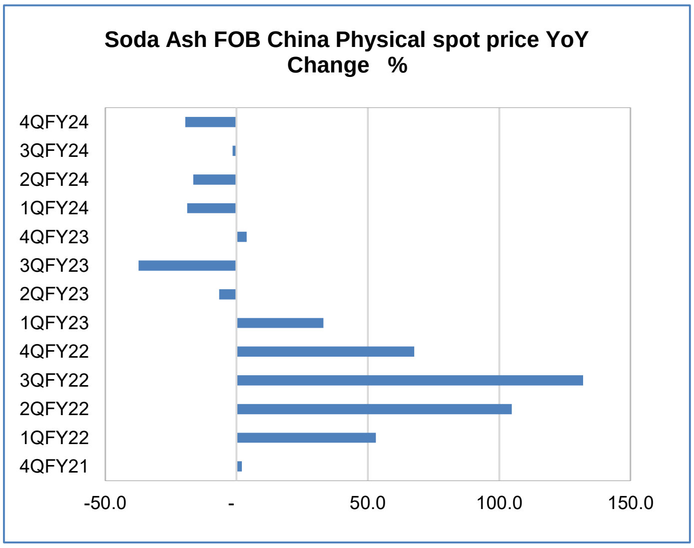
Exhibit 10: Acetic Acid China Spot price change – YoY and QoQ

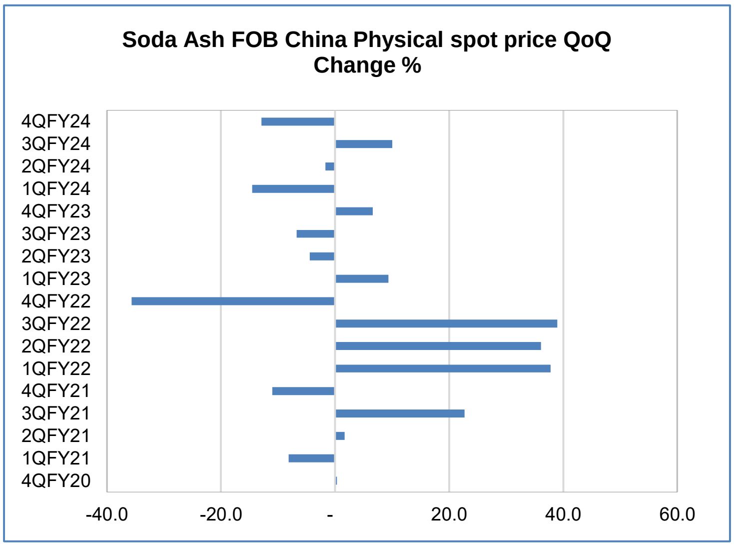




Source: Bloomberg, Nirmal Bang Institutional Equities Research

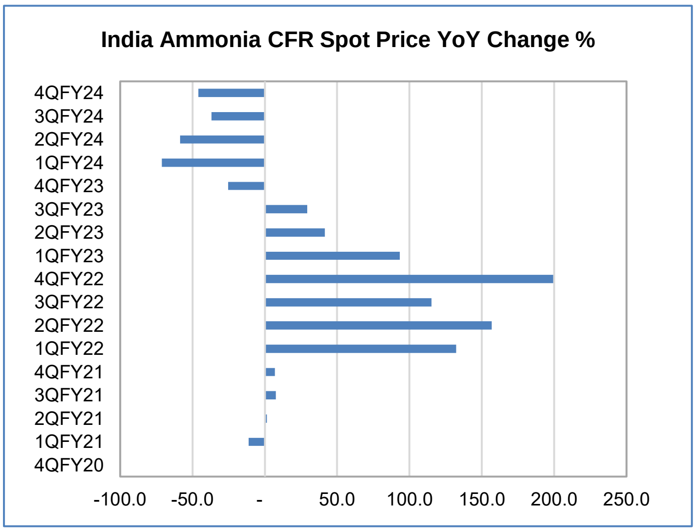
Exhibit 11: Soda Ash price change – YoY and QoQ

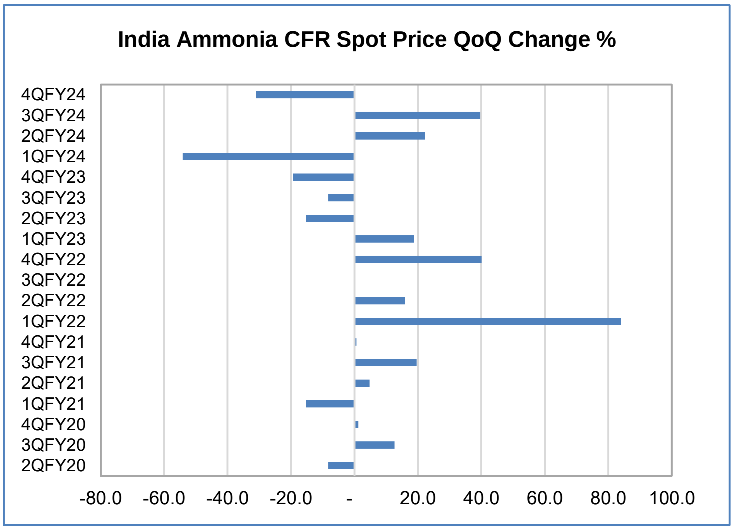




Source: Bloomberg, Nirmal Bang Institutional Equities Research

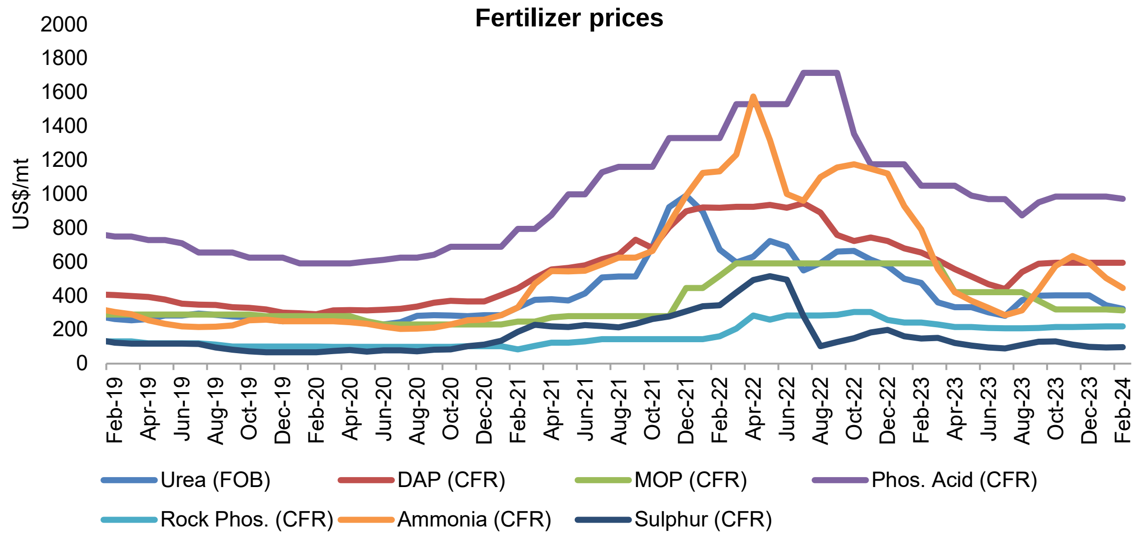
Exhibit 12: India Ammonia price change – YoY and QoQ





Source: Bloomberg, Nirmal Bang Institutional Equities Research

Exhibit 13: Input and product price trends in Indian Phosphatic Fertilizer sector



Source: Department of Fertilizers; Nirmal Bang Institutional Equities Research

Exhibit 14: Quarterly India fertilizer price trend (US$/tonne)

Fertilizer	3QFY24	3QFY23	Ch YoY (%)	2QFY24	Ch QoQ (%)	4QFY24-QTD	Ch YoY (%)
Urea (FOB)	402	618	-34.9	352	14.3	333	-31.7
DAP (CFR)	595	729	-18.4	523	13.8	595	-10.8
MOP (CFR)	319	590	-45.9	405	-21.2	317	-46.4
Phos. Acid (CFR)*	985	1235	-20.2	932	5.7	978	-12.1
Rock Phos. (CFR)	216	289	-25.1	209	3.7	220	-9.1
Ammonia (CFR)	600	1148	-47.7	345	74.0	475	-44.7
Sulphur (CFR)	113	177	-35.8	109	3.7	96	-38.0

Source: Department of Fertilizer, Nirmal Bang Institutional Equities Research

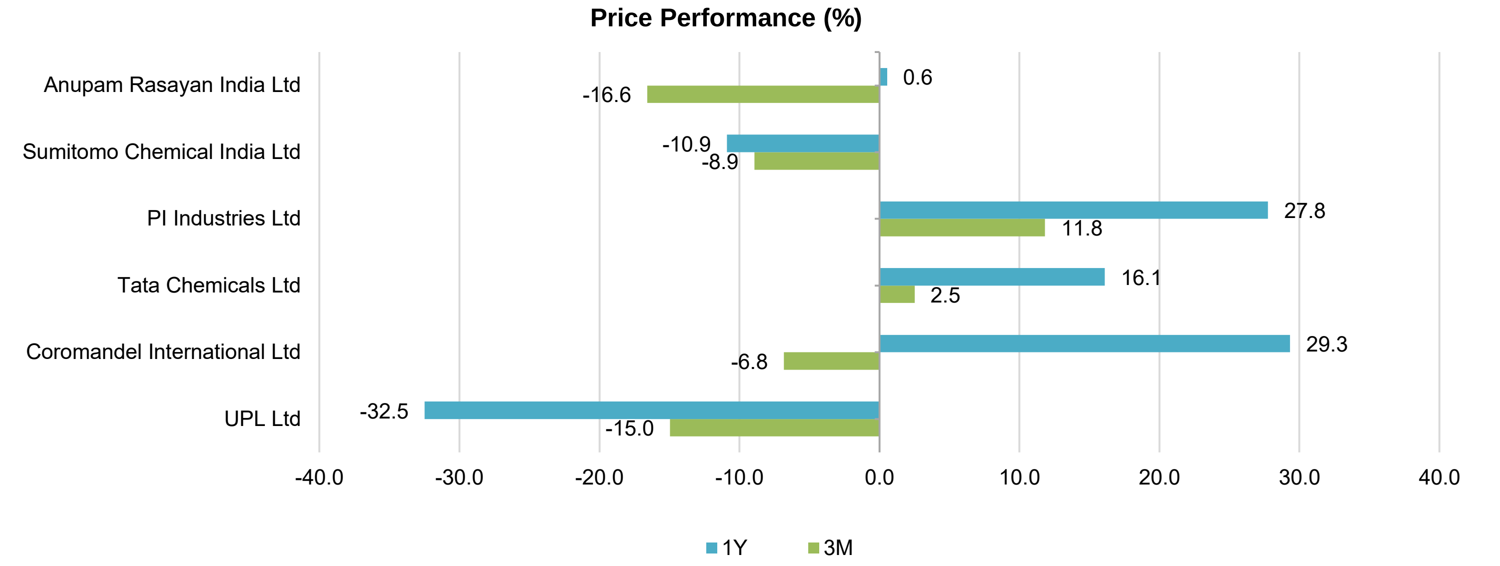
**Note: The contract price for Phosphoric acid imports was fixed at US$985 for 3QFY24, US$970 for 1QFY24 and US$850 for 2QFY24 (as per industry), The data as per DOF in 2QFY24, 2QFY23 and 1QFY24 varies from the above contrast prices.*

Exhibit 15: Fertilizer volume data

Lakh tonnes	Q4FY23	YoY(%)	Q1FY24	YoY(%)	2QFY24	YoY%	3QFY24	YoY(%)	4QFY24-QTD	YoY%	FY23	YoY%
Urea	75.86	*-3.4*	61.83	*1.6*	122.12	*9.8*	84.23	*-27.6*	65.85	9.2	364.4	*7.6*
DAP	12.98	*0.8*	21.9	*5*	42.06	*37.4*	34.55	*-15.5*	7.49	-18.1	105.4	*14.3*
MOP	3.49	*3.6*	2.27	*-12*	5.45	*21.1*	5.08	*-12.1*	2.57	6.2	16.35	*-33.1*
Complex Fertilizers	21.97	*6.7*	16.12	*5.1*	44.96	*22.7*	34.36	*0.9*	20.8	22.4	108	*-10.6*

Source: Department of Fertilizer, Nirmal Bang Institutional Equities Research, 1 lakh= 0.1mn;4QFY24 data does not include Mar'24 details expected from DOF, by end Apr'24

Exhibit 16: Price performance



Source: Nirmal Bang Institutional Equities Research

Pharmaceutical Sector

4QFY24 Result Preview

April 6, 2024

US pricing pressure eases; margins imporve

Key Points

- NBIE Pharma coverage universe's revenue is expected to grow by ~12% YoY, driven by pick-up in US sales, boosted by gRevlimid & gSpiriva and favourable currency movements. Domestic growth is expected to be supported by the Acute segment and price hike in Chronic therapies. We expect the Chronic therapies to grow by >10%.
- Margins are expected to improve YoY on the back of a better product mix, price hike benefits in branded markets and normalizing cost inflation. Also, diminishing US pricing pressure will support margins.
- Growth in Domestic Formulations is expected to moderate to ~10% YoY (Excluding Mankind) even as new launches and price hikes provide support.
- US is expected to grow by ~10% YoY in CC terms mainly on the back of gRevlimid & gSpiriva and new launches, but it is expected to remain almost flat QoQ. Also, the softer raw material prices are supporting US growth.

