

February 20, 2020

Aggressive Portfolio One Pager Note Q3FY20

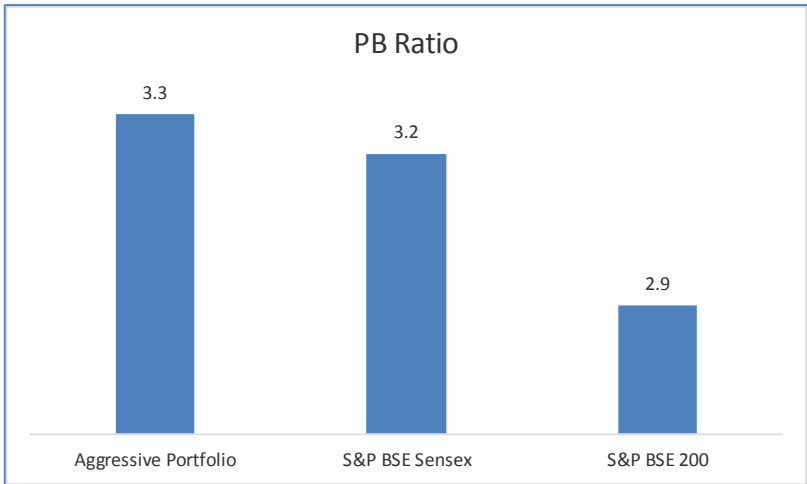
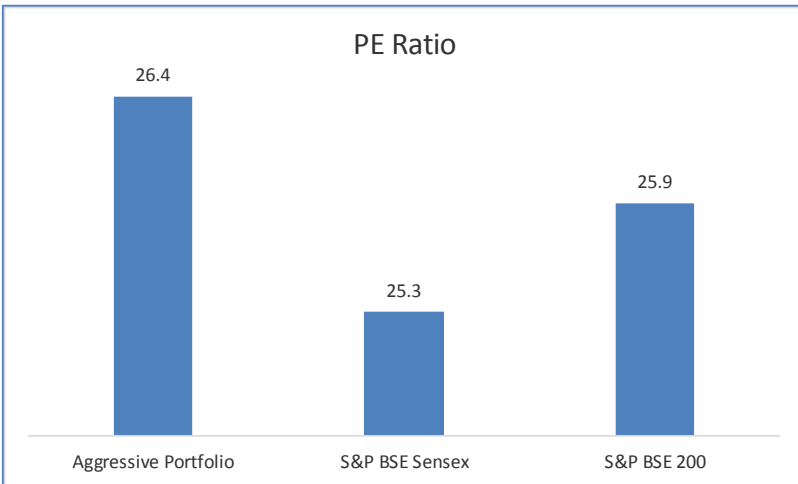
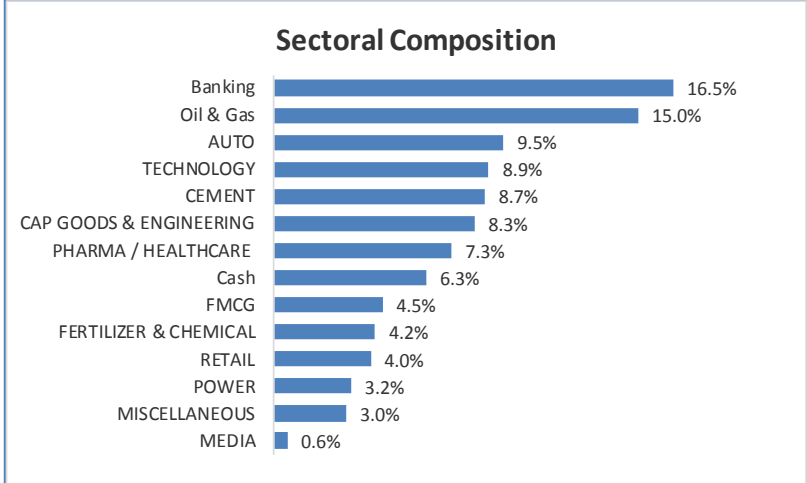
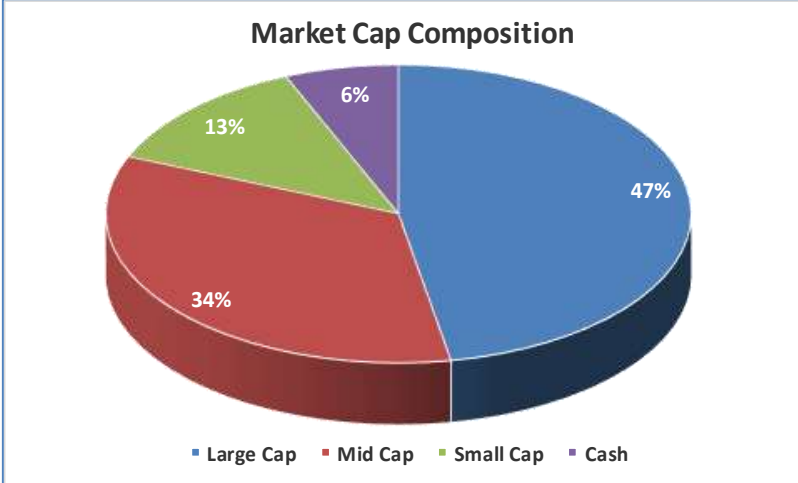
Stocks - Weights & Recommendation

Companies	CMP	Target Price	Recomm	Weights
BANKING				
State Bank of India	320	392	Buy	3.1%
Bank Bees	314	-	Buy	13.4%
CAP GOODS AND ENGINEERING				
Voltas	733	745	Hold	1.9%
Bharat Electronics	85	129	Buy	1.1%
Larsen & Toubro	1281	1741	Buy	3.5%
Cummins India	540	748	Buy	1.8%
CEMENT				
UltraTech Cement	4473	5598	Buy	2.6%
Jk Cement	1462	1956	Buy	2.6%
Birla Corporation	747	1122	Buy	3.5%
Oil & Gas				
Reliance Industries	1504	1815	Buy	8.6%
Petronet LNG	266	347	Buy	3.4%
Gujarat State Petronet	231	336	Buy	3.1%
PHARMA HEALTHCARE				
Thyrocare Technologies	619	737	Buy	2.6%
Apollo Hospitals	1781	1705	Hold	4.7%
TECHNOLOGY				
Cyient	444	543	Buy	1.1%
TCS	2195	2144	Hold	3.1%
Infosys	801	854	Hold	4.8%

Companies	CMP	Target Price	Recomm	Weights
AUTO				
Mahindra & Mahindra	526	701	Buy	1.5%
Tata Motors	158	UR	UR	0.8%
Exide Industries	178	261	Buy	1.7%
Apollo Tyres	151	199	Buy	1.7%
Bajaj Auto	3090	3475	Buy	1.0%
Minda Industries	380	398	Hold	2.8%
FMCG				
Jyothy Laboratories	130	207	Buy	1.5%
Zyudus Wellness	1477	1700	Buy	3.0%
RETAIL				
Phoenix Mills	867	971	Buy	4.0%
POWER				
Apar Industries	392	655	Buy	1.1%
KEC International	329	407	Buy	2.1%
FERTILIZER & CHEMICAL				
UPL	585	719	Buy	1.5%
Atul Ltd	4969	4742	Hold	2.7%
MEDIA				
ENIL	223	310	Buy	0.6%
MISCELLANEOUS				
Supreme Industries	1398	1288	Hold	3.0%

Note: CMP and Weights are as on 19 February 2020. Please refer to Disclaimer and Disclosure on the last slide. Please note that Tata Motors is currently Under Review, but continue to remain part of aggressive portfolio.

Portfolio Psychographic

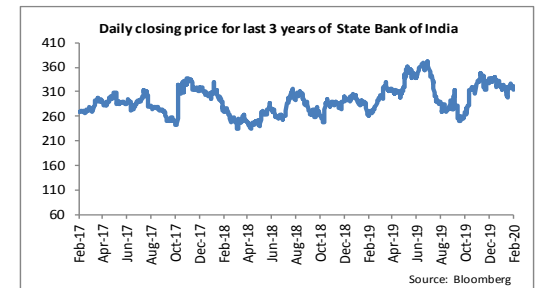


Note: Data based on prices as on 19 February 2020

About the Company: State Bank of India (SBI) is India's largest commercial bank in terms of assets, deposits, profits, branches, number of customers and employees, enjoying the continuing faith of millions of customers across the social spectrum. Its banking activities include Personal Banking, Agricultural/Rural, NRI Services, International Banking, Corporate Banking and Services.

View: SBI is witnessing steady growth in deposit, especially in CASA despite having lower interest rate compared to peer. Lower incremental provisioning for NPAs coupled with resolution of some of the cases in NCLT, which would enable write back of earlier provision would result in higher profitability in coming quarters. Moreover, monetization of subsidiary companies would be helpful for capitalization and also allows to make provision for any potential NPA. With Pan India presence, it would be one of the major beneficiaries of the expected pick up in credit growth once the overall economy starts revive. **We have a Buy rating on the stock with the target of Rs.392 based on PBV multiple of 2x on FY21E core adjusted book value of Rs.179 adding Rs.34 per share value from Subsidiaries.** Any revision in book value/rating would depend on changes in the NPA profile, Capital dilution and momentum in the NPA resolution process.

Key Details	
52 week H/L(Rs)	374/244
Market Cap (Rs. Bn)	2858
Book Value (Rs) YTD	250.4
FV (Rs)	1.0
PE (X) (TTM)	23.5
Dividend Yield (%)	0



Shareholding Pattern (%) on 31 Dec 2019	
Promoter	56.92
Institutions	35.07
Others	8.01
Total	100.00

Quarterly Result Snapshot – Standalone			
Rs in Bn	Q3FY20	Q3FY19	% YoY
NII	277.8	226.9	22.4
PPOP	182.2	126.2	44.4
NIM	3.27%	2.76%	51 bps
PAT	55.8	39.5	41.3
EPS (Rs.)	6.3	4.4	

PE (X)		
FY19	FY20E	FY21E
330.2	28.6	23.4

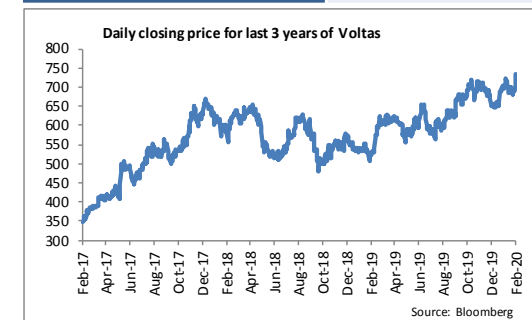
Adjusted BV (X)		
FY19	FY20E	FY21E
173.7	176.9	179.0

About the company: Voltas Ltd. (Voltas) is India's one of largest air conditioning company. Voltas Ltd. offers engineering solutions for a wide spectrum of industries in areas such as heating, ventilation and air conditioning, refrigeration, electro-mechanical projects, textile machinery, mining and construction equipment, water management & treatment, cold chain solutions, building management systems, and indoor air quality.

View: Voltas Ltd is one of India's leading engineering solution providers. The sales for the UCP segment continued to see steady growth even in Q3FY20 as lower channel inventory, low base and market share gains helped company to see robust growth. While, the Room Air Conditioner (RAC) market grew by ~29% YoY during 9MFY20, Voltas grew by ~35% YoY during the same period and thereby increasing its market share to 24.3%. On the supply impact from China, company is holding adequate inventory up to Q4FY20 and will review the situation once the Chinese markets opens in coming weeks. We believe existing dealer and channel network in the AC segment along with newly introduced exclusive Voltas showroom exhibiting RAC and Voltas Beko products would help the company for growth into other durable goods as well. On the EMP, management has guided company is focusing on newer projects with better profitability and cash flow visibility which may help in improving margin. As the stock has seen a sharp upmove in the last few months, **currently, we have a Hold rating on the stock with a target price of Rs.745 at 30x FY21E EPS of Rs.24.8.** Our target price may see some upside as we rollover our earnings forecast to FY22E. Any change in earnings/price target would depend upon the order inflow/execution in domestic and international markets, margin improvement; scale up of the new JV, general business momentum and rollover to the next financial year.

