

Q3FY21 CONCALL SUMMARY



Summary of management concalls post Q3FY21 earnings

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Research Team (vineeta.sharma@narnolia.com)

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12-Feb-21

Sector Automobiles
Bloomberg AL IN
NSE Code ASHOKLEY

Management Participants

MD & CEO Mr. Vipin Sondhi
CFO Mr. Gopal Mahadevan
GM (Corp. Fin) Mr. KM Balaji

3QFY21 EARNING CONFERENCE CALL

- Demand situation is going up on sequential basis; the initiatives announced by government indicate investment led growth in truck industry.
- ICV segment is doing very well. With growth in infrastructure segment, demand is improving for Multi Axle Vehicle (MAV) and tippers.
- Going forward, growth is expected in each segment of the company led by Multi axle Vehicle (MAV) and tippers.
- Global auto industry is affected by the constraint in supply of electronic control unit (ECU), owing to supply of semi-conductors, the situation is similar in India as well.
- Currently, the scrappage policy is announced on voluntary basis and the company is expecting more clarity on same from government in coming time.
- Scrappage centers would come up. The company will have tie-ups for same depending on the terms of scrappage policy.
- Total MHCV (domestic) is 56% of overall revenue in 3QFY21 as against 45% for 2QFY21. Exports would be 7.6% for 3QFY21.
- The Company's MHCV market share improved to 28.1% in 3QFY21 from 24.9% in 3QFY20.
- Price hike: The Company took some price increase in 3QFY21 and 1.5% in 4QFY21.
- The company's working capital was flattish on QoQ basis. Level of Inventory has increased for both RM and FG. Current FG inventory is at 3000 units.
- Although, the discounts have gone up in recent times but the overall realization has also increased proportionately due to price hikes taken considering RM prices.
- The cost of goods sold has increased on QoQ basis because of steep increase in commodity prices, shift from BSIV to BS-VI improving sales mix i.e. MHCV share growing and MHCV has lower margins.
- Employee Cost is higher because some incentives of employees were not given last year in 3QFY20 and those incentives are given back in 3QFY21.
- Considering VRS of Rs.85.36 Crores given now, the employee cost would go down in coming quarters. This VRS was part of exceptional loss in the current quarter.
- **CAPEX:**
 - The company has made Rs.150 Crores investment in its subsidiary – Switch (previously called as Optare) in 3QFY21. Going ahead, some marginal investment may be required post 4QFY21. Switch will be the global arm of the company for electric vehicles (EVs) with huge interest in India.
 - HLFL is doing very well and some investment may be required to be done in 4QFY21 or 1QFY22 for business growth, not very significant amount.

Our Analyst on the Call

Kriti Sahu
 Kriti.sahu@narnolia.com

21-Jan-21

Sector Automobiles
Bloomberg BJAUT IN
NSE Code BAJAJ-AUTO

Management Participants

ED Mr. Rakesh Sharma
CFO Mr. Soumen Ray

Our Analyst on the Call

Naveen Kumar Dubey
naveen.dubey@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Domestic two-wheelers continued to grow on the back of robust demand for Pulsar, Dominar, KTM and Husqvarna.
- Overall Motorcycle business of the company is operating at 90% of previous levels.
- The Company has gained market share in every market. It has enhanced market share in pulsar 125cc category from 19% to 23% YoY in 3QFY21. It is driving the industry by expanding the 125cc segment.
- In Entry segment, the company raised prices and qualitatively improved the portfolio.
- In 3QFY21, speeding up of 2W exports was led by recovery in major markets. Africa, South Asia (except Sri Lanka) is back to pre-covid levels, Latin America is at 80-90% levels and Philippines 50% levels.
- Domestic CV business remains impacted due to inadequate demand for short distance mobility. Its sales improved sequentially and are back to 40% of previous levels in 3QFY21 and expected to reach 50% level by 4QFY21.
- 3Wheeler Latin America business is at 50% and all other major markets pre-covid levels.
- The Company took overall price increase of almost 1% in 3QFY21.
- Container availability is still an issue for the company and the interruption is expected to continue for 3-4 months.
- Exports revenue was Rs.4082 Crores and Spares revenue was Rs.990 Crores for the quarter.
- Domestic motorcycle is running at last year levels and strong growth expected due to low base effect.
- The Company is expecting an overall low single digit growth in demand in domestic 2Wheeler.
- In FY22, 15-20% of industry growth expected conserving low base rate and no further disruption from COVID.
- On Sequential basis some pressure on margins can be seen in coming period.
- Tax: 23.5% of blended rate to be considered for tax.
- Forex realization was almost Rs.73.4 in 3QFY21 and it is expected to remain steady, for the near term.
- The company's 75% of the portfolio has electric start and it has target to make it 100%.

9-Feb-21

Sector Automobiles
Bloomberg BIL IN
NSE Code BALKRISIND

Management Participants

MD Mr. B Thiagarajan

3QFY21 EARNING CONFERENCE CALL

- Demand: The demand continues to be strong in agriculture segment across geographies.
- In other segments demand has remained majorly stable the recovery in the end markets of industrial construction and mining segment.
- **Volume Mix 9MFY21**
 - Geography wise: US 15%, Europe 49%, India 23% and around 13% for rest of the world.
 - Segment wise: Agri 64%, OTR (Mining & Construction) 32% and other 4%.
 - Market wise: OEM 25%, replacement 71% and others 4%.
- The company continues to hold market share of 5-6% currently and it has a vision to reach to 10% of market share, going forward.
- The company's sales volume guidance is approx. 215,000-220,000 MT for FY21.
- The company's core business is Tyre and it will remain tyre, going forward and its carbon black is part of backward integration investment done by the company through which it has major savings and operational benefits.
- The company's current raw material position is good with current inventory level of 4 months, 1 month in transit. There is shortage of supply in market but still the company is covered of as of now.
- The company took price hike of 2-3 % in the start of the quarter to manage RM inflation.
- According to management no huge increase in depreciation level is expected going forward.
- **New Capex plan of Rs.1,900 Crores approved by board on Feb 08, 2021 includes:**
 - Rs. 800 Crores towards a Brownfield Tire Plant with addition of balancing and ancillary equipment at Bhuj. Expansion has been to add 50,000 MTPA capacity; expected completion by H2FY23. Post this; total achievable capacity would be 335,000 MTPA.
 - Capex of Rs. 650 Crores for Carbon Black and Captive Power Plant. The company's installed is 140,000 MTPA and achievable capacity of 115,000 and this achievable capacity would go up to 200,000 post completion of capex expected completion by H1FY23. It has expected payback (pre-tax) period of 5-6 years of the plant.
 - Capex of Rs.450 Crores for modernization, automation and technology up gradation of certain existing equipment and install automated material handling systems expected to be completed by H1FY23. This would improve margin profile and has expected payback of 5-6 years.
- This Capex of Rs.1,900 Crores would be funded by internal accrual and debt, if required.
- The Company will have maintenance capex of Rs.100 - 200 crores per year over the normal capex level.

Our Analyst on the Call

Kriti Sahu
kriti.sahu@narnolia.com

12-Feb-21

Sector	Automobiles
Bloomberg	BHFC IN
NSE Code	BHARATFORG

Management Participants

Dy MD	Mr Amit B Kalyani
ED	Mr Subodh Tandale
ED & CFO	Mr Kishore Saletore
VP - Finance	Mr Virendra Kale
VP - Finance	Mr Kedar Dixit

Our Analyst on the Call

Kriti Sahu
kriti.sahu@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The company is seeing strong recovery across sector in both domestic as well as export markets.
- In the quarter, strong recovery seen in M&HCV volumes, robust demand seen in agri & farm sector, continued growth in PV segment. The company has brought in new products for many of these sectors.
- The company is doing well in Exports barring Oil and Gas business.
- The company expects positive traction on defense, e-mobility and aluminum casting venture this year on back of solid strategy by the company for same and some green shoots started coming in this.
- For 3QFY21, the company had total shipment of 51000 tones and revenue from domestic and exports business was Rs.515 Crores and Rs.511 Crores respectively.
- The company saw negative impact of withdrawal of MEIS scheme and zero contribution from Oil and GAS business.
- The company is working on strategy to supplement large part of Oil and Gas business with other sector over the next 2-3 years. Some positive outcomes of this would be visible by middle of next year.
- The company is focusing on cost reduction, operational efficiency and bringing new facilities for Europe and US business, going forward.
- Gross margin is expected to remain strong as capacity utilization goes up, it would more positive from current level.
- Tractors business would be around 20% of India non-auto business.
- Currency hedged rate was Rs.72.50 and it would be largely at similar level for coming quarters.
- Aluminum casting facility is fully ready and the company low outlay for almost 10-12 months due to covid, outlay is expected to be Rs.25 Crores and Rs.70-80 Crores for FY21 and FY22 respectively.
- Europe plant for aluminum forging: commercial production would start in June 2021 and ramp up expected in next 2-3 years.
- Fresh Capex for India business in FY21 will be below Rs.50 Crores. If received any order for defense it would be above this.

11-Feb-21

Sector	Automobiles
Bloomberg	BOS IN
NSE Code	BOSCHLTD

Management Participants

JMD	Mr. Soumitra Bhattacharya
MD	Dr. Steffen Berns

3QFY21 EARNING CONFERENCE CALL

- LCV segment increased by 12% due to strong demand from e-commerce and last mile deliveries.
- Two wheeler segment increased by 18% benefiting from a favorable position based on some inventory buildup.
- Three wheeler segment declined by 34%, this decline is majorly due to the lower demand for shared mobility and social distancing.
- The tractor segment increased by 25% on continuing retail momentum & continued to show double digit growth when volume showed an increase of 62% due to a robust world demand.
- Aftermarket constitutes substantial part of its business, anywhere between 20 to 25% of business.
- Company mentioned about 46% growth in power train division.
- Bosch is localizing but in a very a planned way, from inline pumps to common rail to other areas, it continue on localization journey both in diesel and in gasoline.
- Company has also incurred some one-off expenses named as developmental cost for localization program majorly for R&D.
- Mobility business sector increased by 34.7% including two wheeler while mobility of 17.3% for market. YTD de-growth for Bosch is -13% for three quarters and market is -24%.
- Bosch mobility business shot uprooted recovery with high adoption of digital business models and incorporating digital platforms in the user experience journey.
- The material costs as a % of revenue has increased to 57.9% in Oct-Dec 2020. The increase is mainly due to higher freight cost, product mix change with higher credit goods as well as manufacturing of new generation products, For-ex impact and low service income during this quarter, which has partially been set off with the cost reduction measures with the supplies.
- Depreciation has decreased by 11.8% in Oct-Dec 2020 due to lower additions during the year.
- Employee cost has also declined to 2455 million for Oct-Dec 2020 from 3049 million on account of restructuring measures taken by company.
- Other expenses for the quarter Oct-Dec 2020 is 6712 million as compared to 5892 million for 2019, an increase of 13.9%, and some element of this quarters expenses are one-time expenses.
- The other income declined to 1113 million as of what Oct-Dec 2020 from 1399 million mainly due to decline in interest income partly offset by a higher MTM gain on marketable securities.
- Bosch has insured both provisioning and cash outflows without exceptional items in FY20-21.
- Company has taken so many initiatives cost control, cash and working capital control.
- Company's order book is around 27000.
- Export as % revenue in single digit and company will start focusing more on exports in FY21-22, but for now it continues to be on domestic market.

Our Analyst on the Call

Naveen Kumar Dubey
naveen.dubey@narnolia.com

20-Jan-21

Sector	Automobiles
Bloomberg	CEAT IN
NSE Code	CEATLTD

Management Participants

MD	Mr. Anant Goenka
CFO	Mr. Kumar Subbiah

3QFY21 EARNING CONFERENCE CALL

- Demand: Strong demand in the quarter was led by pent up demand, strong replacement demand due to increased personal mobility in urban as well as rural market.
- The company's revenue growth in the quarter was entirely volume driven. Volume grew by 28% YoY.
- Its segments OEM & exports grew by over 15% YoY and replacement grew by 35% YoY.
- Revenue mix: replacement-60%, OEM-25% and Exports-15%
- R.M Cost went up by 1.5% per kg in the quarter.
- Price hike: Overall price increase of 3% taken in 3QFY21 in all categories except 2Wheeler as its competitive pricing was already high.
- Employee cost gone up 12% due to commencement of production at new Chennai plant and expansion in Nagpur and Halol.
- In the quarter, the company partnered with Nissan magnite, Hyundai all new i20 and Royal Enfield Meteor.
- Gross margin declined due to RM prices and unfavorable channel/product mix.
- In 3QFY21, interest declined due to lower debt level and reduction in interest rates. Overall debt reduced by Rs.370 crores in 9MFY21 and Working Capital reduced by Rs.300 crores.
- **Guidance:**
 - Demand scenario continues to remain strong for the company though, bit slowdown seen in OEM demand. CV is expected to pick up soon.
 - On demand front, coming 9 months will be relatively positive for the company due to low base effect.
 - 3-5% further opportunity came up for the company due to imports restrictions.
 - From 3QFY21- 4QFY21, R.M prices are expected to go up by 10% and realization is expected to increase by 6% and 3% is already done in December.
 - CSTL merger: accumulated losses fully accounted in 3QFY21 and no more left to be done.
 - VRS will be ongoing activity for the company's old factories for next few years.
 - In FY21, project capex of Rs.500 crores and maintenance capex of Rs.150 crores. Out of this Rs.200-250 crores of project capex and maintenance capex of Rs.50 crores approx to be done in 4QFY21.
 - For FY22 & FY23, it will do project capex of Rs.700 crores p.a. and maintenance capex above this.

Our Analyst on the Call

Kriti Sahu
Kriti.sahu@narnolia.com

10-Feb-21

Sector Automobiles
Bloomberg EIM IN
NSE Code EICHERMOT

Management Participants

MD & CEO Mr. Siddharth Lal
CFO Mr. K. Arunachalam
CEO, Royal Enfield Mr. Vinod Dasari

Our Analyst on the Call

Kriti Sahu
 kriti.sahu@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The automotive industry had a good festive season and the company is seeing signs of growth coming back.
- In India, the demand of Royal Enfield was very strong and the overall bookings were substantially higher than last year especially aided by launch of Meteor.
- Now, demand in the developed states like Tamil Nadu and Maharashtra have also started to come back.
- Now, International markets are also getting back well with strong demand.
- In India, the market share in above 125cc segment improved from 25% to 27%.
- The company opened its first standalone store in Japan - a flagship store. It is targeting the middleweight market in the country.
- It is ramping up the production of Meteor, considering strong demand and high waiting period.
- Previously, top 20 cities used to contribute somewhere around, say, 27%, 30% of business at pre-COVID time. This had fallen to about 20% in the first 2 quarters and now it has reached back to approx. 25%.
- Employee cost is higher on account of the increments considering the business is back to almost normal from Q3 and the production ramp-up led to increase in terms of temporary manpower.
- Depreciation has also increased on account of the Meteor line getting capitalized.
- The company increased the production run rate to 75,000 in the month of December. It picked up production in Classic and Bullet, hence the waiting period is coming down to some extent.
- The supply situation has been a bit of a concern previously it was for some parts and now it's some electronic components issue occasionally.
- RM inflation is also cause of concern and 2-3% of price increase has been taken by the company. Going ahead further increase could be done, if required.
- The company has improved overall capacity and hit 75,000 and more could be done within the same capacity without any significant incremental capex.
- VECV: The company is seeing some rebounding in medium and heavy-duty as well as a good pickup in economic activities. In VECV, the company has gained market share in the segment with the wide range of offerings.

10-Feb-21

Sector Automobiles
Bloomberg ENDU IN
NSE Code ENDURANCE

Management Participants

MD Mr. Anurang Jain
COO Mr. Ramesh Gehaney
Director & CEO, Overseas Mr. Massimo Venuti
Director and Group CFO Mr. Satrajit Ray

Our Analyst on the Call

Kriti Sahu
kriti.sahu@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The company is focused on getting orders from OEMs and OEM funded companies, due to better financial strength.
- The company received Mega project –Maharashtra incentive of 23.4 Crores in 3QFY21 and 87 Crores in 9MFY21.
- The EV has 25% share of Europe revenue for the year 2021.
- By Aug – Sept 2021, the import of Alloy Wheels will be stopped from China.
- In Brakes, the company has current market share of 29-30% and it is expecting this to increase upto 55%, going forward.
- In Disc, the company has current market share of 45% and it is expecting this to increase upto 70%, going forward.
- Tax rate is expected to be 25.2% for Standalone (India) business.
- The company has 11,450 RFQs, it is hoping to win one – third of these businesses.
- Considering the growth in the company's disc brake assembly business, the company is increasing capacity by more than 90% from 2.85 lacs to 5.70 lacs brake assemblies a month. Also, the number of disc will be increased from 3.75 lacs to 6.75 lacs a month, a new plant in Waluj is being setup, expected to reach by August FY21.
- Alloy wheel plant Pune: Due to increased orders from Bajaj and Yamaha India, the company is increasing capacity by 40,000 (one-third) to 160,000 sets of alloy wheel, production of this will start in 3QFY22.
- Die casting plant setup in Pantnagar in Uttarakhand for 720000 units, will start by 1QFY22.
- Unprecedented price rise in steel and aluminum is impacting the company's margins.
- The company is seeing improvement in casting margins led by better product ix, going into full machines and by going into PV segments, strong business from Honda, Kia and Tata. It is also focusing on more business in PV segment for Vallam plant, Tamil Nadu.
- The expected range of EBITDA margin will be somewhere between 14.5-16%, going forward.

2-Feb-21

Sector	Automobiles
Bloomberg	ESC IN
NSE Code	ESCORTS

Management Participants

Group CFO & Corporate Head	Mr. Bharat Madan
CEO Railways Equipment	Mr. Dipankar Ghosh
CEO, Agri Machinery Business Div.	Mr. Shenu Agarwal
CEO Cons Equipment	Mr. Ajay Mandar

3QFY21 EARNING CONFERENCE CALL

- The company is seeing good traction and green shoots of demand; the same momentum of demand is expected to continue, going ahead.
- Profit share of associates denotes income form Kubota of Rs.6.96 crs.
- The company has total of 1090 dealers as of now.
- Inventory buildup is done across the industry but still not at pre-covid levels. ESCORT's has inventory level better than industry.
- Industry inventory level has been reduced to 25 days from previous level (pre-covid) of 35 days.
- The company's overall market share for YTD has declined because of decline in MS of 30-40HP segment although 40-50HP segment's MS has grown positively for same period.
- Current levels of market share are not comparable as it was majorly driven by availability of products and supply chain issues.
- There is no impact of ongoing farmers protest on domestic tractor industry.
- Supplies are majorly on track except for fuel injection pumps there is some constraint for the company.
- Overall RM inflation is expected to be in range of 500 bps for 3QFY21 and 4QFY21.
- In mid of November 2020, the company took price increase of 2% to partially set of the commodity inflation and next price increase may be taken in 1QFY22.
- The contribution of sales from higher HP tractor has reduced from 63% in 2QFY21 to 61% in 3QFY21.
- Discounting is currently at very low levels as against usual levels across the Industry.
- Railway segment revenue of the company is expected to remain flat for FY21.
- Significant growth in exports expected in FY21 over FY20 numbers and the company is further targeting higher number in FY22 considering strong Kubota numbers. In next 7-8 years the company is targeting to triple exports number from current level.
- For the company, South and West will continue outperform North and east markets in India.
- E-Kubota is destined for international markets, where Escorts tractor would be re-designed by Kubota, as per the agreement.
- E-Tractor is for India markets, expected to be brought in market by next 3-6 months.
- The company is making investments in existing plants majorly it is on machining side and suppliers side. The company is hoping to get capacity of 12,000-13,000 tractors a month from mid of FY22.