Company-wise performance: Among the Large Caps, all coverage companies are expected to report decent set of numbers. In terms of revenue, Sun Pharma and Torrent Pharma are expected to report >12% YoY growth among the Large Caps while Eris Life/JB Chem (due to acquisitions) and Gland Pharma (on a low base) are expected to report strong double-digit YoY revenue growth in Mid Cap/Small Cap space. Among the MNCs, Sanofi is expected to report 7% YoY revenue growth inspite of divestment of brands, with YoY margin improvement. Pfizer is expected to report a weak quarter owing to divestment of Upjohn business and slow growth in the Acute heavy portfolio. Our preferred picks are Cipla and Sun Pharma in Large Caps and JB Chem, Ajanta Pharma and Eris Life in Mid Cap/Small Cap space.

Currency tailwinds to aid growth: INR depreciated against USD on an average by 1% YoY but was flat QoQ. INR also depreciated against the Euro and Brazilian Real by around 3%/6% YoY however INR appreciated against rubble by 19%.

Company (Rsmn)	TP	CMP	Rating	Sales			EBITDA			EBITDA margin (%)			PAT		
	(Rs)	(Rs)		4QFY24E	YoY(%)	QoQ(%)	4QFY24E	YoY(%)	QoQ(%)	4QFY24E	3QFY24	4QFY23	4QFY24E	YoY(%)	QoQ(%)
Ajanta Pharma	2,047	2,181	Buy	10,421	18.2	-5.7	2,605	74.4	-17.1	25.0	28.4	16.9	1,894	55.0	-9.8
Alembic Pharma	797	1,008	Acc	16,159	14.9	-0.9	2,416	13.86	-9.3	15.0	16.3	15.1	1,510	-1.1	-16.3
Alkem Laboratories	4,302	4,913	Acc	32,429	11.7	-2.4	5,617	59.0	-20.6	17.3	21.3	12.2	4,141	298.5	-35.9
Cipla	1,400	1,449	Buy	62,256	8.5	-5.7	13,759	17.2	-21.3	22.1	26.5	20.5	9,215	41.0	-23.2
Dr. Reddy's Labs	5,977	6,179	Acc	70,372	11.8	-2.5	18,297	19.7	-9.3	26.0	28.0	24.3	11,872	23.8	-13.9
Eris Lifesciences	1,078	851	Buy	5,144	27.7	5.8	1,815	52.7	3.4	35.3	36.1	29.5	1,075	64.4	4.7
Gland Pharma	1,552	1,755	Acc	15,761	100.8	2.0	3,975	136.0	11.5	25.2	23.1	21.5	2,671	125.1	39.2
Indoco Remedies	366	350	Acc	4,852	13.3	5.6	721	11.3	14.6	14.9	13.7	15.1	335	29.8	241.1
J.B Chemicals	1,697	1,716	Buy	8,534	12.0	1.1	2,117	29.3	-5.1	24.8	26.4	21.5	1,290	47.2	-3.5
Jubilant Pharmova	397	645	Acc	18,177	8.3	8.4	2,653	21.0	21.7	14.6	13.0	13.1	769	6.5	15.1
Lupin	1,184	1,599	Acc	50,745	14.5	-2.4	9,451	63.6	-8.9	18.6	20.0	13.0	5,041	113.7	-17.8
Mankind	1,849	2,345	Acc	24,745	20.6	-5.1	5,776	38.6	-4.8	23.3	23.3	20.3	4,136	44.9	-8.8
Natco	861	997	Acc	9,848	9.7	29.8	4,068	20.0	51.8	41.3	35.3	37.8	3,214	16.5	51.1
Pfizer	4,027	4,336	Sell	6,185	8.0	14.5	1,706	-6.2	11.8	27.6	28.3	31.8	1,232	-15.1	-0.7
Sanofi India*	9,212	8,567	Buy	7,881	7.0	13.6	2,259	-1.7	20.7	28.7	27.0	31.2	1,621	-8.7	18.6
Sun Pharma	1,345	1,609	Buy	122,476	12.0	-1.1	31,621	12.8	-9.1	25.8	28.1	25.6	23,510	9.9	-9.0
Torrent Pharma	2,197	2,577	Acc	27,910	12.0	2.2	9,015	24.0	3.7	32.3	31.8	29.2	4,184	45.8	9.8
Zydus Lifescience	731	1,006	Buy	53,683	7.1	19.2	14,210	8.1	31.4	26.5	24.0	26.2	9,608	24.5	26.9
Our coverage universe				**547,577**	**13.1**	**0.8**	**132,080**	**23.0**	**-4.1**	**24.2**	**25.5**	**22.3**	**87,318**	**30.7**	**-6.9**

*Source: Company, Nirmal Bang Institutional Equities; *Sanofi follows calendar year*

NBIE research
Institutional.research@nirmalbang.com
+91-022 6273 8125

Ajanta Pharma: Revenue is expected to grow by ~18% YoY, mainly driven by double-digit growth in Domestic as well as Africa branded business. Domestic business is expected to grow by 15% YoY, mainly driven by strong growth across key segments. Asia and Africa branded businesses are expected to grow by 40% YoY and 10% YoY, respectively. US market revenue is expected to remain flat QoQ in CC terms mainly due to lack of meaningful launches. EBITDA margin is expected to improve by 806bps YoY to 25%.

Alembic Pharma: Revenue is expected to grow by ~15% YoY on the back of strong recovery in the Domestic market by 11% YoY. US business is expected to grow by 20% YoY in CC terms considering the low base of 4QFY23. EBITDA margin is expected to decline by 138bps QoQ to ~15%. Net profit is expected to remain flat on account of lower tax outgo in 4QFY23.

Alkem: Revenue is expected to grow by ~12% YoY as growth in the Domestic business is largely expected to be ~13% YoY and the US business is expected to grow by 8% YoY to US$77mn. ROW business is expected to grow by 25% YoY. EBITDA margin is expected to improve by 515bps YoY to 17.32% as the benefit of cost optimization initiatives will start accruing to the company along with softer RM prices.

Cipla: Revenue is expected to grow by ~9% YoY, driven by gRevlimid in the US and 10% YoY growth in the Domestic business. However, on QoQ basis, the US business is expected to decline by ~5% QoQ to US$220mn due to a decline in the base business (including Albuterol Sulphate HFA). EBITDA margin is expected to improve by 165bps YoY to 22% mainly due to easing of pricing pressure and lower RM costs. Net profit is expected to grow by 41% YoY, mainly driven by higher other income, absence of one-time expense and lower depreciation.

DRL: Revenue is expected to grow by ~12% YoY. US revenue is expected to grow by 23% YoY to US$378mn on account of a lower base last year. India business is expected to grow by 8% YoY. EBITDA margin is expected to improve by 172bps YoY to ~26% on account of reduced pricing pressure in the US business.

Eris Life: Revenue is expected to grow by 21.5% YoY, mainly driven by continuous strong growth in key brands and newly acquired growth in Oaknet and Biocon business. Consolidated EBITDA margin is expected to improve by 577bps to 35.3% as operations improve and expenses reduce.

Gland Pharma: Revenue is expected to grow by 2% QoQ on the back of consolidation of Cenexi, gradual recovery in Emerging Markets (EM) and currency tailwinds. US business revenue should improve QoQ with normalization of supply chain. EBITDA margin is likely to improve by 11.5% QoQ to ~25.2% mainly due to consolidation of Cenexi and operating deleverage in the base business.

Indoco Remedies: Revenue is expected to grow by ~11% YoY. Domestic Formulations business is expected to grow by 10% YoY. Exports are expected to grow by 11% YoY mainly due to improvement in the US business. EBITDA margin is expected to decline by 20bps YoY to ~15% and net profit margin is expected to improve by 83bps YoY to 6.90%.

JB Chemicals: Revenue is expected to grow by ~12% YoY, mainly driven by double-digit growth in the domestic base business following brand acquisitions. Exports business is expected to grow by ~12% YoY. We expect EBITDA margin to improve by 333bps YoY to 24.8%, driven by lower ESOP cost and a better product mix. Net profit is expected to grow by 42% YoY due to lower tax outgo and lower interest expense.

Jubilant Pharmova: Revenue is expected to grow by ~8% YoY. Radiopharma business is expected to remain flat YoY while strong growth is seen in Radiopharmacy business. EBITDA margin is expected to improve by 160bps QoQ to ~15%.

Lupin: Revenue is expected to grow by ~17% YoY, with US market expected to report strong double-digit growth, largely led by the launch of Spriva and currency tailwinds. The Domestic business is expected to grow by 14% YoY as loss of exclusivity in Diabetes and CVS therapy areas could hamper growth. EBITDA margin is expected to expand by 558bps YoY on account of a low base and launch of gSpiriva & gSuprep.

Natco Pharma: Revenue is expected to grow by 9.7%/30% YoY/QoQ, driven by gRevlimid supply to the partner and launch of CTPR. EBITDA margin is likely to improve to ~41%, mainly led by the ramp-up in gRevlimid supply and growth the in Agro Chem business and reduction in RM prices. Net profit is expected to grow by 16.5% YoY, in line with the sales and better operational performance.

Pfizer: Revenue is expected to grow by 8% YoY, led by pick-up in the Acute segment. EBITDA margin is expected to decline to 29.5% due to operational deleverage, higher expenses and lower other income. Net profit is expected to decline by 15% YoY, in line with a weak operational performance.

Sanofi India: Revenue is expected to grow by mere 7% YoY due to the launch of new long acting insulin drugs and divestment of brands. Led by cost optimization initiatives, EBITDA margin correction has moderate to 255bps YoY to ~28.7%. Net profit margin is expected to correct by 530bps YoY, led by an underperformance in the Acute portfolio.

Sun Pharma: Revenue is expected to grow by 12% YoY, driven by continuous strong growth in US Specialty business. US Specialty business is expected to grow by 22.5% YoY in CC terms, driven by continuous growth in Winlevi, Ilumya and Cequa along ramp-up of gRevlimid. Growth in the US generics business (ex-Taro) is expected to decline on a QoQ basis due to regulatory concerns at Mohali and Halol facilities. Growth in Taro is expected to remain subdued due to increased competition and lack of meaningful launches. The India business is expected to grow by 12% YoY, driven by growth across segments. EBITDA margin is expected to remain strong at 25.8%.

Torrent Pharma: Revenue is expected to grow by 12% YoY, led by the acquisition of Curatio as well strong growth across key markets. Domestic Formulations business is expected to grow by 12% YoY, driven by the consolidation of Curatio and strong growth in key segments. Brazil business revenue is expected to grow by 20% YoY, mainly led by new launches. US business growth is expected to remain muted on a QoQ basis due to lack of meaningful launches. Germany business is expected to grow by 15% YoY, driven by pick-up in the tender business. EBITDA margin is expected to remain healthy at ~32%, mainly led by cost rationalization done at the start of FY23.

Zydus Life: Revenue is expected to grow by ~7% YoY, with the US business expected to grow by 24% YoY as contribution from gRevlimid resumes and in-line market growth in Domestic business at 12% YoY. EBITDA margin is expected to improve by 30bps YoY to 26.5% as RM prices soften. Net profit is expected to grow by ~24% YoY due to higher other income, lower tax outgo and lower minority interest.

Monetary Policy Review

India Economy | Update

April 05, 2024

'Status Quo' policy; Robust growth to delay rate cuts to 2HFY25

Key Points

- The RBI's Monetary Policy Committee (MPC) decided to keep rates unchanged with a 5:1 majority besides also maintaining the stance as "withdrawal of accommodation".
- FY25 GDP is projected at 7% and CPI at 4.5% (unchanged from Feb'24). Our GDP forecast for FY25 is lower at 6.2% while CPI estimate is marginally higher at 4.8% (factoring in volatility in food prices). However, high frequency indicators and resilient global growth warrant some upward revision in our GDP forecast for FY25.
- Robust growth provides room for the RBI to focus on bringing inflation down to its target. Moreover, the Governor noted that volatile food prices could potentially impact the disinflationary process. Geopolitical tensions also remain a key risk.
- Resilient growth, with credit growth holding up, has led us to push back our rate cut expectations to 2HFY25 from our earlier base case of June'24. We continue to expect ~50bps of rate cuts from RBI in FY25, spurred by global rate cuts and high real interest rates. We expect the European Central Bank (ECB) to lead the rate cut cycle followed by the Fed and eventually the RBI.

Growth prospects seem robust: The global economy is showing resilience and is likely to maintain its steady growth in 2024 (see Exhibit 1 for RBI's baseline assumptions). With rural demand catching up, consumption is expected to support economic growth in 2FY25. As per RBI surveys, one year ahead consumer confidence reached a new high. The prospects of investment activity remain bright owing to the upturn in the private capex cycle becoming steadily broad-based, persisting and robust government capital expenditure, healthy balance sheets of banks and corporates, rising capacity utilisation (CU) and strengthening business optimism as reflected in RBI surveys. CU in the manufacturing sector rose to 74.7% in 3QFY24 from 74% in 2QFY24. The seasonally adjusted CU also improved marginally to 74.6% in 3QFY24 and persisted above the long-period average. **Rate cuts to get pushed back to 2HFY25:** Inflation has abated significantly but remains above the RBI's 4% target. Food inflation continues to exhibit considerable volatility, impeding the ongoing disinflation process. High and persistent food inflation could unhinge anchoring of inflation expectations, which is underway. The ongoing efforts are meant to ensure complete transmission of policy actions and anchoring of household inflation expectations. **Strong growth momentum and GDP projections for FY25 give the RBI the policy space to unwaveringly focus on price stability**. Resilient growth, with credit growth holding up, has led us to push back our rate cut expectations to 2HFY25 from our earlier base case of June'24. We continue to expect ~50bps of rate cuts from the RBI in FY25, spurred by global rate cuts and high real interest rates. We expect the ECB to lead the rate cut cycle followed by the Fed and eventually the RBI.