Key Details

52 week H/L(Rs)	737/510
Market Cap (Rs. Bn)	243
Book Value (Rs) YTD	135.1
FV (Rs)	1.0
PE (X) (TTM)	45.8
Dividend Yield (%)	0.5



Shareholding Pattern (%) on 31 Dec 2019

Promoter	30.30
Institutions	49.50
Others	20.20
Total	100

Quarterly Result Snapshot

Rs. in Mn.	Q3FY20	Q3FY19	% YoY
Revenue	14759	14918	0.0
EBITDA	976	1157	(15.7)
EBITDAM	6.5%	7.8%	(130)Bps
PAT	869	903	(3.8)
EPS (Rs.)	2.6	2.7	

Earnings Summary

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	64,044	6.2	6,626	10.3	5,720	17.3	10.7	42.4	0.5
19A	71,241	11.2	6,117	8.6	5,161	15.6	-9.8	47.0	0.5
20E	80,980	13.7	7,855	9.7	6,736	20.4	30.5	36.0	0.5
21E	92,451	14.2	9,892	10.7	8,214	24.8	21.9	29.5	0.5

About the Company: Bharat Electronics Ltd. (BEL) was established at Bangalore, India, by the Government of India under the Ministry of Defence in 1954 to meet the specialised electronic needs of the Indian defence services. Over the years, it has grown into a multi-product, multi-technology, multi-unit company servicing the needs of customers in diverse fields in India and abroad. BEL's segments are Radars, Military Communication, Naval Systems, Weapon Systems, Electronic Warfare, Avionics, C4I Systems, Electro-optics, Tank Electronics, Gun up-grades, Civilian Equipment & Systems and Components amongst many others.

View: BEL is a niche public sector play on defence sector with strong and readily available manufacturing base in the defense space compared to various other players which are at planning stage of setting up the capacity. The current order book to bill ratio continued to remain robust at ~5x on TTM revenue basis and expected order inflow for Coastal Surveillance in coming quarters is further likely to drive the order inflow and also improves the revenue visibility for the company. However, the recent announcement of revision of PBT margins from 12.5% to 7.5% on prospective nomination based defence orders would be structural negative news for Defence sector PSUs as it would remain a cause of concerns on the future business margins. Similarly, delays in client approvals and slowdown in the overall government capex during FY20 may also impact the company performance in the near to medium term. This was visible in the sharp correction which company has seen during YTD FY20 period. Given the muted revenue growth in 9MFY20 (down by 13.2% YoY) we have revised our earnings estimates lower for FY20 and FY21. **Currently, we have a Buy rating on the stock with a price target of Rs.129 which is 13.5x FY21E EPS of Rs.7.4 and adding cash per share of Rs.29.** Any revision in target price would depend upon the general business momentum, changes in order inflow, execution issues and rollover of earnings to next financial year.

Key Details

52 week H/L(Rs)	122/74
Market Cap (Rs. Bn)	206
Book Value (Rs) YTD	40.9
FV (Rs)	1.0
PE (X) (TTM)	15.0
Dividend Yield (%)	2.4

Daily closing price for last 3 years of Bharat Electronics



Shareholding Pattern (%) on 31 Dec 2019

Promoter	55.27
Institutions	37.49
Others	7.24
Total	100.00

Quarterly Result Snapshot - Standalone

Rs. in Mn.	Q3FY20	Q3FY19	% YoY
Revenue	22710	27165	(16.4)
EBITDA	3547	7681	(53.8)
EBITDAM	16.3%	28.9%	(1260Bps)
PAT	2151	5076	(57.6)
EPS (Rs.)	0.9	2.08	

Earnings Summary - Consolidated

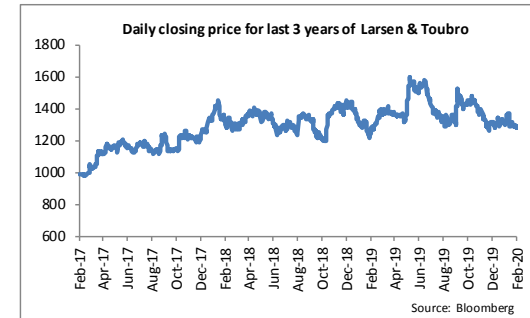
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	104,008	20.0	20,352	19.6	14,317	5.9	(6.0)	14.5	2.3
19A	121,642	17.0	29,062	23.9	18,864	7.7	31.8	11.0	2.4
20E	119,209	(2.0)	23,246	19.5	15,085	6.2	(20.0)	13.7	2.4
21E	133,514	12.0	27,370	20.5	18,095	7.4	20.0	11.4	2.4

About the company: Larsen & Toubro Ltd (L&T) is a technology, engineering, construction, manufacturing and financial services company. The Company's segments include Infrastructure, Power, Heavy Engineering, Defence, Electrical & Automation, Hydrocarbon, IT & Technology Services, Financial Services, Developmental projects and Others, which include realty and shipbuilding.

View: L&T is India's largest Engineering & Construction Company. While, L&T delivered weak set of numbers in Q3FY20 led by slowdown in execution in domestic infrastructure projects, strong order book at the end of the quarter and positive management commentary on revival of stalled projects in AP & Maharashtra gives a steady revenue visibility in near term. Further, order inflow during the quarter remained steady, led by international order wins. L&T is exposed to several levers across business/geographic segments and has emerged as the Engineering & Construction partner of choice in India, which provides a robust foundation to capitalize on the next leg of investment cycle. Management guided that incremental order inflow growth would be supported by pick up in ordering activity in the Metro and Hydrocarbon segment (specially for Refineries in international markets) apart from defence segment. **We continue to maintain a Buy rating on the stock with a target price of Rs.1741, valuing Standalone business at 22x FY21E EPS of Rs.65.8 at Rs.1448/share and Subsidiary value of Rs.293/share based on 20% discount on market cap.** Any revision in the target price would depend upon changes in order inflow, execution, profitability in subsidiaries, and rollover to the next financial year, management guidance and general business momentum.

Key Details

52 week H/L(Rs)	1607/1231
Market Cap (Rs. Bn)	1799
Book Value (Rs) YTD	495.4
FV (Rs)	2.0
PE (X) (TTM)-Standalone	30.9
Dividend Yield (%)	1.4



Shareholding Pattern (%) on 31 Dec 2019

Promoter	0.00
Institutions	55.72
Others	44.28
Total	100.00

Earnings Summary - Standalone

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	745	13.3	77	10.3	50	35.3	8.7	36.3	1.1
19A	870	16.8	87	10.0	62	44.2	25.1	29.0	1.2
20E	1,000	15.0	102	10.2	76	53.9	21.8	23.8	1.4
21E	1,150	15.0	123	10.7	92	65.8	22.2	19.5	1.6

Quarterly Result Snapshot – Standalone

Rs. in Bn.	Q3FY20	Q3FY19	% YoY
Revenue	198.9	211.0	(5.8)
EBITDA	14.7	19.5	(24.6)
EBITDAM	7.4%	9.2%	(180Bps)
PAT	11.5	14.9	(22.5)
EPS (Rs.)	8.2	10.6	

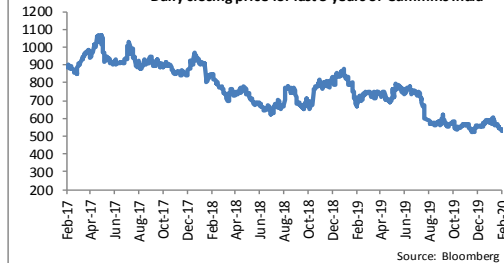
About the Company: Cummins in India, a power leader, is a group of complementary business units that design, manufacture, distribute and service engines and related technologies, including fuel systems, air handling, filtration, emission solutions and electrical power generation systems. Cummins India Ltd., the country's leading manufacturer of diesel and natural gas engines is one of the eight legal entities of the Cummins Group in India. Comprising of four business units - Industrial Engine, Power Generation, Distribution, and Automotive, Cummins India Ltd. is also the largest entity of the Cummins Group in India.

View: Cummins reported steady set of numbers in Q3FY20, mainly driven by one off orders for Gas gensets driving topline and lower other expense boosting EBITDA margin. The management highlighted that muted export growth (down 16% YoY in Q3FY20) was on the back of subdued demand across most of the geographies. Management expects domestic segment to see steady traction on the back of improving market share with its key user sectors and new product launches for CPCB IV norms, BSVI and Gas Gensets. The new avenues of growth for the company are also being seen in electrification and renewable (fuel cell, gas engines, alternate fuels) fuels space. However, the pace of growth remains a key monitorable and given the subdued performance in 9MFY20 (9MFY20 revenue down by ~5% YoY), management has maintained the cautious growth outlook. We continue to like the company on the back of cash rich balance sheet and healthy ROCE and ROE of 23.6% and 17.5% respectively for FY19. **Currently we have a Buy rating on the stock with a price target of Rs.748 at 27x FY21E EPS of Rs.27.7.** Any changes in our earnings/price objective would hinge on the pace of economic recovery, changes in the margin profile and general business momentum.

Key Details

52 week H/L(Rs)	800/498
Market Cap (Rs. Bn)	150
Book Value (Rs) YTD	173.8
FV (Rs)	2.0
PE (X) (TTM)	21.3
Dividend Yield (%)	3.2

Daily closing price for last 3 years of Cummins India



Source: Bloomberg

Shareholding Pattern (%) on 31 Dec 2019

Promoter	51.00
Institutions	38.08
Others	10.92
Total	100.00

Quarterly Result Snapshot

Rs. in Mn.	Q3FY20	Q3FY19	% YoY
Revenue	14534	15038	(3.3)
EBITDA	2158	2267	(4.8)
EBITDAM	14.8%	15.1%	(30 bps)
PAT	2378	1871	27.1
EPS (Rs.)	8.6	6.7	

Earnings Summary

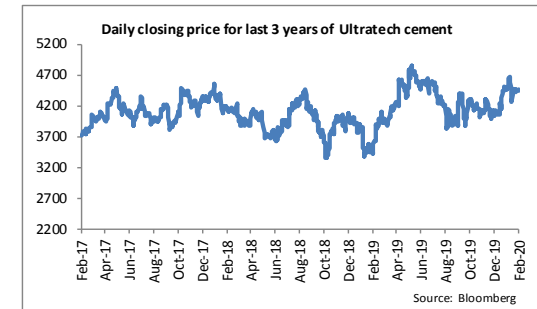
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	50825	0.1	7324	14.4	6523.5	23.6	(11.2)	22.9	2.6
19A	56590	11.3	8641	15.3	7225.7	26.1	10.8	20.7	2.9
20E	54158	(4.3)	6770	12.5	6677.9	24.1	(7.6)	22.4	2.7
21E	57685	6.5	7787	13.5	7673.0	27.7	14.9	19.5	3.1

About the Company: Ultratech Cement Ltd. (UltraTech) is a pan India cement manufacturer and is the largest manufacturer of grey cement, Ready Mix Concrete (RMC) and white cement in India. The company has an installed capacity of 109.4 Mn Tons Per Annum (MTPA) at the end of FY19 (incl. Century Textile cement assets).

