INSTITUTIONAL RESEARCH

HSIE Results Daily

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Results Reviews

- **Nestle India:** Nestle's 2QCY20 was a tad soft as the company clocked 2% YoY revenue growth. Domestic business clocked a mere 2.6% YoY growth (expectation 5%), much lower than its 11-12% consistent show in the last 8 quarters. Supply chain impact was higher for Nestle as Britannia and Marico's Saffola clocked a strong 26/16% YoY growth. Maggi, Nescafe and milk portfolio have done well at the end of the quarter. E-commerce channel was up 122% YoY (3.6% of domestic revenue) as MT continued to struggle during the quarter. OOH consumption experienced a sharp decline on account of lockdown and weak consumer sentiments. GM remained weak and contracted by 190bps YoY to 56%. Cost control initiatives expanded EBITDA margin by 130bps YoY to 25.2%. We expect supply chain related impact to normalize and pantry loading led bump up is now in the past. We maintain our EPS estimate for CY20/CY21/CY22. The stock is trading at 65x P/E on CY21 EPS and limits absolute upside in the medium term, making the risk-reward unattractive. We value Nestle at 50x P/E on Jun-22E EPS and derive a target price of Rs 14,103. Maintain REDUCE.
- **UltraTech Cement:** UltraTech reported strong earnings beat in 1QFY21, driven by robust fixed cost reduction. Consolidated revenue/EBITDA/APAT fell 33/30/30% YoY to Rs 76.33/20.75/9.03bn. Volume fell 32% YoY, on sharper volume decline across the south and Maharashtra. UltraTech also reported robust fixed cost control in 1Q, which cushioned the earnings impact. Strong margins and working capital reduction continues to help UltraTech reduce leverage. As retail sales remain less impacted and as non-trade expected to pick up in 2HFY21E, we expect slower volume decline of 16% in FY21 and 21% rebound in FY22E. We expect stable realisation YoY, subdued energy cost outlook, and healthy cost controls to drive 5% EBITDA CAGR (FY20-23E), despite a 13% decline in FY21E. We maintain BUY with a target price of Rs 4,915.
- **Tech Mahindra:** Tech Mahindra posted better-than-expected revenue and margin along with strong free cash generation. Revenue was down 6.3% QoQ CC vs. TCS/INFY/WIPRO/HCLT performance of -6.9/-2.0/-7.5/-7.2% QoQ CC respectively. Telecom was down 8.2% QoQ CC (in line with our estimate) but Enterprise (-5.1% QoQ CC) performed better than expected. Growth was led by Technology & Media (+13.1% QoQ), while all other verticals were under pressure. BPS was down 12.6% QoQ due to both demand and supply-side factors, and recovery is expected from 2H. Net new TCV wins were down 39% YoY to USD 290mn, but the pipeline remains strong. TechM will be a beneficiary of vendor consolidation in the Telecom segment because of its leadership position. The 5G related spend has shifted to early FY22, but TechM is well-poised to benefit from this spend. Margin performance was better than expected (10.1% vs. the estimate of 8.7%), led by lower travel cost, offshoring, and lower SG&A offset by higher sub-con cost. The margin recovery will be gradual, and 4Q exit will be similar to the 1QFY20 level. We increase the EPS estimate by 7.7/5.0% for FY21/22E to factor in better growth and margin. Our target price stands at Rs 720, based on 14x (in line with 5Y average) June-22E EPS. Maintain BUY.

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HDFC securities 20 YEARS

- **United Spirits:** United Spirits posted a disappointing set of numbers as the revenue declined 54% YoY and there was an EBITDA loss of Rs 776mn. IMFL industry saw >50% decline in volume due to COVID-led lockdown. Recovery in May and June was strong, although localised lockdowns have slowed down the rate of recovery in July. The downtrading trend was not significant, and the P&A mix is expected to improve in the ensuing quarters. GM pressure (>500bps dip YoY) was on account of (1) low franchise income (160bps impact), (2) inventory-led provision (150bps impact), (3) cost inflation (150bps impact), (4) weak P&A volumes, and (5) adverse mix in popular. Going forward, we expect lower impact of these headwinds, and the company may achieve 44-45% gross margin. Improvement in the balance sheet was encouraging as collections were healthy in 1Q. Owing to the big miss in 1Q and slower recovery in P&A, we cut our EPS estimate by 34/4/4% for FY21/FY22/FY23. We value UNSP at 42x P/E on Jun-22E EPS and derive a target price of Rs 569. Maintain ADD.

- **IndusInd Bank:** IIB's 1Q was a mixed bag—while PAT was dented by high provisions, and SA trends disappointed, the decline in the moratorium portfolio was a positive. Commentary indicates a continuing focus on reduction in concentration risks on both sides of the balance sheets. Further, proposed equity raise will strengthen the balance sheet. These positives drive our ADD rating (target price of Rs 584). Our low assigned multiple (1.0xFY22E) is on account of near-term earnings weakness.

- **Escorts:** We downgrade Escorts to ADD, after the stock has more than doubled from its COVID lows (+35% from our initiation). The fund infusion from Kubota has been completed, and demand has revived led by good monsoons/encouraging kharif sowing. However, valuations are now trading well over mean P/E levels and are factoring in the near-term positives, in our view. We await detailed timelines for integration with Kubota's global operations and set a revised target price of Rs 1,200 at 16x Jun-22 EPS.

- **Hexaware Technologies:** We maintain REDUCE on Hexaware, following a better-than-expected 2Q, offset by a relatively slower recovery path. Key positives include the following: (1) BFS vertical strength supported by a recovery in large BFS account (mortgage); (2) continued strength in the Professional Services vertical, and market-share led gains in cloud transformation (launch of 'Amaze' solution). Key risks/negatives include the following: (1) weakness in Travel & Transportation and Manufacturing & Consumer verticals (~24% of rev) expected to continue, (2) lower discretionary spend and supply-side factors can continue to impact Application Transformation Management service-line and BPS service-line respectively. While business dynamics exhibit protracted recovery, stock price performance will trail developments around the delisting proposal. The shareholder approval for delisting (10-Aug) and the subsequent developments on offer price are likely to drive the near-term stock performance. Our target price of Rs 360, 14x Jun-22E EPS, follows ~3% EPS estimate increase for CY21E.