Our Analyst on the Call

Kriti Sahu
kriti.sahu@narnolia.com

9-Feb-21

Sector	Automobiles
Bloomberg	GABR IN
NSE Code	GABRIEL

Management Participants

MD	Mr. Manoj Kolhatkar
CFO	Mr. Rishi Luharuka

Our Analyst on the Call

Kriti Sahu
kriti.sahu@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- V-Shaped recovery continues in all segments across the automobile sector on back of pent up demand and festive season.
- M&HCV segment also started picking up gradually and strong demand seen in tippers and LCV segment that is expected to sustain going ahead.
- Management expects demand momentum to sustain going forward led by very good monsoon, healthy reservoir levels, record kharif production and good Rabi sowing.
- Revenue growth was 18% on YoY and 17% QoQ on the back of improved customer sentiments and demand drivers.
- 2 wheelers segment's growth was 20% YoY led by increased market share and higher business share in key customers.
- The company has earned revenue of Rs.70 crores from aftermarket segment, up 18% YoY.
- Exports: Exports were at Rs.140 cr in Q3FY21, with 17% QoQ growth
- Channel mix: OEM-83%, Replacement-13% and Exports-4%.
- There has been significant increase in commodity prices, particularly in steel however, strong operational performance and Core-90 (cost reduction drive of the company) and productivity improvement restricted major decline in margins.
- The company has won order for Ola electric alloy used in development of 2W electric vehicle.
- The company's next centre for 4W is almost complete and would be inaugurated in March 2021.
- Net Cash stood at Rs.283 Crores at the end 3QFY21.
- The company's regular capex level is Rs.50-60 Crores p.a. and it is expected to do higher capex in FY21 and FY22, it would be something above Rs.100 Crores.

5-Feb-21

Sector	Automobiles
Bloomberg	HMCL IN
NSE Code	HEROMOTOCO

Management Participants

CFO	Mr. Niranjan Gupta
Head, Sales & After Sales	Mr. Naveen Chauhan
Head- IR	Mr. Umang Khurana

Our Analyst on the Call

Kriti Sahu
kriti.sahu@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The outlook for the company in domestic and exports market is strongly positive.
- 2W demand's outlook is expected to continue with robust momentum. No temporary agitation (farmers' protest) has much impact on demand. Post opening of schools/office further improvement would be seen.
- Normally, student demand segment is seeing growth in June quarter and that is coming in now.
- Advertising and promotion expenses are comparatively higher in Q3 every year because of festive season.
- The company gained market share in domestic by 190bps and international markets by 90bps in the quarter.
- Other operating revenue for the quarter was Rs.192 Crores.
- Gain in margins was led by price increase taken from October 2020 and improved product mix towards premium segment.
- The company made key change shift in distribution pattern, going very very deep into markets. Number of dealers is up by count of 50 and similarly, it increased the number of technicians they deal directly.
- In consolidated result, there is loss from associate of Rs.100 crores belongs to Ather energy, led by expansion to more cities and more products. Also it was because moratorium period got over.
- Hero Fincorp finance penetration is approx to level of 50% and Fincorp share is of 40%.
- The company has set up a separate vertical to drive its new business of Harley-Davidson products and merchandise distribution in India. It has also commenced wholesale dispatches of Harley Davidson products to the dealers from January 18.
- The company will continue to bring new model of previously launched product and fresh products as well.
- Inventory level was reduced to 4 weeks post festive season and now it would maintain its normal level of 4-6 weeks.
- EBITDA margin: medium outlook of 14-16% level.
- In exports, the company made two phases, first it did deepening of various markets and now it is bringing customized products as per key markets. Recent entry in Mexico is expected to be a big potential for the company as key volume driver, going ahead.
- Capex was cut down in FY21, considering COVID outbreak and economic situation. In FY22, the company may come back to normal level of Rs.800-1000 Crores

15-Feb-21

Sector Automobiles
Bloomberg LUMX IN
NSE Code LUMAXIND

Management Participants

Chairman & MD Mr. Deepak Jain
ED Mr. Naval Khanna
CEO & Sr. ED Mr. Vineet Sahni
Group CFO Mr. Sanjay Mehta
Jt. MD Mr. Anmol Jain
CFO Mr. Shrutikant Rustagi

Our Analyst on the Call

Kriti Sahu
 kriti.sahu@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Auto Industry is now seeing some good signs of recovery led by higher preference of personal mobility and gradual opening of economic activities across regions.
- There is shortage of Semi-conductors in India, but not to that large extent in comparison to other countries.
- LED lighting is 33% and conventional lighting is 67%, of total revenue of 9MFY21.
- 9MFY21 Segment revenue of: Front lighting-66%, rear lighting-25% and Others (Auxiliary Lamps & Indicators)-9%.
- 9MFY21 Segment mix: PV-63%, 2W-31% and CV-6%.
- Gross debt Rs.300 Crores and net debt Rs.290 Crores, including working capital of Rs.280 Crores as on 31 December, 2020.
- MARUTI's revenue in 3QFY21 grew by 29% YoY as against LUMAXIND revenue with MARUTI grew by 16% YoY mainly because of model mix as the company is not contributing towards Baleno & Brezza models which led major growth in MARUTI's revenue.
- The company has cumulative market share of 60-65% (considering all associate companies).It has predominantly higher share in Headlamps. In tail lamps, the share is equally distributed among the company and other players.
- In 3QFY21, the company's share with MARUTI is 60% for Head lamps and 30-40% in tail lamps. HMSI is 55-60% for Head lamps and 30%plus in tail lamps. Overall share in TVS is 10-12%.
- TAX rate for the quarter was higher due to deferred tax. 3QFY21 tax rate would be 31-32%, as it has not adopted new tax rate system.
- In FY22, the company will come up with various new launches and it will be a very strong year for the company in terms of growth.
- The company is expecting to retain double digit EBITDA margin, around 11-12% level.
- BAWAL plant: total expected capex of around Rs.85 Crores, already done Rs.60 Crores of that. The plant is expected to be commissioned in H2FY22.
- FY21 Capex is Rs.50 Crores and out of this Rs.29 Crores already incurred in 9MFY21.

28-Jan-21

Sector Automobiles
Bloomberg MM IN
NSE Code M&M

Management Participants

MD Mr. Pawan Goenka
ED Mr. Rajesh Jejurikar
CFO Mr. Anish Shah

Our Analyst on the Call

Kriti Sahu
 kriti.sahu@narnolia.com

3QFY21 ANALYST MEET HIGHLIGHTS

- Growth momentum for the tractor industry was driven by positive sentiment in rural led by very good monsoon, healthy reservoir levels, record kharif production, good rabi sowing, continued high central government spending in agriculture and rural development.
- Tractor demand is expected to remain robust up to 1QFY22, post that it would depend on coming monsoon season.
- Auto segment is showing positive momentum. Though, the company's system inventory is at low levels. It is at 23 days in end of 3QFY21 vs 49 days in 3QFY20.
- Capital allocation actions were targeted at loss-making subsidiaries; these actions have made a significant contribution to the financial performance. They include turnaround of businesses, restructuring to achieve profitability and exit from multiple businesses.
- The company has shown losses from Ssangyong in 3QFY21 and next quarter onwards it won't be seen in the company's book.
- Losses from MANA is expected to be Rs.130 crs and in Nil in FY21 and FY22 respectively. Peugeot is expected to have loss of Rs.21 crs and profit of 20-40 crs in FY21 and FY22 respectively.
- In pickup segment, the company has strong retail momentum but it is not seen in wholesale numbers due to low system stock.
- The company's product Thar - total bookings crossed 38,500 marks on 1st February 2021 with 6,000+ new bookings in January 2021.
- The company saw steep increase in commodity prices, partially offset by a sales prices increase and value engineering actions.
- It has Order book of 2.5 months for XUV 300.
- The company's overall growth is expected to be in range of 20% in FY21.
- For Thar, the company has no immediate plan of ramp up. It may do ramp up upto 4000 units per month in April – May 2021.
- Supply: No supply major issue for tractors segment. Shortage of steel and semi-conductors, it may continue till June-July 2021.
- The company's core capex was Rs.12000 crs for ongoing 3yrs cycle (FY19, FY20 and FY21). It is expected to be Rs.9000 crores for next 3yrs cycle (FY22, FY23 and FY24).

28-Jan-21

Sector **Automobiles**
Bloomberg **MSIL IN**
NSE Code **MARUTI**

Management Participants

ED - Marketing & Sales **Mr. Shashank Srivastava**
CFO **Mr. Ajay Seth**

3QFY21 EARNING CONFERENCE CALL

- Demand Momentum continued in Q3 and sales were at similar levels as of last year.
- Rural sales penetration grew by 40% YoY for the quarter.
- Replacement demand has seen sharp fall from 26% last year to 19% this year because people are continuing with old vehicles and also there is increase in demand of pre-owned vehicles.
- The Company ramped up production and made full capacity utilization in 3QFY21. The company's Overall capacity utilization would be at 75% for FY21.
- The Company has order backlog of 216000 units.
- The Company's LCV-Super carry has become 2nd most selling mini truck in domestic market.
- Recently, the company commenced export of Jimny. It will be exported to Latin America, Middle East and African markets from India. The company is evaluating prospects of its launch in India and nothing is decided yet.
- The Company's third housing project for employees completed in Dharuhera.
- CNG vehicles grew by 18.9% YoY on same period last year.
- The Company has current channel stock of 21000 units.
- Retail Financing: Finance penetration is normal as of now and is seen in range of 80%.
- The Company's exports for 3QFY21 amounted to Rs 1,318 crs.
- The company's average discounts for the quarter was Rs.20,185.
- Royalty for the quarter was 4.59% as against 5% in 2QFY21.
- Price hike done in range of Rs.6,000 to Rs.34,000, including taxes.
- The Company's digital sales enquiry grew from 3% in FY03 to 15-16% in FY20 to 35% in FY21.
- There is further visibility of significant commodity price increase and its impact would be seen in 4QFY21 for the company.
- EBITDA margin expanded by improved capacity utilization, lower sales promotion expenses and various cost reduction efforts adopted by the company.
- Some industry players has seen shortage of semi-conductors & other similar products. Though, impact not visible so far for short term on the company.
- Dynamic royalty regime: All (90-97%) new models would move to calculation from rupees and royalty amount would be more stable by FY23.
- Path to Indian Electric vehicle (EV) market will be through hybrid vehicles and would also depend on use of alternate fuel type like CNG.
- Going ahead, overall cost would go up due to increase in various expenses like higher marketing expenses due to more new models coming etc. Though some cost reduction would be sustainable considering efforts done by management for same.

Our Analyst on the Call

Kriti Sahu
kriti.sahu@narnolia.com

4-Feb-21

Sector	Automobiles
Bloomberg	MNDA IN
NSE Code	MINDAIND

Management Participants

Group CFO	Mr. Sunil Bohra
Head, Treasury & IR	Mr. Ankur Modi
Dy Manager, Strategic Planning	Mr. H.S. Rana

3QFY21 EARNING CONFERENCE CALL

- The company continued the growth momentum led by soft base, higher demand of personal mobility, low channel inventory and sustained retail sales.
- The company's manufacturing and distribution are being rammed up in line with economic growth and increasing demand trend.
- Growing e-commerce market and need for last mile connectivity lead to growth in LCV vehicles.
- Buses continue to underperform due to closure of school and offices for major part of the quarter.
- RM prices saw sharp increase and RM price headwinds will continue for some more months.
- Demand expected to be sustained with strong rural growth and higher crop output. Medium to long-term outlook seems encouraging.
- EBITDA Growth was seen lead by better operating leverage and cost control measures.
- Switches segments growth was led by demand for premiumisation in the category.
- Lighting business: company would continue to receive more orders, company will build Greenfield plant to meet the coming demand and the last plant expected to be completed by March 2021 and post that 2 months for stabilization to receive optimum capacity utilisation in the plant.
- The company's borrowing on December 31st 2020 was Rs.1083 crore versus Rs.1180 crore in December 2019. As on December 31st 2020, the company had cash of Rs.190 crore.
- Minda Kyoraku would be incurring expense of Rs.87 crore for capacity expansion and building new inhouse paint shop at Bangalore plant and no investments from MINDAIND.
- Minda Kyoraku - The same plant will be shifted to a new location because of space issue in previous plant and New green field plant is expected to be completed by April 2022.
- On alloy wheel there is no anti-dumping duty and no import ban yet still the company expects growth on same segment.
- The company previously had FG inventory of 3 days and now as per customer demands it is of 7 days. Currently the customers are using just in time inventory delivery.
- The company re-stated manpower cost with effect from September 2020, higher expense towards power and fuel travel expense has increased with increase in volumes for the quarter.
- EBITDA Margin: it is difficult to sustain current level margin. Mid to long-term Outlook will be given after sometime.
- Capex done by the company as on date for FY21 is 250 crore and expected to do 300 crores approx. more by end of the year.

Our Analyst on the Call

Naveen Kumar Dubey
naveen.dubey@narnolia.com

12-Feb-21

Sector Automobiles
Bloomberg MSS IN
NSE Code MOTHERSUMI

Management Participants

Chairman Mr. V C Sehgal
Director Mr. Laksh Vaaman Sehgal
CFO Mr. GN Gauba
COO Mr. Pankaj Mittal
Head- Group Strategy , M&A Mr. Kunal Malani

Our Analyst on the Call

Kriti Sahu
Kriti.sahu@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The company is seeing good demand momentum in Europe led by higher preference of personal mobility despite outbreak of second wave of COVID-19 in 3QFY21.
- The company is not much affected by semi-conductor issue.
- Working capital days improved from 24 days in 2QFY21 to 21 days in 3QFY21 led by facilities running at normal levels.
- SMRP BV performance improved sequentially on consolidated level led by improvement in green field performance, deferred tax assets of €32 Mn have been recognized during Q3FY21 in respect of prior year losses.
- SMRP BV Group continues to collaborate with OEMs for EV platforms. EVs represent major portion of current order book.
- In 3QFY21, EV in total order book is 2.7 billion euro at 21% as against 2.4 billion euro at 18% on QoQ basis. The company is existing supplier to 80% of top EV models being sold globally.
- Uptick in operating profit margins as compared to earlier periods driven by improved performance of Greenfield facilities and post-covid normalization.
- Currently, the company does not have much of Greenfield investments and all are much related towards order book. However, the company is ready to go Greenfield investments if any such opportunity comes up.
- Major reduction in net debt on consolidated level however, standalone debt has gone up in comparison to last year because the company has opted for loan from India business because of better interest rate options.
- Capex is expected to be in range of Rs.2000 Crores each for FY21 and FY22. All its current capex are majorly for new program and productivity improvements.

2-Feb-21

Sector Automobiles
Bloomberg SUBR IN
NSE Code SUBROS

Management Participants

MD Ms. Shradha Suri
SVP Mr. Pramod Kumar Duggal
AVP- Finance Mr. Hemant Kumar Agarwal
CFO Mr. Manoj Kumar Sethi

3QFY21 EARNING CONFERENCE CALL

- Demand may settle down post festive season though positive momentum would continue going ahead.
- The company's PV segment saw 23% YoY growth, in line with PV industry growth rate.
- The company's CV segment saw de-growth of 41% YoY whereas, CV industry de-growth was 68%.
- Its revenue from MARUTI grew by 8% due to improved model mix, the company is 100% supplier to MARUTI's Gujarat plant and no pricing action was taken.
- Revenue of 3QFY21 is Rs.604 crs, breakup- PV: AC PV Rs.462 crs and ECM business (Radiator) – Rs.85crs. Non PV Rs.57 crs including Home AC business – Rs.24 crs.
- Although commodity prices are rising but there is no change in its policy with customers, it has one quarter lag and this would continue in next quarter as well.
- Improved CF position on account of lower debt, reduction in interest rates and improved working capital of the company.
- 4QFY21 Outlook is strong for the company; customer plans are reasonably better than 3QFY21.
- HOME AC Outlook: Order book for this season is almost complete and company hopes for good quarter.
- Railway business must contribute around Rs.70-100 crores in 3-5 years' timeline.
- Due to anti-dumping duty local demand is increasing, hence the company is expecting Home Ac revenue of approx. Rs.100 crs, i.e, 10% YoY growth in FY21 and 12-15% YoY growth in FY22E.
- The company intends to reach Revenue ratio of 75:25 from car and non-car segments in 5 years timeline.
- Margin Guidance: the company's focus is to sustain current margin despite RM inflation due to one quarter lag, improved Home AC segment and better capacity utilization.
- The company is targeting ROE of 20% on long term basis by improving Home AC, railway segments and higher margins.
- Expected total debt is to be in range of Rs.175 crs (short term + long term debt).
- TAX rate would be in range of 35-36% upto FY24-25 as the company would MAT credit return and post FY25 it would be in range of 22% as per new corporate tax rate.
- CAPEX: For maintenance and replacement capex is expected to be in range of Rs.50-60 crs p.a. as of now until no further expansion plans.