View: UltraTech Cement saw sharp decline in volumes during Q3FY20 mainly due to lower demand pickup post monsoon which impacted the topline growth for the company. However, strong realization growth on YoY basis helped to offset the volume decline impact for the company. While, the recently acquired Century plants operated at lower utilizations during Q3FY20, we believe, Ultratech's capability to ramp up the production and re-brand the century cement with Ultratech branding, will drive the profitability for the company going ahead. On the long term, management expects cement demand in the country to grow at a faster pace as compared to capacity additions, which is expected to drive utilization and hence profitability for the company. The government has also announced many new infrastructure projects in roads (Bharatmala), ports (Sagarmala), metros, speed rail corridor, coastal roads, etc, which may continue to drive the cement demand in the country. Thus, we continue to remain positive on the cement sector and **maintain a Buy rating on the stock with a target price of Rs.5598 at 15x FY21E EV/EBITDA multiple.** Any revision in earnings/target price would depend upon changes in volumes growth, blended realization, EBITDA/ton, rollover of financial year and general business momentum

Key Details

52 week H/L(Rs)	4904/3372
Market Cap (Rs. Bn)	1291
Book Value (Rs) YTD	0
FV (Rs)	10.0
PE (X) (TTM)	35.8
Dividend Yield (%)	0.2



Shareholding Pattern (%) on 31 Dec 2019

Promoter	60.19
Institutions	30.66
Others	9.15
Total	100.00

Earnings Summary - Standalone

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	294	22.9	59	20.0	24	86.8	(9.6)	51.5	0.2
19A	399	36.0	71	17.7	25	88.0	1.3	50.8	0.2
20E	454	13.7	94	20.6	36	130.2	47.9	34.4	0.3
21E	518	14.2	116	22.4	49	176.7	35.7	25.3	0.3

Quarterly Result Snapshot - Standalone

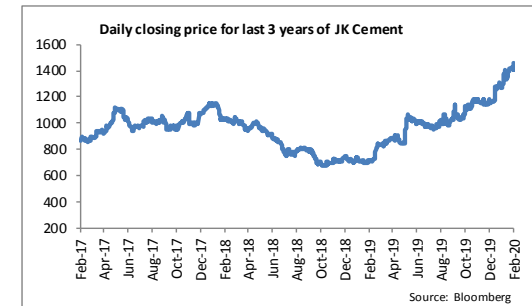
Rs. in Bn.	Q3FY20	Q3FY19	% YoY
Revenue	99.8	99.4	0.4
EBITDA	17.9	15.3	16.6
EBITDAM	17.9%	15.4%	250 Bps
PAT	6.4	4.3	48.6
EPS (Rs.)	22.3	15.8	

About the company: J.K. Cement Ltd is a cement manufacturing company with plants in Rajasthan, Haryana, Uttar Pradesh and Karnataka. Its product portfolio includes grey cement, white cement and wall putty. Its grey cement plants are located in Rajasthan and Karnataka. Its white cement and white cement-based wall putty plants are located in Rajasthan and Madhya Pradesh. As on Q3FY20, JK Cement's total cement capacity stood at 16.1 MTPA (including Grey cement (14 MTPA), White Cement (1.2 MTPA) and Wall Putty (0.9 MTPA))

View: JK Cement offers a unique play on the white cement growth opportunity in India as well as overseas given its dominant presence in the same. Also, it enjoys large market share in white cement category in India along with UltraTech cement. This has also helped the company in providing the stability in earnings and higher margin and return ratios as per ton revenue and profits are substantially higher for white cement vs grey cement. The company is also at an inflection point in its grey cement business as demand-supply mismatch in the North India market where JK cement has more than 80% capacity exposure is seeing strong growth led by rising utilization levels in the supply starved region. Also, the recent capex undertaken by the company in the North India is likely to drive the accelerated revenue and bottom line growth in the next few years as company ramps up the utilisation, leading to higher free cash flow generation. We believe, strong Free Cash flow generation capability, reducing debt profile, investments in high growing North India markets coupled with strong ROCE & ROE profile would drive profitability for the company going ahead. **Currently, we have a Buy rating on the stock with the target price of Rs.1956 at 10x FY22E EV/EBITDA multiple (implied EV/ton of USD 145).** Any earning/target price revision would depend on the changes in volume growth trajectory and changes in cement realization, improvement in market share and changes in general business momentum.

Key Details

52 week H/L(Rs)	1471/690
Market Cap (Rs. Bn)	113
Book Value (Rs) YTD	392.3
FV (Rs)	10.0
PE (X) (TTM)	20.5
Dividend Yield (%)	0.7



Shareholding Pattern (%) on 31 Dec 2019

Promoter	58.07
Institutions	35.64
Others	6.29
Total	100

Quarterly Result Snapshot

Rs. in Mn.	Q3FY20	Q3FY19	% YoY
Revenue	14042	12732	10.3
EBITDA	2777	2105	31.9
EBITDAM	19.8%	16.5%	330 Bps
PAT	1376	609	125.9
EPS (Rs.)	17.8	7.9	

Earnings Summary

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
19A	49813	8.5	8,101	16.3	3277	42.4	-16.8	33.0	0.7
20E	56538	13.5	11186	19.8	4470	57.9	36.4	24.2	0.7
21E	71624	26.7	14660	20.5	6622	85.7	48.1	16.3	0.7
21E	77566	8.3	17113	22.1	8549	110.6	29.1	12.7	0.7

Birla Corporation

CMP: Rs.747

About the Company: Birla Corporation (BCorp), established in 1919, is part of the MP Birla group. It manufactures cement, jute products, synthetic viscose and cotton yarn. Cement constitutes about 90% of its revenue. It has cement plants in Rajasthan, Madhya Pradesh, Uttar Pradesh and West Bengal. Birla Cement operates under brand names Birla Samrat Cement and Birla Samrat Ultimate Cement. Jute products include jute yarn, floor and wall covering, Lino Hessian, decorative fabrics, etc

View: BCorp continued to deliver strong operating performance for the cement business in Q3FY20 as well on the back of improved efficiency and better realizations led by improved product mix and better cost efficiencies. Additionally, steady cement pricing seen in the last few months, especially in North and Central India markets augurs well for the company given the higher share of revenue from these regions. Further, company's plan to expand its capacity by ~4 MTPA at Yavatmal, Maharashtra also looks attractive given the greenfield expansion cost of USD 90/ton. Also, the central location of the new 4 MTPA plant from key markets of Hyderabad, Bhopal and Maharashtra augurs well for the company. **We have a positive stance on cement sector in near to medium term and currently have a Buy rating on the stock with a target price of Rs.1122 at 8.5x FY21E EV/EBITDA multiple.** However, any changes to the price target would be hinged upon changes in business momentum/economic cycle, capex execution issues and acceleration of cost optimization initiatives.

Key Details

52 week H/L(Rs)	808/441
Market Cap (Rs. Bn)	58
Book Value (Rs) YTD	517.4
FV (Rs)	10.0
PE (X) (TTM)	13.1
Dividend Yield (%)	1.0

Daily closing price for last 3 years of Birla Corp



Source: Bloomberg

Shareholding Pattern (%) on 31 Dec 2019

Promoter	62.90
Institutions	19.35
Others	17.75
Total	100.00

Quarterly Result Snapshot

Rs. in Mn.	Q3FY20	Q3FY19	% YoY
Revenue	17151	15569	10.2
EBITDA	2946	2071	42.2
EBITDAM	17.2%	13.3%	390 Bps
PAT	815	274	197.8
EPS (Rs.)	10.6	3.6	

Earnings Summary

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	57,300	31.8	8,081	14.1	1,665	21.6	(26.4)	34.6	0.8
19A	65,487	14.3	9,486	14.5	2,557	33.2	53.6	22.5	0.9
20E	71,256	8.8	12,457	17.5	4,871	63.3	90.5	11.8	1.0
21E	78,697	10.4	13,656	17.4	5,853	76.0	20.2	9.8	1.1

Reliance Industries

CMP: Rs.1504

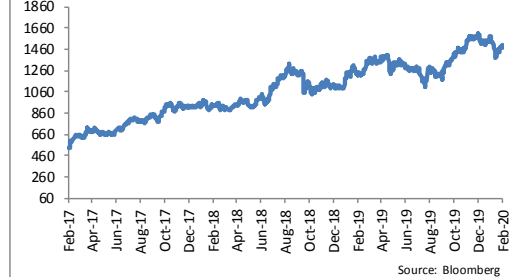
About the company: Reliance Industries Ltd. (RIL) is a private sector enterprise, with business in the energy and materials value chain. The Company's core business includes: petrochemicals, refining and oil & gas. The petrochemicals segment includes production and marketing operations of petrochemical products. Refining segment includes production and marketing operations of the petroleum products. Oil and gas segment includes exploration, development & production of crude oil and natural gas. The company is also present in the Telecom and Retailing business.

View: RIL continues to be on track to improve the profitability on the back of improved performance for the Refining business. While, the performance for Petrochemical segment was impacted due to poor demand and weak pricing scenario, strong performance for Reliance Jio and Retail helped in sustaining profitability for the company (Digital Services and Organized Retail together contributed ~42% to EBIT in Q3FY20 vs 22.3% in Q3FY19 on consol basis). Continued strong ramp up in RJIO paid subscriber base during last few quarters along with strong operating margin for the segment has raised the revenue visibility for the telecom venture going ahead. While the RIL's plans to sell ~20% stake in Oil to Chemical segment works in favour of the company in reducing the overall debt, the recent media reports suggesting government's order to restrain the deal may remain an overhang on the stock. On the operational front, Refining margins have seen some positive upmove in the last two quarters and we believe revised IMO regulation from 1 January 2020 is also likely to improve demand for Middle distillates like diesel and thereby likely to further benefit complex refinery company like Reliance Industries. **We maintain a Buy rating on the stock with a target price of Rs.1815, where Standalone business is valued at 15x FY21E EPS of Rs.73.5 at Rs.1103/share and balance value accruing from RJIO (Rs.397/share), Shale Gas (Rs.69/share) and Retail Business (Rs.515/share) and deducting Rs.269/share of net debt.** Any changes in the estimates/target price would depend upon trend in crude price, currency movement, gas price & GRM and changes in capex and general business.

Key Details

52 week H/L(Rs)	1618/1096
Market Cap (Rs. Bn)	9535
Book Value (Rs) YTD	663.9
FV (Rs)	10.0
PE (X) (TTM)	21.9
Dividend Yield (%)	0.4

Daily closing price for last 3 years of Reliance Industries



Shareholding Pattern (%) on 31 Dec 2019

Promoter	48.87
Institutions	37.59
Others	13.54
Total	100.00

Quarterly Result Snapshot - Standalone

Rs. in Bn.	Q3FY20	Q3FY19	% YoY
Revenue	862.9	1000.9	(13.8)
EBITDA	128.7	145.1	(11.3)
EBITDAM	14.9%	14.5%	40 Bps
PAT	95.9	89.3	7.4
EPS (Rs.)	15.3	13.9	

Earnings Summary - Standalone

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	2,900	19.8	517	17.8	336	53.0	7.0	28.4	0.4
19A	3,710	27.9	583	15.7	352	55.5	4.6	27.1	0.4
20E	3,755	1.2	638	17.0	392	61.9	11.5	24.3	0.4
21E	4,303	14.6	753	17.5	466	73.5	18.8	20.5	0.4

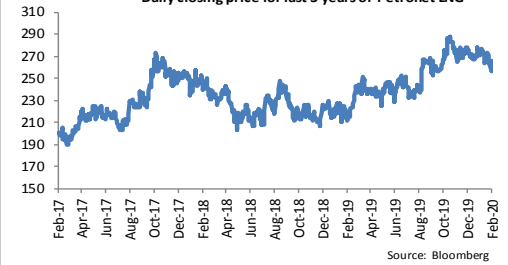
About the company: Petronet LNG Ltd (PLNG) is engaged in sale of re-gasified liquefied natural gas (RLNG). The Company's terminals include Dahej LNG terminal, Kochi LNG terminal and solid cargo port. The company's Dahej LNG terminal is LNG receiving and regasification terminal with a nameplate capacity of approximately 17.5 mn metric tons per annum (MMTPA) and Kochi LNG terminal has nameplate capacity of approximately 5 MMTPA, located at Kochi, Kerala..

View: PLNG remains a structural story on India's increasing gas demand from key users like power stations, fertilizers companies, refineries and petrochemical companies and city gas distribution for CNG & PNG. While the Kochi terminal is currently underutilized, a slight uptick in the utilization levels for Kochi terminal post commissioning of Kochi-Mangalore pipeline by Mar 2020, would result in sharp rise in the earnings for the company in FY21 and beyond. Moreover, international expansion plans given the higher free cash flow generation capability of the company is also likely to work in favour of PLNG with incremental growth coming from international operations in the long term. Stock has seen some upmove in the recent past mainly due to increasing LNG imports into the country due to muted domestic gas production and existing lower LNG prices also provides a case for higher imports going ahead as well. **Currently, we maintain our Buy rating on the stock with a target price of Rs.347 at 16x FY21E EPS of Rs.21.7.** Any earnings/target price revision would depend upon the fluctuation in LNG prices, any disruption from the upcoming competition; scale up of existing terminal, any decision by government on re-gas tariffs and general changes in the business scenario.