Rising competitive intensity impeding rate transmission: The combination of tight liquidity conditions and robust credit demand has prompted the banks to increase their term deposit rates in order to raise fresh deposits. Meanwhile, the spreads of Weighted Average Lending Rates (WALR) on fresh floating rate rupee loans over the policy repo rate have narrowed between April'22 (beginning of the tightening cycle) and Feb'24, thereby moderating the extent of transmission to WALRs on fresh rupee loans (Exhibit 4 and 5). The spread compression is notable for "other personal loans' of private banks.

Key Macro Forecasts

Particulars	FY23	FY24F	FY25F
GDP (% YoY)	7.2	7.5	6.2
GVA (% YoY)	7.0	6.9	6.1
Agriculture (% YoY)	4.0	1.7	3.5
Industry ex. construction (% YoY)	2.4	8.9	5.5
Services inc. construction (% YoY)	9.5	7.5	6.9
CPI (average)	6.6	5.4	4.8
WPI (average)	10.0	-0.8	2.5
Interest rates-Repo (Fiscal year end)	6.50	6.50	6.0
Fiscal deficit (% of GDP)	6.4	5.8	5.1
Current account balance (% of GDP)	-2.0	-0.7	-1.3
INR/USD (Average)	80.3	82.8	84.6
10 year yields (average)	7.35	7.16	7.0
Crude oil price (US$ /bbl average)	95.0	82.1	80.0

Source: CSO, CEIC, Nirmal Bang Institutional Equities

Please refer to the disclaimer towards the end of the document.

Teresa John, CFA
Deputy Head of Research & Economist
teresa.john@nirmalbang.com
+91-22-6273-8114

Exhibit 1: Baseline assumptions for RBI projections

Indicator	MPR October 2023	MPR April 2024
Crude Oil (Indian basket)	US$ 85 per barrel during H2:2023-24	US$ 85 per barrel during 2024-25
Exchange rate	82.5/US$ during H2:2023-24	83/US$ during 2024-25
Monsoon	6 per cent below long period average for 2023-24	Normal for 2024-25
Global growth	3.0 per cent in 2023 3.0 per cent in 2024	3.1 per cent in 2024 3.2 per cent in 2025
Fiscal deficit (per cent of GDP)	To remain within BE 2023-24 Centre: 5.9 Combined: 8.5	To remain within BE 2024-25 Centre: 5.1 Combined: 7.7
Domestic macroeconomic/ structural policies during the forecast period	No major change	No major change

Source: RBI Monetary policy report, Nirmal Bang Institutional Equities

Exhibit 2: FY25 CPI seen at 4.5% by RBI

	RBI (current)	RBI (previous)	NBIE
FY25	4.5	4.5	4.8
1QFY25	4.9	5.0	5.1
2QFY25	3.8	4.0	3.9
3QFY25	4.6	4.6	5.0
4QFY25	4.5	4.7	5.2

Source: RBI, Nirmal Bang Institutional Equities

Exhibit 3: FY25 GDP seen at 7% by RBI

	RBI (current)	RBI (previous)	NBIE
FY25	7.0	7.0	6.2
1QFY25	7.1	7.2	6.0
2QFY25	6.9	6.8	6.3
3QFY25	7.0	7.0	6.2
4QFY25	7.0	6.9	6.3

Source: RBI, Nirmal Bang Institutional Equities

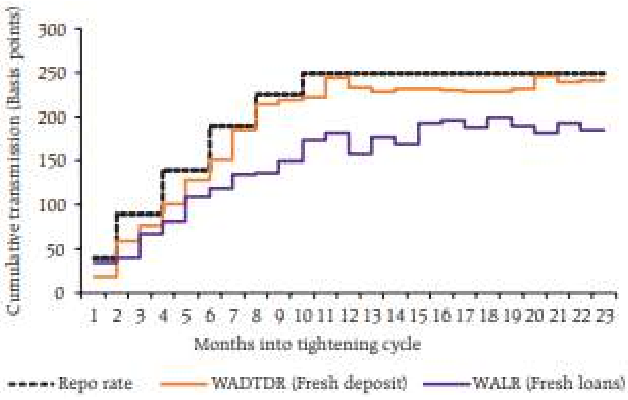
Exhibit 4: Declining spreads over repo rate impeding transmission…..

Spreads of Weighted Average Lending Rates (Fresh Loans) over the Repo Rate

Sectors	Apr-22			Feb-24		
	Public sector banks	Private sector banks	Domestic banks	Public sector banks	Private sector banks	Domestic banks
MSME Loans	4.27	3.93	4.04	3.36	3.15	3.2
Personal Loans						
Housing	2.91	3.32	3.21	2.12	2.09	2.1
Vehicle	3.37	4.39	3.55	2.63	3.05	2.71
Education	4.42	5.71	4.71	3.77	3.64	3.71
Other personal loans	3.54	7.35	4.01	3.22	2.8	3.14

Source: RBI Monetary policy report, Nirmal Bang Institutional Equities

Exhibit 5: …. and pressuring NIMs for banks



Source: RBI Monetary policy report, Nirmal Bang Institutional Equities

Valuation Of Companies In Our Coverage Universe

Auto - OEM

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
Bajaj Auto	9,010	6,871	Acc	30,188	3,64,276	4,40,289	5,23,308	65,507	87,011	1,09,844	56,291	73,700	89,760	260.5	317.2	277.6	19.9	29.5	26.3
Eicher Motors	4,031	4,453	Buy	13,247	1,44,422	1,66,238	1,80,529	34,436	42,990	48,411	29,805	38,465	43,344	109.0	140.5	158.3	11.8	18.6	20.6
Hero MotoCorp	4,525	5,720	Buy	10,857	3,38,057	3,71,172	4,30,959	39,862	51,077	64,644	29,106	40,815	48,852	145.7	204.3	244.5	12.9	27.3	29.6
Mahindra & Mahindra	2,013	2,019	Buy	30,048	8,49,603	10,33,629	11,38,784	1,05,638	1,55,060	1,74,234	77,000	1,08,365	1,19,999	61.9	87.1	96.5	15.8	28.4	24.8
Maruti Suzuki India	12,422	12,772	Buy	46,872	11,75,229	14,13,436	15,72,852	1,10,441	1,63,605	1,90,315	80,856	1,29,393	1,48,164	267.7	428.5	490.6	15.7	31.3	35.4
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Ashok Leyland	176	214	Buy	6,203	3,61,441	3,77,042	4,15,574	29,307	41,491	47,375	12,955	23,393	27,416	4.4	8.0	9.3	7.2	27.1	45.5
TVS Motor Co	2,069	1,833	Acc	11,800	2,63,781	3,08,873	3,46,286	26,747	33,685	42,702	14,910	19,174	25,333	31.4	40.4	53.3	14.6	26.4	30.3

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
Bajaj Auto	9,010	6,871	Acc	30,188	34.6	28.4	32.5	34.7	26.0	20.4	10.0	9.3	8.6	22.1	27.0	30.4	18.5	23.0	27.0
Eicher Motors	4,031	4,453	Buy	13,247	37.0	28.7	25.5	28.9	22.5	19.5	7.4	6.3	5.5	20.4	24.2	22.9	19.4	23.7	22.5
Hero MotoCorp	4,525	5,720	Buy	10,857	31.1	22.2	18.5	19.9	15.2	11.8	5.4	4.8	4.3	17.4	21.8	23.0	17.0	21.2	22.7
Mahindra & Mahindra	2,013	2,019	Buy	30,048	32.5	23.1	20.9	21.2	13.9	12.0	5.6	4.7	4.0	17.8	21.0	19.8	16.0	20.0	19.0
Maruti Suzuki India	12,422	12,772	Buy	46,872	46.4	29.0	25.3	31.1	20.7	17.4	6.2	5.5	4.7	14.1	20.0	20.0	13.4	18.9	18.8
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Ashok Leyland	176	214	Buy	6,203	39.9	22.1	18.8	16.3	11.0	9.2	6.1	5.4	4.7	15.4	24.4	25.0	11.8	18.5	19.8
TVS Motor Co	2,069	1,833	Acc	11,800	65.9	51.3	38.8	35.5	27.8	21.6	16.3	13.0	10.3	24.7	25.3	26.5	24.1	26.2	28.9

Auto - Ancillary

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
Balkrishna Industries	2,405	2,419	Acc	5,579	1,00,275	90,315	1,04,259	19,326	23,357	28,286	10,337	13,112	16,499	53.5	67.8	85.4	2.0	21.0	26.3
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Apollo Tyres	468	623	Buy	3,571	2,45,681	2,64,079	2,88,277	33,137	46,542	51,602	10,826	19,403	23,541	17.0	30.6	37.1	8.3	24.8	47.5
Endurance Technologies	1,900	1,938	Acc	3,208	88,040	1,02,575	1,18,917	10,363	13,082	17,081	4,901	6,436	8,678	34.8	45.7	61.7	16.2	28.4	33.1
Small Cap (M-cap <US$1.5bn)																			
Ceat	2,686	3,323	Buy	1,304	1,13,149	1,21,776	1,32,254	9,738	16,805	18,251	1,862	6,784	7,653	54.3	167.7	189.2	8.1	36.9	102.8
Jamna Auto Industries	137	146	Buy	657	23,253	25,439	28,691	2,614	3,307	3,931	1,684	2,189	2,685	4.2	5.5	6.7	11.1	22.6	26.3
Minda Corp	424	467	Buy	1,218	43,001	46,665	52,021	4,615	5,103	5,982	2,845	2,370	3,218	11.9	9.9	13.5	10.0	13.9	6.3
Suprajit Engineering	431	405	Acc	716	27,524	28,670	30,509	3,006	3,191	3,602	1,521	1,629	2,160	11.0	11.8	15.6	5.3	9.5	19.2

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
Balkrishna Industries	2,405	2,419	Acc	5,579	45.0	35.4	28.2	24.7	20.4	16.9	6.1	5.5	4.9	13.6	15.5	17.3	9.6	11.4	13.2
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Apollo Tyres	468	623	Buy	3,571	27.5	15.3	12.6	10.3	7.3	6.6	2.3	2.1	1.9	8.6	13.5	14.8	10.0	16.1	18.2
Endurance Technologies	1,900	1,938	Acc	3,208	54.6	41.6	30.8	25.4	20.1	15.4	6.2	5.5	5.0	11.9	14.1	17.0	14.4	17.6	21.1
Small Cap (M-cap <US$1.5bn)																			
Ceat	2,686	3,323	Buy	1,304	49.5	16.0	14.2	13.1	7.6	7.0	3.2	2.7	2.4	6.4	17.0	16.6	6.2	14.1	14.5
Jamna Auto Industries	137	146	Buy	657	32.4	25.0	20.4	20.9	16.5	13.9	7.0	6.0	5.2	22.9	25.9	27.4	23.3	24.7	23.5
Minda Corp	424	467	Buy	1,218	35.7	42.8	31.5	23.3	21.1	18.0	6.4	5.6	4.9	17.9	13.2	15.4	19.2	16.9	19.7
Suprajit Engineering	431	405	Acc	716	39.2	36.6	27.6	20.5	19.3	17.1	4.9	4.3	3.7	12.4	11.6	13.4	9.5	10.2	11.0

Banking

Rati Pandit (rati.pandit@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net Interest Income (Rsmn)			Op Profit (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	NII	PPOP	PAT
Large Cap (M-cap >US$5bn)																			
Axis Bank	1,059	1,256	Buy	39,234	4,29,457	4,99,504	5,56,993	1,97,906	3,68,591	4,29,569	95,797	2,40,641	2,63,062	31.1	78.0	85.3	13.9	47.3	65.7
Bandhan Bank	197	222	Acc	3,816	92,596	1,01,689	1,12,415	70,913	68,080	76,829	21,946	31,327	36,809	13.6	19.5	22.9	10.2	4.1	29.5
Bank of Baroda	269	286	Acc	16,690	4,13,555	4,47,220	5,11,204	2,68,634	3,09,323	3,52,094	1,41,095	1,77,076	1,99,227	27.3	34.2	38.5	11.2	14.5	18.8
HDFC Bank	1,550	1,994	Buy	1,41,284	8,68,422	10,84,097	13,59,705	7,04,050	8,83,500	11,08,901	4,41,087	5,80,553	6,93,168	79.1	76.5	91.3	25.1	25.5	25.4
ICICI Bank	1,083	1,264	Buy	91,313	6,21,286	7,42,762	8,29,140	4,90,868	5,80,494	6,62,595	3,18,965	4,02,287	4,36,299	45.7	57.3	62.2	15.5	16.2	17.0
IndusInd Bank	1,552	1,854	Buy	14,501	1,75,921	2,06,992	2,31,199	1,43,465	1,63,373	1,92,286	73,897	92,550	1,08,471	95.2	119.0	139.4	14.6	15.8	21.2
Kotak Mahindra Bank	1,785	1,909	Acc	42,592	2,15,519	2,57,973	2,87,934	1,48,480	1,92,680	2,19,271	1,09,393	1,31,630	1,46,604	55.1	66.2	73.8	15.6	21.5	15.8
Punjab National Bank	137	105	Sell	18,045	3,44,916	4,00,659	4,35,457	2,25,288	2,55,328	2,94,782	26,804	72,570	1,30,751	2.4	6.6	11.9	12.4	14.4	120.9
State Bank of India	765	862	Buy	81,914	14,48,405	15,99,433	18,10,431	8,37,130	8,90,938	11,10,269	5,02,324	6,17,864	7,19,990	56.3	69.2	80.7	11.8	15.2	19.7
Yes Bank	25	-	UR	8,701	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mid Cap (M-cap between US$1.5bn to 5bn)																			
AU Small Finance Bank	635	721	Buy	5,098	44,253	52,357	65,217	20,195	25,397	32,251	14,279	16,197	20,531	21.4	24.2	30.7	21.4	26.4	19.9
City Union Bank	158	156	Acc	1,402	21,592	21,327	24,495	18,144	15,926	18,838	9,339	10,116	11,614	12.6	13.7	15.7	6.5	1.9	11.5
Federal Bank	155	178	Buy	4,515	72,322	83,357	95,864	47,944	53,132	63,210	30,106	35,552	41,311	14.2	14.6	17.0	15.1	14.8	17.1
RBL Bank	255	273	Acc	1,849	44,515	60,211	66,919	22,025	29,954	37,334	8,827	11,566	14,101	14.7	19.2	23.4	22.6	30.2	26.4
Small Cap (M-cap <US$1.5bn)																			
DCB Bank	127	165	Buy	478	17,170	19,066	21,410	7,867	8,618	10,422	4,656	5,168	6,208	14.9	16.6	19.9	11.7	15.1	15.5
Equitas Small Finance Bank	99	127	Buy	1,348	25,449	31,147	39,447	11,762	14,347	18,344	5,740	8,012	10,094	5.2	7.1	8.9	24.5	24.9	32.6