- **Multi Commodity Exchange:** MCX market share increased to 96.7% (+530bps YoY), which demonstrates the core strength of the franchise. Both revenue and margin performance was weak in 1Q but stood better than expectation. Trading volume was down 37% QoQ in 1Q due to the impact of COVID-19, change in exchange timing (April-20) and crude fiasco, which recovered strongly to pre-COVID levels in July-20 (Rs 346bn, ~5% below 4Q level). Bullion (57% of volume) continues to drive volume (+52% above 4Q level) supported by volatility in gold/silver prices. Crude (~25% of volume) is impacted by the high margin requirement (~100%) and extreme volatility. Tailwinds like institutional participation, indices launch (Aug-20), and increasing retail penetration should boost volumes. We increase the EPS estimate for FY21/22E by +27.4/+13.6% to factor in volume recovery and better margin. The stock has rallied ~48% in the last three months and now trades at a PE of 33/28x FY21/22E EPS. We assign 30x to June-22E core PAT and add net cash (ex-SGF) to arrive at a target price of Rs 1,600. Maintain ADD.

- **V-Guard Industries:** V-Guard posted a disappointing set of numbers as the company clocked revenue/EBITDA decline of 42/87% YoY (HSIE expectation -45/-52% YoY). Non-south performance remained weak and contracted by 47% (21% dip in 4QFY20). The company is the No. 3-4 player in non-south markets, and channel partners continue to prefer market leaders on priority. It impacted V-Guard even in 4QFY20. Stabiliser was most impacted (51% dip in Electronics segment) as demand of RAC was impacted sharply by the lockdown. Electricals/Consumer Durable segments have declined by 31/44% YoY. Gross margin declined by 334bps YoY on account of unfavorable mix (low Stabilizer mix). Negative oplev contracted EBITDA margin by 794bps to 2% (historical low). Demand improved sequentially since May as the company reached 70% of last year's sales and achieved 90% in June. However, sporadic lockdowns hampered the rate of recovery in July. V-Guard has been losing market share in the past six months, particularly in the non-south market. We expect only a gradual recovery and weak FY21 revenue. We cut EPS estimate for FY21 by 3% while maintain estimates for FY22/FY23. We value V-Guard at 30x P/E on Jun-22E EPS and derive a target price of Rs 157. Maintain REDUCE.

Nestle India

Muted 2Q; hit by supply disruptions

Nestle's 2QCY20 was a tad soft as the company clocked 2% YoY revenue growth. Domestic business clocked a mere 2.6% YoY growth (expectation 5%), much lower than its 11-12% consistent show in the last 8 quarters. Supply chain impact was higher for Nestle as Britannia and Marico's Saffola clocked a strong 26/16% YoY growth. Maggi, Nescafe and milk portfolio have done well at the end of the quarter. E-commerce channel was up 122% YoY (3.6% of domestic revenue) as MT continued to struggle during the quarter. OOH consumption experienced a sharp decline on account of lockdown and weak consumer sentiments. GM remained weak and contracted by 190bps YoY to 56%. Cost control initiatives expanded EBITDA margin by 130bps YoY to 25.2%. We expect supply chain related impact to normalize and pantry loading led bump up is now in the past. We maintain our EPS estimate for CY20/CY21/CY22. The stock is trading at 65x P/E on CY21 EPS and limits absolute upside in the medium term, making the risk-reward unattractive. We value Nestle at 50x P/E on Jun-22E EPS and derive a target price of Rs 14,103. Maintain REDUCE.

- **Weak domestic growth:** Net sales grew by 2% YoY (+11% in 2QCY19 and +11% in 1QCY20) vs expectation of 4% YoY growth. Domestic sales grew by 2.6% YoY while exports declined by 9.3% YoY. Domestic volume growth of ~2% YoY (+12% in 2QCY19 and +9% in 1QCY20). July has witnessed sporadic lockdowns in certain areas which has impacted the recovery rate of discretionary categories. Consumers are still cautious about spending on non-necessities and demand for OOH will remain under pressure.
- **Margins in-line:** Gross margin dipped by 193bps YoY (-137bps in 2QCY19 and -223bps in 1QCY20) vs expectation of a dip of 157bps YoY. Employee expenses grew by 18% YoY. However, other expenses declined by 19% YoY leading to and EBITDA margin expansion of 130bps YoY (-109bps in 2QCY19 and -146bps in 1QCY20) to 25.2%. Overall EBITDA grew by 7% YoY to Rs 7.7bn vs our expectation of Rs 7.6bn. Sharp dip in other income was offset by lower tax rate and APAT grew by 11% YoY (+11% in 2QCY19 and +10% in 1QCY20) to Rs 4.9bn.
- **Press release takeaways:** (1) E-commerce contributed 3.6% to revenue in 2QCY20; (2) milk products, Nescafe and Maggi faced supply constraints at the start of the quarter; (3) net cash grew from Rs 12.5bn in December to Rs 19.8bn in June.

Quarterly/Annual Financial summary

YE Dec (Rs mn)	2Q CY20	2Q CY19	YoY (%)	1Q CY20	QoQ (%)	CY19	CY20E	CY21E	CY22E
Net Sales	30,505	30,009	*1.7*	33,253	*(8.3)*	123,689	134,166	148,289	164,355
EBITDA	7,677	7,161	*7.2*	8,103	*(5.3)*	29,275	31,735	35,856	40,150
APAT	4,866	4,379	*11.1*	5,254	*(7.4)*	19,879	22,220	25,388	29,005
Diluted EPS (Rs)	50.5	45.4	*11.1*	54.5	*(7.4)*	206.2	230.5	263.3	300.8
P/E (x)						83.0	74.2	65.0	56.9
EV / EBITDA (x)						55.3	50.7	44.6	39.5
RoCE (%)						73.7	66.3	61.3	66.6

Source: Company, HSIE Research

REDUCE

CMP *(as on 28 Jul 2020)*	**Rs 17,095**
Target Price	**Rs 14,103**
NIFTY	**11,301**

KEY CHANGES	**OLD**	**NEW**
Rating	REDUCE	REDUCE
Price Target	Rs 14,103	Rs 14,103
EPS %	FY21E	FY22E
	0%	0%

KEY STOCK DATA	
Bloomberg code	NEST IN
No. of Shares (mn)	96
MCap (Rs bn) / ($ mn)	1,648/22,021
6m avg traded value (Rs mn)	2,655
52 Week high / low	Rs 18,370/11,128

STOCK PERFORMANCE (%)

	3M	**6M**	**12M**
Absolute (%)	(2.7)	10.9	49.4
Relative (%)	(22.6)	16.9	47.7

SHAREHOLDING PATTERN (%)

	Mar-20	**June-20**
Promoters	62.76	62.76
FIs & Local MFs	9.12	8.71
FPIs	11.81	12.10
Public & Others	16.31	16.43
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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UltraTech Cement

Well rounded performance!