Key Details

52 week H/L(Rs)	302/212
Market Cap (Rs. Bn)	398
Book Value (Rs) YTD	83.7
FV (Rs)	10.0
PE (X) (TTM)	14.0
Dividend Yield (%)	3.8

Daily closing price for last 3 years of Petronet LNG



Source: Bloomberg

Shareholding Pattern (%) on 31 Dec 2019

Promoter	50.00
Institutions	37.77
Others	12.23
Total	100.00

Quarterly Result Snapshot

Rs. in Bn.	Q3FY20	Q3FY19	% YoY
Revenue	89.1	100.9	(11.8)
EBITDA	9.9	8.5	16.9
EBITDAM	12.4%	8.4%	400 Bps
PAT	6.8	5.7	19.4
EPS (Rs.)	4.5	3.8	

Earnings Summary

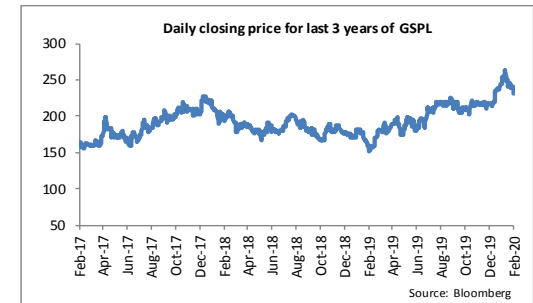
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	306	24.3	33	10.8	20.8	13.9	21.8	19.0	1.0
19A	384	25.5	33	8.6	21.6	14.4	3.7	18.3	3.8
20E	349	-9.0	43	12.3	27.2	18.1	26.1	14.5	3.8
21E	390	11.6	49	12.7	32.5	21.7	19.7	12.1	3.8

About the Company: Gujarat State Petronet Limited (GSPL) is a natural gas infrastructure and transmission company engaged in gas transportation business. The Company is engaged in transmission of natural gas through pipelines on an open access basis from supply points to demand centers. It also generates electricity through windmills. Its segments include Gas Transportation and Windmill. It develops energy transportation infrastructure and connects natural gas supply sources, including liquefied natural gas (LNG) terminals to various markets.

View: GSPL remains a structural story on India's increasing gas demand led by rising demand from key users like power, fertilizers, refineries & petrochemical companies and CGD. Given the lower LNG prices in the recent past, we believe, demand from the price sensitive players (largely Power/Fertilizer/Industrials) is also expected to remain stable or increase going ahead. During the quarter, while GSPL lost one of its customer, lower gas prices helped it to increase the overall volumes from the other key segments like CGD and Power. GSPL's utility business of transmission of gas gives us comfort on steady revenue growth expectation in the backdrop of rising gas demand in the country. Further, GSPL's plan to invest ~Rs.40 bn over the next 4-5 years to target volume growth from specific section of new pipelines: Mehsana – Bhatinda pipeline (2,052 kms), Mallavaram – Vijapur pipeline (1,881kms) and Bhatinda – Srinagar (725kms) also augurs well for the company. GSPL's investments in CGD companies (Gujarat Gas and Sabarmati Gas) may enable it to earn steady cash flow on the back of strong growth witnessed in this business. **We continue to maintain our Buy rating on the stock with the target price of Rs.336 based on SoTP method where we assign a value of Rs.243/share for GSPL Transmission business using DCF valuation method and adding market value of its stake in Gujarat Gas Ltd (listed entity) having ~54.16% stake after giving 30% holding company discount, valuing at Rs.91/share and balance value accruing from Sabarmati Gas based on 4x book value as on FY19.** Any earning/target price revision would depend on the changes in volume growth trajectory and changes in tariff by PNGRB, improvement in market share and changes in general business momentum.

Key Details

52 week H/L(Rs)	263/149
Market Cap (Rs. Bn)	131
Book Value (Rs) YTD	90
FV (Rs)	10.0
PE (X) (TTM)	8.4
Dividend Yield (%)	0.9



Shareholding Pattern (%) on 31 Dec 2019

Promoter	37.64
Institutions	49.74
Others	12.62
Total	100.00

Earnings Summary - Standalone

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	13318	29.6	11478	86.2	6685	11.9	34.6	19.5	0.6
19A	18772	41.0	15426	82.2	7952	14.1	18.8	16.4	0.8
20E	20238	7.8	16595	82.0	10360	18.4	30.4	12.6	0.9
21E	21687	7.2	17783	82.0	11389	20.2	9.9	11.4	1.0

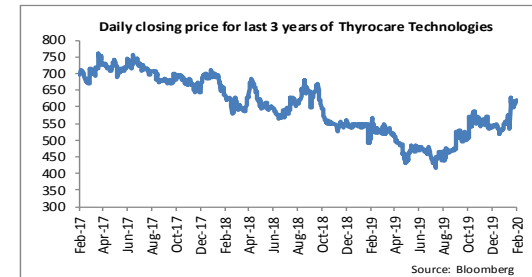
Quarterly Result Snapshot - Standalone

Rs. in Bn.	Q3FY20	Q3FY19	% YoY
Revenue	6.3	4.5	37.9
EBITDA	3.8	3.5	7.6
EBITDAM	60.7%	77.8%	(1710 Bps)
PAT	2.2	1.7	28.0
EPS (Rs.)	3.9	3.1	

About the Company: Thyrocare Technologies Ltd (Thyrocare) is India's first fully automated diagnostic laboratory with a focus on providing quality at affordable costs to laboratories and hospitals in India and other countries. Thyrocare operates with a Centralized Processing Laboratory (CPL) in Mumbai - India for esoteric tests; and Regional Processing Laboratory (RPL) in major metro cities of India and other parts of Asia

View: Thyrocare continued to report strong operating performance amid highly competitive scenario driven by PE-backed diagnostic centers in B2B segment. We continue to remain long-term positive on the stock given the current structural drivers like low spending on Preventive and Wellness healthcare and rising urbanization, sedentary lifestyle, and peaking stress levels leading to lifestyle diseases such as cancer, obesity, heart disease, diabetes, among others. With bulk of the market in the pathology segment being unorganised, there is significant headroom for the organised sector to grow although the management expects it at a slower pace. Thyrocare being a pan India player with the clear focus on expanding its network in diagnostic, it is well placed to grab this opportunity. Moreover, strong brand, lower pricing model, expanding the number of diagnostic tests centers and expanding the platforms also puts Thyrocare in a favorable position. Thyrocare's well established brand image, huge opportunity size, robust return ratios and cash rich balance sheet supports our long term view. **We maintain our Buy rating on the stock with the target price of Rs.737 based on a PE multiple of 30x FY21E EPS of Rs.24.6.** Any earning revision would depend on the segmental performance, change in regulation, delay in expansion plans, monetization of imaging business and changes in general business momentum.

Key Details	
52 week H/L(Rs)	689/407
Market Cap (Rs. Bn)	33
Book Value (Rs) YTD	99.4
FV (Rs)	10.0
PE (X) (TTM)	30.7
Dividend Yield (%)	3.2



Shareholding Pattern (%) on 31 Dec 2019	
Promoter	66.01
Institutions	25.59
Others	8.40
Total	100.00

Earnings Summary – Consolidated

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	3563	17.1	1447	40.6	955	17.4	32.7	35.6	1.6
19A	4029	13.1	1542	38.3	845	15.8	(8.7)	39.0	3.2
20E	4576	13.6	1693	37.0	901	17.1	7.8	36.2	3.2
21E	5281	15.4	1970	37.3	1296	24.6	43.8	25.2	3.2

Quarterly Result Snapshot – Consolidated

Rs in Mn	Q3FY20	Q3FY19	% YoY
Revenue	1058	963	9.9
EBITDA	438	355	23.3
EBITDAM	41.4%	36.9%	451 bps
PAT	275	202	36.5
EPS (Rs.)	5.2	3.8	

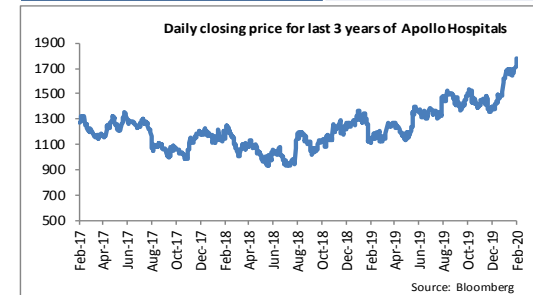
Apollo Hospitals Enterprise CMP: Rs.1781

About the Company: Apollo Hospitals Enterprise Ltd. (AHEL) is an India-based company, which operates a private hospital group. As of Dec'19, the Company has 71 (45 owned + 11 Day care/Short surgical stay centers + 10 Cradles + 5 managed) hospitals with total bed capacity of 10282 (8816 owned + 274 Day Care + 283 Cradle + 909 managed) beds. It also has presence in pharmacies (3700), diagnostic clinics, medical transcription services, third-party administration and telemedicine.

View: AHEL continued to reap-in benefits of its strategy of focusing on improvement in occupancy level in hospital segment to bring revenue growth and on cost control initiatives to improve overall EBITDA margin, which is visible in recent quarters performance. Similarly, Pharmacy business margin also saw improvement owing to higher share of OTC and proprietary products. In addition, AHLL and Proton business have started to witness improvement in overall performance and are expected to see further improvement going ahead given the improving operating leverage. We remain long term positive on the stock considering its strong brand equity, robust business model with low leverage (~0.9x net debt equity ratio in FY19), focus on improving penetration in Tier-II & Tier-III cities and expected improvement in return ratio as the company is near completion of capex cycle. The stock has seen sharp upmove in recent quarters as promoters reduced the pledge holding and also due to improvement in operating performance. Hence, **currently we are having Hold rating on the stock with the target price to Rs.1705 at 18x to FY21E EBITDA and adjusting net debt of Rs.218 per share in FY19.** However, our target price may see some upside as we rollover our earnings forecast to FY22E. Any earning/rating revision would depend on the performance of new hospitals, improvement in occupancy level & margins and changes in general business momentum.

Key Details

52 week H/L(Rs)	1790/1083
Market Cap (Rs. Bn)	248
Book Value (Rs) YTD	255
FV (Rs)	5.0
PE (X) (TTM)	77.3
Dividend Yield (%)	0.3



Shareholding Pattern (%) on 31 Dec 2019

Promoter	30.80
Institutions	62.43
Others	6.77
Total	100.00

Earnings Summary – Consolidated

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	82435	15.9	7932	9.6	1174	8.4	(46.9)	211.0	0.3
19A	96174	16.7	10637	11.1	2360	17.0	101.0	105.0	0.3
20E	109406	13.8	12582	11.5	2964	21.3	25.6	83.6	0.3
21E	125970	15.1	14864	11.8	3651	26.2	23.2	67.9	0.3

Quarterly Result Snapshot – Standalone

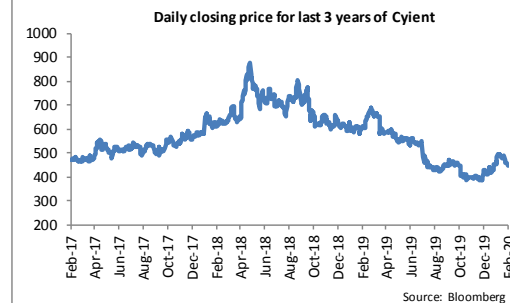
Rs in Mn	Q3FY20	Q3FY19	% YoY
Revenue	25295	21690	16.6
EBITDA	3765	2679	40.6
EBITDAM	14.9%	12.3%	253 bps
PAT	945	869	8.8
EPS (Rs.)	6.8	6.2	

About the company: Cyient Ltd., formerly Infotech Enterprises Ltd., provides engineering solutions, including product development and life-cycle support, process, network and content engineering to the organizations worldwide. The Company offers a range of publication solutions, including simple authoring and information architecture development, transforming unstructured documents to structured documents, such as two dimensional (2D) and third dimensional (3D) illustration, Usage and customization of content management system, authoring and illustration tools, Industry-certified technical publication, and Data management.