Our Analyst on the Call

Kriti Sahu
kriti.sahu@narnolia.com

11-Feb-21

Sector **Automobiles**
 Bloomberg **SEL IN**
 NSE Code **SUPRAJIT**

Management Participants

Chairman **Mr. Ajith Kumar Rai**
 MD **Mr. N.S Mohan**
 CFO **Mr. Medappa Gowda J**

3QFY21 EARNING CONFERENCE CALL

- Post festive season, demand traction has been quite well. Though, Jan21 showed some dip, still outlook is strong for Feb-March 2021.
- The direct export for the quarter is almost doubled in 3QFY21.
- Aftermarket sales have been robust in phoenix lamp and automotive cable division, both grew by 25%.
- Normally, the company's currency exposure is hedged to the level of 50-60%.
- **Capex**
 - Cables division expansion was previously to be done only on customer demand now the company is doing 25% additional to that.
 - In Halogen, expansion being done as the company is seeing some lack of capacity to meet next peak demand.
 - Both of the above two expansion would be ready in 7-8 months.
- **SENA & Wescon Controls**
 - Margins improved as better performance of the plants and higher exports.
 - The company also launched an operational catalyst program for the segment to monitor the operational activity in the segment and it went well.
 - The company continued bidding for new businesses, adding new products like Gear box for swing cable
 - However, still there is some impact of COVID-19 situation; Mexico is still in red zone, though it is showing sequential improvement.
 - Electronic chip shortage has impacted Wescon US buiness.
- **Automotive Cable Division**
 - The company is facing some headwinds in the segment in north region led by farmer's agitation there and rest part is growing well.
 - The company is operating at overall capacity of 80-90% level.
 - It is expanding capacity at Narasapura plant, Kolar for serving one of the key customers.
- **On Exports Cable:=-**
 - It is still navigating through Brexit issue as it led to some structural changes along with that headwinds continue container shortage and port issue.
 - However, no customers of the company are affected by this. Instead its key customers – Volkswagen and BMW are happy with the company.
- **Phoenix Lamp Division**
 - It is doing quite well in domestic business and both the plants of the division are highly loaded on capacity terms.
 - The company is looking to expand capacity in this.
 - Southern region has also shown good recovery during the quarter.
 - Halogen has current capacity of 10 million units per month and the company is doing additional capacity of 7 million units per month.

Our Analyst on the Call

Naveen Kumar Dubey
 naveen.dubey@narnolia.com

28-Jan-21

Sector **Automobiles**
 Bloomberg **TVSL IN**
 NSE Code **TVSMOTOR**

Management Participants

Director & CEO **Mr. K.N. Radhakrishnan**
 CFO **Mr. Gopala Desikan**

3QFY21 EARNING CONFERENCE CALL

- In overall retail trend, uptake seen in the industry led by good monsoon, higher reservoir levels, strong rural demand and govt initiatives for revival.
- During 3QFY21, two-wheelers sales in domestic market have grown by 21% and international market by 31% ahead of industry growth of 13% and 20% respectively.
- Export demand continues to be robust and container issue will be there for some time.
- In international markets, very good demand witnessed across regions led by stable oil prices. This is core demand and trend would continue.
- Sales of premium brands (Apache, Ntorq and Jupiter) have grown well. The product mix improved from 34% to 37% in the quarter.
- The company declared an interim dividend of Rs. 2.10/- per share (210%) absorbing a sum of Rs. 99.77 Crores for FY21.
- The company is witnessing higher premiumisation levels across all markets.
- Employee expenses were higher as it was re-instated post lockdown and also it did regular salary increase.
- Pricing: The Company took price hike of approx. 2% effective from Jan 01, 2021.
- The company increased prices for MEIS and expect govt. compensation to be applicable from Jan 01, 2021. Though, some price increase would be sustainable.
- EBITDA grew by 40% YoY in 3QFY21 on account of revenue growth, higher premiumisation and cost reduction done by company.
- Export revenue for 3QFY21 is Rs.1303crs. USD/INR realization rate of Rs.74.2.
- Spares revenue for 3QFY21 is Rs.522 crs.
- 2-Wheeler industry would witness higher growth in 4QFY21 due to low base and the company would grow ahead of the industry.
- The Company is planning series of product launches to be done in 1HFY22.
- Other expenses are on lower side. Reduction in marketing expenses is sustainable due to increased level of digital marketing. Though some expenses would come back post COVID like conveyance/travelling etc.
- TVS Credit Services: Rs.100 Crores in Equity to be invested by the company for business growth in FY22.
- Capex: The Company's expected capex for FY22 is Rs 500 Crores, similar to last year and investments in FY22 would also go on similar pattern as of FY21.

Our Analyst on the Call

Kriti Sahu
 kriti.sahu@narnolia.com

12-Feb-21

Sector	Building Materials
Bloomberg	ACC IN
NSE Code	ACC

Management Participants

MD & Chief ED	Mr. Sridhar Balakrishnan
Non-exe & Non-independent Director	Mr. Neeraj Akhoury
CFO	Mr. Yatin Malhotra

Our Analyst on the Call

Gazal Nawaz
gazal.nawaz@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The Company is currently operating at a capacity utilization of 72% on account of lock down in CY20 but in normal scenario capacity utilization stands at 85%.
- As per Management ready mix concrete is recovering and is at 80% of the pre pandemic level.
- The Company's sales during the quarter were driven by product mix and pricing action undertaken by the company.
- The Company launched value added solutions in RMX category which are ACC Thermofillcrete and ACC Suraksha NX.
- The Company has lowered the carbon emission with less than 500 kg/ ton and intends to reduce the same to 400 kg/ton by 2030.
- The Company will continue focusing on digital brands and campaign.
- The Management is focusing on driving responsible profitable growth.
- The Company's new plant at Sindri of 1.4 MT has already commercialized in Jan-21.
- The Input cost has been pressure point but the company target of cost saving to the extent of Rs. 200/ton is on track.
- As per Management a decent amount of cost increase on account of increase in pet coke price has already come and rest is expected to come gradually.
- The Company will continue focus on optimizing warehouses footprints and network.
- As per Management Ametha capacity will commercialize in first half of CY22.
- The Management believes in India growth story and expects cement demand to improve in coming years led by infrastructure and housing demand.
- The Company has planned for the WHRS capacity in both Jamul and Kaimur and WHRS to the extent of 14-15 MW in Ametha.
- The Management is looking at optimizing power cost and make business more sustainable.

19-Feb-21

Sector Building Materials
Bloomberg ACEM IN
NSE Code AMBUJACEM

Management Participants

MD & CEO Mr. Neeraj Akhoury
CFO Ms. Rajani Keshri

3QFY21 EARNING CONFERENCE CALL

- As per Management, Rural India continues to outperform led by government support and better agriculture income.
- For the Company realization growth of 6% QoQ and 5% YoY was driven by growth in premium products, increase in market prices and higher share on trade sales.
- The Company sales has increased by 16% during the year on account of premium cements which are Ambuja plus and Ambuja kawach (kawach was launched with the fixed price model).
- The Company accelerated the cost saving and efficiency improvement programme and increased digitalization during the year.
- The Company Freight and forwarding per tonne costs declined by 4% for the quarter ended December 2020 and 2% YoY basis for the full year end 2020 due to improvement in logistics efficiencies, reduction in lead distance and addition Master Supply Agreement helped in further cost optimization which has in turn helped to mitigate the diesel price increase which was approx. 11% last year.
- As per Management the company's R & D team is working on line of products which will be test marketed and will be launched going forward.
- The Company is evaluating strategy for all regions where the company has significant base for raw materials, also looking for expansion in bara and Maratha to expand in east and west part of India and the expansion will be funded through internal accruals.
- The Company did savings to the extent of Rs. 200/ ton from efficiency programme and expects the same to sustain in CY21.
- On inventory part the company is for 2-3 months.
- Special cement (grew by 12% in 4QCY20) contributed to the extent of 12% of trade sales. The Company is also working with R& D team and will come up with these special cements which offer good value propositions in future.
- Trade and non-trade mix stood at 80:20.
- Currently the CAPEX is approved for 6.5 MW, ongoing WHRS is 53.4 MW and 30MW coming up for another 2 plants.
- The Total Clinker capacity available stood at 18 MT.
- The Management expects demand from housing, infrastructure and industrial & commercial to improve going forward, while expect the demand to grow by at-least 5-7% in 2021 vs. 2019.
- The Management expects cement industry utilization level to remain high for next couple of years.
- The Management expects 5% of PBT to come from MSA (Master Supply agreement) going forward.
- The Management expects WHRS share to grow from 2% to 20% led by commissioning of WHRS in Darlaghat, Bhatapara and Marwar Mundwa which are expected to commercialize in 1QCY22 while Solar is expected to go up to higher than 15%.
- As per Management, CAPEX per MW stood at Rs. 9 cr.
- The Company Marwar Mundwa green field plant is expected to get commissioned in Jun-21.
- The Management expects full utilization of Marwa mundwa to happen in CY22 as of now the company capacity utilization stood at 80%.
- Clinker freight cost for the company is higher on account of darlaghat belt and expects the same to go down with the commercialization of grinding capacity.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

11-Feb-21

Sector Building Materials
Bloomberg CPBI IN
NSE Code CENTURYPLY

Management Participants

CFO Mr.Arun Julasaria
ED Mr. Keshav Bhajanka

Analyst

Kriti Sahu
kriti.sahu@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Due to the announcement of the budget the infrastructure and real estate business will benefit the company directly in future.
- Ratios are improved and working capital cycle reduced to 51 days due to higher demand.
- The management has taken the decision on expansion of Hosiarpur MDF facility by adding 18 another line with additional capacity of 400 cubic meter per day.
- CAPEX is there regarding MDF facility of around 200 cr.
- The prices have increased due to the raw material inflation. The price increases are 10% rise in MDF, 2% rise in whole panel division and 8-10% in particle board division.
- The BCG is appointed for the cost control only and it will not affect the segments.
- There is change in the realization prices in plywood due to product mix changes and it will keep on happening in future.
- Plywood improvement is around 15% in the margins due to increase in the volumes and some of the cost which are fixed.
- The margins in the laminates are 17-18% and there are some fundamental changes that have been done in regards of discounting structure and the cost cutting.
- The management expects that it will take less than a year to commence commercial portion in the new plant.
- The management is also trying to consider the additional MDF facility in the different areas.
- The management is expecting that the working capital cycle days will be in the range of 60-65 days in future.
- There can be 15-20% growth in volumes in future.
- The margins in the laminates can be in the range of 17-18% & MDF will be in the range of 27% in the coming quarters.
- The management predicted margins to be 3% from the new project that will be lower than current as the capacity difference is seen due to lower operating cost and raw material cost.
- The management said that if the volumes will sustain in future then the margins and the profits will also sustain in next 3-4 months.
- The management expects that there will be free cash flow generation and due to this debt level will not increase regarding the expansion in MDF.

2-Feb-21

Sector	Building Materials
Bloomberg	CRS IN
NSE Code	CERA

Management Participants

ED	Mr. Ayush Bagla
CFO & COO	Mr. R B Shah

3QFY21 EARNING CONFERENCE CALL

- Cera witnessed strong end consumer and project demand driven by increasing economic activity across the country combined with a clear inclination towards home improvement.
- Strong traction seen across all segments especially in Tier 2 cities and below.
- Strong rise was seen in home buying on account of home loan interest rate below 7%.
- The company's sanitary ware is returning to growth trajectory and faucet is already growing positive from pre covid times.
- In 3QFY21 YoY growth was as, Sanitary ware was down by 5% (contri. 45% to revenue), Faucets up 7.7% (contri. 28%), Tiles down by 6.6% (contri. 24%) and Wellness down 37% (contri. 3%).
- Its capacity utilization: Sanitary ware – 20% & Faucet – 58% in 3QFY21 as against Sanitary ware – 68% & Faucet – 46% in 2QFY21. The company was operational for only 9 days out of 90 days in 3QFY21 for Sanitary ware business due to disruption led by workers union. Though, all trade partners and vendors were running almost at full capacity.
- The company's segment wise Outsourced capacity for the quarter:- Sanitary ware: 77% was outsourced v/s normal level of 50% and Faucets: 59% was outsourced v/s normal level of 50%.
- Workers strike was there from 29 Sept 2020 for higher pay. The authorities announced it to be illegal on 16 Dec, 2020 and workers resumed from 22 Dec 2020, without any hike from the company.
- Due to this workers strike, the company had revenue loss of approx. Rs.65 crs and loss of EBITDA of around Rs.10 crs.
- The impact on production during 3QFY21 has led to a temporary dip in inventories and receivables, which along with the operational improvements and cost optimization efforts have enabled it to strengthen the cash position further.
- Inventory days in 3QFY21 vs 3QFY20 were 54 v/s 52 days, receivables - 55 v/s 54 days, payables - 46 v/s 39 days and net working capital days were 72 v/s 62 days as compared on YoY basis.
- The Union Budget furthering the thrust on housing and home improvement, the company is well placed to benefit from the impetus towards import substitution and rising customer inclination towards locally manufactured products.
- Looking ahead, to Q4 and with the comprehensive offerings, manufacturing excellence and wide network coupled with a robust financial position will enable the company to monetize the present consumer demand and empowers the Company to deliver sustainable growth.
- Demand was much in excess of supply and same trend would continue for 3-4 quarters.
- The company's performance in January 2021 was up 20% on YoY basis.
- The company's fixed cost is only 20% and rest is variable in range of 80%.
- Ad expenses for the company are around 4% every year and same would be there for FY21, despite variation on QoQ basis.

Our Analyst on the Call

Kriti Sahu
kriti.sahu@narnolia.com

11-Feb-21

Sector Building Materials
Bloomberg HEIM IN
NSE Code HEIDELBERG

Management Participants

MD Mr. Jamshed Naval Cooper
CFO Mr. Anil Sharma

3QFY21 EARNING CONFERENCE CALL

- As per Management, volumes are recovering in most micro markets led by improved consumer sentiments.
- As of now the company is Investing in AFR (CAPEX of around Rs. 20 cr. about Rs. 7-8 cr. is already spent and the remaining will be spent in another 7-8 months) and Solar projects and both will start yielding result in 2nd half of 2022 which will further reduce the carbon footprint.
- Interest and financial charges will come down in next year on account of lower of outstanding Non-Convertible Debentures to the extent of Rs. 1200 and the same will be paid in dec-22.
- The Company witnessed marginal increase in Logistic cost on account of increase in diesel price.
- As per Management the Increase in realization was off-set by significant increase in power and fuel cost and longer planned shut-down of largest kiln due to one-off replacement of 20 kms OLBC belt. (Requires replacement in 8-9 yrs because of which WHRS did not work).
- The Further repair on OLBC will come in June-22 which will impact to the extent of Rs. 8-9 cr. to the company.
- EBITDA margin during the quarter remained impacted due to One-time maintenance expense, EBITDA margin without considering one off stood at 23%.
- The Company is planning to change fuel mix to 50:50 coal and pet-coke.
- During the quarter the company has launched one product under its MYCEM brand and both contributes to the extent of 22% thereby growing at 33% YoY.
- The Company may incur to the extent of Rs. 90 cr. as maintenance capex in 2021.
- As per Management, the company has sufficient capacity for next 2 years.
- The Company will look at putting up brownfield plant in Gujarat land if they get some limestone reserves around the land and there is no urgency of putting up the plant in medium term (2 yrs).
- As of Dec-20, the unutilized Mat credit stood at Rs. 75 cr. and the company will still continue with the old tax regime and tax rate to be in a range of 33-35% until the company utilize the net amount depending upon the profitability post which the tax rate will be reduced to 25%.
- Net differential between normal and premium cement bag is to extent of Rs. 15/bag.
- The Company will try to maintain trade sales to the extent of more than 80% going forward.
- As per Management, price hike has been delayed due to serious winters and depression in the month of Nov-20.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

9-Feb-21

Sector	Building Materials
Bloomberg	JKCE IN
NSE Code	JKCEMENT

Management Participants

CFO	Mr. A K Saraogi
VP	Mr. Prashant Seth

3QFY21 EARNING CONFERENCE CALL

- Trade & Non trade mix stood at 66:24 in 3QFY21.
- PPC: OPC mix stood at 62:38 of blended cement.
- White and grey contribution to revenue as of 3QFY21 stood at 30:70.
- Lead distance is 472 km in 3QFY21 and 469 Km in 2QFY21.
- Total gross debt as of 3QFY21 stood at Rs. 2791 cr.
- For the Company Rail and road contribution stood at 20:80.
- The Management expects the net debt to be at Rs. 2500 cr. and capacity to be at 18 MT.
- The Company has approved setting up an integrated greenfield grey cement plant of 4 MTPA by wholly owned subsidiary Jaykaycem (Central) Ltd at Panna, M.P. with split grinding unit in U.P at estimated cost of Rs. 2970 cr. which will be financed in a form of equity contribution from JKCEMENT and debt (to the extent of Rs.1700 cr.) to be raised in Jaykaycem (Central).
- CAPEX during the 9 months and for Nibhahera line III stood at Rs. 150 cr. each and Normal Capex of Rs. 75 cr. for 9 months and for overall year the management is looking at a CAPEX of Rs. 500-550 cr. beside this investment of Rs. 200 cr. in Panna project and an investment of Rs. 100 cr. in Fujairah for FY21.
- Panna Investment will be made in 3 phases with be Rs. 800 cr. in FY22, Rs. 1300 cr. in FY23 and balance Rs. 600 cr. will be invested in FY24. Expect Panna plant to get commissioned in 1QFY24.
- The Management expects the EBITDA margin to be at 25% in medium to long term basis.
- The Management expects to maintain a cash balance of Rs. 800-900 cr. going forward.
- Out of total guided cost saving of Rs. 100/ ton from commercialization of new plants, 50-60% is already achieved and the remaining will be reflected in 4QFY21.
- The Management expects cement prices to increase in a range of 2-3% with the offset of winters.
- Total volumes from Fujairah, UAE stood at 100000 tons in 3QFY21 with capacity utilization of 60-65%.
- The Company has changed its fuel mix in 3QFY21 and has shifted to the extent of 20% from pet coke to imported coal. Thus, it will keep changing fuel mix as per pricing movement in pet coke. On blended basis expect impact on fuel cost to the extent of Rs. 60-80/ton going forward.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

21-Jan-21

Sector Building Materials
Bloomberg KJC IN
NSE Code KAJARIACER

Management Participants

CMD Mr. Ashok Kajaria
JMD Mr. Chetan Kajaria
JMD Mr. RishiKajaria
CFO Mr. Sanjeev Agarwal

Our Analyst on the Call

Rakesh Wadhvani
 rakesh.wadhvani@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Demand: Tile consumption improved in smaller cities and retail markets. Urban markets were much more impacted by the pandemic.
- The company's business in metros has come back to 70% level and in other bigger cities it is at 75% levels.
- Tiles volume growth was driven by higher demand from Tier 1, Tier 2 and Tier 3 cities.
- Plants operated at 100% of average capacity utilization except one JV plant – COSA.
- EBITDA margin growth was led by higher capacity utilization.
- The company's working capital cycle increased by 5 days mainly due to reduced creditors and higher advance tax payment.
- Average gas price for the company is Rs.26 per SCM as against Rs.31-32 per SCM same period last year, lower by 4-4.5% YoY.
- Many countries including USA have put Anti-Dumping Duty (ADD) on China. Lot of tiles business came to India and comparatively more to Morbi (as it is closer to ports).
- In 3QFY21, 80% of sales were through Retail channel and 20% through Corporate. Out of 20%, 10% is from government and 10% from large builder which is facing some problem currently.
- Volume outlook: Considering strong growth in Tier 1, Tier 2 and Tier 3 cities, the company is targeting volume growth of 22-25% in FY22 and 15% each in FY23 & FY24.
- In Ply business, the company is aiming Rs.40 Crores and Rs.70 Crores for FY22 and FY23 respectively.
- Some RM prices have gone up, so there will be some pressure on margins.
- The company will do price increase of 3-4% in 4QFY21.
- Management has guided they will be able to maintain EBIDTA Margin close to 20%.
- The company will be doing capex of Rs.50 crores in FY21 and Rs.150-200 crores in FY22.
- FY21 Exports from Morbi is Rs 7500 crores till now (9MFY21) and would end by approx. Rs 11000 crores, it was Rs 9000-9500 crores in FY20. In FY22, another 25-30% growth expected.