UltraTech reported strong earnings beat in 1QFY21, driven by robust fixed cost reduction. Consolidated revenue/EBITDA/APAT fell 33/30/30% YoY to Rs 76.33/20.75/9.03bn. Volume fell 32% YoY, on sharper volume decline across the south and Maharashtra. UltraTech also reported robust fixed cost control in 1Q, which cushioned the earnings impact. Strong margins and working capital reduction continues to help UltraTech reduce leverage. As retail sales remain less impacted and as non-trade expected to pick up in 2HFY21E, we expect slower volume decline of 16% in FY21 and 21% rebound in FY22E. We expect stable realisation YoY, subdued energy cost outlook, and healthy cost controls to drive 5% EBITDA CAGR (FY20-23E), despite a 13% decline in FY21E. We maintain BUY with a target price of Rs 4,915.

- **1QFY21–strong cost controls and continued deleveraging**: Sales volume dipped 32/32% YoY/QoQ, hit by the sharper decline in Maharashtra and southern markets and weaker non-trade sales. Price hikes and increased trade sales firmed up NSR 4% QoQ, thus restricting YoY NSR decline at 2%. UltraTech surprised massively on operating cost as it reduced its fixed costs by 21% YoY, which significantly moderated the impact of lower sales. Its variable cost also fell 7% YoY on lower fuel, fly ash and gypsum costs. Increased share of green power (14% vs 8% YoY) also reduced costs. These drove down unitary operating cost by 4% YoY, offsetting the NSR fall. Thus, unitary EBITDA firmed up 3% YoY to Rs 1,416/MT. Strong margin focus and working capital reduction aided continued deleveraging; net debt fell 13/31% QoQ/YoY to Rs 146.51 bn in 1QFY21.
- **Outlook**: We expect the pace of volume decline to slow down 2QFY21 onwards as trade sales remain healthy and non-trade sales are expected to pick up, post monsoon. Subdued petcoke/coal prices and increasing share of low-cost green power should keep the variable cost low. The agility in fixed cost management should also aid margin expansion despite volume decline. Subsequently, we expect a 16% volume decline in FY21E, followed by 21% rebound in FY22E. We also build in margins to firm up during FY21-23E on asset sweating. We maintain our estimates and BUY rating on the stock. Our target price of Rs 4,915/sh is based on 15x Jun'22E consolidated EBITDA.

Consolidated Quarterly/Annual Financial summary

YE Mar (Rs bn)	Q1 FY21	Q1 FY20	*YoY (%)*	Q4 FY20	*QoQ (%)*	FY19	FY20	FY21E	FY22E	FY23E
Sales (mn MT)	14.7	21.4	*(31.6)*	21.4	*(31.7)*	85.8	82.5	69.0	83.5	90.0
NSR (Rs/T)	5,211	5,330	*(2.2)*	5,012	*4.0*	4,851	5,106	5,106	5,106	5,208
Opex (Rs/T)	3,795	3,954	*(4.0)*	3,872	*(2.0)*	3,995	3,965	3,920	3,944	3,993
EBITDA(Rs/T)	1,416	1,377	*2.9*	1,139	*24.3*	857	1,141	1,186	1,162	1,215
Net Sales	76.3	114.2	*(33.2)*	107.4	*(29.0)*	416.1	421.2	352.4	426.3	468.7
EBITDA	20.7	29.5	*(29.7)*	24.4	*(15.1)*	73.5	94.2	81.8	97.0	109.3
APAT	9.0	12.8	*(29.5)*	11.3	*(20.2)*	25.1	37.9	30.7	41.6	52.2
AEPS (Rs)	31.3	46.6	*(32.9)*	39.2	*(20.2)*	91.3	131.3	106.4	144.1	180.8
EV/EBITDA (x)						19.2	14.4	16.2	13.3	11.4
EV/MT (Rs bn)						12.5	11.8	11.3	10.6	10.3
P/E (x)						47.6	31.5	38.9	28.7	22.9
RoE (%)						8.3	10.4	7.6	9.5	10.9

Source: Company, HSIE Research, Consolidated Financials

BUY

CMP *(as on 28 July 2020)*	**Rs 4,135**
Target Price	**Rs 4,915**
NIFTY	**11,301**

KEY CHANGES	**OLD**	**NEW**
Rating	BUY	BUY
Price Target	Rs 4,915	Rs 4,915
EBITDA %	FY21E	FY22E
	-	-

KEY STOCK DATA	
Bloomberg code	UTCEM IN
No. of Shares (mn)	289
MCap (Rs bn) / ($ mn)	1,194/15,950
6m avg traded value (Rs mn)	2,346
52 Week high / low	Rs 4,754/2,910

STOCK PERFORMANCE (%)

	3M	**6M**	**12M**
Absolute (%)	21.9	(10.3)	(8.1)
Relative (%)	2.0	(4.2)	(9.7)

SHAREHOLDING PATTERN (%)

	Mar-20	**Jun-20**
Promoters	59.70	60.09
FIs & Local MFs	14.15	14.59
FPIs	16.48	16.10
Public & Others	9.67	9.22
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Tech Mahindra

Recovery on the cards

Tech Mahindra posted better-than-expected revenue and margin along with strong free cash generation. Revenue was down 6.3% QoQ CC vs. TCS/INFY/WIPRO/HCLT performance of -6.9/-2.0/-7.5/-7.2% QoQ CC respectively. Telecom was down 8.2% QoQ CC (in line with our estimate) but Enterprise (-5.1% QoQ CC) performed better than expected. Growth was led by Technology & Media (+13.1% QoQ), while all other verticals were under pressure. BPS was down 12.6% QoQ due to both demand and supply-side factors, and recovery is expected from 2H. Net new TCV wins were down 39% YoY to USD 290mn, but the pipeline remains strong. TechM will be a beneficiary of vendor consolidation in the Telecom segment because of its leadership position. The 5G related spend has shifted to early FY22, but TechM is well-poised to benefit from this spend. Margin performance was better than expected (10.1% vs. the estimate of 8.7%), led by lower travel cost, offshoring, and lower SG&A offset by higher sub-con cost. The margin recovery will be gradual, and 4Q exit will be similar to the 1QFY20 level. We increase the EPS estimate by 7.7/5.0% for FY21/22E to factor in better growth and margin. Our target price stands at Rs 720, based on 14x (in line with 5Y average) June-22E EPS. Maintain BUY.