View: Cyient continued to see muted revenue growth performance across most of its business segments for the third quarter in a row, however, revival in the Communication segment was a positive sign for the company. We think that high exposure to project based business (DLM), slowdown in demand seen from top client and challenges in respect of high exposure to top 10 clients have been dragging Cyient's revenue growth in the last few quarters. On the positive side, company is looking to grow revenues by focusing on areas like IoT, Digitization, innovations in Communications, Defence and Aerospace, which is also likely to drive earnings in future. The company has a very strong balance sheet with cash balance of Rs.102.4 bn, which would help it to do more buyouts to improve either domain knowledge or to get access to more clients. **Currently, we have a Buy rating on the stock with a target price of Rs.543 at 11x FY21E EPS of Rs.42.2 and adding Rs.78 of cash per share.** Any earnings/rating revision would depend upon the volatility in the organic business, change in the margin profile and change in general business momentum.

Key Details

52 week H/L(Rs)	692/380
Market Cap (Rs. Bn)	49
Book Value (Rs) YTD	260
FV (Rs)	5.0
PE (X) (TTM)	10.2
Dividend Yield (%)	3.4



Shareholding Pattern (%) on 31 Dec 2019

Promoter	22.82
Institutions	65.24
Others	11.94
Total	100.00

Quarterly Result Snapshot

Rs. in Mn.	Q3FY20	Q3FY19	% YoY
Revenue	11060	11876	(6.9)
EBITDA	1533	1749	(12.3)
EBITDAM	13.9%	14.7%	(80) Bps
PAT	1083	921	17.6
EPS (Rs.)	9.8	8.2	

Earnings Summary

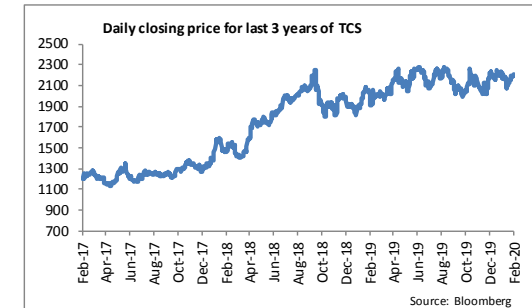
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	39175	8.6	5,492	14.0	4,098	36.4	18.9	12.2	2.9
19A	46175	17.9	6,443	14.0	4,799	43.5	19.4	10.2	2.9
20E	46175	0.0	6,655	14.4	4,306	39.0	-10.3	11.4	3.2
21E	49869	8.0	7,281	14.6	4,662	42.2	8.3	10.5	3.4

About the company: Tata Consultancy Services Ltd. (TCS) is an information technology (IT) services, consulting and business solutions organization. TCS offers a consulting-led, integrated portfolio of IT, Business Process Services (BPS), infrastructure, engineering and assurance services.

View: TCS came in with weak set of numbers for Q3FY20, mainly due to weakness witnessed in North America geography. However, currency benefit and decline in the net employees during the quarter and front loaded fresher hiring supported EBIT margin for the company (up by 100 bps QoQ). The management guided that headwinds persists in large banks in Europe, and this is resulted in slowdown in spending by BFSI segment. We believe, while there can be some weakness in the near term, however, adoption of new technologies in the Digital, Automation, Analytics, Cloud migration, Micro services, Cyber security, Intelligent automation etc. are likely to drive the incremental growth in the company. With the strong deal-flow, impressive traction in digital business, rising non-linearity in earnings and currency tailwinds, TCS is likely to deliver steady growth in the medium to long term. **Currently, we have a Hold rating on the stock with a target price of Rs.2144 on 21x FY21E EPS of Rs.98.7 and adding Rs.73 cash per share.** Our target price may see some upside as we rollover our earnings forecast to FY22E. Further any change in the rating would depend on the earnings growth trajectory compared to the peers and overall business growth momentum.

Key Details

52 week H/L(Rs)	2296/1882
Market Cap (Rs. Bn)	8235
Book Value (Rs) YTD	302.8
FV (Rs)	1.0
PE (X) (TTM)	25.4
Dividend Yield (%)	3.0



Shareholding Pattern (%) on 31 Dec 2019

Promoter	72.05
Institutions	24
Others	3.95
Total	100.00

Quarterly Result Snapshot

Rs. in Bn.	Q3FY20	Q2FY20	% QoQ
Revenue	398.5	389.8	2.3
EBITDA	108.7	102.3	6.3
EBITDAM	27.3%	26.2%	110 Bps
PAT	81.2	82.4	(1.5)
EPS (Rs.)	21.6	21.9	

Earnings Summary

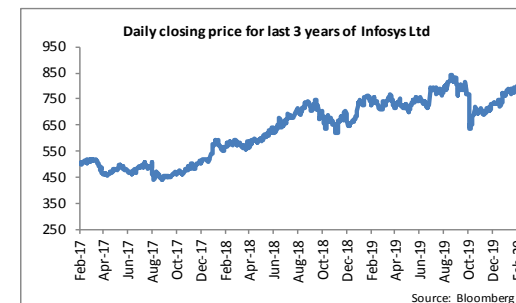
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	1231	4.4	325	26.4	258	67.5	(1.8)	32.5	1.1
19A	1465	19.0	397	27.1	317	84.5	22.7	26.0	1.4
20E	1589	8.5	429	27.0	339	90.4	7.0	24.3	3.0
21E	1732	9.0	468	27.0	370	98.7	9.2	22.2	3.1

About the company: Infosys Ltd. (Infosys) is an Information technology services company that provides business consulting, technology, engineering and outsourcing services. The Company also offers products, platforms and solutions to clients in different industries. Its business solutions include business IT services, consulting and systems integration services, products, business platforms and solutions, and cloud computing and enterprise mobility.

View: The Q3FY20 numbers of Infosys saw broad-based revenue growth across most of its verticals, with some deceleration in revenue growth momentum. While the quarterly results were largely in line with the market expectations, clean chit in whistle-blower issue by the audit committee is a key positive and this is likely to remove overhang on the stock. While the Financial Services segment continued its growth acceleration aided by Stater acquisition, company is seeing some challenges in organic growth in the segment. The company's strategy on improving productivity in the legacy business and trying to grow newer high margin services business is likely to help it to achieve better growth. Moreover, second consecutive quarter of upward revision in the FY20 revenue guidance also works in favour of the company. **Currently, we have a Hold rating on the stock and maintain our target price of Rs.854 at 19x FY21 EPS of Rs.42.7 and adding Rs.45 cash per share.** Our target price may see some upside as we rollover our earnings forecast to FY22E. Any changes in the price target/valuation multiple would depend on ability of company to outperform its guidance, future margin profile, inorganic initiatives and general business momentum.

Key Details

52 week H/L(Rs)	847/615
Market Cap (Rs. Bn)	3410
Book Value (Rs) YTD	181.3
FV (Rs)	5.0
PE (X) (TTM)	20.9
Dividend Yield (%)	4.2



Shareholding Pattern (%) on 31 Dec 2019

Promoter	13.15
Institutions	55.75
Others	31.10
Total	100.00

Quarterly Result Snapshot

Rs. in Bn.	Q3FY20	Q2FY20	% QoQ
Revenue	230.9	226.3	2.0
EBITDA	58.0	56.4	2.9
EBITDAM	25.1%	24.9%	20 Bps
PAT	44.7	40.4	10.6
EPS (Rs.)	10.4	9.4	

Earnings Summary

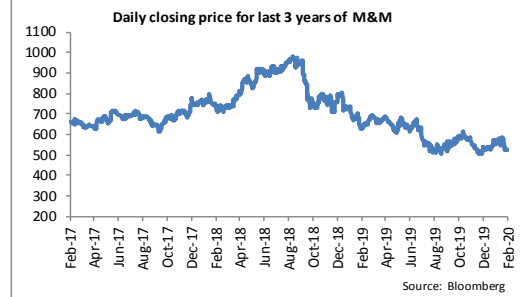
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	705	3.0	190	27.0	160	36.9	11.7	21.7	5.4
19A	827	17.2	209	25.3	154	35.5	-3.9	22.6	3.9
20E	909	9.9	218	24.0	163	37.5	5.7	21.4	4.2
21E	1,014	11.6	248	24.5	186	42.7	13.8	18.8	4.8

About the Company: Mahindra and Mahindra Ltd (M&M)'s business segments include Automotive Segment that comprises of sale of automobiles, spare parts and related services and Farm Equipment Segment (FES), which includes sale of tractors, spare parts and related services. Its subsidiaries include Tech Mahindra Ltd., Mahindra & Mahindra Financial Services Ltd., Mahindra Investments (India) Private Ltd. and Mahindra Investments (International) Private Ltd. etc.

View: M&M continued to see mixed performance where topline was impacted due to general slowdown in the industry, while increased focus on cost management and favorable product mix led to better operating performance. While auto industry is expected to see improvement in FY21, M&M is building its products pipeline, including in electric space, with series of products lined up for launch in coming years, which would help company to drive its revenue going ahead. While M&M is likely to see a near term pressure in the Auto segment due to its higher exposure to diesel vehicles, tractor segment is expected to perform well owing to better rabi sowing, higher MSPs and various government reforms targeting to improve rural income. We remain positive on the medium term potential of the company on the back of new product launches, healthy return ratios of 15% plus (i.e, RoCE in FY19) and attractive valuation. **We maintain our Buy rating on the stock with the target price of Rs.701 at 13x FY21E EPS of Rs.37.9 adding Rs.209 as value of subsidiaries at 30% holding company discount.** Any earning/target price revision would depend on the performance of new launches, improvement in market share, any regulatory changes, changes in the value of subsidiaries, rollover to next financial year and changes in general business momentum.

Key Details

52 week H/L(Rs)	704/503
Market Cap (Rs. Bn)	654
Book Value (Rs) YTD	333.8
FV (Rs)	5.0
PE (X) (TTM)	28.7
Dividend Yield (%)	1.6



Shareholding Pattern (%) on 31 Dec 2019

Promoter	18.90
Institutions	55.46
Others	25.64
Total	100.00

Quarterly Result Snapshot - Standalone

Rs in Bn	Q3FY20	Q3FY19	% YoY
Revenue	121.2	128.9	(6.0)
EBITDA	17.9	17.0	5.0
EBITDAM	14.8%	13.2%	155
PAT	3.8	14.0	(72.8)
EPS (Rs.)	3.1	11.2	

Earnings Summary – Standalone (Including MVML)

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	476	15.0	70	14.8	46	37.2	12.5	14.1	1.4
19A	528	11.1	75	14.2	54	43.4	16.8	12.1	1.4
20E	497	(6.0)	68	13.6	44	35.7	(17.8)	14.7	1.4
21E	547	10.1	73	13.3	47	37.9	5.9	13.9	1.4

About the Company: Exide Industries (Exide) is a manufacturer of lead acid storage batteries and allied products for automotive and industrial applications for UPS, Solar, Telecom as well as other Infrastructure segments. It is also engaged in life insurance business carried by one of its subsidiaries

View: Exide continued to report mixed set of result with subdued topline growth while bottom-line growth was driven by improved operating efficiency and lower tax rate. Similarly, on the business segment, its UPS and automobile replacement batteries segment helped in off-setting weakness in automobile OEM segment. Going ahead, demand for batteries from Industrial segment is expected to continue with the expected recovery in capex cycle over the medium to long term. Moreover, Exide is also diversifying its product portfolio by launching E-rickshaw- ExideNeo, entering into Joint Venture (JV) with Leclanché SA to build lithium-ion batteries and by introducing start-stop batteries, e-rickshaw battery and completely sealed and maintenance-free battery, which should support growth. Exide is also focusing on capturing market share from the unorganized segment by providing higher services and warranty period, increasing dealer margin and introducing new products in the aftermarket segment across categories and price points. We remain positive on the company given its focus on gaining market share and expanding product portfolio and **maintain Buy rating on the stock with the target price of Rs.261 at 20x (maintaining earlier PE multiple) FY21E EPS of Rs.11.6 and adding Rs.28 per share for the embedded value in Insurance business (as of Sept'19)**. Any earning revision would depend on improvement in margin, change in value of Insurance business and changes in general business momentum.