3-Feb-21

Sector Building Materials
Bloomberg TRCL IN
NSE Code RAMCOCEM

Management Participants

CEO Mr. P R Venketrama Raja

3QFY21 EARNING CONFERENCE CALL

- The Sales volume during the quarter remained impacted due to extended and above normal monsoon in Tamil Nadu, Kerala, Karnataka, AP and Telangana while eastern markets posted good growth.
- The Cement prices remained under pressure across all markets during the current quarter.
- The Cement capacity utilization for the quarter stood at 93% based on clinker capacity.
- The new clinkering line of 2.25 MT in Jayanthipuram is expected to commission in 1QFY22. The 1 MT grinding capacities with 12 MW WHRS and 18 MW TPP in karnool is expected to commission in FY22.
- The Management expects greater volume to be higher from 2QFY22 led by upcoming positive demand from government, IHBs and infrastructure projects.
- The Company's premium segment sales stood at 35% of revenue in 3QFY21 and expect the same to take up to 50% going forward.
- As per Management cement realization has started improving in Orissa.
- The Company's clinker capacity as on 3QFY21 stood at 9MT.
- The power and fuel cost for 3QFY21 was on account of higher inventory base, procured at lower cost in earlier quarters. The Management expects the Inventory of both pet-coke and coal to last till Apr-May-21.
- The Company's lead distance in 3QFY21 vs. 2QFY21 stood at 350 km vs. 300 km.
- The Current integrated capacity as on date stood 12 MT and satellite capacity is 8MT. Post expansion the total grinding capacity will be 20 MT.
- Trade and non-trade mix stood at 90:10 as on date.
- CAPEX for FY22 is expected to be Rs. 730 cr. that will be done till 2QFY22 along with normal capex is expected to be at Rs. 60 cr.
- Price difference between normal and premium bag is Rs. 25-30.
- The Company may have expansion in Tamil Nadu and Andhra Pradesh provided if the company gets any limestone reserves.
- Net debt as on 3QFY21 stood at Rs. 3000 cr.

Our Analyst on the Call

Gazal Nawaz
gazal.nawaz@narnolia.com

21-Jan-21

Sector Building Materials
Bloomberg SGC IN
NSE Code SAGCEM

Management Participants

CFO Mr. K. Prasad
JMD Mr. Sreekanth Reddy

Analyst

Gazal Nawaz
gazal.nawaz@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The Company witnessed pick up in housing and government infrastructure projects led to demand across markets.
- The Management expects demand in Andhra Pradesh to remain steady on account of increased government spending while government spending on infrastructure projects on account of elections are expected to increase in Tamil Nadu, Kerala and Telangana.
- The Management expects demand in East, expects demand to remain steady in Odisha while in West have not seen any demand pick up but expects the trends to improve going forward led by pick up in infrastructure activities.
- On Pricing front the Company is seeing some softening in South and West while expects prices to drop in eastern region on account of new capacity additions.
- The Company's profitability has improved on the back of consistent effort towards cost rationalization and improving operational efficiencies while the investments made in past towards building the Captive Power Plant and Waste Heat recovery system have started showing benefits for the company.
- The Company's Mattampally plant operated at 48% utilization level while Gudipadu and Bayyavaram plants operated at 80% and 62% respectively during the quarter.
- The Management expects in long-run the demand and realisation are expected to remain steady led by government push towards infrastructure sector.
- The work on Satguru Cement and Jajpur Cements are progressing as per schedule and expect the units to be commissioned before end of 2QFY22.
- The Company has witnessed some amount of competitive intensity in the non-trade segment but trade market has remained steady.
- The Company's Gross debt as on 3QFY21 stood at Rs. 636 cr. out of which Rs. 529 cr. is a long-term debt and the remaining is for working capital.
- For the Company low-cost pet coke will exhaust by the end of Jan-21.
- The Company procured Australian coal, for \$57 which would last all the way up to June while expect Rs. 50 kind of an increment on account of power and fuel cost for the 4QFY21.

23-Jan-21

Sector Building Materials
Bloomberg UTCEM IN
NSE Code ULTRACEMCO

Management Participants

CFO Mr. Atul Daga
MD Mr. K. C. Jhanwar

3QFY21 EARNING CONFERENCE CALL

- As per Management, Tier II, Tier III towns and urban regions are recovering and have started showing signs of recovery.
- The Company's capacity utilization in has gone up for all region, capacity utilization at east stood more than 100%, south was at 70% and rest at were closer to 80%.
- The Company saw reduction of prices QoQ, east was weaker because volume offtake was very high while North remained stable and southern regions witnessed some price correction.
- The Company has achieved an overall achieved capacity utilization of 80% for the quarter.
- Total overseas capacity stands at 5.4 MT with consolidation of 2 MT grinding unit which earlier the company was about to sell off.
- Net selling price on YoY basis has remained stable.
- White cement net sales grew by 15% led by volume performance and broad-based growth across categories and regions.
- RMC is getting momentum and the company has 109 plants across country.
- RMC and white cement revenue for the quarter stood at Rs. 620 cr. and Rs. 538 cr.
- Trade and non-Trade mix stood at 64:36.
- Lead distance as of now stood at 440 km.
- The Company's white cement volumes stood at 3.9 lakh tonne.
- The Company's current thermal power capacity 1200 MW.
- Line II at Bara unit has also got delayed and will get commissioned by March-21. And line I has already achieved the capacity utilization of more than 70% (commissioned in Feb-21)
- The Company's work on next phase of expansion which is ~90 MT is in full swing and will get completed by FY23.
- As per Management, in coming years the demand will outstrip the incremental new capacity and expect the gap between supply demand to tighten for long period of time.
- The Management expects improvement in capacity utilisation going forward led by improvement in demand.
- The Management expects the rebranding exercise (completed to the extent of ~80%) for Century assets to get completed by Mar-21 or not later than 1QFY22.
- The Management expect fuel prices to stabilize in next 6 months when crude production goes up.
- As Per Management the company is making big investment in WHRS in both Ultratech and century assets and post implementation of the same the cost will come down.
- The Management foresee 10% YoY saving on overheads for FY22 (Considering FY20 as base year).
- As per Management, the impact of current high-cost purchases of pet coke will come in 1QFY22 and may impact the cost by Rs 50/ ton.
- As per Management Pet coke prices is expected to reach highest by June-21 on account of unavailability of pet coke in domestic markets.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

8-Feb-21

Sector Consumers
Bloomberg ABFRL IN
NSE Code ABFRL

Management Participants

MD Mr. Ashish Dikshit
CFO Mr. Jagdish Bajaj

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The strategic business transformation continues with work around enhanced digitization of front and backend and strong focus on innovation around creating products that are more relevant during these times.
- The company has accelerated network expansion and launched more than 300 stores across businesses and formats in line with strategic plans around entering smaller towns of India.
- By 31st March 2021 the company will reduce the net debt by almost 90% from exit of last year Levels.
- Profit after tax for the quarter is Rs. 58 Cr compared to net loss of Rs. 38 Cr during Q3 last year. The improved profitability is driven by superior product offerings, better discount management and relentless focus fixed cost control driving expansion in reported EBITDA margins.
- During this quarter, the total cost savings on account of employee cost, rent expenses and other expenses is Rs. 157 Cr with this during the nine months period the company has reduced its fixed cost by Rs. 1,029 Cr from its course base of 4QFY20.
- Another highlight of this quarter has been strong cash flow that the business had generated from operations amounting to Rs. 588 Cr including reduction of inventories by Rs. 325 Cr.
- As at the date the net debt stands at Rs. 580 Cr after taking into account the proceeds received from preferential offers and first call of rights issue.
- The lifestyle brands reported 92% of the last year sales in its own retail channel this quarter which reflect a like-to-like de-growth by 17%.
- The company expects robust recovery of sales through wholesale channel in Q4.
- Pantaloons opens 7 new stores during the quarter and expect addition of 20 to 25 stores in FY21.
- On the Pantaloons' overall margins front there are two, three factors. One is the operating leverage which comes through same store growth for the network expansion. The second is the gross margin improvement where the share of private label does have a role to play and third is the cost initiative.
- The consumer shift to ecommerce is unidirectional democratic and is going to continue to improve over a period of time.
- On the Sabyasachi partnership ABFRL believes that over the next few years ethnic wear is going to be an increasingly important category. The Sabyasachi brand though its emphasize on excellence in design and craftsmanship has set new benchmarks and captivated the imagination of the sophisticated global Indian consumers.

1-Feb-21

Sector **Consumers**
 Bloomberg **AMBER IN**
 NSE Code **AMBER**

Management Participants

MD **Mr. Daljeet Singh**
 CFO **Mr. Sudhir Goyal**

3QFY21 EARNING CONFERENCE CALL

- Consumer durables showed positive growth as the consumers are demanding for the products along with value added products for multi-tasking even after opening of lockdowns also.
- The retailers gave extended warranty facilities, affordable price schemes to attract the first time consumers.
- PLI scheme will be helpful as from this the company will get incentives of 5-6% for the next 5 years.
- Volumes- 543000 units in 3QFY21 by AC segment.
- Market share- 24% for the Room AC and for OEM it is almost 71%.
- Investments are done in R&D so that the new product portfolio will come stronger and will create larger demand.

- **Subsidiary**
 - Sidwal generated 44 cr in of revenue in 3QFY21 against 69 cr in 3QFY20 due to slow uptake from railway side.
 - Railway and Metro business segment have acquired new orders and strengthen the order book despite all the challenges of the weak scenario.
 - PICL subsidiary generated 35 cr of revenue and Electronic subsidiary (IL JIN) generated 91 cr of revenue and Ever generated 33 cr of revenue.
 - The management announced 2 Greenfield facilities i.e. one in Pune in which acquisition of land has been done and construction will start. It will start the operations in Q4 of FY22.

- **CAPEX Guidance**
 - There will be requirement of 251 cr CAPEX for 2 million compressors.
 - There will be around 300 cr CAPEX for new manufacturing plants and the company has invested 51 cr for the land in Pune.

- **Future Guidance**
 - The management said that market will grow around 15%-16% CAGR due to PLI scheme as it will help the local manufacturers to expand themselves in the market.
 - The management is expecting that revenues will double in PICL and the margins will also expand in next 2-3 financial years due to increase in product offerings.
 - The exports have started contributing in PICL in around 20% and it will be around 30% in future.
 - The management expects that the exports will increase due to increase in the adding of customers for the product portfolio in every segment.
 - 5000 cr worth of incentives are expected to be provided to AC and component manufacturing industry in regard to the PLI scheme.
 - 5-7% range of cost increase on finished goods will be there due to the price changes.

Our Analyst on the Call

Rajeev Anand
 rajeev.anand@narnolia.com

21-Jan-21

Sector	Consumers
Bloomberg	APNT IN
NSE Code	ASIANPAINT

Management Participants

MD & CEO	Mr. Amit Sygle
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Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The Company's domestic decorative business volumes grew by 33% YoY on the back pent up demand, festive demand, demand on account of marriages in October & November and recovery in metro, tier 1 & Tier 2 cities.
- The Company witnessed strong growths in the premium and Luxury range across regions on the back of Smartcare & Economy range.
- The Company safe painting, san assures and beautiful homes services are witnessing positive traction.
- Gross margins expansion was driven by lower input material prices coupled formulation efficiency. However, as of December the company is witnessing input inflation.
- The Company's International business grew by 22.4% YoY to Rs. 700 cr. led by double digit volume growth across all units in International market except Ethiopia, Bahrain and Indonesia.
- The Management is looking at growing projects business in a bigger way and expects good growth from the same in coming years.
- The Company has put in 16 stores in home décor category across country and targets to double this number in 2-year time.
- The Company is closely watching at inflationary trends in raw material prices and rupee depreciation.
- As per Management, the product strength, visualization and execution are more important in beautiful homes category.
- The Company has been gaining market share each year and will look at exploring newer areas.
- As per Management, pent up demand from metros, Tier I and Tier II cities and are parts of 3QFY21 growth and expect some pent-up demand to remain in 4QFY21 as well as in 1QFY22.
- The Company will continue to work on further cost optimization and will incur only business critical spends, across all segments.

21-Jan-21

Sector	Consumers
Bloomberg	ATFL IN
NSE Code	ATFL

Management Participants

MD	Mr. Sachin Gopal
CFO	Mr. K P N Srinivas

3QFY21 EARNING CONFERENCE CALL

- The Company's food business grew by 40%/39% YoY in value and volume terms driven by better performance from Ready to Cook Snacks and spreads category.
- Foods business contributes to the extent of 40% to the revenue while Premium edible oil accounts in a range of 32%-33% and Mass edible oil accounts in a range of 27-28% to the revenue of the company.
- In 3QFY21 Gross Margin on the Foods business was higher by Rs. 12 cr. due to higher volume growth offsetting the decline in oil business gross margin to the extent of Rs. 10 cr. which was due increase in input commodity costs across the edible Oils portfolio.
- The Company new products which were launched last year (breakfast cereal, chocolate spread, chocolate confectionary & sweet corn) grew by 600 bps during the quarter.
- Out of 40% YTD growth in food business, the company's food business base growth stood at 14%, 6% came from new products and out of 20% some is on account of COVID related demand which is not sustainable in long run but some part is sustainable.
- Out of 40% YoY growth in spreads 400 bps of growth came from chocolate spread. The Company is doing very well in chocolate spread category.
- The Company has restarted its operations at Unnao plant.
- Peanut butter reached to a ~85000 stores, bagged snacks-75000 direct reach and microwave Popcorn will be at 40000 and Act II popcorn will be at 3-4 times of peanut butter.
- Rice bran oil and sunflower oil price has gone up by 28%/39% YoY during the quarter.
- The Company expects food business to grow by 25% in coming quarters.
- The Company will launch one new product in Ready to cook snacks category in 4QFY21.
- The Company has also rolled out almond butter in 2 variants and expect Rs. 100 cr. business from the same in next couple of years.
- As per Management the company's Chittor and Unnao Plants will cater to South and North India markets.
- The Company stands at number third position in extruded breakfast cereal (First is Kellogs) and is at second position in Granola.
- The Company will continue focussing on increasing the number of distributors.
- Ad & P spends continued to be at high level and within that mix between media and sales promotion has changed. Thus, will continue its Ad & P spends.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

4-Feb-21

Sector Consumers
Bloomberg BAJAJCON IN
NSE Code BAJAJCON

Management Participants

CEO Mr. Jaideep Nandi
CFO Mr. D. K. Maloo

Our Analyst on the Call

Gazal Nawaz
gazal.nawaz@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- During the quarter the company registered strong double digit value growth in hair oil of 16.2% and volume growth of 18% on the back of various rural and urban initiatives driven by improving consumer confidence and market recovery.
- The Company ADHO has grown by 14% YoY in value and 16% YoY by volume in 3QFY21.
- The Secondary sales in hair oil continued its momentum while primary sales for hair oil grew by over 17% and for overall company the secondary has been higher than primary at 19%.
- The Company's Gross margin declined by 3.2% YoY out of which decline of 1.1% is on account of one-time sale of sanitizers (which the company failed to liquidate its stocks to institutions at low gross margin contributing to the extent of ~1% of sales) while the remaining decline of 2.1% was due to input inflation as well as change in product mix.
- As per Management input inflation is mainly on account of inflation in oils. LLP and refined mustard price oil increased on account of supply constraints and decline in demand of soya and palm oil.
- As per Management, urban has shown signs of recovery with positive growth of 7% while Rural grew by 37%.
- The Company reaches directly reaches to more than 400000 retail outlets covering all villages which are having population of more than 2000 through VAN operations and will continue to scale up penetration through van operations going forward.
- Bajaj Amla hair oil market share increased to 2.3% in 3QFY21 vs. 1.2% in 3QFY20.
- The Management expect rural demand to be robust in FY22 led by positive measures in union budget. As of now urban and rural mix stood at 50:50.
- The Company aim is to aggressively grow the top line with positive EBITDA YoY in long run.
- The Company will launch some products in next 2-3 quarters especially for e-commerce and work has started on the same while will also launch a mass range for general trade channel and the products are likely to have higher gross margin.
- Management expects Ad spends to be move to 21% only if there exist traction in sales in long run post launch of e-commerce and mass range.
- Bajaj Amla contributed in a range of 3-4% to the total turnover. The Company has also restaged Bajaj Amla and hair oil which will come in market by the end of Feb-20 and expect the same to be one of the growth drivers going forward.
- To offset the input inflation the company has taken price increase of ~1.5% in 4QFY21. The Company will continue to monitor input inflation and competitive intensity closely and act accordingly.

11-Feb-21

Sector Consumers
Bloomberg BRGR IN
NSE Code BERGEPAIN

Management Participants

MD & CEO Mr. Abhijit Roy

Our Analyst on the Call

Gazal Nawaz
gazal.nawaz@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The Company's decorative business improvement was driven by pent-up demand from metro cities, sustained demand from Tier II and Tier III cities and improved consumer sentiments while expect the positive momentum to continue in long run.
- General industrial and automotive businesses showed significant recovery while Protective and infrastructure coatings business maintained reasonable growth during the quarter.
- The Company's other expenses during the quarter increased on account of investment in marketing and advertising spends and may taper a bit going forward.
- The Company will continue enhancing the distribution for kitchen cleaning products and covid-19 related launches and will try to make the growth driver of the company.
- The Management is looking at a prudent mixture of both market share gains and profitability improvement.
- BJN Nepal, showed healthy growth in top line as well as in profitability post multiple lockdowns.
- SBL Specialty Coatings Private Limited and STP Ltd showed improvement in performance in both top line and profitability.
- The Company's wholly owned Polish subsidiary Bolix S.A continued to show robust performance led by some improved numbers from its UK operations.
- The Company's Joint ventures Berger Nippon Paints Automotive Coatings Ltd. and Berger Becker Coatings Ltd. Also showed improved performance in this quarter
- The Company may take some price increase going forward if the RM price increases beyond expectation.
- The Company new plant in UP is expected to commercialize in early CY22 and are investing approx. Rs. 500 cr. over a period of time while the tax benefit for the plant will be on SGST component to the extent of 200% of capital invested over a period of time.