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			P/BV (X)			RoE (%)			RoA (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																
Axis Bank	1,059	1,256	Buy	39,234	34.0	13.6	12.4	2.7	2.3	1.9	8.0	17.5	16.3	0.8	1.7	1.6
Bandhan Bank	197	222	Acc	3,816	14.5	10.1	8.6	1.7	1.6	1.4	11.9	15.1	15.8	1.5	1.9	2.0
Bank of Baroda	269	286	Acc	16,690	9.9	7.9	7.0	1.5	1.3	1.1	15.3	16.7	16.3	1.0	1.2	1.2
HDFC Bank	1,550	1,994	Buy	1,41,284	19.6	20.3	17.0	3.1	2.8	2.5	17.0	16.5	15.5	1.9	1.9	1.8
ICICI Bank	1,083	1,264	Buy	91,313	23.7	18.9	17.4	3.9	3.5	3.0	17.2	18.7	17.7	2.1	2.3	2.2
IndusInd Bank	1,552	1,854	Buy	14,501	16.3	13.0	11.1	2.3	2.0	1.7	14.4	15.9	16.3	1.7	1.9	2.0
Kotak Mahindra Bank	1,785	1,909	Acc	42,592	32.4	27.0	24.2	4.3	3.7	3.2	14.1	14.7	14.2	2.4	2.5	2.4
Punjab National Bank	137	105	Sell	18,045	56.1	20.7	11.5	2.2	1.7	1.4	2.7	7.0	11.5	0.2	0.5	0.8
State Bank of India	765	862	Buy	81,914	13.6	11.0	9.5	2.2	1.9	1.7	16.5	17.7	17.9	1.0	1.0	1.1
Yes Bank	25	-	UR	8,701	-	-	-	-	-	-	-	-	-	-	-	-
Mid Cap (M-cap between US$1.5bn to 5bn)																
AU Small Finance Bank	635	721	Buy	5,098	29.6	26.2	20.7	3.9	3.5	3.0	15.4	13.7	15.0	1.8	1.6	1.7
City Union Bank	158	156	Acc	1,402	12.5	11.5	10.1	1.6	1.4	1.3	13.3	12.8	13.2	1.5	1.5	1.5
Federal Bank	155	178	Buy	4,515	10.9	10.6	9.1	1.5	1.3	1.2	14.9	14.9	14.4	1.3	1.3	1.3
RBL Bank	255	273	Acc	1,849	17.3	13.3	10.9	1.2	1.1	1.0	6.7	8.2	9.2	0.8	0.9	1.0
Small Cap (M-cap <US$1.5bn)																
DCB Bank	127	165	Buy	478	8.5	7.7	6.4	0.9	0.9	0.8	10.8	10.8	11.8	1.0	0.9	0.9
Equitas Small Finance Bank	99	127	Buy	1,348	19.2	14.0	11.1	2.3	2.1	1.8	12.2	14.6	16.2	1.9	2.0	2.0

NBFC

Rati Pandit (rati.pandit@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net Interest Income (Rsmn)			Op Profit (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	NII	PPOP	PAT
Large Cap (M-cap >US$5bn)																			
Muthoot Finance	1,655	1,702	Buy	7,973	66,695	76,158	85,303	47,270	55,128	62,253	34,735	40,023	45,099	86.5	99.7	112.3	13.1	14.8	13.9
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Manappuram Finance	192	223	Buy	1,949	32,425	39,036	44,574	17,514	23,617	27,249	12,663	16,692	19,192	15.0	19.7	22.7	17.2	24.7	23.1

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			P/BV (X)			RoE (%)			RoA (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																
Muthoot Finance	1,655	1,702	Buy	7,973	19.1	16.6	14.7	3.5	3.2	2.7	17.6	18.1	18.1	4.9	5.1	5.0
Mid Cap (M-cap between US$1.5bn to 5bn)																
Manappuram Finance	192	223	Buy	1,949	12.8	9.7	8.5	1.9	1.6	1.4	15.0	17.2	17.1	4.5	5.3	5.2

NBFC

Shreya Khandelwal (shreya.khandelwal@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net Interest Income (Rsmn)			Op Profit (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	NII	PPOP	PAT
Large Cap (M-cap >US$5bn)																			
Bajaj Finance	7,176	9,100	Buy	53,309	2,73,927	3,52,900	4,55,301	1,87,175	2,43,444	3,24,891	1,15,076	1,43,662	2,06,542	190.1	232.5	334.2	28.9	31.7	34.0
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Aavas Financiers	1,599	1,870	Buy	1,518	9,024	10,256	12,424	5,614	6,045	7,490	4,301	4,436	5,589	54.4	56.1	70.7	17.3	15.5	14.0
LIC Housing Finance	644	620	Acc	4,254	63,303	84,426	91,949	55,000	75,919	80,526	28,910	47,853	51,375	52.6	87.0	93.4	20.5	21.0	33.3
Poonawalla Fincorp	497	472	Acc	4,624	12,217	19,083	25,044	6,008	13,563	18,064	5,849	7,539	11,891	7.6	25.7	15.5	43.2	73.4	42.6
Small Cap (M-cap <US$1.5bn)																			
Can Fin Homes	799	800	Acc	1,277	10,146	12,486	13,703	8,658	10,724	11,238	6,212	7,216	7,973	46.6	54.2	59.9	16.2	13.9	13.3
PNB Housing Finance	772	890	Acc	2,407	22,733	23,681	29,177	20,581	20,581	26,103	10,563	13,965	17,699	62.6	53.8	68.2	13.3	12.6	29.4
Repco Home Finance	441	480	Acc	331	5,559	6,629	7,054	4,523	5,405	5,686	2,961	3,933	4,184	47.3	62.9	66.9	12.6	12.1	18.9

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			P/BV (X)			RoE (%)			RoA (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																
Bajaj Finance	7,176	9,100	Buy	53,309	37.8	30.9	21.5	8.1	5.8	4.6	23.5	21.8	23.7	4.6	4.5	5.1
Mid Cap (M-cap between US$1.5bn to 5bn)																
Aavas Financiers	1,599	1,870	Buy	1,518	29.4	28.5	22.6	4.0	3.5	3.0	14.3	12.7	14.1	3.6	3.0	3.1
LIC Housing Finance	644	620	Acc	4,254	12.3	7.4	6.9	1.7	1.5	1.3	11.2	16.5	15.4	1.1	1.6	1.6
Poonawalla Fincorp	497	472	Acc	4,624	65.3	19.3	32.1	6.1	4.9	4.4	9.6	14.0	14.1	3.8	5.1	4.9
Small Cap (M-cap <US$1.5bn)																
Can Fin Homes	799	800	Acc	1,277	17.1	14.7	13.3	3.0	2.6	2.2	18.5	18.2	17.3	2.0	2.0	2.0
PNB Housing Finance	772	890	Acc	2,407	12.3	14.4	11.3	1.4	1.4	1.3	10.2	10.8	11.3	1.6	2.0	2.2
Repco Home Finance	441	480	Acc	331	9.3	7.0	6.6	1.2	1.0	0.9	12.5	14.6	13.8	2.4	3.0	2.8

Auto NBFC

Shreya Khandelwal (shreya.khandelwal@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net Interest Income (Rsmn)			Op Profit (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	NII	PPOP	PAT
Large Cap (M-cap >US$5bn)																			
Cholamandalam Investment and Finance	1,218	1,335	Acc	12,275	63,334	84,171	1,14,293	44,494	59,236	79,205	26,662	33,389	48,432	32.4	40.6	58.9	34.3	33.4	34.8
Shriram Finance	2,519	2,675	Buy	11,361	1,60,616	1,86,908	2,18,820	1,23,441	1,42,997	1,75,499	59,793	76,641	99,632	159.7	204.7	266.1	16.7	19.2	29.1
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Mahindra & Mahindra Financial	299	305	Acc	4,426	61,059	66,532	82,830	37,518	41,169	55,002	20,388	19,387	28,952	16.5	15.7	23.5	16.5	21.1	19.2
Sundaram Finance	4,296	3,550	Acc	5,729	16,950	19,518	23,859	15,542	17,750	19,849	10,883	12,089	13,222	98.0	108.8	119.0	18.6	13.0	10.2

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			P/BV (X)			RoE (%)			RoA (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																
Cholamandalam Investment and Finance	1,218	1,335	Acc	12,275	37.6	30.0	20.7	7.6	5.5	4.5	20.5	19.8	22.2	2.7	2.5	2.9
Shriram Finance	2,519	2,675	Buy	11,361	15.8	12.3	9.5	2.5	2.2	1.8	15.3	16.7	18.9	3.1	3.5	3.9
Mid Cap (M-cap between US$1.5bn to 5bn)																
Mahindra & Mahindra Financial	299	305	Acc	4,426	18.1	19.0	12.7	2.3	2.2	2.0	12.5	11.2	15.6	2.4	1.9	2.4
Sundaram Finance	4,296	3,550	Acc	5,729	43.9	39.5	36.1	6.5	5.9	5.3	14.9	14.9	14.7	2.9	2.6	2.4

Insurance

Shreya Khandelwal (shreya.khandelwal@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	NBP (Rsmn)			Operating surplus (Rsmn)			PAT (Rsmn)			EVPS			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	NII	PPOP	PAT
Large Cap (M-cap >US$5bn)																			
HDFC Life Insurance	629	635	Acc	16,248	2,90,851	3,15,783	3,64,730	5,89,765	6,60,924	7,62,646	13,601	15,254	19,187	184	214	251	12.0	13.7	18.8
ICICI Pru Life Insurance	620	610	Buy	10,720	1,74,125	1,88,098	2,16,313	4,33,075	5,42,282	6,15,436	8,135	10,548	12,279	248	273	307	11.5	19.2	22.9
SBI Life Insurance	1,485	1,685	Buy	17,853	2,95,886	3,45,548	4,02,622	7,42,942	9,19,333	10,79,260	17,206	18,919	23,961	464	557	666	16.7	20.5	18.0
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Max Financial	1,015	1,020	Acc	4,203	89,596	99,179	1,15,866	2,56,392	2,74,433	3,07,805	4,352	4,260	4,907	85	102	121	13.7	9.6	6.2

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/EV (x)			P/BV (x)			RoE (%)			RoEV (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																
HDFC Life Insurance	629	635	Acc	16,248	3.4	2.9	2.5	10.4	12.6	10.7	9.6	12.9	16.4	19.7	16.6	17.0
ICICI Pru Life Insurance	620	610	Buy	10,720	2.5	2.3	2.0	9.1	12.5	11.0	20.6	21.5	20.5	15.9	15.4	15.3
SBI Life Insurance	1,485	1,685	Buy	17,853	3.2	2.7	2.2	11.5	10.3	9.1	20.5	19.2	18.3	15.6	16.1	16.0
Mid Cap (M-cap between US$1.5bn to 5bn)																
Max Financial	1,015	1,020	Acc	4,203	12.0	10.0	8.4	55.0	49.1	43.7	12.9	11.3	11.6	22.1	19.8	19.5

Capital Goods

Natasha Jain (natasha.jain@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Apar Industries	7,346	7,000	Buy	3,542	1,43,522	1,62,876	1,97,470	12,270	14,966	17,196	6,377	8,045	9,208	166.6	210.2	240.6	17.3	18.4	20.2
KEC International	760	690	Acc	2,345	1,72,817	2,00,016	2,32,775	8,297	13,401	20,950	1,760	4,441	9,064	6.8	17.3	35.3	16.1	58.9	126.9
Solar Industries India	8,658	7,240	Buy	9,403	69,225	67,688	82,366	12,889	15,636	19,191	7,575	9,562	12,184	83.7	105.7	134.6	9.1	22.0	26.8
Thermax	4,518	3,170	Acc	6,462	80,898	94,127	1,06,857	5,976	7,907	9,938	4,507	5,731	7,523	40.0	50.9	66.8	14.9	29.0	29.2
Small Cap (M-cap <US$1.5bn)																			
Power Mech Projects	5,203	5,045	Acc	987	36,012	47,653	66,006	4,036	5,778	8,825	2,091	3,018	5,417	140.3	190.9	342.7	35.4	47.9	60.9
Triveni Turbine	557	560	Buy	2,126	12,476	17,018	22,796	2,338	3,302	4,514	1,929	2,751	3,784	6.1	8.7	11.9	35.2	39.0	40.1