- **1QFY21 highlights**: TechM revenue stood at USD 1,208mn -6.7% QoQ (vs. the estimate of USD 1,187mn). Telecom fall was driven by network services, Comviva seasonality, and COVID-19 impact. Enterprise fall was driven by manufacturing/BFSI/retail (-11.1/-4.4/-6.2% QoQ). EBIT margin expanded 10bps QoQ; a further expansion will be supported by rationalisation of portfolio companies, offshoring, and large deals turning steady.
- **Outlook**: We expect USD revenue growth of -5.9/+6.2% in FY21/22E. We have factored in 2/3/4QFY21 growth of -0.6/+1.6/+2.3% respectively. EBIT will be at 10.5/12.0% for FY21/22E. Telecom/Enterprise growth for FY21E will be at -10.5/-2.7% YoY.

Quarterly Financial summary

YE March (Rs bn)	1Q FY21	1Q FY20	*YoY (%)*	4Q FY20	*QoQ (%)*	FY19	FY20	FY21E	FY22E	FY23E
Revenue (USD Mn)	1,208	1,247	*-3.2*	1,295	*-6.7*	4,971	5,182	4,874	5,175	5,536
Net Revenue	91.06	86.53	*5.2*	94.9	*-4.0*	347.42	368.68	366.05	393.27	420.73
EBIT	9.17	9.93	*-7.6*	9.5	*-3.4*	52.08	42.80	38.60	47.05	51.15
APAT	9.72	9.59	*1.4*	10.21	*-4.8*	42.98	42.51	38.13	43.98	47.88
Diluted EPS (Rs)	11.1	10.9	*1.4*	11.6	*-4.8*	48.9	48.3	43.4	50.0	54.4
P/E (x)						13.6	13.8	15.3	13.3	12.2
EV / EBITDA (x)						8.0	9.1	9.5	7.8	7.0
RoE (%)						22.0	20.2	16.9	18.1	18.3

Source: Company, HSIE Research, Consolidated Financials

Change in Estimates

Rs Bn	FY21E Old	FY21E Revised	*Change %*	FY22E Old	FY22E Revised	*Change %*
Revenue (USD mn)	4,775	4,874	*2.1*	5,107	5,175	*1.3*
Revenue	359.11	366.05	*1.9*	388.12	393.27	*1.3*
EBIT	37.42	38.6	*3.2*	45.89	47.05	*2.5*
EBIT margin (%)	10.4	10.5	*13bps*	11.8	12.0	*14bps*
APAT	35.39	38.13	*7.7*	41.88	43.98	*5.0*
EPS (Rs)	40.2	43.4	*7.7*	47.6	50.0	*5.0*

Source: Company, HSIE Research

BUY

CMP *(as on 28 Jul 2020)*	**Rs 684**
Target Price	**Rs 720**
NIFTY	**11,301**

KEY CHANGES	**OLD**	**NEW**
Rating	BUY	BUY
Price Target	Rs 670	Rs 720
	FY21E	FY22E
EPS %	+7.7	+5.0

KEY STOCK DATA	
Bloomberg code	TECHM IN
No. of Shares (mn)	966
MCap (Rs bn) / ($ mn)	661/8,835
6m avg traded value (Rs mn)	2,668
52 Week high / low	Rs 846/470

STOCK PERFORMANCE (%)

	3M	**6M**	**12M**
Absolute (%)	31.5	(13.8)	6.3
Relative (%)	11.6	(7.8)	4.7

SHAREHOLDING PATTERN (%)

	Mar-20	**Jun-20**
Promoters	35.85	35.83
FIs & Local MFs	13.19	13.02
FPIs	39.66	39.59
Public & Others	11.30	11.56
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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United Spirits

Weak show; gradual recovery expected

United Spirits posted a disappointing set of numbers as the revenue declined 54% YoY and there was an EBITDA loss of Rs 776mn. IMFL industry saw >50% decline in volume due to COVID-led lockdown. Recovery in May and June was strong, although localised lockdowns have slowed down the rate of recovery in July. The downtrading trend was not significant, and the P&A mix is expected to improve in the ensuing quarters. GM pressure (>500bps dip YoY) was on account of (1) low franchise income (160bps impact), (2) inventory-led provision (150bps impact), (3) cost inflation (150bps impact), (4) weak P&A volumes, and (5) adverse mix in popular. Going forward, we expect lower impact of these headwinds, and the company may achieve 44-45% gross margin. Improvement in the balance sheet was encouraging as collections were healthy in 1Q. Owing to the big miss in 1Q and slower recovery in P&A, we cut our EPS estimate by 34/4/4% for FY21/FY22/FY23. We value UNSP at 42x P/E on Jun-22E EPS and derive a target price of Rs 569. Maintain ADD.

- **Weak volumes and realisation:** Revenue declined by 54% YoY (+10% in 1QFY20 and -11% in 4QFY20). P&A saw value/volume decline of 52% YoY while popular saw value/volume decline of 51/47% YoY. However, premium products and new launches continued to perform well.
- **Loss in EBITDA:** Gross margin fell sharply by 567bps YoY to 41.7% (-291bps in 1QFY20 and -400bps in 4QFY20) vs estimated 44.8%. Employee/A&P/other expenses declined 12/70/22% YoY. The company recorded a loss of Rs 776mn at the EBTIDA level. The loss at the APAT level fell to Rs 1,403mn vs an expected profit of Rs 535mn.
- **Call takeaways:** (1) All plants of the company are now fully operational; (2) 80-85% shops were operational within a month of states allowing the sale of liquor; (3) West Bengal and Orissa performed better than Maharashtra as Swiggy, Zomato were allowed to deliver liquor; (4) franchise income in the normal course is Rs 1.6-2bn per year. The company expects it to be ~40% lower going forward, (5) ENA is likely to remain stable and support gross margin, going forward, and (6) the company took a price hike in 7-8 states.