29-Jan-21

Sector Consumers
 Bloomberg BLSTR IN
 NSE Code BLUESTARCO

Management Participants

Chairman Mr Ashok M Advani
 VC Mr Suneel M Advani
 MD Mr Satish Jamdar
 CFO Mr. Neeraj Basur

3QFY21 EARNING CONFERENCE CALL

- **Segment 1: Electro-Mechanical Projects and Commercial Air Conditioning Systems**
 - Major order in 3QFY21 was from Avenue Supermart (All India) Food and Drug lab Baroda, L & T Bangalore etc.
 - Project execution is prioritized on the bases of the Customer credit profile and operating cash flow generation of the project.
 - -From 4QFY21 the segment will see growth because of the good performance of Commercial AC
 - The management is focusing on balancing growth, profitability and operating cash flow generation
- **Segment 2: Unitary Products**
 - Room Air Conditioners market grew by 25% and the company grew by 32% the market share of the company is 13% in 3QFY21.
 - Water Purifier and Commercial Refrigeration Products 'Vaccine Transporters' and 'Ice Lined Refrigerators' have received orders from Govt and Private player for Cold chain
 - Expecting growth movement in this segment in 4QFY21.
 - Commercial Refrigeration Products
 - Secondary storage facilities are also available for vaccine storage
 - Ice Lined Refrigerators Vaccine transporter.
 - -80 centigrade vaccine storage are also available for other vaccines.
 - -There is an expectation of 200 Cr incremental opportunity is expected over a period of the time.
- **Segment 3: Professional Electronics & Industrial Systems**
 - The revenue and profitability were high due to the high margin order from later year Data security business.
 - Growth in order in the essential sector from the govt boosts the revenue.
 - Expecting sustainable growth in the sector.
- **Supply Chain :**
 - 100% IDO manufacture in Domestic market as compared to last year full import.
 - 4QFY21 Consumption of components is taken care of for manufacturing.
- **PLI Scheme**
 - PLI Scheme on AC on incremental sales based on the investment same as mobile phones 5000 Cr
 - 3000 Cr for Finished Goods and 2000 Cr for the related component is kept aside.
 - The management is going to participate in the scheme by the govt.
 - 20 Acres Land Acquired in 3 cities apart from Himachal Pradesh establishment.
 - Value for investment in PLI for Design for backwards integration
- **Price Increase**
 - The commodity prices of Steel, Copper, ABS Plastic and Ocean freight increasing.
 - The prices of the product to increase by 4-6% from 1.Jan 2021.
 - Prices change in March for 1QFY22 according to the commodity price
 - Advertisement and Marketing expenses will be estimated in the coming months for FY22.
- **Guidance**
 - The management indicated that it will focus on Infrastructure sector like Metro railways, Electric Sub Station, water distribution.
 - Expecting segments like warehousing sector, datacentre and factories are the opportunities for 4QFY21
 - Employee Cost Some of the employee cost reduction measures will be reviewed in 4QFY21 to evaluate as the business pre-covid level.
 - The growth is sustainable
 - Water purifier business by the F21 will reach Break-even point as per the management.
 - Margin Growth is sustainable in 4QFY21 and 1QFY22
 - Scale for further growth is 100% level of 3QFY20
 - Room AC business is Sales From E-commerce channel 2-6%

Our Analyst on the Call

Sandip Jabuani
 sandip.jabuani@narnolia.com

8-Feb-21

Sector Consumers
Bloomberg BRIT IN
NSE Code BRITANNIA

Management Participants

MD Mr Varun Berry
CFO Mr. N. Venkataraman
CCO Mr. Gunjan Shah
Chief Development and Quality Officer Mr. Sudhir Nema
VP Procurement IR Mr. Manoj Balgi
 Ms. Deepti Sudhir

3QFY21 EARNING CONFERENCE CALL

- Robust General Trade & rural growth has been seen this quarter; however Modern Trade & Institutional business remained muted.
- Diversification of purchase basket as unlocking has happened. Pantry stocking has also been normalized.
- 36 quarter of straight Market share gain for the company.
- Company is focusing on distribution & marketing, innovation and cost optimization.
- Increase in direct reach to 22.9 lakh outlets in Dec 20.
- Rural distribution is strong and no. of rural preferred dealers reached to 23K in Dec 20.
- Hindi belt growth has improved by around 30-60% in YTD 2020-21 as compared to YTD 2017-18. UP is the best performing among them.
- Consumption is expected to be normal in next 3-6 months.
- Most of the pillar brands such as good day, Born bon, tiger, 50-50, Nutri choice , cake portfolio are back on track.
- Factory productivity has improved to 1.07x as compared pre covid.
- Middle East and Africa has shown healthy growth. ROW is growing at healthy pace.
- Bakery business: Bread profitability has been upward while Rusk business has shown stable growth and increase in profitability.
- Wafers have shown growth of around 30%. Salted snacks will show substantial growth in coming years.
- Dairy business: Cheese is leading the growth in Dairy while Decline in out of home consumption impacted Drinks portfolio however out of home consumption is picking up gradually.
- Growth in Drinks such as Lassi and milk shakes has started to bounce back. Lower milk prices have also helped in increasing the profitability of dairy business.
- Company expects increase in revenue as distribution channels are back to normal.
- For Q3, E-commerce is at 1% of contribution while modern trade is 10% of the contribution.
- Capex is expected to be around Rs 200 cr for FY21.
- Company has accelerated the pace of innovation and new launches. It is innovating in products such as cakes and other affordable products so as to increase volume sales.
- Company is doing IT transformation project which will be concluded in next 3-6 months.
- Steep inflation in palm oil in Q3. On flour and milk there is deflation of 7% and 15% respectively while on sugar and RPO inflation of 1% and 25% respectively.
- Company is expecting to maintain the margin in the coming quarters.

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

9-Nov-20

Sector Consumers
Bloomberg BURGERKI IN
NSE Code BURGERKING

Management Participants

WholeTime
Director & CEO Mr. Rajeev Varman

3QFY21 EARNING CONFERENCE CALL

- The company is expecting to triple the number of restaurants across the globe by Dec 2026.
- According to the management the revenue is recovered to 99% of the pre-covid level in Jan 21. In 3QFY21 Revenue recovery is at 72% YoY.
- 86% sales recovered on Jan FY21 on YoY bases, West business has recovered by 93%, south and east recovered by 88% and north recovered by 79%. North recovery is less due to farmer protest restriction and covid restriction.
- According to the management the delivery business has recovered by 106% of pre-covid level and Dine-in business has recovered by 76%.
- The company will be looking in building new high street restaurants as most of the mall is covered.
- Launched a new Range of 4 Premium Burgers "The Kings Collection".
- Historically in the past 4-5 years the prices increase in the range of 3-4%. The same will be continued.
- In 2015-16 the rent ratio was 18% and now it is 15%.
- The CAPEX is around 2.5-2.8 Cr per store. The company has a negative working capital.

- **Restaurant**
 - EBITDA margin of the restaurant was 8.8% in 3QFY21 which compared to 3QFY20 was 8.5%. This increase was due to the reduction in rent by 38 Cr.
 - Revenue stands 163 Cr in 3QFY21 as compared to 228Cr revenue in 3QFY20.
 - The gross profit margin was 65%. Net restaurant growth was 10% in 3QFY21.
 - Current number of restaurants is 270. The vision of the business is to build 700 restaurants by Dec 2026.

- Favorable royalty rate till 2039 is capped at 5% of sales+ GST.
- 5% of the sales are used for Marketing and advertisement.
- The company has launched a new app. CAPEX for the development and launch of the app is completed. No massive refurbishing CAPEX till FY24 or FY25.
- The company is expecting: No. of Stores- FY22: 320, FY24: 470.
- The Company is expecting to build 50 new restaurants in FY22, 70 new restaurants in FY23 and 80 new restaurants in FY24.
- SSSG Growth on existing store: FY22: ADS at FY20 level, FY22 onwards: 5%-7%.
- Expects Gross Profit: FY22: 65.5%, FY24: 67.0%. The company is expecting a 200 bps improvement.
- The management indicated that the company may not be in the tax bracket till FY25-26 due to the accumulated losses.

Our Analyst on the Call

Rajeev Anand
rajeev.anand@narnolia.com

29-Jan-21

Sector Consumers
Bloomberg CCLP IN
NSE Code CCL

Management Participants

CFO Mr. KVLN Sarma

3QFY21 EARNING CONFERENCE CALL

- The Company's performance remained impacted during the quarter on account of logistics issue on account of non-availability of containers resulting into delay in dispatches to the extent of about Rs.50-60 cr. and also on account of non-realization of MEIS proceeds during the quarter vs. (realized MEIS proceeds to the extent of Rs.11 cr. in previous corresponding quarter)
- The Company is facing issue on both exports as well as imports. For imports the company has managed to increase the inventory level to protect production constraints.
- The Company is not seeing any loss on order book position or loss to any supplier as of now because the customers will need 3-month lead time to change the supplier.
- The Management expects the prevailing issue of delay in logistics may last for another 1-1.5 months.
- As per Management, orders from Russia are been pushed by couple of months to Q4 also and also spill overs will be seen in 1QFY22.
- As per Management, the company price its products based on prevailing market situation in different countries.
- The Structure for capacity expansion for India and Vietnam will complete by the end of FY21 while the commissioning will take place in 1QFY22.
- The Company is still facing container unavailability issues and is trying to mitigate the same by changing business model for dispatches by timing imports correlating to dispatch schedules and also by utilizing import containers for exports. Thus, expects the business to come back to normalcy to more than 50-60% in 4QFY21.
- The Company's 9 months volume stood at the same level as the last year 9 months volumes.
- The Company's small pack revenue increased by 40% QoQ and contributes to the extent of 15-20% for 3QFY21.
- The total revenue from domestic business stood at Rs 105 cr. for 3QFY21.
- The Company received the MEIS incentive to the extent of Rs.33 cr. in previous corresponding quarter. As on date the company has accumulated arrears of about Rs 28 cr. on MEIS which will be utilized in next 2-3 quarters.
- The capacity utilization for Vietnam operations stood at 90% for 3QFY21.
- As per Management, in-house consumption is growing continuously while institutional business has not increased due to closure of offices.
- The Company has committed the expenditure of Rs 14 cr. for Ad spends for FY21.
- As of now the total installed capacity stood at 35000 tonnes and next year the company will add another 3500 tonnes and will target a capacity utilization of 80-85%.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

29-Jan-21

Sector Consumers
Bloomberg DABUR IN
NSE Code DABUR

Management Participants

CEO Mr. Mohit Malhotra
CFO Mr. Lalit Malik

3QFY21 EARNING CONFERENCE CALL

- In Oral care category Dabur Lal Dant Manjan witnessed 20% YoY growth during quarter also newly launched Dabur Lal Dant Rakshak witnessed good consumer response.
- The Company's market share in shampoo category increased by ~50 bps to 6.5%. The Company's focus on increasing the bottle saliency is yielding results with 15% saliency in bottles.
- Vatika shampoo reported a strong offtake on e-commerce platform.
- Air freshener and mosquito repellent cream reported high single decline during the quarter however the company market share improved by 210/250 bps.
- Ecommerce outperformed amongst all channels with 150% YoY growth thereby contributing to the extent of 6% of the business.
- The New launches launched in last 3 quarters contributed to the extent 4-5% of revenue in 3QFY21 and 6% on YTD basis.
- E-commerce range launched in previous quarter is also doing well except Odomos rackets.
- The Company has gained market share on herbal oral care at the cost of market leader.
- Honey category size as of now is Rs. 1500 cr. and the company enjoy 40% market share in honey.
- The Company is forming 100% subsidiary of Dabur India in order to promote exports, the entity will manufacture the product in India and export it to markets outside India.
- Dabur Red contribution stood at 70% of total portfolio and grown by 30% YoY and others portfolio has grown by 25% overall growth being 28%.
- Media expenses have gone up by 40% in Ad & P spends during the quarter.
- The Company reaches to 17000 chemist outlets and 275000 outlets for OTC.
- The Company will manage its operating margin with price increase; judicious ad spends, cost efficiency measures and reduction of consumer promotion to overcome the input inflation.
- The Penetration level of Chyawanprash in the country has gone up to 6% during the quarter.
- The Management expects Modern trade, E-commerce and cash & carry to become larger going forward.
- The Management is optimistic about the beverage category led by NPDs launched previously and with the advent of summers.
- The Company is on track to achieve 1.4 million direct reach in general trade channel by the end of FY21.
- As of now spending 10% as of now towards Ad & P spends and expects the same to take up to 11.5% going forward.
- The Company has identified cost saving areas which will save the cost to the extent of Rs. 150 cr. out of which Rs. 50 cr. will accrue this year and rest will accrue in FY22.
- The Company will incur CAPEX in line with current year CAPEX for domestic business and will look at additional plant for Healthcare.
- The Management expects Ad spends to get normalized from 4QFY21.
- The Company is trying to create a digital platform to bring vaidyas in order to drive ayurvedic portfolio.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

2-Feb-21

Sector Consumers
Bloomberg DIXON IN
NSE Code DIXON

Management Participants

MD Mr. Atul B Lall
CFO Mr. Saurabh Gupta

3QFY21 EARNING CONFERENCE CALL

- Management guided that the ODM business margins would be a challenge as the increase in raw material prices is seen on the account of supply issues which led to shortage in raw material and cost pressure would continue in near term.
- Growth in LED TV was on the account of volume and pricing growth. EBITDA Margin grew from 2.5% to 2.9% in the quarter on the account of high level of backward integration and improve sales mix mainly 43 inches and above.
- Management guided that current capacity for the TV sets are 4.4 Mn sets which will increase to 5.5 Mn sets by 2QFY22. One third of the capacity in Tirupati is fully backward integrated.
- Management guided that lighting segment has achieved pre-COVID levels and improvement in operating margin is seen on the account of product mix and productivity improvement.
- Management guided that batten capacity is 2Mn per month which would be increased to 3-4 Mn per month and down lighter capacity is 600 k which would be expanded to 1.2 Mn per month on the account of healthy order book.
- Management guided that automotive factory for lightning is in progress and is expected to be operational by 3QFY22, this will help in reducing manufacturing cost and increase in productivity.
- Management guided that for Washing Machine segment margin will remain under pressure for this quarter as the increase in input prices and import freight rates are taking time to pass on to the customers.
- Management guided that semi-automatic machine is having the capacity of 1.2 Mn and this will expand to 1.6 Mn. Tirupati plant for fully automatic machine which have the are expected to enter into trials by last week of Feb or first week of March.
- Production for Nokia has been started and for Motorola it will start by end of Feb or First week of March.
- Management guided that they are confident for generate revenue of Rs 25000-28000 crs over 5 years with 3% kind of EBITDA from Mobile segment.
- For the setup box segment - 9 lakhs setup box was produced for JIO, DisTv and Cable for 3QFY21 and the order of 3-4 lakhs per month is lined up for coming quarter.
- 500 units of RTPCR machine were produced under medical equipment segment and new vertical that is wearable would be added and 10000 units order have been received for which manufacturing would start by Feb.

Our Analyst on the Call

Sandip Jabuani
 sandip.jabuani@narnolia.com

27-Jan-21

Sector Consumers
Bloomberg HMN IN
NSE Code EMAMILTD

Management Participants

Director Mr Mohan Goenka
Sr. VP– Finance Mr Rajesh Sharma

3QFY21 EARNING CONFERENCE CALL

- The Company witnessed broad based growth across channels led by good seasonality and favourable consumption environment also rural continued to perform better while growth in urban markets have also picked up.
- In healthcare range Chyawanprash portfolio grew by 24%, Zandu Honey grew by 2.5x times and Zandu Pancharishta grew by 19%, However Navratna declined by 21% on account of strong winter.
- Fair & handsome is back on track and is been relaunched in markets with new packaging as fair & handsome radiance cream and fair & handsome instant radiance face wash.
- Emasol which offers complete range of home & hygiene received promising response from consumer.
- As per Management, the current pandemic has brought heightened awareness towards healthcare categories leading to increased household penetration and consumption.
- Overall new launches contributed to the extent of 3% of domestic sales in 3QFY21 and 4% in 9 months.
- E-commerce grew by 3.5 times during the quarter thereby increasing the contribution by 210 bps to 3.1% of domestic business.
- Modern trade channel grew by 51% during the quarter increasing its contribution by 200 bps to 8% of domestic business in 3QFY21.
- Modern trade independent stores also grew very well and the company is creating a separate organisation structure and activation program to leverage this opportunity which in turn will help driving offtake of NPDs and higher margin large packs.
- Post pandemic every category penetration has gone up by 3-4%.
- International Business grew by 26% led by better performance from MENAP and SAARC regions led by Special focus on immunity boosters and launch of hygiene range during pandemic helped in boosting sales.
- Crème 21 grew by 82% during the quarter.
- The Company has outlined clear strategy to drive growth in rural markets by increasing direct reach and will invest in adding man power to top 4 states to aggressively increase its coverage in these 4 markets. Expected cost to be incurred will be in a range of Rs. 7-8 cr.
- The Management expects to maintain EBITDA margin at 30% going forward.
- Pledge as of 3QFY21 stood at 36% and promoters are committed to bring it down to zero going forward.
- The Company will continue launching NPDs in the OTC generic and ethical portfolio where the company sees high market growth potential.
- The Management expects double digit volume growth in 4QFY21.
- As per Management amortization to the extent of Rs. 60 cr. will continue for next 2 years.
- The Management is confident to close the year with high single digit growth.
- The Management expect healthcare to grow between 25-30% going forward and are also expanding retail reach in healthcare portfolio.

Our Analyst on the Call

Gazal Nawaz
gazal.nawaz@narnolia.com

8-Feb-21

Sector Consumers
Bloomberg GCPL IN
NSE Code GODREJCP

Management Participants

MD Ms. Nisaba Godrej
Finance Head & IR Mr. Sameer Shah

Our Analyst on the Call

Gazal Nawaz
gazal.nawaz@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- As per the Management, the company will continue to play in the sanitizer category and will bring some amount of innovation in the category.
- In HI category premium category which are Aerosol and electric are growing well for the company and expect the momentum to continue led by more disruptive launches. However, burning format is witnessing competitive intensity from the unorganized players.
- As per Management, Natural incense stick strategy has not done well but the company will continue to innovate the same with micro marketing strategy coupled with disruptive launches and increased penetration.
- The Company's saliency of Gold flash has been increased while in terms of machine traded has traded 3 cr. machine and expect to trade another 1 cr. in short term also during the quarter the company witnessed double digit sales growth in electric portfolio.
- As per Management, wet wipes are 14-15% of overall Indonesia business but are facing competitive intensity from new players. The company would have clocked more 4-5% growth if there would not have been the competition issue.
- The Management expect growth rate in Africa and USA (partnership with Walmart in US) to sustain for medium term.
- The Management expects to maintain margin in medium term led by calibrated pricing approach and cost saving program undertaken by the company.
- The Company is actively looking for merger and acquisition in India, Australia and Bangladesh.
- The Management expects soaps to continue gaining market share led by various micro initiatives and expect the steady performance to continue in FY22.
- The Management expect Latin America business to continue its steady to strong performance in medium to long term.
- As per Management GT roll out in Indonesia 2 years back stood at 85000 outlets and now reaching to 120000 outlets but intend to reach out to 200000 outlets.