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Apar Industries	7,346	7,000	Buy	3,542	44.1	34.9	30.5	23.9	19.6	17.0	12.6	10.3	8.1	32.3	32.3	29.6	49.0	48.6	45.3
KEC International	760	690	Acc	2,345	111.0	44.0	21.6	27.0	16.7	10.7	5.2	4.8	4.0	4.8	11.3	20.3	10.3	17.0	25.8
Solar Industries India	8,658	7,240	Buy	9,403	103.4	81.9	64.3	61.5	50.7	41.3	30.0	23.7	18.4	29.0	28.9	28.6	29.4	31.0	33.2
Thermax	4,518	3,170	Acc	6,462	112.9	88.8	67.6	89.6	67.7	53.9	13.2	12.1	10.6	12.3	13.3	16.7	11.3	13.6	16.1
Small Cap (M-cap <US$1.5bn)																			
Power Mech Projects	5,203	5,045	Acc	987	37.1	27.2	15.2	21.1	14.8	9.7	6.1	4.3	3.4	18.0	19.0	25.1	21.8	24.8	29.6
Triveni Turbine	557	560	Buy	2,126	91.8	64.4	46.8	74.5	52.8	38.6	23.3	19.2	15.5	25.4	29.8	33.1	27.9	33.2	37.3

Consumer Durables & Consumer Electricals

Natasha Jain (natasha.jain@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
Havells India	1,550	1,260	Acc	11,659	1,68,684	1,86,517	2,08,829	16,030	18,401	22,974	10,750	12,531	15,799	17.2	20.0	25.2	11.3	19.7	21.2
Polycab India	5,317	5,255	Acc	9,586	1,41,078	1,71,623	1,96,720	18,521	24,438	28,972	12,700	17,396	19,769	84.7	116.0	131.8	18.1	25.1	24.8
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Bajaj Electricals	996	700	Sell	1,376	48,892	46,062	48,474	3,748	2,302	3,262	2,154	1,373	2,139	18.8	12.0	18.7	(0.4)	(6.7)	(0.4)
Blue Star	1,363	1,215	Acc	3,364	79,773	93,276	1,14,669	4,928	6,540	8,776	2,612	3,870	5,557	27.1	18.8	27.0	19.9	33.5	45.9
Crompton Greaves Consumer Electricals	281	330	Buy	2,169	68,696	75,237	83,691	8,544	7,798	9,617	5,472	4,624	6,161	8.6	7.3	9.7	10.4	6.1	6.1
Dixon Technologies India	7,661	7,155	Buy	5,500	1,21,920	1,81,998	2,85,500	5,128	7,103	11,237	2,555	3,717	6,562	42.9	62.4	110.2	53.0	48.0	60.3
V-Guard Industries	341	360	Buy	1,778	41,260	47,487	53,830	3,199	4,195	5,595	1,891	2,482	3,648	4.4	5.8	8.5	14.2	32.2	38.9
Voltas	1,232	1,095	Acc	4,894	94,988	1,17,523	1,38,660	5,723	5,279	10,178	3,788	2,993	7,507	11.5	9.0	22.7	20.8	33.4	40.8
Whirlpool of India	1,354	1,305	Acc	2,062	61,966	66,677	70,813	4,157	3,703	4,532	2,418	2,190	2,553	19.1	17.3	20.1	6.9	4.4	2.8
Small Cap (M-cap <US$1.5bn)																			
Amber Enterprises India	3,751	3,675	Acc	1,517	69,271	78,084	91,306	4,179	5,465	6,963	1,572	1,592	2,797	46.7	47.2	83.0	14.8	29.1	33.4
IFB Industries	1,474	1,295	Acc	717	41,041	43,672	48,912	1,608	2,326	3,376	172	779	1,611	4.2	18.9	39.0	9.2	44.9	205.6
Johnson Controls-Hitachi Air Conditioning	1,147	-	UR	374	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Orient Electric	212	230	Buy	543	25,292	29,311	32,360	1,510	1,634	2,459	758	765	1,357	3.6	3.6	6.4	13.1	27.6	33.7
Stove Kraft	459	470	Acc	182	12,838	14,376	16,842	990	1,438	1,752	358	630	864	10.8	19.1	26.2	14.5	33.0	55.4

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
Havells India	1,550	1,260	Acc	11,659	90.3	77.5	61.5	59.4	51.8	41.5	14.7	13.5	11.9	17.1	18.2	20.6	19.1	20.6	23.7
Polycab India	5,317	5,255	Acc	9,586	62.8	45.8	40.3	42.8	32.5	27.4	12.0	10.1	8.9	19.2	22.0	22.2	23.9	26.9	28.4
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Bajaj Electricals	996	700	Sell	1,376	52.9	83.0	53.3	29.6	48.2	34.0	6.0	5.9	5.3	11.3	7.1	10.0	15.8	7.1	10.1
Blue Star	1,363	1,215	Acc	3,364	50.3	72.4	50.4	57.6	43.4	32.3	21.1	11.7	10.5	34.1	20.8	21.9	23.9	22.4	24.9
Crompton Greaves Consumer Electricals	281	330	Buy	2,169	32.7	38.7	29.0	22.1	24.2	19.6	6.7	6.6	6.2	21.9	17.9	22.8	16.6	16.5	22.6
Dixon Technologies India	7,661	7,155	Buy	5,500	178.5	122.7	69.5	89.3	64.4	40.7	35.5	30.4	21.4	19.9	24.8	30.8	26.7	32.2	40.2
V-Guard Industries	341	360	Buy	1,778	77.8	59.3	40.3	47.4	36.2	27.1	9.2	8.7	7.5	12.5	15.0	20.0	14.4	15.4	21.8
Voltas	1,232	1,095	Acc	4,894	107.6	136.2	54.3	71.1	77.1	40.0	7.5	7.6	6.9	2.5	5.5	13.3	8.9	7.5	13.9
Whirlpool of India	1,354	1,305	Acc	2,062	71.1	78.4	67.3	37.4	42.0	34.3	5.1	4.9	5.2	7.8	6.4	7.5	8.5	5.2	6.5
Small Cap (M-cap <US$1.5bn)																			
Amber Enterprises India	3,751	3,675	Acc	1,517	80.4	79.4	45.2	32.1	24.6	19.3	6.6	6.2	5.5	8.6	8.1	12.9	8.9	10.0	13.0
IFB Industries	1,474	1,295	Acc	717	353.0	78.1	37.8	37.8	26.1	18.0	9.3	8.3	6.8	2.7	11.2	19.8	4.8	11.5	22.0
Johnson Controls-Hitachi Air Conditioning	1,147	-	UR	374	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Orient Electric	212	230	Buy	543	59.3	58.8	33.1	28.9	26.7	17.8	7.7	7.3	6.6	13.5	12.8	21.2	17.7	16.9	27.2
Stove Kraft	459	470	Acc	182	42.4	24.1	17.6	16.4	11.3	9.3	3.8	3.5	3.0	9.3	14.5	17.0	13.9	18.0	20.7

Cement

Jyoti Gupta (jyoti.gupta@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
Ambuja Cements	627	915	Buy	16,543	3,89,370	3,50,452	4,45,225	51,224	73,295	1,15,369	30,244	50,480	79,104	15.2	25.4	39.8	6.9	50.1	61.7
Dalmia Bharat	1,989	3,005	Buy	4,477	1,35,400	1,47,714	1,76,264	23,190	28,321	37,488	10,830	8,272	12,928	57.8	44.1	69.0	14.1	27.1	9.3
Shree Cement	25,811	32,918	Buy	11,177	1,68,375	1,99,525	2,31,513	29,423	40,457	52,919	13,281	22,427	23,536	368.1	621.6	652.3	17.3	34.1	33.1
UltraTech Cement	9,824	11,669	Buy	34,037	6,32,400	7,00,069	9,28,689	1,06,199	1,23,719	2,14,009	50,734	67,058	1,27,865	175.8	232.3	442.9	21.2	42.0	58.8
Mid Cap (M-cap between US$1.5bn to 5bn)																			
ACC	2,575	2,579	Buy	5,804	2,22,100	1,97,885	2,11,861	19,190	31,159	34,718	8,699	19,641	22,382	46.3	104.6	119.2	(2.3)	34.5	60.4
JK Cement	4,359	4,655	Buy	4,042	97,116	1,13,853	1,33,695	13,057	20,759	21,860	4,191	8,624	9,166	54.2	111.6	118.6	17.3	29.4	47.9
The Ramco Cements	840	1,173	Buy	2,381	81,353	93,317	1,03,381	11,820	16,177	18,616	3,435	4,470	6,169	14.6	19.0	26.2	12.7	25.5	34.0
Nuvoco Vistas Corp	315	432	Buy	1,352	1,05,862	1,08,672	1,19,868	12,017	16,354	19,309	158	1,560	3,887	0.4	4.4	10.9	6.4	26.8	395.4
Small Cap (M-cap <US$1.5bn)																			
Birla Corp	1,508	1,841	Buy	1,393	86,823	96,231	1,03,755	7,720	14,265	19,456	521	4,251	8,199	6.8	55.2	106.5	9.3	58.8	296.5
HeidelbergCement India	207	166	Sell	563	22,381	24,878	24,734	2,489	3,760	4,470	992	1,980	2,009	4.4	8.7	8.9	5.1	34.0	42.3
JK Lakshmi Cement	845	1,193	Buy	1,193	64,515	68,435	77,979	8,387	10,139	12,891	3,691	4,515	5,697	31.4	38.4	48.4	9.9	24.0	24.2
Sagar Cements	220	299	Acc	345	22,295	24,725	27,694	1,532	3,789	4,539	120	(66)	1,266	0.9	(0.5)	9.7	11.5	72.1	224.5
Star Cement	228	192	Acc	1,105	27,088	29,135	32,602	4,684	5,809	7,358	2,476	3,212	3,841	6.1	7.9	9.5	9.7	25.3	24.6

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
Ambuja Cements	627	915	Buy	16,543	41.2	24.7	15.7	26.3	18.4	11.7	3.2	2.9	2.5	6.8	12.4	17.2	12.4	14.8	20.1
Dalmia Bharat	1,989	3,005	Buy	4,477	34.4	45.1	28.8	16.3	13.4	10.1	2.4	2.3	2.1	6.6	4.9	7.3	8.9	8.8	10.4
Shree Cement	25,811	32,918	Buy	11,177	70.1	41.5	39.6	31.4	22.8	17.4	5.1	4.6	4.2	7.5	11.7	11.1	13.9	16.7	19.0
UltraTech Cement	9,824	11,669	Buy	34,037	55.9	42.3	22.2	26.9	23.1	13.3	5.2	4.7	4.0	9.7	11.7	19.4	10.7	12.5	19.2
Mid Cap (M-cap between US$1.5bn to 5bn)																			
ACC	2,575	2,579	Buy	5,804	55.6	24.6	21.6	25.1	15.4	13.8	3.4	3.1	2.8	4.9	13.2	13.5	10.8	16.7	16.5
JK Cement	4,359	4,655	Buy	4,042	80.4	39.1	36.7	29.3	18.4	17.5	7.3	6.0	5.1	9.4	16.8	14.9	7.6	11.4	11.0
The Ramco Cements	840	1,173	Buy	2,381	57.6	44.2	32.1	20.4	14.9	13.0	2.9	2.7	2.5	5.2	6.4	8.2	6.5	7.6	8.9
Nuvoco Vistas Corp	315	432	Buy	1,352	711.3	72.2	29.0	13.0	9.6	8.1	1.3	1.3	1.2	0.2	1.8	4.2	(0.1)	6.5	8.3
Small Cap (M-cap <US$1.5bn)																			
Birla Corp	1,508	1,841	Buy	1,393	222.6	27.3	14.2	19.8	10.7	7.9	1.9	1.8	1.6	0.9	6.9	12.2	4.4	7.0	9.8
HeidelbergCement India	207	166	Sell	563	47.3	23.7	23.4	17.7	11.7	9.8	3.2	3.2	3.2	6.6	13.6	13.8	9.5	15.3	15.7
JK Lakshmi Cement	845	1,193	Buy	1,193	26.9	22.0	17.4	13.0	10.8	8.5	3.5	3.1	2.6	13.9	14.9	16.1	11.6	11.0	11.5
Sagar Cements	220	299	Acc	345	239.1	(438.5)	22.7	27.0	10.9	9.1	1.8	1.8	1.6	0.8	(0.4)	7.5	4.1	5.1	7.3
Star Cement	228	192	Acc	1,105	37.2	28.7	24.0	19.0	15.4	12.1	3.8	3.4	2.9	10.8	12.5	13.1	13.5	13.5	12.3

Construction

Jyoti Gupta (jyoti.gupta@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Small Cap (M-cap <US$1.5bn)																	-	-	-
Ashoka Buildcon	173	218	Buy	583	63,619	75,070	83,328	5,232	6,810	8,064	3,221	5,058	6,145	11.5	18.0	21.9	14.4	24.1	38.1
KNR Constructions	258	343	Buy	872	37,113	42,680	47,801	6,892	7,682	8,604	4,909	4,848	5,571	17.5	17.2	19.8	13.5	11.7	6.5
PNC Infratech	430	520	Buy	1,323	70,238	80,985	94,104	9,169	10,933	12,234	5,745	6,108	7,058	22.4	23.8	27.5	15.7	15.5	10.8