Quarterly/Annual Financial summary

YE Mar (Rs mn)	1Q FY21	1Q FY20	*YoY (%)*	4Q FY20	*QoQ (%)*	FY20	FY21E	FY22E	FY23E
Net Sales	10,302	22,184	*(53.6)*	19,938	*(48.3)*	90,909	79,580	95,598	103,928
EBITDA	-876	3,871	*(122.6)*	2,624	*(133.4)*	15,081	10,295	15,786	17,639
APAT	(1,403)	1,987	*(170.6)*	1,083	*(229.5)*	7,904	4,682	9,038	10,646
Diluted EPS (Rs)	(1.9)	2.7	*(170.6)*	1.5	*(229.5)*	10.9	6.4	12.4	14.7
P/E (x)						54.1	91.4	47.3	40.2
EV / EBITDA (x)						29.2	41.9	27.0	23.7
RoCE (%)						16.0	12.8	22.0	23.4

Source: Company, HSIE Research

Change in Estimates

	OLD			NEW			Change (%)		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
Sales	79,580	95,598	103,928	81,140	96,555	104,964	(1.9)	(1.0)	(1.0)
EBITDA	10,295	15,786	17,639	13,512	16,374	18,270	(23.8)	(3.6)	(3.5)
APAT	4,682	9,038	10,646	7,096	9,452	11,096	(34.0)	(4.4)	(4.1)
EPS	6	12	15	10	13	15	(34.0)	(4.4)	(4.1)

Source: Company, HSIE Research

ADD

CMP *(as on 28 Jul 2020)*	**Rs 585**
Target Price	**Rs 569**
NIFTY	**11,301**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	ADD
Price Target	Rs 594	Rs 569
EPS %	FY21E	FY22E
	-34%	-4%

KEY STOCK DATA	
Bloomberg code	UNSP IN
No. of Shares (mn)	727
MCap (Rs bn) / ($ mn)	425/5,682
6m avg traded value (Rs mn)	2,460
52 Week high / low	Rs 743/443

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	11.9	(10.8)	(1.2)
Relative (%)	(7.9)	(4.7)	(2.8)

SHAREHOLDING PATTERN (%)	**Mar-20**	**June-20**
Promoters	56.76	56.76
FIs & Local MFs	7.46	7.68
FPIs	20.54	19.68
Public & Others	15.24	15.88
Pledged Shares	0.67	0.67

Source : BSE

Pledged shares as % of total shares

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IndusInd Bank

Equity raise an additional positive

IIB's 1Q was a mixed bag—while PAT was dented by high provisions, and SA trends disappointed, the decline in the moratorium portfolio was a positive. Commentary indicates a continuing focus on reduction in concentration risks on both sides of the balance sheets. Further, proposed equity raise will strengthen the balance sheet. These positives drive our ADD rating (target price of Rs 584). Our low assigned multiple (1.0xFY22E) is on account of near-term earnings weakness.

- **1QFY21 highlights**: NII grew 16.4/.4% YoY/QoQ, ~10% ahead of estimates due to higher-than-expected NIMs. Other income dipped 8.7/14.3%, buoyed by significant treasury profits, as fee income fell 50.9% QoQ.
- **Asset quality and moratorium trends**: Despite elevated slippages (3% ann., led by 5.8% slippages in the CCB segment, wherein 3 a/cs worth ~Rs 11bn, accounted for ~89% of slippages), GNPAs were flat QoQ at 2.53%, due to high write-offs (Rs 8.4bn). The moratorium portfolio declined to 14% in June from 50% at its peak. 9% of CCB and 19% of CFD loans were under moratorium. Despite the significant reduction in the moratorium portfolio, we continue to model elevated slippages at ~3.8% over FY21E.
- **Non-tax provisions** were 7.4% lower QoQ at Rs 22.6bn but remained elevated (5.3xYoY). COVID-19 provisions were Rs 9.2bn, taking the total to ~Rs 12bn (61bps of loans). IIB's PCR rose 325bps QoQ to 66.6%. We model elevated LLPs of 2.5% over FY21-22E.
- **Deposit trends:** After a steep fall in 4QFY20, IIB's deposits grew 4.6% QoQ, led by 10.6/12.3% growth in CA and an 11.2/5.3% growth in TDs. Disappointingly, SA dipped 8.9/1.1%. Commentary indicates that the bank will continue to play the rate differential game to attract customers by delaying deposit rate cuts. Granular deposit traction remains an area of concern for the bank and performance on this front will be watched.
- **Equity raise:** We have factored in the proposed Rs 32.8bn equity raise at Rs 524 a share in our estimates.

Financial summary

YE Mar (Rs mn)	1Q FY21	1Q FY20	YoY (%)	4Q FY20	QoQ (%)	FY19	FY20	FY21E	FY22E
NII	33,092	28,440	16.4%	32,312	2.4%	88,462	120,587	125,901	138,985
PPOP	28,613	25,910	10.4%	28,362	0.9%	80,882	107,727	106,440	111,975
PAT	4,606	14,325	-67.8%	3,018	52.6%	33,011	44,179	29,106	43,105
EPS (Rs)	6.6	20.7	-67.9%	4.4	52.6%	54.8	63.7	37.7	55.8
ROAE (%)						13.3	14.7	7.6	9.7
ROAA (%)						1.32	1.51	0.91	1.23
ABVPS (Rs)						400	459	511	580
P/ABV (x)						1.32	1.15	1.03	0.91
P/E (x)						9.6	8.3	14.0	9.4

Change in estimates

Rs bn	FY21E			FY22E		
	Old	New	*Change*	Old	New	*Change*
Loan	2,194	2,194	*0.0%*	2472	2,487	*0.6%*
NIM (%)	4.4	4.4	*1 bps*	4.4	4.4	*4 bps*
NII	122.3	125.9	*2.9%*	132.4	139.0	*5.0%*
PPOP	99.8	106.4	*6.6%*	105.5	112.0	*6.1%*
PAT	29.4	29.1	*-1.0%*	41.8	43.1	*3.1%*
ABVPS (Rs)	511.5	511.4	*0.0%*	574.7	580.3	*1.0%*

Source: Bank, HSIE Research

ADD

CMP *(as on 28 July 2020)*	**Rs 527**
Target Price	**Rs 584**
NIFTY	**11,301**

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	Rs 601	Rs 584
EPS %	FY21E	FY22E
	-9.1%	-5.3%

KEY STOCK DATA	
Bloomberg code	IIB IN
No. of Shares (mn)	694
MCap (Rs bn) / ($ mn)	365/4,883
6m avg traded value (Rs mn)	13,276
52 Week high / low	Rs 1,597/236

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	12.6	(58.0)	(62.8)
Relative (%)	(7.3)	(52.0)	(64.4)

SHAREHOLDING PATTERN (%)	Mar-20	Jun-20
Promoters	14.3	14.7
FIs & Local MFs	16.9	16.2
FPIs	53.6	52.1
Public & Others	15.2	17.1
Pledged Shares	-	

Source : BSE

Pledged shares as % of total shares

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Escorts

Pricing in positives

We downgrade Escorts to ADD, after the stock has more than doubled from its COVID lows (+35% from our initiation). The fund infusion from Kubota has been completed, and demand has revived led by good monsoons/encouraging kharif sowing. However, valuations are now trading well over mean P/E levels and are factoring in the near-term positives, in our view. We await detailed timelines for integration with Kubota's global operations and set a revised target price of Rs 1,200 at 16x Jun-22 EPS.