21-Jan-21

Sector	Consumers
Bloomberg	HAVL IN
NSE Code	HAVELLS

Management Participants

Chairman & MD Whole-time	Mr. Anil Rai Gupta
Director (Finance) and Group CFO	Mr. Rajesh Gupta

Our Analyst on the Call

Rajeev Anand
rajeev.anand@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Switchgears are at Rs 437 cr with YoY growth of 32%.
- Cables at Rs 905 cr with YoY growth of 27%.
- Lighting and fixtures are at Rs 343 cr with 28% YoY growth.
- Consumer durables are at Rs 783 cr with 46% YoY growth.
- Lloyd is at Rs 512 cr with 71% YoY growth due to brand positioning and network expansion.
- AC segment is in growth due to China import constraint and the wide network coverage of the brand. For its capacity expansion, the management is waiting for the PLI policy which will help in exports also.
- The domestic appliances are doing good due to focus on the expansion of the product category.
- The demand for the water heaters was high due to the festive season of Diwali and Fans have also grown very well.
- The new launches in Lloyd like washing machine, refrigerators and AC which will lead to the increase in the demand of the products.
- The expanding distribution network and strong manufacturing contributed in the growth of the consumer residential & portfolio.
- The price increase depends upon the product categories because some of them have direct impact of metal and plastic prices.
- There is price increase in domestic wires of around 15%, 5-7% in domestic switchgears and 10% in industrial switchgears products.
- Employee cost is at normal level because the employees are back to work and they are also getting incentives for their works.
- Operating margins are at 16%.
- The margins will be impacted in the coming quarters due to increase in the input prices and the management expects to maintain same level of contribution margin which will depend on the raw material prices.
- The company is at good cash level by which they will expand the capacity.
- The management expects that the market share will rise due to the China import constraints and the consumers demanding for the Made-in-India products.

27-Jan-21

Sector Consumers
Bloomberg HUVR IN
NSE Code HINDUNILVR

Management Participants

Chairman & MD Mr. Sanjiv Mehta
CFO Mr. Srinivas Pathak

Our Analyst on the Call

Gazal Nawaz
gazal.nawaz@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The Company witnessed demand from rural and smaller cities while metros and big cities started recovering.
- General trade and e-commerce continued to perform well while a Modern trade channel is slowly coming back.
- In Skin cleansing Lux picked its growth momentum and expected to sustain going forward.
- The Company took price hike to the extent of 2.5% in Dec-20 and has initiated further price increase of 2.5% in 4QFY21, thereby keeping close eye on inflation.
- Glow and lovely transition have happened well going forward the company will focus driving demand through proper communication.
- The Company followed calibrated approach to pricing in tea portfolio which in turn has helped the company to grow and gain market share in tea category.
- The Company's nutrition business grew by double digit led by normalcy post restoration of supply lines.
- Closeup is doing well while also witnessing strong traction on Pepsodent as well but more work is left to be done in Pepsodent and naturals portfolio.
- With step up in economic activities discretionary spends and out of home category are expected to improve.
- The Company will continue investing into its brands and go to market initiatives led by demand revival.
- The Management expects laundry to come back post normalization of economic activities.
- The Company will continue focusing on competitive volume growth for FY21.
- As per Management inflation in select categories are expected to continue in near term.

28-Jan-21

Sector Consumers
 Bloomberg INDIGO IN
 NSE Code INDIGO

Management Participants

COO Mr. Sanjay Kumar
 CFO Mr. Aditya Pande

3QFY21 EARNING CONFERENCE CALL

- According to management current Quarter is reported as a weaker quarter with net loss of Rs. 6.2 bn in 3QFY21 as compared to net gain of Rs. 5 bn same quarter last year.
- During quarter, business is operating at 70% of domestic capacity as compared to same period last year. Capacity is ramping up gradually by removal of restrictions due to COVID, in current month also operated at 80% of domestic scheduled departures compared to same period last year.
- International capacity continues to be severely constraint and only operating at 28% year over year.
- Company is overall operating at 60% of its capacity compared to same period last year.
- Capacity increased from 8.9 bn ASKs in September quarter to 15.3 bn ASKs in December quarter, reflecting more than 70% increase in sequential capacity.
- Load factor improved by 6.9 points and RASKS improves by 1% sequentially.
- Management feels Bullish about demand in market, particularly from tier 1 & 2 cities are exceeding pre-COVID passenger numbers.
- Ancillary business is continuously growing primarily attributed to cargo operations performing well.
- Company Operates at around 1500 cargo charter flight in current quarter.
- Cash remain flat during this quarter at Rs. 3.68 on YoY basis driven by cost reduction effort, lower fuel prices and positive movement in value of Rupee.
- company continues to replace its CEO engines with NEO aircrafts to improve cash performance,
- Introduced system of self-scanning boarding passes which promotes contact less travelling and other COVID precautions taken.
- For current quarter on-time performance is 96.6% .best performance over couple years.
- CFO improving exited with cash burn of 300 m/Rs per day and had average cash burn of 250 m/Rs per day & 150 m/Rs per day in September and December respectively.
- Strong revenue lasting for 6 weeks followed by weak revenue for 4 weeks, volatility is driven by capacity is added without full benefit of 8 week booking period which it historically used to.
- Announced opening up 7 new domestic stations.
- Management Expects corporate passengers to get back by April 2021.
- Fair prices are likely to grow as fuel prices are increasing but management said it wouldn't be that significant margin.
- Management expects domestic capacity to increase to 100% by April, international capacity to 50% by mid next year and total capacity to 100% by end of year 2021.

Our Analyst on the Call

Rakesh Wadhvani
 rakesh.wadhvani@narnolia.com

3-Feb-21

Sector Consumers
 Bloomberg JUBI IN
 NSE Code JUBLFOOD

Management Participants

CEO Mr. Pratik Pota

3QFY21 EARNING CONFERENCE CALL

- Revenue from Operations at Rs. 10,572 mn, an increase of 31.2% sequentially; Domino's delivered a recovery of 100.3% vs. last year
- Delivery channel registered growth of 18.5% YoY and Takeaway channel registered growth of 64.3% YoY.
- Investment of Rs 92 crore in the barbeq nation hospitality limited for foreign equity stake of 10.76% and will be independently run by the mgmt. of bbq nation.
- Gross margins have suffered on account of increase in inflation for vegetables like onion and capsicum, there is marginal increase also in dairy prices, and that is what has led to increase sequentially with the last quarter in an upward cost.
- Indian Operations
 - Opened 57 new stores including 50 new Domino's stores - Highest-ever in a quarter and On track to open 110+ new Domino's stores in FY21.
 - Entered the Biryani segment with launch of our new brand - Ekdum!.
 - Introduced 'The Unthinkable Pizza' which is 100% Vegetarian with the sensory properties of chicken and it is India's first plant protein based product.
 - Dining remained slow. So they introduced 'Domino's Drive-N-Pick' - allowing customers to pick up their orders without stepping out of their vehicle.
 - Highest ever App downloads at 7.4 mn.
 - Average OLO contribution to delivery sales at 98%.
- **International operations**
 - **SRILANKA**
 - Opened 1 new store.
 - Overall system sales recovery YoY in Q3: 82.5%, Delivery sales recovery: 128.0% ,Takeaway sales recovery: 82.1%, Dine-in sales recovery: 31.5%
 - Average OLO contribution to delivery sales(%) is 47% in Q3FY21.
 - **BANGLADESH**
 - Overall system sales recovery yoy in Q3: 94.9% , Delivery sales recovery: 241.6% , Takeaway sales recovery: 105.9% , Dine-in sales recovery: 58.2%
 - Average OLO contribution to delivery sales(%) is 66.6% in Q3FY2

Analyst

Rajeev Anand
 rajeev.anand@narnolia.com

27-Jan-21

Sector Consumers
Bloomberg JYL IN
NSE Code JYOTHYLAB

Management Participants

CFO Mr. Sanjay Agarwal

Analyst

Gazal Nawaz
 gazal.nawaz@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The Company has witnessed healthy consumer demand trends across Home and Personal Care Categories and is also seeing gradual recovery from institutional business.
- The Company witnessed good momentum in general trade led by rural, 40% of the company's business. In order to strengthen rural coverage, the company is adding more sub-stockists and also focusing on van coverage.
- The Company's SKU's of Rs. 5 and Rs. 10 has also helped to increase the sales and penetration in different geographies.
- The Company has increased media spends with a view to enhance market share.
- The Company Main wash category has started doing better led by better traction from Modern trade and CSD channel, while post wash still remained subdued but both Crisp n Shine and Ujala Fabric whitener is seeing MOM improvement.
- The Management expects crisp n shine (which was only present in Tamil Nadu and Kerala) to come back to normal post opening up of schools and colleges.
- During the quarter the company has launched Exo all surface cleaner in South India.
- For the Company higher volumes and better utilization at manufacturing plants has helped in gross margin expansion.
- CSD and Modern trade contributes to the extent of 20% to the total business.
- The Management expect margin to be in a range of 15-16% for FY21.
- Tax rate for FY21 & FY22 is expected to be in a range of 18-19%.

28-Jan-21

Sector Consumers
Bloomberg MRCO IN
NSE Code MARICO

Management Participants

MD & CEO Mr. Saugata Gupta
CFO Mr. Pawan Agarwal

3QFY21 EARNING CONFERENCE CALL

- The Company's domestic volume grew by 15% YoY with International business cc growth of 8% in 3QFY21.
- The Company witnessed encouraging demand trends across 95% of its portfolios with consumption moving in positive direction with easing up of covid-19 related restrictions.
- For the Company rural market continued to outperform and grew by 24% on the back of rural being less effected by pandemic and government stimulus and also expect the same to perform better led by union budget while urban grew by 10% led by higher mobility.
- For the Company e-commerce channel contributed to the extent of 8% to the revenue while Modern trade too has recovered back to pre-COVID levels driven by rising footfalls during the quarter.
- The Company rolled back certain consumer offers in parachute in dec-20 to overcome the hit on account of rising copra prices also increased pricing by 5% in current quarter.
- The Company took price increase to the extent of 15%+ in edible oils portfolio due to rising oil table and expect pricing to come down in next few months.
- The Company has saved cost saving to the extent of Rs. 150 cr. from domestic and Rs. 50 cr. from International business.
- Structural cost reduction was on account of waste reduction through SKU rationalization (running with 26% SKUs which contributed to the extent of 2% to sales), spends effectiveness, moved to 65-75% hybrid working model post pandemic wherein the company gave up office spaces and supply chain automation.
- Employee cost was higher by 28% on account of employee cost pertaining to Beardo which was not there in base year and also on account of higher incentive given to employees based on performance.
- The Company also witnessed 10% decline in copra prices from its peak in dec-20 and expects to further decline by another 10-15% as the season sets in for copra.
- The Management does not expect price inflation in copra next year on an annualized basis on account of healthy crop season and expect higher growth trajectory from Parachute over next few quarters before reverting to medium term growth level.
- The Management expects VAHO portfolio to sustain double digit growth over medium term through multiple growth engines.
- The Management expects Saffola Edible Oils to continue its growth journey and expect the brand can continue to grow in high single digit over medium term.
- The Company's debtor days reduced from 35 days to 23 days led by stricter credit control in general trade channels and expect the same will be in a range of 25 days while trade payables have gone up on account on account of supply chain finance programme.
- The Management expects working capital days to be in a range of 24-25 days going forward.
- The Management expect total food turnover to be at Rs. 350 cr. in FY21 and will targets the same to be in a range of Rs. 450-500 cr. by FY22.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

28-Jan-21

Sector Consumers
Bloomberg UNSP IN
NSE Code MCDOWELL-N

Management Participants

CEO Mr. AnandKripalu
CFO Mr. Pradeep Jain

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Indian is experiencing good sequential recovery with progressive improvement in consumer sector and particularly in premiumization.
- On trade sale has improved. Bar pubs and restaurants are around 85% operational with low occupancy.
- Decline in YoY revenue is majorly due to muted New Year and Christmas celebration and low wedding as compared to Q3 last year.
- P&A segment volume growth is flat driven by higher festive revenue in the prior year (base effect). Popular segment declined driven by increased prices impacted demand particularly in some states.
- In west Bengal market, Excise changes has raised prices by almost 70% for rum which is the biggest seller there as well as prestige whiskey and consumers are inelastic which is leading to de-growth in volume. Beer prices are reduced so as to increase volume sale. Spirits sales are down as of now.
- Andra Pradesh Franchise business situation remains the same as of last quarter. Adjusting the effect of route to market change in the state of Andra Pradesh, net sales is broadly flat.
- During lockdown spirits sales was higher than beer. As lockdown is opening and positive govt. regulatory laws, beer volume is expected to go up.
- Raising the bar has helped in increasing sale as it aims to provide non-cash support to qualifying pubs, bars and restaurants serving alcohol in various cities.
- Gross margin improvement is driven by benign commodities and higher volume sales this quarter.
- In the quarter company has remained invested behind renovation roll-out of its two core brands, McDowell's No.1 Whisky and Royal Challenge Whisky.
- A&P expenses in around 9% which helped to support the investment made in renovation of its two core brands.
- Surrogate advertisement is banned in some states. Company is focusing on on-ground advertisement and majorly spends through IPL.
- Uttar Pradesh announcement to have license to keep alcohol beyond a certain limit will not affect much.
- Delhi plans to drink down the legal drinking age from 25 to 21 years, reducing the no of dry days in a year to three and has reduced govt. stores and increased private stores which can benefit the company going forward.
- Directional movement of ethanol blending programme could influence prices in coming quarters.

10-Feb-21

Sector Consumers
Bloomberg PAG IN
NSE Code PAGEIND

Management Participants

CEO Mr. Vedji Ticku
CFO Mr. K. Chandrasekar

3QFY21 EARNING CONFERENCE CALL

- PAGEIND maintained cost optimization efforts and reduced operating costs by 500 bps vs the same period last year to Rs. 1,417 million. This was achieved without any employee/worker lay-offs and salary cuts.
- Co. repaid all outstanding borrowings and is completely debt-free.
- In 3QFY21 the cash & cash equivalent has increased by 23% QoQ to Rs. 4,941 million, witnessing better management of inventories and working capital budget control.
- The net working capital has increased to Rs.5518 million from Rs.4579 million in March 2020.
- The labour cost in 3QFY21 is 7.8% of revenues as against 8.5 % in the same period last year. The manufacturing overheads are about 3.6% as against a 4.5% in the same period last year.
- There was no additional cost of distributors.
- The company is witnessing a steady recovery with a pick-up in sales momentum. While athleisure business segment is growing at double digit.
- Retail stores of channel partners' open as of end-December – MBO: More than 94% of outlets are fully functional with 67,500+ outlets; EBO: 100% of outlets have re-opened with 873 outlets; LFS: 93% of stores have re-opened with 2,299 stores.
- Page's branding efforts continues through multiple channels, including online media and continuous focus on their point of sale.
- PAGE has 28 EBOs and planning for 20 more, which are exclusive brand outlets that are exclusive for junior business.
- Co. now also has 192 jockey juniors specific channel partners across 124 cities managed by strong sales team of 150 people. Jockey is present throughout India in 2890 + cities and towns.
- In terms of the rural penetration, the jockey has come up with a bouquet of 5-6 products they have designed for the rural areas.
- Co. till December, 2019, opened around 4000 outlets, and has opened 7000 till date, in this year co. is looking forward to open at least total of 10,000 stores by the end of year.
- Mgmt said that there is a tendency of the prices going up towards the end of the calendar year, because that's the end of the clock season. And then by the time the new crop comes, the prices will start to come down again.
- This year the price increases have been slightly more than the average is what have been witnessed in the previous years.

Our Analyst on the Call

Naveen Kumar Dubey
naveen.dubey@narnolia.com

15-Jan-21

Sector	Consumers
Bloomberg	PVRL IN
NSE Code	PVR

Management Participants

CFO	Mr. Nitin Sood
Chairman	Mr. Ajay Bijli

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Cinema opening during this quarter was staggered between 15-Oct to Nov. and Dec.
- Most of the cinemas across the country are now open in states where PVR operates except for Rajasthan and Jharkhand which till date have not yet decided to open cinemas. Both these states represent very less no. of screens for PVR.
- The challenge currently is the content available during the quarter. Management didn't see many contents coming up in 3QFY21 due to which revenue were very low.
- Management expects the new movie release in the coming quarter which will give better visibility on how the situation may plan out.
- Content pipeline likely to evolve in the coming months.
- Management managed to close out settlement for most of landlords and rent as waiver from landlords. Some kind of rebate post openings till 31ST March is the time management anticipates business will take time to come back to normal.
- Management has closed out 88% of landlord settlement and been able to get large rental waivers and discounts in rent and cam charges; not only for the period of lockdown but post openings till 31ST march 2021.
- The rental and Cam expenses management incurred over the 9 months of the year was lower by 80% in comparison to corresponding period of previous year.
- Fixed cost was managed by the management very well in this current crisis period.
- On the cash position and liquidity front, management has proactively managed its balance sheet well.
- Cash and liquidity as on 31st Dec 2020 are Rs. 370 Cr. to meet various obligations, and go through this tough time of pandemic.
- Board members on 18th Dec. decided to boost up the capital of the company and passed the enabling resolution which enables company to raise equity upto Rs. 800 Cr.



8-Feb-21

Sector Consumers
Bloomberg SUNTV IN
NSE Code SUNTV

Management Participants

MD Mr. R Mahesh Kumar
Group CFO Mr. SL Narayanan
CFO Mr. V.C Unnikrishnan

Analyst

Sandip Jabuani
sandip.jabuani@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Company is having de-growth in revenue compared to last year. Main reasons include absence of some specific events in this year and also advertisements are not done aggressively.
- In terms of viewership, Tamil flagship channel team, maintains absolute GRP numbers same as last year but in relative share there is a de-growth which is a trend in business from last 2 to 3 years, reason is that some prime time fictions flops were there.
- Company is continuously launching new fiction shows and every single launch has given at least 15 to 20 % increments in overall viewership as compared to 4 to 5 months back.
- Currently company have 18 million plus active users same as previous quarter for OTT platform SUNNEXT.
- Seeing more of national advertisers in which FMCG contributes to be biggest in terms of overall % and continues to remain same.
- Management provides guidance for FY22 and expects to get to FY20 levels.
- Jewelers segment is not doing that good as some big retailers in this market have withdrawn their spending.
- Retail contribution used to be around 30% or more and now it had come down to 10%.
- Company has 5 big ticket movies in its pipeline for FY22 out of which at least 3 to 4 will be released in FY22 and 1 to 2 will be released in FY23.
- Cumulative budget for the 5 new movies to be produced is around 300-350 crores.