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Small Cap (M-cap <US$1.5bn)																			
Ashoka Buildcon	173	218	Buy	583	199.4	25.0	14.1	10.0	7.7	6.5	1.4	1.3	1.1	10.6	14.0	14.7	10.6	12.5	13.3
KNR Constructions	258	343	Buy	872	39.4	19.0	18.7	10.1	9.0	8.1	11.4	11.6	10.4	19.8	16.3	16.0	14.0	16.4	16.1
PNC Infratech	430	520	Buy	1,323	30.9	28.8	26.7	12.1	10.1	9.1	2.8	2.4	2.1	15.8	14.4	14.4	13.3	13.2	13.7

Tiles

Jyoti Gupta (jyoti.gupta@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Kajaria Ceramics	1,255	1,690	Buy	2,399	43,819	46,629	53,374	5,920	7,390	9,086	3,542	4,578	5,624	22.2	28.8	35.3	10.4	23.9	26.0
Small Cap (M-cap <US$1.5bn)																			
Somany Ceramics	624	956	Buy	307	24,785	25,791	29,697	1,880	2,454	2,981	662	1,027	1,590	15.6	24.2	37.5	9.5	25.9	54.9

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Kajaria Ceramics	1,255	1,690	Buy	2,399	56.4	43.6	35.5	33.4	26.8	21.8	8.6	7.5	6.6	14.7	16.8	18.0	17.6	20.4	22.5
Small Cap (M-cap <US$1.5bn)																			
Somany Ceramics	624	956	Buy	307	39.9	25.7	16.6	15.4	11.8	9.7	3.4	3.0	2.6	11.5	15.5	16.2	9.0	12.7	16.1

Chemicals

Ramesh Sankaranarayanan (ramesh.s@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
PI Industries	3,870	3,994	Buy	7,047	64,920	79,503	92,584	15,421	21,184	24,029	11,984	17,410	18,581	79.0	114.8	122.6	19.4	24.8	24.5
UPL	494	568	Acc	4,453	5,35,760	4,22,118	4,80,053	1,01,960	39,964	1,01,649	37,400	(11,951)	30,104	49.8	(15.9)	40.1	(5.3)	(0.2)	(10.3)
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Coromandel International	1,161	1,058	Acc	4,104	2,96,279	2,28,498	2,27,043	29,262	24,287	27,649	20,129	16,562	19,360	68.5	56.3	65.8	(12.5)	(2.8)	(1.9)
Sumitomo Chemical India	380	440	Buy	2,277	35,110	27,825	34,756	6,666	4,360	6,433	5,022	3,398	5,080	10.0	6.8	10.2	(0.5)	(1.8)	0.6
Tata Chemicals	1,133	665	Sell	3,463	1,67,890	1,56,020	1,63,094	38,220	29,102	27,913	23,350	12,054	11,252	91.7	47.3	44.2	(1.4)	(14.5)	(30.6)
Small Cap (M-cap <US$1.5bn)																			
Anupam Rasayan India	893	671	Sell	1,177	12,841	10,988	16,035	3,675	3,111	4,356	1,685	1,076	2,014	16.2	9.5	17.8	11.7	8.9	9.3

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
PI Industries	3,870	3,994	Buy	7,047	49.0	33.7	31.6	36.0	26.2	23.1	8.2	6.7	5.6	18.0	21.8	19.3	16.1	19.2	17.2
UPL	494	568	Acc	4,453	9.9	(31.0)	12.3	5.4	13.7	5.4	1.2	1.3	1.3	13.7	(4.2)	10.6	11.5	1.8	11.2
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Coromandel International	1,161	1,058	Acc	4,104	17.0	20.6	17.6	11.0	13.2	11.6	4.3	3.7	3.2	28.2	19.4	19.4	26.9	18.3	18.1
Sumitomo Chemical India	380	440	Buy	2,277	37.8	55.9	37.4	27.7	42.3	28.7	8.0	7.3	6.2	23.3	19.6	23.7	21.3	11.3	15.3
Tata Chemicals	1,133	665	Sell	3,463	12.4	23.9	25.6	8.6	11.3	11.8	1.5	1.4	1.4	12.3	6.0	5.4	8.7	4.8	4.4
Small Cap (M-cap <US$1.5bn)																			
Anupam Rasayan India	893	671	Sell	1,177	55.0	94.1	50.3	27.3	32.3	23.1	4.2	3.6	3.1	8.3	4.2	6.8	7.2	4.7	6.2

Specialty Chemicals

Abhishek Navalgund (abhishek.navalgund@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
SRF	2,587	2,400	Acc	9,203	1,48,703	1,30,378	1,51,141	35,292	26,893	36,888	21,623	13,607	19,410	72.9	45.9	65.5	0.8	2.2	(5.3)
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Aarti Industries	696	570	Sell	3,030	66,186	61,744	79,502	10,890	9,799	14,213	5,452	4,393	6,368	15.0	12.1	17.6	9.6	14.2	8.1
Clean Science & Technology	1,349	1,500	Acc	1,720	9,358	7,846	9,874	4,026	3,269	4,041	2,286	2,286	2,286	21.5	21.5	21.5	2.7	0.2	-
Fine Organic Industries	4,355	6,000	Buy	1,603	30,231	22,039	23,126	8,311	5,501	5,307	6,181	3,861	3,889	201.6	125.9	126.8	(12.5)	(20.1)	(20.7)
Navin Fluorine International	3,148	3,500	Acc	1,873	20,774	22,376	28,003	5,503	3,952	6,694	3,752	2,122	4,266	75.7	42.8	86.1	16.1	10.3	6.6
Vinati Organics	1,490	1,300	Sell	1,838	20,847	18,135	24,157	5,954	4,497	6,184	4,580	3,217	4,316	44.6	31.3	42.0	7.6	1.9	(2.9)
Small Cap (M-cap <US$1.5bn)																			
Advanced Enzyme Technologies	360	400	Acc	483	5,406	6,433	7,532	1,564	2,134	2,748	1,086	1,478	1,893	9.7	13.2	16.9	18.0	32.5	32.0
Camlin Fine Sciences	110	150	Buy	220	16,816	16,316	18,370	2,053	1,081	2,329	569	(260)	869	3.6	(1.6)	5.2	4.5	6.5	23.6
Galaxy Surfactants	2,552	3,300	Buy	1,086	44,452	38,583	43,110	5,683	4,810	5,765	3,810	2,985	3,691	107.5	84.2	104.1	(1.5)	0.7	(1.6)
Neogen Chemicals	1,316	1,300	Acc	417	6,862	7,118	9,458	1,116	997	1,608	500	307	566	20.0	11.6	21.5	17.4	20.0	6.5
Rossari Biotech	718	850	Acc	476	16,559	18,421	21,274	2,230	2,490	2,973	1,073	1,231	1,486	19.4	22.3	26.9	13.3	15.5	17.7
Tatva Chintan Pharma Chem	1,288	1,000	Sell	362	4,236	3,823	6,298	606	650	1,134	491	253	608	22.2	10.8	26.0	21.9	36.8	11.3

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
SRF	2,587	2,400	Acc	9,203	35.5	56.4	39.5	22.6	29.7	21.7	7.4	7.0	6.2	22.9	12.8	16.6	17.7	16.9	10.0
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Aarti Industries	696	570	Sell	3,030	46.3	57.5	39.6	25.6	28.5	19.6	5.1	4.8	4.5	11.6	8.7	11.8	10.0	9.3	7.7
Clean Science & Technology	1,349	1,500	Acc	1,720	62.7	62.7	62.7	34.9	42.9	34.7	14.1	11.4	9.2	34.0	20.8	21.8	30.7	18.5	18.7
Fine Organic Industries	4,355	6,000	Buy	1,603	21.6	34.6	34.3	15.5	23.4	24.2	8.7	7.2	6.2	49.4	22.8	19.4	26.1	44.5	20.4
Navin Fluorine International	3,148	3,500	Acc	1,873	41.6	73.5	36.6	29.8	41.5	24.5	7.1	6.6	5.9	18.6	9.4	17.1	14.8	6.6	10.8
Vinati Organics	1,490	1,300	Sell	1,838	33.4	47.6	35.5	25.4	33.6	24.4	6.9	6.5	5.8	22.6	14.1	17.2	17.7	19.9	12.6
Small Cap (M-cap <US$1.5bn)																			
Advanced Enzyme Technologies	360	400	Acc	483	37.0	27.2	21.3	22.7	16.7	12.9	3.3	2.9	2.6	9.4	11.3	12.8	11.5	7.7	9.8
Camlin Fine Sciences	110	150	Buy	220	30.3	(70.5)	21.1	12.3	23.3	10.8	2.1	2.0	1.8	7.3	(3.0)	9.0	4.8	3.3	7.8
Galaxy Surfactants	2,552	3,300	Buy	1,086	23.7	30.3	24.5	16.0	18.9	15.7	4.8	4.3	3.7	22.0	14.9	16.3	15.0	19.1	13.3
Neogen Chemicals	1,316	1,300	Acc	417	65.7	113.2	61.3	33.5	37.5	23.2	6.8	4.6	4.3	10.7	4.5	6.8	8.9	4.8	5.6
Rossari Biotech	718	850	Acc	476	36.9	32.2	26.7	17.4	15.6	13.1	4.3	3.8	3.4	12.5	12.6	13.5	15.9	13.2	12.3
Tatva Chintan Pharma Chem	1,288	1,000	Sell	362	58.1	119.2	49.6	52.5	49.0	28.1	5.5	4.1	3.8	9.9	4.0	9.1	21.7	8.1	3.9

Consumer Staples

Krishnan Sambamoorthy (krishnan.s@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
Britannia Industries	4,813	5,910	Buy	13,914	1,63,006	1,68,130	1,89,940	28,309	31,086	35,100	20,476	21,216	24,487	85.0	88.1	101.6	7.9	11.3	9.4
Colgate-Palmolive India	2,729	2,510	Acc	8,910	52,262	56,389	60,638	15,461	18,530	20,381	10,547	13,066	14,345	38.8	48.0	52.7	7.7	14.8	16.6
Dabur India	508	600	Acc	10,802	1,15,299	1,26,185	1,39,737	21,641	24,668	28,046	17,072	18,788	21,549	9.6	10.6	12.2	10.1	13.8	12.4
Hindustan Unilever	2,267	2,670	Acc	63,927	5,91,440	6,08,963	6,58,024	1,36,320	1,42,563	1,56,605	97,200	1,02,105	1,10,994	41.4	43.4	47.2	5.5	7.2	6.9
ITC	428	520	Buy	64,064	6,60,433	6,59,407	7,24,097	2,39,762	2,47,389	2,71,632	1,86,972	2,03,284	2,18,061	15.1	16.4	17.5	4.7	6.4	8.0
Marico	510	550	Acc	7,913	97,640	96,041	1,07,704	18,110	20,162	22,826	13,030	14,239	16,091	10.1	11.0	12.5	5.0	12.3	11.1
Nestle India	2,538	2,380	Acc	29,365	1,68,970	2,40,202	2,13,599	37,038	57,095	52,281	23,818	38,573	34,480	24.7	40.0	35.8	12.4	18.8	20.3
P&G Hygiene & Health Care	16,372	17,900	Acc	6,378	39,123	41,327	46,049	8,686	10,332	12,111	6,781	7,646	8,985	208.9	235.3	276.4	8.5	18.1	15.1
Tata Consumer Products	1,116	1,305	Buy	12,757	1,37,832	1,52,521	1,82,803	18,565	22,430	30,466	10,873	14,435	18,215	11.7	15.5	19.0	15.2	28.1	29.4
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Emami	447	530	Acc	2,353	34,057	35,400	38,657	8,628	9,441	10,733	7,895	8,469	9,328	17.9	19.2	21.1	6.5	11.5	8.7
Gillette India	6,622	7,915	Buy	2,590	24,771	26,474	29,630	5,392	5,947	7,141	3,557	3,961	4,823	109.1	121.5	148.0	9.4	15.1	16.4

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
Britannia Industries	4,813	5,910	Buy	13,914	56.6	54.7	47.4	41.3	37.6	33.3	32.8	26.8	22.3	66.9	52.7	52.2	34.4	30.2	32.8
Colgate-Palmolive India	2,729	2,510	Acc	8,910	70.4	56.8	51.8	47.4	39.6	36.0	43.3	43.3	43.3	61.1	76.1	83.6	59.5	74.6	81.9
Dabur India	508	600	Acc	10,802	52.7	47.9	41.8	41.6	36.5	32.1	10.0	9.1	8.4	19.7	19.9	20.9	17.6	17.9	18.9
Hindustan Unilever	2,267	2,670	Acc	63,927	54.8	52.2	48.0	38.5	36.9	33.5	10.6	10.8	11.2	19.6	20.5	22.9	20.4	20.9	23.4
ITC	428	520	Buy	64,064	28.3	26.1	24.4	21.4	20.8	18.9	7.9	7.7	7.5	29.0	29.7	31.2	28.2	28.9	30.4
Marico	510	550	Acc	7,913	50.4	46.2	40.8	35.9	32.3	28.5	17.3	16.3	15.0	36.5	36.6	38.8	31.0	30.5	32.8
Nestle India	2,538	2,380	Acc	29,365	102.7	63.4	71.0	65.6	42.6	46.5	99.5	69.1	63.9	108.1	116.2	119.1	118.9	122.3	125.7
P&G Hygiene & Health Care	16,372	17,900	Acc	6,378	78.4	69.6	59.2	60.1	50.5	43.1	56.2	52.0	47.8	80.6	77.7	84.2	87.6	84.5	91.3
Tata Consumer Products	1,116	1,305	Buy	12,757	95.3	71.8	58.6	55.9	46.3	34.1	6.4	6.2	5.3	6.9	8.8	9.9	6.8	8.1	9.4
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Emami	447	530	Acc	2,353	25.0	23.3	21.1	22.5	20.5	18.1	8.6	7.2	6.5	36.1	33.7	32.5	38.6	37.7	36.2
Gillette India	6,622	7,915	Buy	2,590	60.7	54.5	44.8	39.2	35.5	29.6	21.8	24.5	22.1	38.5	42.4	51.9	39.1	42.8	52.4