Key Details

52 week H/L(Rs)	234/166
Market Cap (Rs. Bn)	151
Book Value (Rs) YTD	78
FV (Rs)	1.0
PE (X) (TTM)	17.9
Dividend Yield (%)	1.4

Daily closing price for last 3 years of Exide Industries



Shareholding Pattern (%) on 31 Dec 2019

Promoter	45.99
Institutions	33.25
Others	20.76
Total	100.00

Earnings Summary

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	91.9	21.1	12.4	13.5	6.7	7.9	(3.6)	22.7	1.3
19A	105.9	15.3	14.1	13.3	8.4	9.9	26.3	17.9	1.3
20E	103.8	(2.0)	14.5	14.0	8.4	9.9	(0.8)	18.1	1.3
21E	114.1	10.0	16.2	14.2	9.9	11.6	18.0	15.3	1.3

Quarterly Result Snapshot

Rs in Bn	Q3FY20	Q3FY19	% YoY
Revenue	24.1	25.0	(3.4)
EBITDA	3.2	3.1	2.3
EBITDAM	13.3%	12.5%	75 bps
PAT	2.2	1.6	40.4
EPS (Rs.)	2.6	1.8	

About the Company: Apollo Tyres is one of leading tyre-manufacturing company with well-diversified product portfolio and geographical presence. It has a large distribution network in India and in Europe. The company markets its products under its two global brands - Apollo and Vredestein, and its products are available in over 100 countries through a vast network of branded, exclusive and multi-product outlets.

View: Apollo Tyres continued to witness subdued demand from OEM in domestic market owing to ongoing slowdown, while replacement demand continued to remain steady. The management expects gradual recovery in demand from OEM segment and expects margin improvement going ahead. In India, steady performance in replacement coupled with ramp up of newly added capacity, increasing trend of radialization in truck tyre segment, market share gain in two-wheeler segment is likely to support volume growth going ahead. While outbreak of coronavirus in China impacting supply of Chinese tyres may support volume growth in near term, rising supply to OEM customers and expanding footprint in Europe is likely to boost volume growth in long term. While a sequential decline in raw material prices are likely to support margins in near term, improvement in operating efficiency and higher share from low cost Hungary plant in Europe may support margin in long term. We are maintaining our earning estimate and look for clarity on demand and margin improvement and may revise our numbers post Q4FY20 as we roll over to next financial year. **Currently, we maintain Buy rating on the stock with the target price of Rs.199 at 12x on FY21E EPS of Rs.16.6 per share.** Any earning/rating revision would depend on the changes in margin, delay in ramping up of new capacities and changes in market share and in general business momentum.

Key Details

52 week H/L(Rs)	236/144
Market Cap (Rs. Bn)	86
Book Value (Rs) YTD	182.4
FV (Rs)	1.0
PE (X) (TTM)	15.3
Dividend Yield (%)	2.2

Daily closing price for last 3 years of Apollo Tyres



Shareholding Pattern (%) on 31 Dec 2019

Promoter	40.90
Institutions	43.30
Others	15.80
Total	100.00

Earnings Summary– Consolidated

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	148.4	12.6	16.5	11.1	7.2	13.4	(37.9)	11.3	2.0
19A	175.5	18.2	19.6	11.2	6.8	11.9	(11.3)	12.7	2.2
20E	173.7	(1.0)	19.5	11.2	6.8	11.9	(0.3)	12.7	2.2
21E	192.6	10.9	22.9	11.9	9.5	16.6	39.7	9.1	2.2

Quarterly Result Snapshot– Consolidated

Rs in Bn	Q3FY20	Q3FY19	% YoY
Revenue	44.0	47.2	(6.8)
EBITDA	5.3	5.3	1.2
EBITDAM	12.1%	11.2%	95 bps
PAT	1.7	2.0	(12.2)
EPS (Rs.)	3.0	3.5	

Bajaj Auto

CMP: Rs.3090

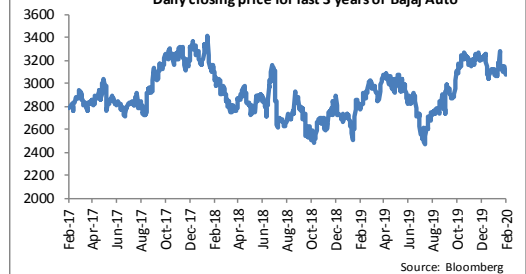
About the Company: Bajaj Auto Limited is an India-based manufacturer of motorcycles, three-wheelers and its parts. The Company's plants include Waluj plant, Chakan plant and Pantnagar plant. The Company's subsidiaries include PT. Bajaj Auto Indonesia and Bajaj Auto International Holdings BV.

View: For Bajaj Auto, improvement in margin driven by overall product mix was key positive for the quarter. While management has highlighted uncertainty in demand environment in near term, it is constantly working on improving its product portfolio with variety of models like Dominar, Pulsar, Husqvarna are planned to be launched in FY21. We believe Bajaj is better placed to sail through with BS-VI implementations due to its diversified product mix (40-45% of total volume coming from overall exports, ~20% from domestic premium bike and ~8% from domestic 3W), which has better margin profile and likely to see lower impact of BS-VI. We have a long-term positive stance on Bajaj Auto considering its focus on market share in domestic Motorcycle industry, strong R&D capabilities, robust balance sheet with huge cash and cash equivalent of ~Rs.174.07 bn (as on Dec'19), strong return ratios with ROE of over 20%, ROCE of close to 30% and dividend yield of ~2% for past two years. **We maintain our Buy rating on the stock with the target price of Rs.3475 at 18x FY21E EPS of Rs.184.6 and adding Rs.152 per share for 48% stake in KTM AG of Austria (at 18x FY19 Bajaj's share of EPS of Rs.12.1 after 30% holding company discount).** Any earning/rating revision would depend on the performance of new launches, improvement in overall EBITDA, rollover to the next financial year and changes in general business momentum.

Key Details

52 week H/L(Rs)	3315/2400
Market Cap (Rs. Bn)	894
Book Value (Rs) YTD	936.2
FV (Rs)	10.0
PE (X) (TTM)	17.8
Dividend Yield (%)	1.9

Daily closing price for last 3 years of Bajaj Auto



Shareholding Pattern (%) on 31 Dec 2019

Promoter	53.52
Institutions	23.98
Others	22.50
Total	100.00

Earnings Summary – Standalone

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	252	15.9	48	19.2	41	140.6	6.3	22.0	1.9
19A	302	19.9	50	16.5	47	161.6	14.9	19.1	1.9
20E	312	3.0	50	16.2	48	165.2	2.2	18.7	1.9
21E	346	10.9	57	16.5	53	184.6	11.8	16.7	1.9

Quarterly Result Snapshot – Standalone

Rs in Bn	Q3FY20	Q3FY19	% YoY
Revenue	76.4	74.1	3.1
EBITDA	13.7	11.6	18.3
EBITDAM	17.9%	15.6%	229 bps
PAT	12.6	11.0	14.5
EPS (Rs.)	43.6	38.1	

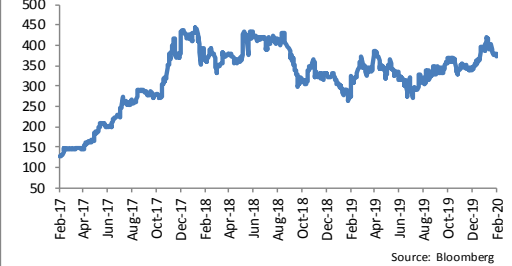
About the Company: Minda Industries Limited (MIL) is flagship Company of UNO MINDA Group and one of the leading suppliers of proprietary automotive solutions to OEMs. MIL offers a wide range product across different verticals of auto component like Switching systems, Lighting systems, Acoustic systems and Alloy Wheels

View: MIL is a well-diversified auto component company with strong presence in OEM's Switching (65% market share in 2Ws), Lights and Horn (~47% market share) segment. The performance in Q3FY20 was impacted due to challenging environment for the industry. However, MIL is likely to outperform the industry going ahead as the industry starts to recover owing to the expected increase in premiumization in the passenger vehicle as the company is ready with products like airbags, infotainment system, RPAS, alloy wheels (for PVs and 2Ws). MIL also continued to expand inorganically to augment its product portfolio to high-end products like cockpit electronic etc. These products are not only expected to bring the incremental revenue growth but also likely to improve margins as some of these products are high margin products. Despite near term headwinds, the company is likely to do well in the long term owing to its strategy of new customer acquisition, new product and new technology addition through inorganic way. Also, shift in customers' buying in aftermarket segment from Unorganized players to Organized players like MIL is likely to be positive for the company. However, owing to recent run-up in the stock price, currently **we have a Hold rating on the stock with the target price of Rs.398 based on PE multiple of 25x FY21E EPS of Rs.15.9**. Our target price may see some upside as we rollover our earnings forecast to FY22E. Any earning revision would depend on the performance of subsidiaries, changes in market share and in general business momentum.

Key Details

52 week H/L(Rs)	426/263
Market Cap (Rs. Bn)	100
Book Value (Rs) YTD	71.2
FV (Rs)	2.0
PE (X) (TTM)	44.3
Dividend Yield (%)	0.3

Daily closing price for last 3 years of Minda Industries



Shareholding Pattern (%) on 31 Dec 2019

Promoter	70.79
Institutions	17.05
Others	12.16
Total	100.00

Quarterly Result Snapshot – Consolidated

Rs in Mn	Q3FY20	Q3FY19	% YoY
Revenue	13268	14701	(9.7)
EBITDA	1634	1804	(9.5)
EBITDAM	12.3%	12.3%	4 bps
PAT	499	694	(28.0)
EPS (Rs.)	1.9	2.6	

Earnings Summary – Consolidated

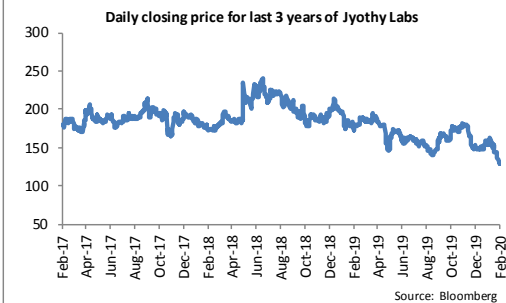
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	44706	32.0	5338	11.9	3097	11.9	70.2	32.0	0.2
19A	59081	32.2	7252	12.3	2856	10.9	(7.9)	34.8	0.3
20E	62031	5.0	7754	12.5	3075	11.8	7.7	32.3	0.3
21E	76603	23.5	9729	12.7	4166	15.9	35.5	23.8	0.3

About the Company: Jyothy Labs Ltd. (JYL), a fast moving consumer goods (FMCG) company is principally engaged in manufacturing and marketing of fabric whiteners, soaps, detergents, mosquito repellents, scrubber, bodycare and incense sticks. Jyothy has some of the major brands in the FMCG industry under its product portfolio offering including Ujala, Maxo, Exo, Henko, Prill, Margo and Neem.

View: JYL's Q3FY20 performance was impacted by the general slowdown and one-off moderation in institutional sales. However, the management expects to see some recovery in Q4FY20 owing to expected pick up in Household Insecticide segment. The management also maintained its EBITDA margin guidance. The Company continued to focus on innovation, roll-out of existing products into newer geographies and launch of variants in existing brands. Moreover, the company is also launching low price pouch in liquid Dish Wash segment which is growing faster compared to bars, which is likely to support growth in Dish Wash segment. We believe better Rabi sowing and series of government reforms targeted to augment rural demand augurs well for the company from long term perspective. Currently, we are maintaining our estimate as company is expecting improvement in Q4FY20 and have maintained margin guidance as well. However, we may look to revise our numbers post Q4FY20, where would get more clarity on demand scenario and roll over to FY22. As the stock is trading at deep discount to its peer, **we are maintaining our Buy rating on the stock with the target price of Rs.207 at 30x PE multiple on FY21E EPS of Rs.6.9.** Any revision in earning/rating would depend on the performance of its power brands, improvement in EBITDA margin and changes in general business momentum.