- **1QFY21 financials:** Escorts' tractor volumes for the quarter fell 14% YoY/10% QoQ (though volumes in Jun-20 were up +22% YoY, ahead of the kharif season). The average realisation declined 13/15% YoY/QoQ, owing to lower share from construction equipment revenue. EBITDA margin came in at 11.3% (+120/-280bps YoY/QoQ). While tractor EBIT margin was healthy at 14.5%, a loss in the CE segment partially offset its impact. Net profit at Rs 922mn was up 5% YoY, led by higher other income/lower tax.
- **Concall and other highlights: (1) Escorts-Kubota JV:** Fund infusion of Rs 10bn by Kubota is completed, and the Japanese partner has been issued 12.2mn shares (~10% of paid-up equity). The production of the Escorts Kubota JV will commence by 3QFY21. Kubota's products will be priced at the premium end and will compete with the likes of John Deere. **(2) Positive outlook for the tractor industry:** Management expects the domestic tractor industry to grow in low single-digits over the year (from ~710k units in FY20). Demand will be led by a normal monsoon, agri procurement by the governments, and healthy water levels. The subsidy led tractor sales is 8-9% of volumes. Replacement demand is 45-50% of sales (80-85% in mature markets like Haryana). **(3) Railway segment:** The company has Rs 4.8bn of order book as of Jun-20 with an execution timeline of 12-15 months. The management expects the segment to grow in single digits in FY21. **(4) Supply chain constraints:** Capacity utilisation for the quarter was at 50-60% levels and almost at full utilisation in Jun-20. However, the company is facing temporary supply issues. Management expects the situation to go back to normal by mid-Aug 2020.
- **Earnings outlook:** We are revising our estimates upwards by ~10% over FY21/FY22 and set a revised target price of Rs 1,200. We now value the stock at 16x (vs. 15x earlier) to factor in the improved demand outlook and equity stake by Kubota. The stock multiples are now at the upper end of the historical trading band. **Key risks**: Delays in the implementation of reforms by the government and more-than-expected market share gains.

Financial Summary (Standalone)

YE Mar (Rs mn)	1Q FY21	1Q FY20	*YoY (%)*	4Q FY20	*QoQ (%)*	FY19	FY20	FY21E	FY22E	FY23E
Net Sales	10,616	14,230	*(25.4)*	13,807	*(23.1)*	61,964	57,610	57,358	66,228	77,297
EBITDA	9,420	12,806	*(26.4)*	11,862	*(20.6)*	7,333	6,758	6,654	8,186	9,747
APAT	922	875	*5.3*	1,404	*(34.4)*	4,764	4,925	5,469	7,183	8,587
Adj.EPS (Rs)*	9.1	8.7	*5.3*	13.9	*(34.4)*	53.6	55.4	54.1	71.1	85.0
APAT Growth(%)						36.4	3.4	11.0	31.3	19.5
P/E (x)						21.6	20.9	21.4	16.3	13.6
RoE (%)						17.1	15.1	13.0	13.6	14.2

Source: Company, HSIE Research *EPS adjusted for treasury shares

ADD

CMP *(as on 28 July 2020)*	**Rs 1,158**
Target Price	**Rs 1,200**
NIFTY	**11,301**

KEY CHANGES	**OLD**	**NEW**
Rating	BUY	ADD
Price Target	Rs 950	Rs 1,200
EPS %	FY21E	FY22E
	8%	13%

KEY STOCK DATA	
Bloomberg code	ESC IN
No. of Shares (mn)	123
MCap (Rs bn) / ($ mn)	142/1,897
6m avg traded value (Rs mn)	2,962
52 Week high / low	Rs 1,211/423

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	63.3	59.1	144.6
Relative (%)	43.4	65.2	143.0

SHAREHOLDING PATTERN (%)	**Mar-20**	**Jun-20**
Promoters	40.3	40.3
FIs & Local MFs	10.0	10.0
FPIs	19.3	20.4
Public & Others	30.5	29.4
Pledged Shares	0.0	0.0

Source : BSE

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Hexaware Technologies

Protracted recovery path

We maintain REDUCE on Hexaware, following a better-than-expected 2Q, offset by a relatively slower recovery path. Key positives include the following: (1) BFS vertical strength supported by a recovery in large BFS account (mortgage); (2) continued strength in the Professional Services vertical, and market-share led gains in cloud transformation (launch of 'Amaze' solution). Key risks/negatives include the following: (1) weakness in Travel & Transportation and Manufacturing & Consumer verticals (~24% of rev) expected to continue, (2) lower discretionary spend and supply-side factors can continue to impact Application Transformation Management service-line and BPS service-line respectively. While business dynamics exhibit protracted recovery, stock price performance will trail developments around the delisting proposal. The shareholder approval for delisting (10-Aug) and the subsequent developments on offer price are likely to drive the near-term stock performance. Our target price of Rs 360, 14x Jun-22E EPS, follows ~3% EPS estimate increase for CY21E.

- **1QFY21 highlights**: (1) Revenue performance was better than expected at -0.9% QoQ CC with supply-side impact at -0.6% QoQ. (2) Travel & Transportation vertical posted a steep decline of 27% QoQ and the BPM service-line declined 10.5% QoQ. (3) Margin outperformed with EBIT margin at 13.2%, +144bps QoQ, supported by higher utilisation and INR depreciation, offset by lower bill-rate. (4) Revenue outlook of flat to small volume growth in 3Q/4Q and 2H margin outlook at 1H margin actuals +/- 30bps.
- **Outlook**: We have factored in CY20E revenue growth at 6.7% (1.2% organic) and CY21E revenue growth at 8.9%; EBIT% factored at 12.6% each for CY20/21E translating into EPS CAGR of 11.7% over CY20-22E. At CMP, Hexaware trades at 17.0x and 15.6x CY20/21E (10-year average at 14x).