Consumer Discretionary

Krishnan Sambamoorthy (krishnan.s@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
Asian Paints	2,883	3,470	Acc	33,195	3,44,886	3,62,866	4,08,026	62,602	80,556	89,273	41,427	56,440	60,890	43.2	58.8	63.5	8.8	19.4	21.2
Berger Paints India	562	585	Acc	7,865	1,05,678	1,14,542	1,25,995	14,872	19,881	22,065	8,594	12,038	13,761	8.8	10.3	11.8	9.2	21.8	26.5
Jubilant Foodworks	461	495	Acc	3,647	51,582	53,475	60,511	11,516	10,807	13,512	3,532	2,197	3,403	5.4	3.3	5.2	8.3	8.3	(1.8)
United Breweries	1,807	2,050	Buy	5,734	74,999	80,062	92,071	6,162	7,836	13,643	3,282	4,422	8,700	12.4	16.7	32.9	10.8	48.8	62.8
United Spirits	1,128	1,130	Acc	9,850	1,03,737	1,07,556	1,22,138	13,496	17,048	20,238	8,431	11,529	13,777	11.6	15.8	18.9	8.5	22.5	27.8
Small Cap (M-cap <US$1.5bn)																			
Restaurant Brands Asia	105	120	Acc	628	20,543	24,376	30,620	1,115	2,158	3,945	(2,418)	(2,129)	(1,370)	(4.9)	(4.3)	(2.8)	22.1	88.1	-
Westlife Foodworld	811	960	Buy	1,517	22,782	23,776	27,817	3,741	3,793	5,043	1,116	810	1,599	7.2	5.2	10.3	10.5	16.1	19.7

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
Asian Paints	2,883	3,470	Acc	33,195	66.8	49.0	45.4	43.8	34.0	30.7	17.3	15.1	13.3	27.8	32.9	31.1	26.2	31.4	30.1
Berger Paints India	562	585	Acc	7,865	63.5	54.4	47.6	44.4	33.2	29.9	12.1	10.3	8.8	20.4	24.6	24.0	19.1	23.5	24.2
Jubilant Foodworks	461	495	Acc	3,647	86.0	138.3	89.3	25.6	27.3	21.8	14.9	14.8	14.7	17.3	10.7	16.4	24.6	17.4	23.5
United Breweries	1,807	2,050	Buy	5,734	145.6	108.0	54.9	76.9	60.5	34.7	12.0	11.1	9.7	8.3	10.7	18.9	7.6	10.8	18.9
United Spirits	1,128	1,130	Acc	9,850	97.4	71.2	59.6	59.7	47.2	39.8	13.8	11.9	10.3	14.2	16.8	17.4	16.4	18.6	19.0
Small Cap (M-cap <US$1.5bn)																			
Restaurant Brands Asia	105	120	Acc	628	(21.6)	(24.5)	(38.1)	51.2	26.5	14.5	5.0	6.3	8.5	(25.9)	(29.6)	(25.2)	(12.6)	(9.3)	5.3
Westlife Foodworld	811	960	Buy	1,517	113.3	156.1	79.1	33.9	33.5	25.2	22.3	19.6	15.7	21.7	13.4	22.0	23.1	17.3	21.3

Information Technology

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
HCL Technologies	1,545	1,514	Sell	50,327	10,14,560	11,00,422	12,04,597	1,84,850	2,03,417	2,24,359	1,48,510	1,59,447	1,78,825	54.9	58.8	66.0	9.0	10.2	9.7
Infosys	1,479	1,610	Acc	73,686	14,67,670	15,50,236	16,80,498	3,09,060	3,22,663	3,58,108	2,40,950	2,44,101	2,75,156	57.6	58.9	66.4	7.0	7.6	6.9
LTIMindtree	4,928	4,651	Sell	17,515	3,31,830	3,57,404	3,90,763	53,851	57,342	65,255	45,608	49,055	54,999	149.0	160.2	185.3	8.5	10.1	9.8
Tata Consultancy Services	3,979	3,609	Sell	1,72,795	22,54,580	24,10,274	25,81,188	5,42,370	5,91,092	6,38,162	4,21,470	4,62,521	4,95,487	115.2	127.3	137.2	7.0	8.5	8.4
Tech Mahindra	1,263	1,540	Buy	14,811	5,32,902	5,22,190	5,48,009	60,720	33,073	59,339	48,531	25,973	47,255	54.7	29.3	53.2	1.4	(1.1)	(1.3)
Wipro	485	441	Sell	30,418	9,04,876	8,98,380	9,41,892	1,39,606	1,36,934	1,48,897	1,13,500	1,11,527	1,23,109	20.7	20.9	23.5	2.0	3.3	4.1
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Birlasoft	749	575	Sell	2,481	47,948	52,900	59,051	4,382	7,475	8,643	3,316	6,005	6,995	12.0	21.8	25.4	11.0	40.4	45.2
Coforge	5,783	5,576	Acc	4,291	80,146	92,267	1,04,913	11,477	12,180	14,775	8,264	8,582	10,810	113.8	139.6	175.3	14.4	13.5	14.4
Mphasis	2,511	2,008	Sell	5,695	1,37,985	1,33,176	1,47,320	21,087	20,396	22,630	16,380	15,698	17,187	87.1	83.4	91.3	3.3	3.6	2.4
Persistent Systems	3,997	2,838	Sell	7,390	83,506	98,017	1,12,774	12,472	14,201	17,087	9,211	10,706	12,992	60.3	69.6	84.5	16.2	17.0	18.8
Zensar Technologies	633	538	Sell	1,721	48,483	49,014	53,110	3,693	7,228	7,051	3,277	6,335	6,213	14.4	27.8	27.4	4.7	38.2	37.7

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
HCL Technologies	1,545	1,514	Sell	50,327	28.2	26.3	23.4	21.7	19.7	17.9	6.4	6.3	6.1	23.3	24.1	26.4	19.6	20.4	21.8
Infosys	1,479	1,610	Acc	73,686	25.7	25.1	22.3	19.5	18.7	16.8	8.1	7.7	6.8	31.8	31.5	32.5	29.5	29.5	30.0
LTIMindtree	4,928	4,651	Sell	17,515	33.1	30.8	26.6	26.7	25.1	22.0	8.8	7.8	6.6	29.5	27.8	27.1	22.6	21.1	21.0
Tata Consultancy Services	3,979	3,609	Sell	1,72,795	34.5	31.3	29.0	26.4	24.2	22.4	16.0	15.8	14.8	46.0	50.8	52.6	30.9	33.5	34.8
Tech Mahindra	1,263	1,540	Buy	14,811	23.1	43.2	23.7	19.4	35.5	19.8	4.0	4.3	4.2	18.7	10.6	18.5	14.2	8.1	14.5
Wipro	485	441	Sell	30,418	23.4	23.2	20.6	16.4	16.7	15.3	3.4	3.3	3.1	15.8	14.5	15.6	11.4	10.4	11.1
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Birlasoft	749	575	Sell	2,481	62.3	34.4	29.5	45.0	26.4	22.8	8.4	8.8	7.3	13.2	25.0	26.9	13.1	23.3	24.9
Coforge	5,783	5,576	Acc	4,291	50.8	41.4	33.0	31.0	29.2	24.1	11.5	9.7	8.5	28.4	25.4	27.4	24.1	21.3	21.8
Mphasis	2,511	2,008	Sell	5,695	28.8	30.1	27.5	21.3	22.0	19.8	6.0	6.1	5.6	22.0	19.9	21.1	18.3	15.9	16.2
Persistent Systems	3,997	2,838	Sell	7,390	66.3	57.4	47.3	48.8	42.9	35.6	15.4	12.5	10.8	25.1	24.1	24.5	23.7	23.0	23.5
Zensar Technologies	633	538	Sell	1,721	44.1	22.8	23.1	36.9	18.8	19.3	4.9	4.4	3.9	11.8	20.5	17.9	8.6	15.8	13.7

Others

Abhishek Navalgund (abhishek.navalgund@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Small Cap (M-cap <US$1.5bn)																			
CCL Products India	580	820	Buy	929	20,712	25,989	32,698	3,999	4,691	5,900	2,840	2,717	3,245	21.3	20.4	24.4	25.6	21.5	6.9
LA Opala RG	330	450	Buy	439	4,523	4,044	5,164	1,722	1,541	1,957	1,230	1,418	1,579	10.9	12.8	14.2	6.9	6.6	13.3
Mold-Tek Packaging	860	1,100	Buy	343	7,299	7,097	8,717	1,354	1,356	1,766	804	688	973	24.2	20.8	29.5	9.3	14.2	10.0

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Small Cap (M-cap <US$1.5bn)																			
CCL Products India	580	820	Buy	929	27.2	28.4	23.8	21.4	18.3	14.5	5.2	4.6	4.0	20.7	17.1	18.0	12.4	14.5	12.2
LA Opala RG	330	450	Buy	439	30.3	25.8	23.2	18.9	21.1	16.6	4.7	4.2	3.7	16.2	17.2	17.0	11.7	14.6	13.5
Mold-Tek Packaging	860	1,100	Buy	343	35.5	41.3	29.2	21.4	21.4	16.4	5.1	4.7	4.3	15.8	11.9	15.5	14.9	11.3	14.4

Retail

Operational Metrics

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
					FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Bata India	1,359	1,710	Buy	2,097	34,516	34,827	37,243	7,910	7,783	8,402	3,230	2,857	3,675	25.1	22.2	28.6	3.9	3.1	6.7
Small Cap (M-cap <US$1.5bn)																			
V-Mart Retail	2,173	2,313	Acc	516	24,648	27,897	32,745	2,689	2,466	3,465	(78)	(713)	201	(4.0)	(36.2)	10.2	15.3	13.5	NA

Valuation Metrics

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US$mn)	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Bata India	1,359	1,710	Buy	2,097	54.1	61.2	47.5	22.7	23.1	21.4	12.2	12.6	11.2	19.9	20.2	24.9	14.5	14.7	18.3
Small Cap (M-cap <US$1.5bn)																			
V-Mart Retail	2,173	2,313	Acc	516	(545.8)	(60.1)	213.4	16.4	17.9	12.7	5.0	5.5	5.4	(0.9)	(8.8)	2.5	5.8	2.1	11.6

Pharmaceuticals

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
Cipla India	1,449	1,532	Buy	14,045	2,27,531	2,62,554	2,92,981	50,270	63,013	71,194	29,300	41,953	49,077	36.3	52.0	60.8	13.5	19.0	29.4
Dr Reddy's Laboratories	6,179	6,553	Acc	12,371	2,45,879	2,76,941	2,94,203	63,873	73,850	71,741	45,067	50,553	49,054	271.5	304.5	295.5	9.4	6.0	4.3
Gland Pharma	1,755	1,856	Acc	3,468	36,246	56,454	64,313	10,248	14,366	18,549	7,810	9,410	12,319	47.4	57.1	74.8	33.2	34.5	25.6
Lupin	1,599	1,678	Acc	8,746	1,66,417	2,02,265	2,21,425	17,981	39,113	45,706	4,301	21,022	26,854	9.5	46.2	59.0	15.3	59.4	149.9
Mankind Pharma	2,345	2,133	Acc	11,273	87,494	1,03,815	1,17,825	19,006	27,185	32,937	12,819	19,395	24,138	32.0	48.4	60.3	16.0	31.6	37.2
Sun Pharmaceutical Industries	1,609	1,653	Buy	46,333	4,38,857	4,89,987	5,51,910	1,16,468	1,34,978	1,62,352	86,296	97,976	1,21,848	36.0	40.8	50.8	12.1	18.1	18.8
Torrent Pharmaceuticals	2,577	2,443	Acc	10,468	96,200	1,09,216	1,22,769	28,420	33,422	38,879	12,450	15,753	19,207	36.8	46.6	56.8	13.0	17.0	24.2
Zydus Lifesciences	1,007	931	Buy	12,155	1,72,374	1,92,937	2,12,740	35,755	50,387	58,558	22,111	35,086	41,740	21.8	34.7	41.2	11.1	28.0	37.4
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Ajanta Pharma	2,182	2,529	Buy	3,297	37,426	41,782	46,853	7,833	11,037	13,103	5,880	8,161	10,676	45.9	63.7	83.3	11.9	29.3	34.8
Alembic Pharmaceuticals	1,009	923	Acc	2,379	56,526	65,907	75,886	7,083	9,101	12,731	3,420	5,477	8,022	17.4	27.9	40.8	15.9	34.1	53.2
Alkem Laboratories	4,913	5,091	Acc	7,050	1,15,993	1,28,641	1,42,238	16,095	22,261	27,420	10,636	17,028	22,023	89.0	142.4	184.2	10.7	30.5	43.9
JB Chemicals & Pharmaceuticals	1,716	2,062	Buy	3,197	31,493	34,933	41,449	6,958	9,148	11,911	4,093	5,671	7,971	26.5	36.7	51.6	14.7	30.8	39.6
Natco Pharma	997	956	Acc	2,144	27,071	39,088	40,723	9,356	16,310	17,185	7,153	12,379	13,206	39.2	69.1	73.7	22.7	35.5	35.9
Pfizer India	4,336	3,755	Sell	2,381	24,248	22,422	25,107	8,089	6,084	7,427	5,989	4,601	6,044	130.9	100.6	132.1	1.8	(4.2)	0.5
Sanofi India	8,567	9,212	Buy	2,368	27,701	28,905	31,531	7,044	8,388	9,555	5,258	6,257	7,396	228.6	272.0	321.6	6.7	16.5	18.6
Small Cap (M-cap <US$1.5bn)																			
Eris Lifesciences	851	1,076	Buy	1,390	16,851	20,544	25,210	5,367	6,894	8,770	3,787	4,014	5,854	27.9	29.5	43.1	22.3	27.8	24.3
Indoco Remedies	350	363	Acc	387	16,686	18,961	21,638	2,862	2,659	3,794	1,423	1,155	2,060	15.4	12.5	22.3	13.9	15.1	20.3
Jubilant Pharmova	645	570	Acc	1,232	62,817	68,416	76,141	7,763	9,508	12,559	1,658	2,085	4,876	10.4	13.1	30.6	10.1	27.2	71.5