22-Jan-21

Sector Consumers
 Bloomberg SYML IN
 NSE Code SYMPHONY

Management Participants

ED Mr. Nrupesh Shah
 Global CFO Mr. Bhadresh Mehta

3QFY21 EARNING CONFERENCE CALL

- Revenue increased in current quarter on account of wedding season despite of peak winters.
- There is supply chain disruption on account of import restriction as 100% of company's manufacturing is outsourced.
- Business is witnessing strong trade sentiments across market including Rural & Semi-urban demand.
- Capital Employed for quarter on standalone basis, is negative 3 Cr again proving the efficacy of asset light capital light business model and treasury stands about 557 Cr.
- Reduction in inventory by 105 Cr to 99 Cr on consolidation basis, hence no overstocking on level of company even in COVID, short summer situation.
- There is sustainable increase in input cost of plastic, as well as metal. However, business is confident to maintain its profitability on account of launch of series of new models.
- Bookings for quarter not affected due to price increases as it was announced/ indicated late, but it will affect bookings for January.
- Most of the collections were received before price changes.
- Company has benefit for early manufacturing as now component cost has increased, where other companies have started their manufacturing very late.
- In summer, company is planning to launch summer campaigns for both commercial and industrial coolers.
- Deferred sales amount not disclosed but it was said to be close to double digit high percentage.
- Existing penetration of air coolers is about 11 % where, for air conditioner is about 6 %.
- Company announced to launch new products in end season.
- March FY21 is expected to be turnaround quarter.
- Topline for FY21 will be in line with FY19, and for FY22, company expects growth both on standalone and consolidated basis.
- Company provides an indication of about early summer starting from February, so expects demand to grow up.
- CT Technologies topline is up by 1 %, however profitability is affected on account of higher input cost, local purchase instead of import, increase in freight cost as well as increase in labor cost.
- IMPCO Mexico and GSK China sales have been impacted during 9 months due to COVID however, there is improvement in gross profit margins % and contribution margin % on account of initiatives taken.
- IMPCO Mexico is having bad debts of about 7.30 Cr on account of bankruptcy of one of organized retailer.
- GSK China last year and current year performance is impacted by COVID & US trade war, however; at least normalcy will breakeven in next year.
- Organized Retail sales or large retail sale which includes online sale is about 15 %, no breakup given.
- Company has no acquisition plans for now, so apart from dividend, no avenue to deploy the cash.
- Instead of buyback in March 20, company declared interim dividend

Our Analyst on the Call

Rajeev Anand
 rajeev.anand@narnolia.com

2-Feb-21

Sector	Consumers
Bloomberg	TATACONS IN
NSE Code	TATACONSUM

Management Participants

ED & Group CFO Mr L Krishnakumar

3QFY21 EARNING CONFERENCE CALL

- The company has exited from the coffee business in Australia.
- **Quarterly category performance**
 - **US**
 - Regular Black Hot Tea 3% Degrowth
 - Bags Coffee 9.5% growth
 - K-cup Coffee 8.7% growth
 - **UK**
 - Regular Black Tea 1.3% Degrowth
 - Fruit & Herbals Tea 12.8% growth
 - **Canada**
 - Regular Black Tea 11.2%
 - Speciality Tea 26.4%
 - **India**
 - Branded Tea 14.2%
- **Acquisition**
 - The company is in agreement to acquire a 100% equity stake in Kottaram Agro Foods Pvt Limited (Soulfull) for Rs. 156 Cr.
 - The intent is to enter into new adjacent categories in the food space.
 - Soulfull (is into healthy breakfast)
 - Turnover - 39 Cr in FY20
- **Sales and Distribution**
 - The no of the distributor has decreased by 63% from March 2020 to Dec 2020.
 - Account receivable days have decreased by 50%.
 - The Company is moving from the wholesale model to the retail servicing model.
 - In March 2020 the total outlets was 2 Million which has increased to 2.4 Million in Dec 2020.
 - The Company is expecting to increase the reach with the help of new Brand SoulFull which have 15000 outlets in India.
- **Tata Coffee (inc Vietnam)**
 - 3% Extractions Revenue Growth, Extractions business was impacted by the global shortage of shipping containers and further lockdowns in Europe
- **Tata Starbucks (JV)**
 - Opened 13 new stores & entered 3 new cities during the quarter.
 - 92% Stores re-opened, 209 Stores in 15 Cities
 - The company is expecting to open new stores as equal to last year.
- The growth in salt is due to an increase in market share and the sale and distribution.
- The cost of Tea was lowest in Dec but the prices are increasing from Jan. High volatility in tea price.
- **Tata Sampann-**
 - Poha has 5x growth and New rapid launches are expected in spices and pulses.
- **Guidance:**
 - The company is expecting Nourishco brand to multi grow in coming years.
 - The company is expecting continuous growth movement in the market share.

Our Analyst on the CallRajeev Anand
rajeev.anand@narnolia.com

10-Feb-21

Sector Consumers
 Bloomberg TTAN IN
 NSE Code TITAN

Management Participants

CEO -Watches Mr. S Ravi Kant
 CFO Mr. S Subramanian
 CEO -Jewellery Mr. CK Venkataraman

3QFY21 EARNING CONFERENCE CALL

- Revenue Segment- Jewellery was at Rs 6836 cr, Watches at Rs 551 cr, Eye wears at Rs 124 cr and others were at Rs 128 cr.
- There was a lot of cost cutting in the advertising expenses.
- There is an increase in demand of the coins which lead to the good growth in coins due to the bullishness in the gold prices.
- Golden harvest scheme lead to the 13% total retail growth along with the 97% increase in the number of buyers in retail.
- **Subsidiary**
 - CaratLane delivered a growth of 33% in Q3 due to a strong Diwali plan and pick-up in consumer sentiment during the season.
 - TEAL had a decline of 31% in Q3.
- **Jewellery Segment**
 - The wedding jewellery grew by 10% and the overall jewellery segment grew by 16% due to rise in pent up demand for them.
 - The segment recognized a loss of 51 cr during the Q3 on account of ineffective hedging in other expenses and this was compensated by lower gold rates on inventory sold and therefore impact was negligible.
 - Purchase of gold jewellery in Tanishq was initiated through online means to the customers and it showed an increase to 3.5x to the last year.
 - Total digital including remote selling is around 7-8% of the total sales.
 - In Union budget, the custom duty on Gold imports (including surcharge and cess) has been reduced from 12.5% to 10.75%
- Eye-wear Segment: The margins improved at 18% in Q3 due to better product mix, lower discounts compared to last year and cost control.
- **Taneira Segment-**
 - There are 14 stores of Taneira in 6 cities and the company is trying to expand it. The management launched a plan in Taneira where all the products are available online to shop for the customers at Myntra and Nykaa Fashion.
 - The growth was there in the segment from Tier I, II and III cities as the demand for the wedding clothes were high due to wedding seasons.
- **Watch Segment**
 - The contribution towards market share is less than 5%.
 - The market share in terms of volume is low as earlier they ranked second in last few years but due to covid impact, the shipments were not coming in.
 - The company launched its latest line of smart watches named as TRAQ.
 - There was closure of few of the Fastrack stores due to the low turnover and because of the covid situation it became unsustainable.
 - The franchise of watch segments are back on track and the company is giving them lot of support by not giving them extra stock and helping them to liquidate the old stocks.
- **Future Guidance-**
 - The management expects to retain the second position in watch segment in future and the market share in terms of value will be lower due to competitors.
 - The jewellery demand in April-May will increase due to increase in jewellery purchase by families due to wedding season & it will benefit the whole segment.
 - The management expects that the wedding demand will continue to be double digit growth in Q4 and in the Q1 of the FY22 due to increase in the number of weddings at that time.
 - The management said that the Golden Harvest Scheme will benefit them and it will be helping them in growth in Q4.
 - The overall ticket prices will start get normalizing and it will get around 28% in value growth.
 - The management said that in eyewear segment there will be gross contribution at around 64-65% in FY22 and it will be better than before.
 - The management said that in watch segment the margins will be close to sustainable in FY22.
 - The management is planning 75 trunks for Taneira in FY22 and the growth will come from the remote shopping along with online through video conferencing to expand its reach to customers.

Our Analyst on the Call

Rajeev Anand
 rajeev.anand@narnolia.com

16-Feb-21

Sector Consumers
Bloomberg VBL IN
NSE Code VBL

Management Participants

Chairman Mr. Ravi Kant Jaipuria
CEO Mr. Kapil Agarwal

3QFY21 EARNING CONFERENCE CALL

- The Company has sustained some of the cost saving measures implemented during pandemic resulting into improved profits in 2HCY20.
- The Company is witnessing sharp market recovery on MoM basis in key territories with an improved consumption trend and expects the growth to continue led by market recovery.
- Gross margins improved by 472 bps in 4QCY20 and 231 bps in CY 2020 primarily due to favourable PET chips prices (~12.5% decline) and higher mix of CSD.
- The Company's total organic sales volume were up by 5.7% YoY at 87.1 Mn cases in 4QCY20,
- For CY20 total sales volume declined by 13.7% to 425.3 Mn cases and organic sales volume declined by 30.8% because of significant decline in 2QCY20 impacted on account of pandemic.
- Due to lockdown restrictions realization per case has improved by ~4.8% in CY20 driven by improvement in business mix and realization improvement in international markets.
- Category wise volume break-up: Carbonated Soft Drinks (CSD): 72.6%, Juices: 6.3%, Water: 21.1%.
- For the Company losses in 4QCY20 were significantly lower led by better efficiency, cost rationalization strategy and healthy recovery in International markets.
- The Company has introduced new variant in Mountain dew ice (lemon fruit juice-based drink) and the initial demand for the product remained good. The Company remains confident of the growth prospects of the variant in future.
- For the Company water segment remained impacted due to on-the-go nature of the portfolio in CY20 and recovered from Oct-20 except from hotels.
- For the Company Juice segment is still recovering and expects to post positive numbers in coming quarter.
- For the Company CSD segment contribution went up on account of increased in home consumption and large format went up.
- The Annual volumes from Nepal, Zimbabwe, Zambia, Sri Lanka and Morocco stood at ~16/34/9.2/10.5/18 Mn cases.
- For the Company realization was higher by 3.2% from 148 to 152.7 per cases in CY20.
- Other operating revenue for CY20 stood at Rs. 89.6 cr.
- The Company has gained market share in CY20.
- The Company's value growth came down on account of higher sales of water.
- On CAPEX front CY21 will not be a large investment.
- In 4QCY20 volumes from Nepal, Zimbabwe and Zambia grew by 25%/40%/17% due to mild lock down while Sri Lanka (de-grew negatively) and Morocco remained impacted due to lockdown.
- Expected tax rate for CY21 -24%
- The Company is not looking at any price increase on account of increase in fuel prices or sugar while for Pet-chips is covered for major part of the year.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

4-Feb-21

Sector Consumers
 Bloomberg VGRD IN
 NSE Code VGUARD

Management Participants

MD Mr. Mithun K Chittilappilly

Our Analyst on the Call

Sandip Jabuani
 sandip.jabuani@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- EBITDA margins (excl. other income) at 13.7% as compared to 9.5% in Q3 FY20. EBITDA is better this year because marketing investment is less this year, but that reduction is also offsetting some business loss in the early part of the year because of COVID.
- Margins are challenging for next 3 to 4 months as there will be full legal travel and that the co. will know in 2-3 months as they will pass the remaining input costs increases to market.
- VGUARD is tracking sales and secondary sales are favorable. There have been some amounts replenishment of inventory happened.
- Expecting Summer Sales to be much stronger.
- Common categories, like inverter, pumps, stabilizers, they've been heavily impacted, because the sales are not that good in first quarter in summer. But Co. expects a quite strong growth to come back for these categories in the coming month.
- VGUARD goals to add five to 6000 retailers into our fold.
- Ecommerce and modern retail today Foster will be between 12 to 15% of Co. revenue
- Price increase will be faster approx. 4-7%.
- Channel inventory is healthy and probably lower than the historical levels but higher in case of stabilizers. Q4 is a huge contract for stabilizers.
- The primary reason for the GL acquisition is it can bring the new consumer value and help co. to grow the top line and bottom line of battery business and will differentiate the value that Co. bring to consumer under a portfolio.
- Dealers at Retail point will be total of 40,000.
- Vguard will expand portfolio of offerings in the kitchen space.
- Regarding Capex, 4-7 Cr to develop platform for like water purifier.
- Decided to increase our inventory in stages, from 45 days to say, 65 days.
- On Non business session, is between 40 to 42% of revenue, and Co. targets to expand this over the next four to five years to about 55 to 60%.
- Company has reduced cashflow because of increase in inventory, as because co. was operating with below par inventories in the previous quarter, and was losing sales and market share.
- 10% of finished good used to be imported, but now it is 4-5% and further will reduce to 1% as the same ecosystem in kitchen category is not there.

4-Feb-21

Sector	Consumers
Bloomberg	VIP IN
NSE Code	VIPIND

Management Participants

Exe VC	Ms. Radhika Piramal
CFO	Ms. Neetu kashiramka

Our Analyst on the Call

Gazal Nawaz
gazal.nawaz@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- As per Management, the business picked up in 3QFY21 led by revival of domestic air traffic sector, Wedding and gifting segment.
- The Company's overall inventory is in range of Rs. 300 cr. which is a mix of old as well as new and are being cleared also both the factories in Bangladesh and Nasik are running at full swing.
- Overall fixed cost which used to be at Rs. 40 cr. per month previously is now at Rs. 25 cr. and the same will sustain going forward while 50% of reduction in employee cost is expected to come back led by demand stabilization.
- The gross margin is lower on account of more pricing discounts and the goods which are been sold is not fully from Bangladesh.
- Recovery in General trade is slower than the other channels. Contribution from E-commerce stood at 25% but expect the same to be at 20% led by opening up of General trade channel.
- For the Company receivables has been very good at almost half of previous period except amount outstanding from Big bazar to the extent of Rs. ~35 cr. The Company has started receiving the amount from Big bazar since January-20.
- As per Management, as of now some of the raw material prices have doubled over 9 months but expect the same to come down.
- The Manufacturing cost at Bangladesh is lower by 15% as compared to china.
- The Company faced some supply chain issues which impacted the company's sales during the quarter.
- The Management expect the demand to continue going forward led by wedding, school opening and leisure travel.
- As per Management, from next year majority of sourcing will be from Bangladesh.
- The Management Intend to repay the entire borrowings which is maturing in July & Aug-21.
- The Management expects the demand for bag pack and school bag to pick up led by opening up of schools and colleges.
- The Management expect EBITDA margin to become at previous level in FY23.
- As per Management, Bangladesh operation has started in full swing and has generated Rs. 27 cr. revenue with a loss of Rs. 1 cr. in 3QFY21. Going forward Bangladesh to contribute 60-70% revenue.

25-Jan-21

Sector **Consumers**
 Bloomberg **VMART IN**
 NSE Code **VMART**

Management Participants

CMD **Mr. Lalit Agarwal**

3QFY21 EARNING CONFERENCE CALL

- The Company witnessed demand improvement from rural driven by higher farm income but spending remained low on account of uncertainties which may prevail at any point in time in future while urban also showed improvement.
- The Company's sales remained impacted on account of decline in number of attendees in marriages to 20% while demand on account of Durga puja remained subdued due to huge turn-out of pandals resulting into muted celebrations in October while saw strong momentum on account of Diwali and marriages in most of the markets in November.
- As per Management, 100% stores remained open apart from stores in Gujarat which remained close due to curfews for some week apart from restriction of early closure in peak festivals in Oct & Nov.
- Early winters in north and east also aided strong growth momentum while witnessing slowdown in footfalls in December post marriage season.
- The Company achieved sales recovery to the extent of 84% vs. previous corresponding quarter aided by fresh product lined up in the stores.
- Total Footfalls stood in a range of around 70% also the company did not push any kind of discounting and promotions also remained low.
- The Company did run advertising and promotions campaigns during the quarter but refrained from giving too much price offers resulting into increase in ASP by 2% and average billing went up by 16% in 3QFY21.
- The Company got better response on the fresh inventory and as a result achieved better margin across categories also the conversion rates remained high at 62% in general across towns.
- As per Management, Inventory level per store is at lowest with almost 35-40% decline in inventory during the quarter.
- The Company is comfortable with inventory level and working capital cycle.
- CAPEX for the quarter stood at Rs. 11 cr. and Rs. 17cr. on YTD basis.
- Cash position stood at Rs 100 cr. for 3QFY21. led by robust sales and inventory planning.
- The Company has opened 11 new stores taking the total count to 274 stores and also closed 1 store in 3QFY21.
- Rental saving so far for the year have been at Rs. 21 cr which is 20% for full year, wherein Rs. 19 cr. is already reflected till 2QFY21 and Rs. 2 cr. is reflected in 3QFY21 also no further addition is expected.
- The Management expects normalization of expense led by normalization of consumer buying behavior going forward.
- The Company will continue to strengthen its OMNI channel and will scale up the same going forward.
- As per Management, employee expense is lower on account of vacant positions in many stores and will fill going forward.
- The Management expects cost pressure on account of increasing RM prices and not anticipating cost rationalization at the similar level going forward.
- The Management expects to rebuild back the inventory going forward.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

15-Feb-21

Sector Consumers
 Bloomberg VOLT IN
 NSE Code VOLTAS

Management Participants

Head Corporate Finance Mr. Mahesh Desai

Analyst

Sandip Jabuani
 sandip.jabuani@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Consolidated Total Income of the company grew by 32% in Q3; YTD growth also reduced by 11% unfortunately, given the lingering consequence of a lockout Q1.
- There is substantial increase in commodity prices such as copper, aluminum, steel, plastic and oil and sea freight.
- The business has taken 5% to 6% price increase across all EPC categories.
- **Segmental Performance:**
 - **Segment A - Unitary Cooling Products**
 - Recorded sales of Rs. 833 crores in the segment representing a 40% increase over the corresponding non COVID quarter of the previous year which is indicative of the considerable brand interaction enjoyed by Voltas aided by increase in demand.
 - Top line growth apart, divisional bottom line has accelerated even further by 72%, on account of better product mix amidst cost efficiencies, coupled with lower holding costs of carrying forward inventories.
 - Inverter growth was 75% ahead of the previous year, and now contributes over 60% of all AC sold compared to the 49% for the similar period in the previous year.
 - In Overall AC market, Voltas's has undisputed leadership with an YTD market share of 26%.
 - Commercial refrigerator segment has delivered a stellar performance in Q3 by registering 101% growth in volume.
 - **Segment B - Electro-mechanical Projects and Services.**
 - Segment revenue for the quarter increased to Rs. 1017 crores as compared to the corresponding quarter of Rs. 808 crores , increasing largely across international operations.
- **Order Book:**
 - Carry forward order book for the segment stood higher at 7275 crores as compared to the 7024 crores last year. Over roughly 700 crores of fresh orders were added across both domestic and international markets.
 - The carry forward order book for domestic projects at Rs. 4794 crores contains a bouquet of orders across water HPAC rural information and urban in practice.
 - The international order book of Rs. 2481 crores represent MEP work mainly across UAE, Qatar, and Oman.
- **Segment C - Engineering Products and Services**
 - Segment revenue and reserves for the quarter were at Rs. 121 crores and Rs. 32 crores registering growth in excess of 40% as compared to the previous year's performance.
 - The Mozambique cooperation wallet has remained largely unaffected and continues to contribute handsomely to the performance of the mining and construction vertical.
- **Voltas Beko**
 - The factory at Sanand has completed its first year of operation despite various disruptions and multiple limitations on production and supply chain caused by the COVID pandemic, the factories Fully produced over 210,000 units of high quality DC refrigerators in his first year, the product has been very well accepted in the market.
 - Plans have been made to begin manufacturer frost free refrigerators over the coming months, followed by soft load fully automatic washing machines and dishwashers.
- **Transfer Agreement**
 - Approved the transfer of its domestic project business relating to MEP, HVAC and motor projects, MSC Tesla's and PMD to its wholly owned, subsidiary, universal MEP projects, and engineering services Ltd, formerly known as RIEL through a business transfer agreement to be executed by 31st March 2021.
 - Transaction is expected to be completed by September 2021 and the purchase consideration is estimated to be in the range of 1000 to 1200 crores.
 - PLI Scheme: Voltas don't estimate a very sizeable inflow from the PLI scheme at the moment.