Quarterly Financial summary

YE Dec (Rs Bn)	2Q CY20	2Q CY19	*YoY (%)*	1Q CY20	*QoQ (%)*	CY18	CY19	CY20E	CY21E	CY22E
Revenue (USD Mn)	208	189	*10.4*	211	*-1.2*	*678*	*793*	*846*	*922*	*1,032*
Net Sales	15.69	13.08	*19.9*	15.42	*1.8*	46.48	55.83	63.18	70.07	80.01
EBIT	2.08	1.74	*19.1*	1.82	*14.2*	6.69	7.58	7.94	8.83	10.02
APAT	1.52	1.51	*0.8*	1.75	*-12.9*	5.83	6.41	6.55	7.16	8.18
Diluted EPS (Rs)	5.1	5.1	*0.7*	5.9	*-12.9*	19.6	21.5	22.0	24.0	27.4
P/E (x)						19.1	17.4	17.0	15.6	13.6
EV / EBITDA (x)						14.1	12.8	11.0	9.8	8.6
RoE (%)						26.5	24.9	22.3	21.7	22.0

Source: Company, HSIE Research, Consolidated Financials

Change in Estimates

Rs Bn	CY2OE Old	CY20E Revised	*Change %*	CY21E Old	CY21E Revised	*Change %*
Revenue (USD mn)	818	846	*3.4*	891	922	*3.4*
Revenue	61.14	63.18	*3.3*	67.74	70.07	*3.4*
EBIT	6.95	7.94	*14.3*	8.59	8.83	*2.8*
EBIT margin (%)	11.4	12.6	*121bps*	12.7	12.6	*-8bps*
APAT	5.95	6.55	*10.1*	6.91	7.16	*3.5*
EPS (Rs)	20.0	22.0	*10.1*	23.2	24.0	*3.5*

Source: Company, HSIE Research

REDUCE

CMP *(as on 28 Jul 2020)*	**Rs 375**
Target Price	**Rs 360**
NIFTY	**11,301**

KEY CHANGES	**OLD**	**NEW**
Rating	REDUCE	REDUCE
Price Target	Rs 325	Rs 360
EPS %	CY20E	CY21E
	+10.1	+3.5

KEY STOCK DATA	
Bloomberg code	HEXW IN
No. of Shares (mn)	299
MCap (Rs bn) / ($ mn)	112/1,498
6m avg traded value (Rs mn)	275
52 Week high / low	Rs 399/202

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	31.7	6.4	4.8
Relative (%)	11.8	12.5	3.2

SHAREHOLDING PATTERN (%)	**Mar-20**	**Jun-20**
Promoters	62.44	62.34
FIs & Local MFs	12.00	12.13
FPIs	16.82	14.03
Public & Others	8.74	11.50
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Multi Commodity Exchange

Strong recovery in volume

MCX market share increased to 96.7% (+530bps YoY), which demonstrates the core strength of the franchise. Both revenue and margin performance was weak in 1Q but stood better than expectation. Trading volume was down 37% QoQ in 1Q due to the impact of COVID-19, change in exchange timing (April-20) and crude fiasco, which recovered strongly to pre-COVID levels in July-20 (Rs 346bn, ~5% below 4Q level). Bullion (57% of volume) continues to drive volume (+52% above 4Q level) supported by volatility in gold/silver prices. Crude (~25% of volume) is impacted by the high margin requirement (~100%) and extreme volatility. Tailwinds like institutional participation, indices launch (Aug-20), and increasing retail penetration should boost volumes. We increase the EPS estimate for FY21/22E by +27.4/+13.6% to factor in volume recovery and better margin. The stock has rallied ~48% in the last three months and now trades at a PE of 33/28x FY21/22E EPS. We assign 30x to June-22E core PAT and add net cash (ex-SGF) to arrive at a target price of Rs 1,600. Maintain ADD.

- **1QFY21 highlights**: MCX revenue was down 30.7/8.1% QoQ/YoY to Rs 0.73bn (vs. expectation of Rs 0.64bn). Traded volume was down 41.6/18.5% QoQ/YoY to Rs 14.11tn. Total ADTV was down 36.9/15.8% QoQ/YoY to Rs 231bn. The bulk of the decline in 1Q was due to Energy (-65.9% QoQ) and Metals (-21.5% QoQ). Bullion was down only 6.6% QoQ in 1Q but is up 87% YoY in July-20. EBITDA margin stood at 38.7%, down 235bps QoQ, higher than our estimate of 26.5%.
- ADTV recovery has been strong in the past three months; in July-20, it was at Rs 345.85 (+9.9% YoY), led by Bullion and Metals. The crude volume is still down due to high margin requirements (~100% vs. ~10% earlier). MCX is planning to launch spot exchanges for Bullion and Natural Gas.

Quarterly Financial summary

YE March (Rs bn)	1Q FY21	1Q FY20	YoY (%)	4Q FY20	QoQ (%)	FY19	FY20	FY21E	FY22E	FY23E
Net Revenues	0.73	0.79	*-8.1*	1.05	*-30.7*	3.00	3.74	4.15	4.95	5.88
EBITDA	0.27	0.28	*-4.3*	0.41	*-34.9*	0.94	1.55	1.93	2.53	3.21
APAT	0.56	0.44	*29.1*	0.66	*-13.8*	1.7	2.33	2.39	2.81	3.40
Diluted EPS (Rs)	11.1	8.6	*29.1*	12.9	*-13.8*	33.4	45.7	47.0	55.3	66.9
P/E (x)						46.3	33.9	33.0	28.0	23.2
EV / EBITDA (x)						74.2	44.1	35.2	26.8	20.9
RoE (%)						12.9	17.8	17.3	19.9	23.2

Source: Company, HSIE Research, Consolidated Financials

Change in Estimates

Rs Bn	FY21E Old	FY21E Revised	Change %	FY22E Old	FY22E Revised	Change %
Revenue	3.45	4.15	*20.1*	4.56	4.95	*8.5*
EBITDA	1.31	1.93	*48.1*	2.17	2.53	*16.4*
EBITDA Margin (%)	37.9	46.7	*882bps*	47.6	51.0	*344bps*
APAT	1.87	2.39	*27.4*	2.48	2.81	*13.6*
EPS (Rs)	36.8	47.0	*27.4*	48.7	55.3	*13.6*

Source: Company, HSIE Research

ADD

CMP *(as on 28 Jul 2020)*	**Rs 1,699**
Target Price	**Rs 1,600**
NIFTY	**11,301**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	ADD
Price Target	Rs 1,340	Rs 1.600
EPS %	FY21E	FY22E
	+27.4	+13.6