Key Details

52 week H/L(Rs)	200/125
Market Cap (Rs. Bn)	48
Book Value (Rs) YTD	39.8
FV (Rs)	1.0
PE (X) (TTM)	22.3
Dividend Yield (%)	2.3



Shareholding Pattern (%) on 31 Dec 2019

Promoter	62.89
Institutions	30.69
Others	6.42
Total	100.00

Quarterly Result Snapshot – Consolidated

Rs in Mn	Q3FY20	Q3FY19	% YoY
Revenue	4208	4473	(5.9)
EBITDA	663	721	(8.0)
EBITDAM	15.8%	16.1%	(36) bps
PAT	465	526	(11.5)
EPS (Rs.)	1.3	1.4	

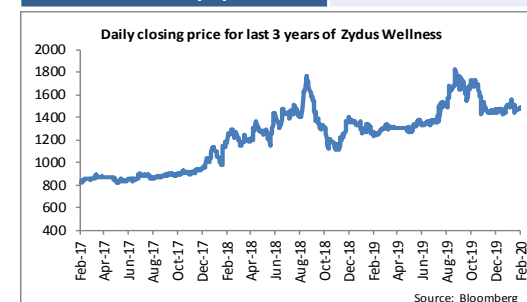
Earnings Summary – Consolidated

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	16724	(0.6)	2575	15.4	1789	4.9	(12.4)	26.3	0.8
19A	18136	8.4	2811	15.5	1976	5.4	10.5	23.8	2.3
20E	19907	9.8	3145	15.8	2115	5.8	7.0	22.3	2.3
21E	22497	13.0	3644	16.2	2515	6.9	18.9	18.7	2.3

About the Company: Zydus Wellness (Zydus) is engaged in development, production, marketing and distribution of health and wellness products. Zydus's products include Everyuth, Sugar Free, Nutralite and Actilife. Zydus has recently acquired Heinz India's four key brands —Glucon—D, Nycil, Sampriti and Complian.

View: Zydus has maintained its leadership position in most of the brands and also gained market share in some of the categories. However, Q3FY20 operating performance was impacted due to seasonality and higher spending on brand building exercise. Zydus' focus on reducing seasonality, increasing direct customer touch points and synergy benefits is likely to drive performance going ahead. Over the long term, we believe, increasing penetration level, new product extension in existing brands and in newly acquired brands would augur well for the company. We are positive on the stock given the structural growth drivers of the health & wellness industry and its strong market share across product category. While the recent quarter performance was impacted by the seasonality in the Heinz portfolio, we await for Q4FY20 numbers, which is seasonally positive quarter for Heinz portfolio, to revise our FY21E numbers and rollover to FY22. **Currently, we have a Buy rating on the stock with the target price of Rs.1700 at a target PE multiple of 34x on FY21E EPS of Rs.50.** Any earning revision would depend on the performance of key brands and of Heinz brands, accrual of synergy benefits, impact of acquisition on balance sheet & return ratios, rollover to next financial year and changes in general business momentum.

Key Details	
52 week H/L(Rs)	1859/1217
Market Cap (Rs. Bn)	85
Book Value (Rs) YTD	599.8
FV (Rs)	10.0
PE (X) (TTM)	63.1
Dividend Yield (%)	0.3



Shareholding Pattern (%) on 31 Dec 2019	
Promoter	67.62
Institutions	24.88
Others	7.50
Total	100

Quarterly Result Snapshot – Consolidated			
Rs in Mn	Q3FY20	Q3FY19	% YoY
Revenue	3327	1454	128.8
EBITDA	327	377	(13.4)
EBITDAM	9.8%	26.0%	(1612) bps
PAT	43	397	(89.2)
EPS (Rs.)	0.7	10.2	

Earnings Summary – Consolidated									
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	5126	19.1	1253	24.4	1365	34.3	22.9	43.1	0.5
19A	8428	64.4	1744	20.7	1712	29.3	(14.4)	50.4	0.3
20E	18883	124.0	3701	19.6	2177	37.8	28.7	39.1	0.3
21E	21111	11.8	4307	20.4	2884	50.0	32.5	29.5	0.3

Phoenix Mills

CMP: Rs.867

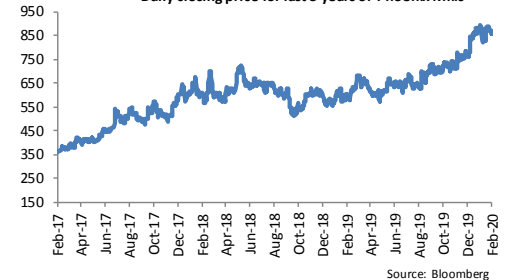
About the Company: The Phoenix Mills Ltd (PML) specializes in the ownership, management and development of retail-led mixed use properties that include shopping, entertainment, commercial, residential and hospitality assets. Its core business includes Retail, Hospitality, Commercial and Residential. Under the Retail segment, it operates eight malls in six cities. Under Commercial and Hospitality segments, it operates four commercial centers in two cities and two completed hotel projects

View: PML continued to deliver steady rental growth during Q3FY20 as more malls mature with rental income growing steadily in the last few quarters. With the next leg of growth being partly funded via CPPIB deal and near completion of minority buyouts in existing malls, PML is expected to generate strong free cash flows. With increasing household incomes, we believe that India stands at an inflection point from where the retail consumption pie in the country is set to grow at a much higher growth rate for the next decade. Key growth drivers for PML in the form of i) doubling its mall portfolio to ~10-11 msf over the next few years, ii) focus on building retail mixed led commercial portfolio, iii) bottoming of real-estate sector and (iv) improving dynamics for hospitality sector augurs well for the company. Given the healthy earnings growth trajectory and strong traction witnessed in the organized retail segment in the last few quarter, the stock has seen a sharp jump in its stock prices in the recent past. **While currently we have a Buy rating on the stock with a target price of Rs.971 at 30x FY21E EPS of Rs.32.4**, we are continue to remain positive on the company as a proxy play on India's growing organized retail story. Our target price may see some upside as we rollover our earnings forecast to FY22E. Any earnings/target price revision would depend upon a slowdown in retail business; slowdown in real estate, any new policy announcement by Government on the real estate policy frame work, change in the interest rate and changes in general business momentum.

Key Details

52 week H/L(Rs)	913/564
Market Cap (Rs. Bn)	133
Book Value (Rs) YTD	246.5
FV (Rs)	2.0
PE (X) (TTM)	27.7
Dividend Yield (%)	0.3

Daily closing price for last 3 years of Phoenix Mills



Shareholding Pattern (%) on 31 Dec 2019

Promoter	59.14
Institutions	36.72
Others	4.14
Total	100.00

Quarterly Result Snapshot

Rs. in Mn.	Q3FY20	Q3FY19	% YoY
Revenue	5118	4404	16.2
EBITDA	2593	2225	16.6
EBITDAM	50.7%	50.5%	20 Bps
PAT	919	708	29.7
EPS (Rs.)	6.0	4.6	

Earnings Summary

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	16198	(11.2)	7774	48.0	2421	15.8	41.9	54.9	0.3
19A	20518	26.7	9162	44.7	2954	19.3	22.0	35.7	0.3
20E	19735	(3.8)	10632	53.9	4095	26.7	38.4	32.5	0.3
21E	21907	11.0	12194	55.7	4963	32.4	21.2	26.8	0.3

About the company: Apar Industries Ltd (Apar) is engaged in the business of manufacture of conductors, transformer/specialty oils and power/telecom cables. The Company's segments are Conductor, Transformer/Speciality Oils, Power/Telecom Cables, and Others. The Company's specialty Oil business has a range of products, which falls under approximately four categories, such as transformer oils, white oils and liquid paraffin's, industrial/automotive oils and process oils.

View: Apar Industries has established presence across diverse businesses like Conductors (23% market share), Transformers & Specialty Oils (45% market share), Cables and Auto Lubes. We believe with its diversified product profile, Apar is well positioned to reap the benefits of improvement in the power T&D space in India. While the company has delivered a muted performance during Q3FY20, we believe, Apar is likely to see some revival in performance in conductor and cables segments as order from railways and other T&D projects picks up. For the conductor segment, management is optimistic in achieving a much higher value growth given the improving mix in the form of high value copper conductor order from Indian Railways and increasing share of High Efficiency Conductors. Similarly, management has guided for some improvement in the profitability in Conductor segment on the back of improving mix, however, volatility in base oil prices is likely to continue to impact the specialty oil segment margins. Given the subdued performance in the 9MFY20 period and muted outlook on the Specialty Oil segment volumes and margin we have revised our estimates accordingly. **Currently, we maintain our Buy rating on the stock with a price target of Rs.655 which is 12x FY21E EPS of Rs.54.6.** Any revision in the stock price would depend upon the change in crude oil price, order inflow, and general business momentum.

Key Details

52 week H/L(Rs)	702/385
Market Cap (Rs. Bn)	15
Book Value (Rs) YTD	343.4
FV (Rs)	10.0
PE (X) (TTM)	9.7
Dividend Yield (%)	1.7

Daily closing price for last 3 years of Apar Industries



Source: Bloomberg

Shareholding Pattern (%) on 31 Dec 2019

Promoter	59.38
Institutions	30.30
Others	10.32
Total	100.00

Earnings Summary

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	58,185	19.3	4,075	7.0	1,447	37.8	-18.4	10.4	1.7
19A	79,639	36.9	4,677	5.9	1,361	35.6	-6.0	11.0	1.7
20E	80,833	1.5	4,931	6.1	1,586	41.5	16.6	9.5	1.7
21E	86,896	7.5	5,561	6.4	2,090	54.6	31.7	7.2	1.7

Quarterly Result Snapshot

Rs. in Mn.	Q3FY20	Q3FY19	% YoY
Revenue	17417	20023	(13)
EBITDA	1145	1202	(4.7)
EBITDAM	6.6%	6.0%	60 Bps
PAT	337	441	(23.5)
EPS (Rs.)	8.8	11.5	

About the company: KEC was incorporated in 1945 as Kamani Engineering Corporation by the RPG Group. KEC is a Global Power Transmission Infrastructure major for Engineering Procurement and Construction (EPC) projects. It has presence in the verticals of Power Transmission & Distribution (T&D), Cables, Railways, Water, Renewables (Solar Energy) and Civil. Globally, the company has powered infrastructure development in more than 61 countries.

View: KEC has delivered strong operational growth during 9MFY20, however, lower order inflow continued to remain a concern in the near term. Management has guided that order pipeline from both domestic and international markets continued to remain robust and this is likely to drive the overall order inflow for KEC in the near to medium term. Moreover, on Railways with ~30000 kms of railway lines yet to be electrified, the revenue visibility for the railway segment remains strong, given the KEC's leadership position in the railway overhead electrification segment. We believe, expected improvement in order inflow, reducing debt profile, improving working capital situation, diversification of overall company revenue via both, diversified client base and segment base (T&D & Non T&D share) is likely to drive profitability for the company in the medium to long term. **Currently, we maintain a Buy rating on the stock with a target price of Rs.407 at 15x FY21E EPS of Rs.27.1.** Any earning/target price revision would depend on the ordering and tendering activities by domestic T&D players, improvement in market share and changes in general business momentum.