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
Cipla India	1,449	1,532	Buy	14,045	39.9	27.9	23.8	22.5	17.9	15.9	5.0	4.3	3.7	13.2	16.7	16.9	12.6	16.0	16.1
Dr Reddy's Laboratories	6,179	6,553	Acc	12,371	22.8	20.3	20.9	15.4	13.3	13.7	4.4	3.8	3.3	21.4	20.1	16.9	19.0	19.1	16.3
Gland Pharma	1,755	1,856	Acc	3,468	37.0	30.7	23.5	24.5	17.5	13.5	3.6	3.2	2.9	10.3	11.2	12.9	9.2	10.8	13.4
Lupin	1,599	1,678	Acc	8,746	169.2	34.6	27.1	43.1	19.8	17.0	5.8	5.1	4.4	3.5	15.8	17.6	3.4	12.4	13.7
Mankind Pharma	2,345	2,133	Acc	11,273	73.3	48.4	38.9	48.7	34.1	28.1	12.3	10.1	8.2	18.9	23.5	23.8	17.2	22.2	22.6
Sun Pharmaceutical Industries	1,609	1,653	Buy	46,333	44.7	39.4	31.7	32.4	28.0	23.3	6.9	6.1	5.4	16.6	16.5	18.2	14.6	14.6	16.7
Torrent Pharmaceuticals	2,577	2,443	Acc	10,468	70.0	55.3	45.4	30.2	25.7	22.1	13.5	11.1	9.0	20.5	23.5	24.5	12.8	15.0	17.7
Zydus Lifesciences	1,007	931	Buy	12,155	46.1	29.0	24.4	28.6	20.3	17.4	5.8	5.0	4.3	12.8	18.5	18.9	10.2	15.7	16.5
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Ajanta Pharma	2,182	2,529	Buy	3,297	47.5	34.3	26.2	34.0	24.2	20.4	8.3	6.8	5.6	17.7	21.9	23.5	17.0	21.1	22.8
Alembic Pharmaceuticals	1,009	923	Acc	2,379	58.0	36.2	24.7	29.2	22.7	16.2	4.5	4.1	3.6	7.1	11.9	15.6	7.0	11.1	14.5
Alkem Laboratories	4,913	5,091	Acc	7,050	55.2	34.5	26.7	35.7	25.8	21.0	6.2	5.5	4.7	12.0	17.6	19.8	9.9	15.2	17.5
JB Chemicals & Pharmaceuticals	1,716	2,062	Buy	3,197	64.8	46.8	33.3	38.7	29.4	22.6	10.7	9.0	7.3	17.7	20.8	24.1	16.1	18.4	22.4
Natco Pharma	997	956	Acc	2,144	25.4	14.4	13.5	17.9	10.3	9.8	3.7	3.2	2.7	14.7	21.9	19.7	20.1	30.7	28.0
Pfizer India	4,336	3,755	Sell	2,381	33.1	43.1	32.8	22.4	29.8	24.4	6.2	5.7	5.1	19.7	13.7	16.3	18.8	13.3	15.8
Sanofi India	8,567	9,212	Buy	2,368	37.5	31.5	26.6	26.6	22.3	19.6	15.4	12.9	10.8	30.0	44.6	44.0	28.8	42.7	42.5
Small Cap (M-cap <US$1.5bn)																			
Eris Lifesciences	851	1,076	Buy	1,390	30.6	28.8	19.8	23.0	17.9	14.1	5.3	4.6	3.9	18.5	17.0	21.3	14.7	12.7	15.4
Indoco Remedies	350	363	Acc	387	22.6	27.9	15.6	12.3	13.3	9.3	3.1	2.9	2.4	14.7	10.7	16.8	12.2	9.1	13.5
Jubilant Pharmova	645	570	Acc	1,232	61.8	49.2	21.0	16.7	13.6	10.3	1.9	1.8	1.7	3.1	3.8	8.4	3.2	3.7	6.1

Multiplex

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Small Cap (M-cap <US$1.5bn)																			-
PVR INOX	1,376	1,941	Buy	1,621	37,519	63,642	73,996	3,202	8,739	12,888	(2,491)	2,147	5,268	(37.8)	21.9	53.7	40.4	100.6	NA

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Small Cap (M-cap <US$1.5bn)																			
PVR INOX	1,376	1,941	Buy	1,621	(36.4)	62.8	25.6	46.6	17.1	11.6	1.8	1.8	1.7	(5.7)	2.9	6.8	0.9	3.3	6.7

Oil & Gas

Ramesh Sankaranarayanan (ramesh.s@nirmalbang.com)

Operational Metrics

Company	CMP	TP (Rs)	Current	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY23-FY25E		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	Sales	EBITDA	PAT
Large Cap (M-cap >US$5bn)																			
Bharat Petroleum Corp	590	520	Acc	15,372	47,31,872	44,84,363	51,40,870	1,23,924	4,57,362	3,15,152	37,740	2,96,247	1,95,079	17.7	139.1	91.6	4.2	59.5	127.4
GAIL India	191	171	Acc	15,053	14,42,497	13,24,076	11,03,826	66,989	1,34,654	1,66,114	53,015	1,00,501	1,24,402	8.1	15.3	18.9	(12.5)	57.5	53.2
Gujarat Gas	548	564	Acc	4,530	1,67,594	1,52,514	1,53,140	23,920	16,681	22,303	15,284	9,457	13,852	22.2	13.7	20.1	(4.4)	(3.4)	(4.8)
Hindustan Petroleum Corp	461	530	Buy	7,852	44,07,093	43,61,519	45,70,158	(72,071)	2,58,020	2,17,584	(69,802)	1,73,931	1,38,361	(49.2)	122.6	97.5	1.8	NA	NA
Indian Oil Corp	168	120	Sell	28,473	84,17,559	84,33,950	70,36,146	2,43,226	7,99,642	5,34,042	34,157	4,56,913	2,60,558	7.1	33.2	18.9	(8.6)	48.2	176.2
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Gujarat State Petronet	375	431	Buy	2,536	17,618	20,295	21,772	12,587	14,972	16,052	9,450	12,944	13,596	16.8	23.0	24.1	11.2	12.9	19.9
Indraprastha Gas	460	484	Buy	3,865	1,41,459	1,41,031	1,41,327	20,398	24,188	30,753	16,397	20,453	25,164	23.4	29.2	35.9	(0.0)	22.8	23.9
Petronet LNG	278	297	Acc	4,998	5,98,994	4,95,700	4,39,339	48,539	54,523	53,131	33,300	38,182	36,208	22.2	25.5	24.1	(14.4)	4.6	4.3
Small Cap (M-cap <US$1.5bn)																			
Mahanagar Gas	1,440	1,373	Acc	1,707	62,993	62,334	63,899	11,842	18,862	20,359	7,901	13,199	14,192	80.0	133.6	143.7	0.7	31.1	34.0

Valuation Metrics

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)		Rating	(US$mn)	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Large Cap (M-cap >US$5bn)																			
Bharat Petroleum Corp	590	520	Acc	15,372	33.3	4.2	6.4	13.7	3.7	5.4	2.3	1.7	1.4	7.1	39.5	21.8	3.6	23.0	12.8
GAIL India	191	171	Acc	15,053	23.7	12.5	10.1	21.2	10.5	8.5	2.3	2.0	1.8	9.5	17.2	19.1	4.3	10.0	11.8
Gujarat Gas	548	564	Acc	4,530	24.7	39.9	27.3	15.5	22.2	16.6	5.4	4.7	4.2	21.7	12.8	17.0	19.4	10.7	14.4
Hindustan Petroleum Corp	461	530	Buy	7,852	(9.4)	3.8	4.7	(17.0)	4.8	5.6	2.0	1.5	1.2	(11.0)	18.0	13.7	1.8	1.1	1.0
Indian Oil Corp	168	120	Sell	28,473	23.6	5.1	8.9	15.0	4.6	6.8	1.7	1.4	1.3	7.0	27.3	14.5	4.8	16.1	8.7
Mid Cap (M-cap between US$1.5bn to 5bn)																			
Gujarat State Petronet	375	431	Buy	2,536	22.4	16.3	15.5	16.2	13.7	12.7	2.3	2.1	1.9	10.7	12.7	12.2	8.7	9.9	9.3
Indraprastha Gas	460	484	Buy	3,865	19.6	15.7	12.8	14.3	12.1	9.5	4.1	3.7	3.3	21.1	24.7	27.4	15.2	16.5	19.4
Petronet LNG	278	297	Acc	4,998	12.5	10.9	11.5	7.2	6.4	6.6	2.7	2.4	2.1	23.0	23.2	19.4	15.8	16.5	14.2
Small Cap (M-cap <US$1.5bn)																			
Mahanagar Gas	1,440	1,373	Acc	1,707	18.0	10.8	10.0	11.4	7.2	6.6	3.4	2.8	2.3	20.4	28.4	24.9	17.0	24.1	21.6

DISCLOSURES

This Report is published by Nirmal Bang Equities Private Limited (hereinafter referred to as "NBEPL") for private circulation. NBEPL is a registered Research Analyst under SEBI (Research Analyst) Regulations, 2014 having Registration no. INH000001436. NBEPL is also a registered Stock Broker with National Stock Exchange of India Limited and BSE Limited in cash and derivatives segments.

NBEPL has other business divisions with independent research teams separated by Chinese walls, and therefore may, at times, have different or contrary views on stocks and markets.

NBEPL or its associates have not been debarred / suspended by SEBI or any other regulatory authority for accessing / dealing in securities Market. NBEPL, its associates or analyst or his relatives do not hold any financial interest in the subject company. NBEPL or its associates or Analyst do not have any conflict or material conflict of interest at the time of publication of the research report with the subject company. NBEPL or its associates or Analyst or his relatives do not hold beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of this research report.

NBEPL or its associates / analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months. NBEPL or its associates have not received any compensation or other benefits from the company covered by Analyst or third party in connection with the research report. Analyst has not served as an officer, director or employee of Subject Company and NBEPL / analyst has not been engaged in market making activity of the subject company.

Analyst Certification: I/We, Girish Pai, Teresa John, Ramesh Sankaranarayanan, Rati J Pandit, Jyoti Gupta, NBIE Research research analyst and Debesh Agarwala, Suket Kothari Research Associate, the author of this report, hereby certify that the views expressed in this research report accurately reflects my/our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s) principally responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Disclaimer

Stock Ratings Absolute Returns

BUY > 15%

ACCUMULATE -5% to15%

SELL < -5%

DISCLAIMER

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. NBEPL is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. In preparing this research, we did not take into account the investment objectives, financial situation and particular needs of the reader.

This research has been prepared for the general use of the clients of NBEPL and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NBEPL will not treat recipients as customers by virtue of their receiving this report. 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 NBEPL & its group companies to registration or licensing requirements within such jurisdictions.

The report is based on the information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up-to-date and it should not be relied upon as such. We accept no obligation to correct or update the information or opinions in it. NBEPL or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. NBEPL or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

This information is subject to change without any prior notice. NBEPL reserves its absolute discretion and right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, NBEPL is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Before making an investment decision on the basis of this research, the reader needs to consider, with or without the assistance of an adviser, whether the advice is appropriate in light of their particular investment needs, objectives and financial circumstances. There are risks involved in securities trading. The price of securities can and does fluctuate, and an individual security may even become valueless. International investors are reminded of the additional risks inherent in international investments, such as currency fluctuations and international stock market or economic conditions, which may adversely affect the value of the investment. Opinions expressed are subject to change without any notice. Neither the company nor the director or the employees of NBEPL accept any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this research and/or further communication in relation to this research. Here it may be noted that neither NBEPL, 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 profit that may arise from or in connection with the use of the information contained in this report.

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

Our reports are also available on our website www.nirmalbang.com

Access all our reports on Bloomberg, Thomson Reuters and Factset.

Team Details:			
Name		**Email Id**	**Direct Line**
Rahul Arora	CEO	rahul.arora@nirmalbang.com	-
Krishnan Sambamoorthy	Head of Research	krishnan.s@nirmalbang.com	+91 22 6273 8210
Dealing			
Ravi Jagtiani	Dealing Desk	ravi.jagtiani@nirmalbang.com	+91 22 6273 8230, +91 22 6636 8833
Michael Pillai	Dealing Desk	michael.pillai@nirmalbang.com	+91 22 6273 8102/8103, +91 22 6636 8830

Nirmal Bang Equities Pvt. Ltd.

Correspondence Address

B-2, 301/302, Marathon Innova,

Nr. Peninsula Corporate Park,

Lower Parel (W), Mumbai-400013.

Board No. : 91 22 6273 8000/1; Fax. : 022 6273 8010