KEY STOCK DATA

Bloomberg code	MCX IN
No. of Shares (mn)	51
MCap (Rs bn) / ($ mn)	87/1,158
6m avg traded value (Rs mn)	502
52 Week high / low	Rs 1,730/779

STOCK PERFORMANCE (%)

	3M	**6M**	**12M**
Absolute (%)	55.0	23.4	101.0
Relative (%)	35.2	29.4	99.4

SHAREHOLDING PATTERN (%)

	Mar-20	**Jun-20**
Promoters	0.00	0.00
FIs & Local MFs	39.31	39.65
FPIs	32.57	36.43
Public & Others	28.12	23.92
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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V-Guard Industries

Non-south drags 2Q; miss on margin

V-Guard posted a disappointing set of numbers as the company clocked revenue/EBITDA decline of 42/87% YoY (HSIE expectation -45/-52% YoY). Non-south performance remained weak and contracted by 47% (21% dip in 4QFY20). The company is the No. 3-4 player in non-south markets, and channel partners continue to prefer market leaders on priority. It impacted V-Guard even in 4QFY20. Stabiliser was most impacted (51% dip in Electronics segment) as demand of RAC was impacted sharply by the lockdown. Electricals/Consumer Durable segments have declined by 31/44% YoY. Gross margin declined by 334bps YoY on account of unfavorable mix (low Stabilizer mix). Negative oplev contracted EBITDA margin by 794bps to 2% (historical low). Demand improved sequentially since May as the company reached 70% of last year's sales and achieved 90% in June. However, sporadic lockdowns hampered the rate of recovery in July. V-Guard has been losing market share in the past six months, particularly in the non-south market. We expect only a gradual recovery and weak FY21 revenue. We cut EPS estimate for FY21 by 3% while maintain estimates for FY22/FY23. We value V-Guard at 30x P/E on Jun-22E EPS and derive a target price of Rs 157. Maintain REDUCE.

- **Revenue weak:** Revenue declined by 42% YoY (+10% in 1QFY20 and -28% in 4QFY20). Electronics/Electricals/Consumer Durables saw revenue dip by 51/31/44% YoY. The company saw a sequential improvement across markets since May, with 70% outlets being open at the end of June. Non-South/South markets saw revenues decline by 47/38% YoY and revenue contribution of the South market increased to 58.3%.
- **Weak margins all-round:** Overall gross margin dipped by 334bps YoY (+216bps in 1QFY20 and +374bps in 4QFY20) vs expectation of an expansion of 144bps YoY. Employee/other expenses declined by 9/37% YoY. EBITDA margin dipped by 794bps YoY (+285bps in 1QFY20 and -215bps in 4QFY20) to 2.2%. EBITDA was down by 87% YoY at Rs 91mn vs our estimate of Rs 340mn. EBIT margins for Electronics/Electricals/Consumer Durables dipped by 1,076/197/1,443bps YoY. APAT declined by 93% YoY.
- **Concall takeaways:** (1) Impact in non-South markets was higher. Demand in Karnataka and Kerala saw improvement; (2) 70% of outlets were open at the end of June. The number slipped to 55-60% during July and has now bounced back to 70%; (3) channel inventory has reduced by ~30 days; (4) CFO was Rs 2.15bn vs. Rs 1.83bn in 1QFY20 and net cash stood at Rs 3.49bn vs. 3.25bn in 1QFY20; (5) the company is focused on expanding in e-commerce and launched products exclusive to the channel.

Quarterly/Annual Financial summary

YE Mar (Rs mn)	1Q FY21	1Q FY20	YoY (%)	4Q FY20	QoQ (%)	FY20	FY21E	FY22E	FY23E
Net Sales	4,058	6,994	*(42.0)*	5,366	*(24.4)*	24,820	23,572	27,958	31,150
EBITDA	91	712	*(87.3)*	452	*(79.9)*	2,533	2,270	2,837	3,232
APAT	36	525	*(93.1)*	325	*(88.9)*	1,776	1,691	2,145	2,459
Diluted EPS (Rs)	0.08	1.23	*(93.1)*	0.76	*(88.9)*	4.15	3.95	5.01	5.74
P/E (x)						40.7	42.8	33.7	29.4
EV / EBITDA (x)						28.0	30.8	24.5	21.3
RoCE (%)						20.5	16.9	21.3	22.6

Source: Company, HSIE Research

REDUCE

CMP *(as on 28 Jul 2020)*	**Rs 165**
Target Price	**Rs 157**
NIFTY	**11,131**

KEY CHANGES	**OLD**	**NEW**
Rating	REDUCE	REDUCE
Price Target	Rs 157	Rs 157
EPS %	FY21E	FY22E
	-3%	0%

KEY STOCK DATA

Bloomberg code	VGRD IN
No. of Shares (mn)	428
MCap (Rs bn) / ($ mn)	71/943
6m avg traded value (Rs mn)	81
52 Week high / low	Rs 260/149

STOCK PERFORMANCE (%)

	3M	**6M**	**12M**
Absolute (%)	(7.4)	(26.9)	(30.0)
Relative (%)	(27.3)	(20.9)	(31.6)

SHAREHOLDING PATTERN (%)

	Mar-20	**June-20**
Promoters	62.73	62.73
FIs & Local MFs	13.44	13.31
FPIs	13.39	13.07
Public & Others	10.44	10.89
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Rating Criteria

BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: > 10% Downside return potential

Disclosure:

Analyst	Company Covered	Qualification	Any holding in the stock
Varun Lohchab	Nestle India, United Spirits	PGDM	NO
Naveen Trivedi	Nestle India, United Spirits, V-Guard Inds	MBA	NO
Aditya Sane	Nestle India, United Spirits, V-Guard Inds	CA	NO
Rajesh Ravi	Ultratech Cement	MBA	NO
Saurabh Dugar	Ultratech Cement	MBA	NO
Amit Chandra	Tech Mahindra, Multi Commodity Exchange, Hexaware Technologies	MBA	NO
Apurva Prasad	Tech Mahindra, Hexaware Technologies	MBA	NO
Vinesh Vala	Tech Mahindra, Multi Commodity Exchange, Hexaware Technologies	MBA	NO
Darpin Shah	Indusind Bank	MBA	NO
Aakash Dattani	Indusind Bank	ACA	NO
Punit Bahlani	Indusind Bank	ACA	NO
Aditya Makharia	Escorts	CA	NO
Mansi Lall	Escorts	MBA	NO

Disclosure:
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