Key Details

52 week H/L(Rs)	358/230
Market Cap (Rs. Bn)	85
Book Value (Rs) YTD	109.2
FV (Rs)	2.0
PE (X) (TTM)	14.8
Dividend Yield (%)	0.7



Shareholding Pattern (%) on 31 Dec 2019

Promoter	51.59
Institutions	35.42
Others	12.99
Total	100.00

Quarterly Result Snapshot

Rs. in Bn.	Q3FY20	Q3FY19	% YoY
Revenue	30.7	26.5	16.1
EBITDA	3.2	2.8	13.2
EBITDAM	10.4%	10.6%	(20) Bps
PAT	1.4	1.1	30.7
EPS (Rs.)	5.6	4.3	

Earnings Summary

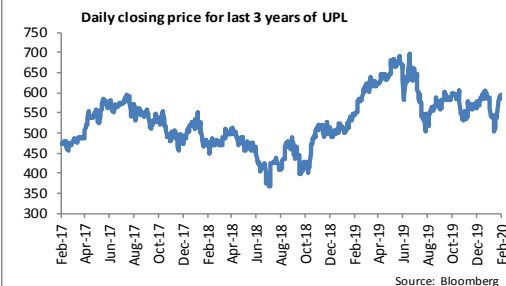
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	100.5	17.1	10.1	10.0	4.6	17.8	50.4	18.5	0.5
19A	110.0	9.4	11.5	10.5	4.9	18.9	6.1	17.4	0.7
20E	126.5	15.0	13.3	10.5	6.1	23.6	24.9	13.9	0.7
21E	141.7	12.0	15.0	10.6	7.0	27.1	14.8	12.1	0.7

About the Company: UPL is a leading global producer of crop protection products, intermediates, speciality chemicals and other industrial chemicals. Being the largest manufacturer of agrochemicals in India, UPL offers a wide range of products that include Insecticides, Fungicides, Herbicides, Fumigants, PGR and Rodenticides

View: UPL is a leading global generic player in the Agrochemical Industry and ranked among the top-5 post patent agrochemical manufacturers in the world after the acquisition of Arysta. UPL has started reaping benefits of acquisition and has received significant cost and revenue synergies especially in Latin America region. UPL's leadership position in key pest resistance products and its cost advantage is helping the company to outperform the industry in key markets and gain market share. Going ahead, the overall volume growth is expected to improve on the back of increased focus on product portfolio expansion, untapped markets like Africa & China and synergy benefits. While the recent outbreak of Coronavirus in China may provide the opportunity to UPL to emerge as an alternative supply source to global players, the management believe that this may get offset by the potential near-term negative impact of virus on overall demand for industry. While the management has maintained its debt reduction guidance, movement in debt levels would be one of the key levers for stock going ahead. **Currently, we maintain our Buy rating on the stock with the target price of Rs.719, which is 13x FY21E EPS of Rs.55.3.** Any revision in the earning/rating would depend upon the change in the product launching strategy, volume growth, forex impact, management guidance, accrual of synergy benefits, debt levels and general business momentum.

Key Details

52 week H/L (Rs)	709/498
Market Cap (Rs. Bn)	447
Book Value (Rs) YTD	208.3
FV (Rs)	2.0
PE (X) (TTM)	30.3
Dividend Yield (%)	0.9



Shareholding Pattern (%) on 31 Dec 2019

Promoter	27.87
Institutions	54.93
Others	17.20
Total	100.00

Earnings Summary – Consolidated

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	173.8	6.5	35.2	20.2	20.2	39.8	16.4	14.7	1.4
19A	218.4	25.7	41.1	18.8	14.5	18.9	(52.4)	30.9	1.4
20E	361.7	65.6	72.3	20.0	31.3	41.0	116.6	14.3	1.4
21E	397.9	10.0	81.6	20.5	42.2	55.3	34.8	10.6	1.4

Quarterly Result Snapshot – Consolidated

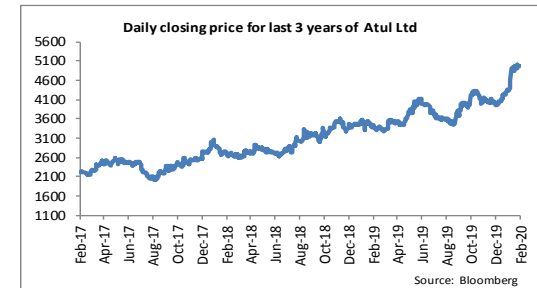
Rs in Bn	Q3FY20	Q3FY19	% YoY
Revenue	88.9	49.2	80.7
EBITDA	20.7	10.2	103.7
EBITDAM	23.3%	20.6%	263 bps
PAT	7.0	4.6	52.1
EPS (Rs.)	9.2	6.0	

About the Company: Atul Ltd. (Atul), originally promoted by Late Shri Kasturbhai Lalbhai in 1947, has one of the biggest integrated chemical complexes in Asia with well diversified portfolio of chemical products and formulations divided into Life Science Chemicals and Performance & Other Chemicals catering to the requirement of wide range of industries such as agriculture, animal feed, automobile, construction, cosmetic, footwear, fragrance, horticulture, paint and coatings, paper, etc.

View: Atul Ltd witnessed subdued revenue growth in Q3FY20, due to continued fall in chemical prices. While company was able to improve its margin in both the segment, revenue growth continued to remain subdued for second consecutive quarter and hence, it would be one of the key data point to watch out for stock price performance going ahead. However, we believe management's focus on expanding capacities of high margin segments, introducing new products and formulations, building a strong sales and marketing organization in other countries like Africa and South America and expanding secondary sales is likely to help in improving its overall performance over the medium to long term. Moreover, the company is well positioned to reap the benefits of recovery in the domestic and global markets with its diversified product and customer profile. The government's initiatives like Make in India for manufacturing and Smart Cities augurs well for the company. Given the recent surge in stock prices, **currently, we have a Hold rating on the stock with the target price of Rs.4742 which is 20x FY21E EPS of Rs.237.1.** Any changes in the earnings/rating would depend on performance improvement across the segments, improvement in margin profile, roll over to the next financial year and changes in general business momentum.

Key Details

52 week H/L(Rs)	5114/3268
Market Cap (Rs. Bn)	147
Book Value (Rs) YTD	987
FV (Rs)	10.0
PE (X) (TTM)	23.2
Dividend Yield (%)	0.3



Shareholding Pattern (%) on 31 Dec 2019

Promoter	44.80
Institutions	30.32
Others	24.88
Total	100.00

Earnings Summary – Consolidated

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	32958	16.3	5052	15.3	2812	94.8	(13.0)	52.4	0.2
19A	40378	22.5	7668	19.0	4360	146.9	55.0	33.8	0.3
20E	44321	9.8	9529	21.5	6375	214.8	46.2	23.1	0.3
21E	49828	12.4	10514	21.1	7037	237.1	10.4	21.0	0.3

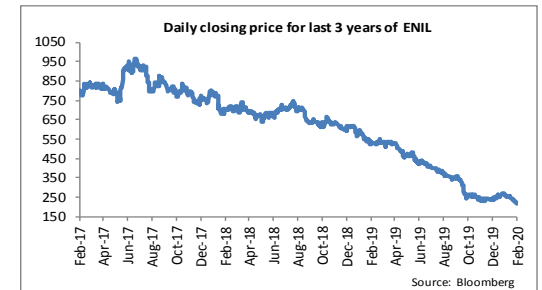
Quarterly Result Snapshot – Consolidated

Rs in Mn	Q3FY20	Q3FY19	% YoY
Revenue	10414	10315	1.0
EBITDA	2493	2134	16.8
EBITDAM	23.9%	20.7%	325 bps
PAT	1689	1170	44.3
EPS (Rs.)	56.9	39.5	

About the Company: Entertainment Network (India) Ltd. (ENIL) is engaged in the radio broadcasting business. The Company operates in two segments: Radio Broadcasting, which consists of the activities relating to airtime sales and Solution business, which consist of activities relating to management of events, creating and marketing media properties. The Company operates its radio broadcasting business under the brand Radio Mirchi and Mirchi Love.

View: ENIL has been witnessing severe downturn owing to slowdown in overall economy impacting the demand for radio advertisements. Moreover, the management is expecting subdued environment to continue in Q4FY20, which coupled with subdued performance in 9MFY20 led to us to revised our numbers downward for FY20 & FY21, after considering improvement in margin in 9MFY20. However, we continue to remain long term positive on the company, as we believe the expected recovery in economy in coming times can help in increasing the ENIL's utilization levels in radio business, which in turn may drive profitability significantly given the high operating leverage nature of business. We also believe that the company can also see sharp improvement in earnings growth post the investment phase, on the back of improved topline owing to increased reach and its decision to follow its long-term strategy of inventory ad-cap to improve listenership experience would yield higher realization and better cost management in Solution business to support margin expansion going ahead. **We maintain our Buy rating on the stock with a target price of Rs.310 at 10x FY21E EV/EBITDA multiple.** Any changes in the earnings/price target would depend on ability of the company to scale up its new stations, improvement in utilization levels, scaling up of its Solution business, changes in the margin profile, rollover of financial to next year and changes in the general business/economic momentum.

Key Details	
52 week H/L(Rs)	554/217
Market Cap (Rs. Bn)	11
Book Value (Rs) YTD	199.1
FV (Rs)	10.0
PE (X) (TTM)	31.9
Dividend Yield (%)	0.5



Shareholding Pattern (%) on 31 Dec 2019	
Promoter	71.15
Institutions	21.52
Others	7.33
Total	100.00

Quarterly Result Snapshot – Consolidated			
Rs in Mn	Q3FY20	Q3FY19	% YoY
Revenue	1483	2009	(26.2)
EBITDA	413	404	2.3
EBITDAM	27.8%	20.1%	775 bps
PAT	99.0	161.4	(38.6)
EPS (Rs.)	2.1	3.4	

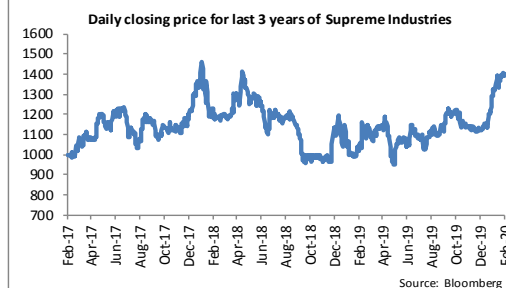
Earnings Summary – Consolidated									
Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Mn	(%)	Rs Mn	(%)	Rs Mn	Rs	%	X	%
18A	5371	(3.5)	1166	21.7	357	7.5	(34.5)	29.8	0.4
19A	6208	15.6	1391	22.4	539	11.3	51.1	19.7	0.4
20E	5561	(10.4)	1435	25.8	304	6.4	(43.6)	35.0	0.4
21E	6288	13.1	1647	26.2	378	7.9	24.3	28.2	0.4

About the Company: Supreme Industries Ltd. (SIL) is engaged in production of plastic products. The Company offers a wide range of plastic products with a variety of applications in Moulded Furniture, Storage and Material Handling Products, XF Films and products, Performance Films, Industrial Molded Products, Protective Packaging Products, Plastic Piping System, Composite LPG Cylinder and Petrochemicals.

View: SIL's management expects demand in piping segment to remain strong, which led them to announce increase in its capacity expansion plan. In the long term, the government initiatives such as affordable housing, establishing sewerage & drainage system, drinking water system for all is likely to boost demand for its products across segments. Moreover, low per capita consumption of plastic in India and expected boost in composite LPG Cylinder demand provides huge revenue growth opportunity for SIL. The stock has seen uptick in recent past, as a result, **the stock is currently under Hold rating with the target price of Rs.1288 based on PE multiple of 29x FY21E EPS of Rs.43.4 and adding Rs.28 for stake in Supreme Petrochem.** Our target price may see some upside as we rollover our earnings forecast to FY22E. Any earning/rating revision would depend on the volume and revenue growth for the company, pace of shift in trade from unorganized to organized players, change in the value of Supreme Petrochem and changes in general business momentum.

Key Details

52 week H/L(Rs)	1414/950
Market Cap (Rs. Bn)	178
Book Value (Rs) YTD	197.1
FV (Rs)	2.0
PE (X) (TTM)	38.1
Dividend Yield (%)	0.9



Shareholding Pattern (%) on 31 Dec 2019

Promoter	49.7
Institutions	31.69
Others	18.61
Total	100.00

Earnings Summary – Standalone

Y/E	Sales	Growth	EBITDA	Margin	Net Profit	EPS	Growth	P/E	Div. Yield
31-Mar	Rs Bn	(%)	Rs Bn	(%)	Rs Bn	Rs	%	X	%
18A	44.6	50.7	7.6	17.1	4.3	33.7	94.8	41.5	1.1
19A	49.7	11.4	7.9	15.8	4.3	34.0	0.8	41.1	0.9
20E	56.1	12.9	7.8	14.0	3.8	29.0	(14.8)	48.3	0.9
21E	60.6	8.0	8.0	13.2	4.7	36.8	27.2	37.9	0.9

Quarterly Result Snapshot – Standalone

Rs in Bn	Q3FY20	Q3FY19	% YoY
Revenue	13.7	14.1	(2.6)
EBITDA	2.2	1.8	25.8
EBITDAM	16.1%	12.5%	363 bps
PAT	1.2	0.8	52.4
EPS (Rs.)	9.7	6.4	

Disclaimer & Disclosures

Rating Interpretation	
Rating	Expected to
Buy	Appreciate more than 10% over 12-18 month period
Hold	Appreciate below 10% over 12-18 months period
Under Review	Rating under Review
Exit	Exited out of model portfolio

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