29-Jan-21

Sector Banks
Bloomberg AUBANK IN
NSE Code AUBANK

Management Participants

COO Mr. Deepak Jain
CFO Mr. Vimal Jain
ED Mr. Uttam Tibrewal

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- GNPA for the company can peak till 3.5-4% and management believe that provisions till Q1FY21 was sufficient but took extra provisions in Q2FY21 so that credit cost going forward normalizes and they don't have to take any extra provision going forward.
- Bank is comfortable to cost to income ratio of 50-55% for next few years as they are investing for the growth of franchise going forward.
- Collection efficiency has normalized across the entire segment and Jan has also been good and is improving. Customer activation data is expected to improve by 3-4% going forward.
- Bank believes there Pro-forma gross NPL have almost peaked and are comfortable with level of provisioning done on it and credit cost should get lower and reach almost the normalized level.
- Momentum in wheels segment is expected to continue in the months to come from both rural and urban areas. SBL is picking up and green field projects are approaching the bank.
- In wheels segment Bank does not refinance any of the customer that has defaulted.
- On business banking side the Capex cycle is coming back.
- Disbursements for the quarter consist of 89% retail and 11% corporate. AUM Growth is expected to pick up going forward
- Management feels that current levels of capital raise are sufficient for growth in FY22 and will raise capital if better growth is seen in FY22 or if they want to make their balance sheet stronger.
- Bank has made provisions for the interest reversals worth Rs 38 Cr.

27-Jan-21

Sector	Banks
Bloomberg	AXSB IN
NSE Code	AXISBANK

Management Participants

MD & CEO	Mr. Amitabh Chaudhry
CFO	Mr. Puneet Sharma

3QFY21 EARNING CONFERENCE CALL

- Retail disbursements in Q3FY21 stood at all-time highs. Disbursements in secured segments like HL, LAP & Auto grew 23% YoY, 11% YOY and 10% YoY respectively, SBB disbursements grew 35% YOY.
- NII during the quarter was affected on account of the interest reversals, NII before interest reversals grew 19% YoY to Rs 7,987 Cr. NIM for Q3FY21 was 3.59% as against 3.57% for Q3FY20. NIM before interest reversals stood at 3.89%. Interest reversal for quarter was Rs 614 Cr.
- Bank has not utilized any NII reserves during the quarter and has not created any additional NII reserve.
- Growth in fee was impacted on account of fee reversals on account of slippages. Fee income reversed during the quarter was Rs 134 Cr.
- Bank has not utilized any Covid-19 provision till now. Cumulative provisions (standard + additional other than NPA) translate to 2.08% of standard loans. On an aggregated basis (specific+ standard+ additional + Covid), coverage ratio stands at 116% of GNPA as at end of Q3FY21.
- Restructuring requests have been below the banks expectation. Restructuring approved till now is Rs 2709 Cr which is 0.42% of the gross customer asset and management does not expect it to increase going forward. 100% of the unsecured loans that have been restructured have been provided for. Bank has not sold any NPA to ARC during the quarter.
- 62% of the restructuring is from wholesale segment and 38% is from retail segment. 100% of restructured corporate book has been classified as BB&below. Slippages from BB&below pool were Rs 819 Cr.
- Bank expects credit demand to pick up in next couple of quarter.
- Almost 83% of standard wholesale book continues to remain in rating category of A- and above and 93% of the incremental sanctions have rating of A- and above with 71% of them having rating of AA and above.
- ECLGS funding has been to over 25000 customers with sanction value of 10583 Cr and disbursement of Rs 8875 Cr. Under ECLGS 1.0 bank has disbursed Rs 8289 Cr.
- Bank is cautioned to lend in the unsecured segment and sourcing is largely restricted to existing bank customer. 81% of the bank portfolio continues to be secured.
- Demand resolution across retail segment is 98% which was at 94% in September and 97% in Pre-Covid level. Bounce rate are still high but Improving collection efficiency and demand resolution show improving signs.
- Increase in the operating expense is on account of increase in staff cost due to the increments plus bank has accrued on an estimated a liability that would arise on account of rules pursuant to social security. The increase in Non-staff cost due to normalization of business activities
- Bank has guided for higher provisions in the near term as they will continue to provide for the slippages as the prudent measure and provide all necessary Covid related provision in this financial year but believe they will recover them over the medium term.

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

21-Jan-21

Sector **Banks**
Bloomberg **BANDHAN IN**
NSE Code **BANDHANBNK**

Management Participants

MD & CEO **Mr. Chandra Shekhar Ghosh**

3QFY21 EARNING CONFERENCE CALL

- During the quarter fee income growth was supported by third party product sale.
- Bank has made accelerated additional provision on standard advances amounting to Rs 1,000 cr which takes the total additional provision to Rs 3119 Cr. Provisioning has been done considering the situation developing in Assam.
- Commenting on the Pro-Forma GNPA being 7.12%, management said that it is because they are considering the customers in micro credit who have partly paid as risk. Pro-forma GNPA not considering the party paid customers would be around 3-3.5%. About 95% of the Pro-forma GNPA would be from EEB book.
- Collection efficiency in Assam was impacted during the first 15 days of January in Assam on account of the Assam bill regarding micro credit loan waiver so when it was announced there was confusion amongst the customers that who are the borrowers eligible and what is the criteria. Now it is improving and expects to come to other states level by March.
- 0 DPD for the entire micro banking book is 76.54%. 30-60 days is 10% and 60- 90 days is 5%.
- Credit cost guidance for the current year considering the current situation Assam should be between 4-4.5% from earlier 3.5%.
- Top up loan disbursement during the quarter was Rs 910 Cr v/s Rs 2370 Cr in Q2FY21.
- Dip in Collection efficiency in west Bengal during first 2 week of January is not because of any specific reason and is expected to recover going forward.
- Total unrecovered interest standing in the reversals is about Rs 349 Cr.
- Bank has not done any restructuring till date.
- Write off amount during the quarter is 0.
- Last year during CAA NRC issue the write off in Assam were around Rs 270 Cr and it was the first time in last 15 year there was write off in Assam
- Disbursement strategy in Assam would be cautious and that has been banks strategy in any challenge but in west Bengal there won't be any change in disbursements.
- Customer profile of the saving customer is largely retail. About 67% of the SA balance is less than 1 lac.
- Growth in the mortgage book AUM is not corresponding to disbursement on account of Pre-Payment and there has credit link subsidy from the government which impacts the AUM growth. Going forward management expects to see growth in the AUM.
- Share of Assam in MFI loans has come down from around 17% to 14% over the last 2-3 years.

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

27-Jan-21

Sector **Banks**
Bloomberg **BOB IN**
NSE Code **BANKBARODA**

Management Participants

MD & CEO **Mr. Sanjiv Chadha**

3QFY21 EARNING CONFERENCE CALL

- Salary declined by 2% YoY in 9MFY21 on the account of lower hiring in the same period.
- Corporate book grew by 7% YoY to absorb access liquidity. 3/4th of the book came from accounts which are either a rated or government entity or PSUs.
- 75% of the retail borrowers have credit score above 25.
- 40% of the incremental growth in agriculture segment has come from gold loans.
- In MSME side more than half of the growth came from government guaranteed scheme.
- There is likely to be some stress in MSME and retail segment.
- Proforma GNPA and NNPA stood at 9.63% and 3.36% as at 3QFY21 which is still an improvement on YoY basis.
- Aggregate Restructured book is about 1.38% of the total book. A part of it already counted in proforma NPAs. A significant portion of it is likely to be upgraded. Adjusting for this overlap this number stood at 0.8%. The sectors include real estate, power, construction, Textiles etc.
- PCR stands at 85%. The impact of Supreme Court ruling has been fully provided both in terms of provisions and interest which has been booked. NCLT loans are provided up to 93%.
- Collection efficiency improved to 93% from 91% last quarter. There will be residual challenges in retail and MSME but in corporate segment it is more than 95%.
- The bank raised Rs 1200 Cr by way of fresh AT-1 bonds in 3QFY21. Out of Rs 4500 Cr of AT-1 bonds program Rs 3700 Cr is already done and balance is likely to be done in 4QFY21. Rs 2000-4000 Cr is likely to be raised through QIP in 4QFY21 itself.
- Slippages from international book stood at Rs 4k Cr in 3QFY21 majorly came from 2 accounts, one of that is Rs 2700 Cr which slipped in December 2019 and got upgraded in March 2020 and slipped again in December 2020 which is likely to be restructured. It is a chemical company operating in Middle East. One more of Rs 800 Cr is also likely to be restructured going ahead. 20% provision is there on these slippages.
- The banks direct exposure to DHFL is Rs 2000 Cr and bank is expecting a recovery of RS 800 Cr on the same going ahead. This account is fully provided for.
- The bank disbursed Rs 8k Cr under ECLGS. The interest rate on these loans is significantly lower than that of in regular one. 90% of the eligible borrowers opted for them.
- Total slippages including proforma slippages of Rs 8700 Cr stood at Rs 13100 Cr in 3QFY21. These are peak slippages. Slippages are likely to be lower at 1.5-2% going ahead. Break up of proforma slippages is RS 682 Cr from Agri, corporate: Rs 5669 Cr, MSME: Rs 1054 Cr and retail is Rs 1103 Cr.
- Employee cost increased drastically in 3QFY21 on the account of wage revision. It is likely to be at similar run rate in 4QFY21 and start declining after that.
- The bank has Rs 1892 Cr of provisions on proforma NPA and Rs 1700 Cr of COVID-19 provisions. In total it stands at Rs 3600 Cr.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

10-Feb-21

Sector Banks
Bloomberg BOI IN
NSE Code BANKINDIA

Management Participants

MD & CEO Mr. Atanu Kumar Das

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Credit cost going forward is expected to be between 1.5%-2%. Management does not expect any major stress in the restructuring book. Return on asset by the end of year is expected to be between 0.45 to 0.5%.
- Gross NPA for the year end is expected to be around 14.5% and Net NPA is expected to be below 3%.
- Employee expense increase was on account wage revision agreement.
- Collection efficiency overall is around 75% with Retail at 89% and 79% in MSME and in Corporate it is around 74%.
- Restructured book as of now is around Rs 10000 Cr and bank does not expect it to increase much by Q4FY21. SMA 2 increase was on account of the Pro-forma slippages, around 11% of the book is SMA 0.
- Provisioning on Pro-forma NPA is Rs 761 Cr.
- Bank is expecting to grow advances by 8-8.5% in FY21 and 10-12% in FY22.
- Bank has board approval for raising Rs 8000 Cr and will look to raise some tier 1 capital through QIP in the Q1FY22.
- Provisions on interest reversals made during the quarter were Rs 290 Cr.
- Exposure to DHFL is around Rs 4000 Cr and management expects it to get resolved during the quarter while the exposures to other big accounts are expected after Q2FY22. Bank does not have any exposure to Bhushan power.
- Sanctions under ECLGS are Rs 5700 Cr and disbursement is around Rs 4800 Cr.

28-Feb-21

Sector Banks
Bloomberg CBK IN
NSE Code CANBK

Management Participants

MD & CEO Mr. Lingam Venkata Prabhakar
ED Mr. M. V Rao
ED Mr. Debashish Mukherjee

Our Analyst on the Call

Aayushi Goyal
 aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- GNPA without proforma slippages stood at 7.46% in 3QFY21 as against 8.23% last quarter the same number including proforma slippages stood at 8.95% in 3QF2Y1 and 9.78% in 2QFY21.
- Credit cost without proforma slippages stood at 2.14% for 3QFY21 which increased to 2.28% including the proforma slippages.
- SMA 2 reduced to 1.28% as on January 18, 2021 as against 1.3% as at 3QFY21.
- The bank has made Rs 1901 Cr for COVID -19 out of which Rs 738 Cr were done in 3QFY21. Interest reversal of Rs 413 Cr on Proforma NPAs.
- PCR improve to 84.89% in 3QFY21S from 70% last year.
- Around 1 lakh 64K accounts have been restructured under MSME. The amount stands at Rs 5200 Cr. The bank has made RS 494 Cr of provisions for these accounts. Apart from this the bank has received proposal for Rs 11000 Cr of OTR.
- On the expenses front the bank does not expect any additional expenses for provisions for wage revision going ahead.
- The bank expects credit growth to be 6%-8% and deposits growth to be 8% going ahead. Business growth guidance of 8% for FY21.
- In 3QFY21 there has been recovery of Rs 890 Cr from a fully provided accounts. The bank has Rs 3000 Cr of exposure to Bhushan steel which is 100% provided.
- The collection efficiency stood at 95% in 3QFY21.

3-Feb-21

Sector Banks
Bloomberg BOI IN
NSE Code BANKINDIA

Management Participants

MD & CEO Mr. N. Kamakodi

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Majority of growth is coming from Jewel loan and ECLGS. Bank has sanctioned around Rs 2049 Cr under the ECLGS to 10000 borrowers and disbursed around Rs 1911 Cr to around 9000 borrowers.
- Management does not believe it is correct time to push the growth and is waiting for better economic condition.
- Bank has restructured 60 borrowers account to the tune of Rs 321 Cr. Total restructured MSME accounts stands at around Rs 807 Cr consisting of about 233 borrowers. Total restructuring is expected to be around 5%-6%. Majority of expected restructuring would be from MSME.
- Interest reversals worth around Rs 55 Cr has been made in Q2FY21 and Q3FY21.
- Incremental slippage without the Supreme Court order would be Rs 1150 Cr.
- Slippage for the year is expected to be around 3-3.5% most of them will be the account which had problem before the Covid-19.
- COVID provisions are 1.21% of the total advance or Rs 465 Cr and total SMA as of 31 JAN 2021 stands at 0.85% of the total advance. Provisions made on restructuring has not been net off against the NPA
- Pro-forma Net NNPA as of 31 Dec 2021 is 3.37%.
- ROA for the year is expected to be between 1.1%-1.3%. Incremental provisioning requirement should reduce from Q3FY22.
- Growth rate for FY22 could be lower double digit.
- On repayment status management said that it remains normally around 90% and 10% customers pay with a delay.
- Maximum stress is from the sectors like hotel, passenger transport vehicle.

23-Jan-21

Sector	Banks
Bloomberg	DCBB IN
NSE Code	DCBBANK

Management Participants

MD & CEO	Mr. Murali M Natrajan
CFO	Mr. Bharat Sampat

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- There was no interest reversal on restructured book in 3QFY21.
- Non-interest income went up by 66% on the account of one off income from profit on sale from G-Sec Sale in OMO.
- As on December 31, 2020 the net restructured advances including Covid-19 relief stood at Rs 687 Cr largely contributed by mortgages, CV and SME/MSME.
- The bank has sanctioned Rs 2138 Cr under ECLGS as on January 19, 2021.
- As per the management normal slippages range in 2% out of which 605 gets recovered so this not an area of much concern for the bank.
- The borrowers account not classified as NPA from August 2020 to December 2020 stood at Rs 448 Cr. Of these Rs 30 Cr has already moved below 90 DPD as on January 2021, Rs 56 Cr comprise fully secured gold loans, Rs 55 Cr comprises BD MFI loans of partly secured by FLDG and Rs 159 Cr is eligible for Covid-19 relief/MSME restructuring. The bank holds Rs 114 Cr of provisioning on these loans. As the NPAs started moving up credit cost is likely to be high in next 2 quarters.
- The bank intends to add 15-20 branches every financial year.
- Employee addition will be there from 4QFY21 to increase the growth.
- The bank's focus continues to be growing retail term deposits going ahead and reducing bulk deposits.
- The bank's focus is on growing Business loan, Home loans, Gold loan, KCC, Tractor Loans, MFI Loans, MFI-BC loans. In the corporate segment the bank continues with its cautious stance.
- The advances momentum is steadily improving and is expected to reach pre covid levels by 1QFY22.
- Collection efficiency increased to 94%, 80% in December from 93% and 77.5% in November for Home loans and CV loans whereas it reduced to 89.8% from 91.5% for business loans (LAP).

29-Jan-21

Sector Banks
Bloomberg EQUITASB
NSE Code EQUITASBNK

Management Participants

MD Mr. P N Vasudevan

3QFY21 EARNING CONFERENCE CALL

- In microfinance from the customer side management has seen first sign of stability in the repayment method, many of the customers who had migrated to town and villages have started to come back. Collection efficiency is stabilizing in the segment however certain portion of portfolio which has remained unpaid and is likely to result in elevated NPA.
- In small business loans were quickest to recover as soon as the lockdown opened and collection efficiency was close to Pre-Covid levels and buildup of NPA is marginal in this segment.
- In Used commercial finance its taken time for operator to get back to the normal level of movement, In LCV time for recovery period was around 2-3 months and in HCV the passenger segment was affected and may take few more months to recover.
- Current PCR on the Pro-forma basis is almost 60%.
- Bank has approved restructuring worth 2% of the advances
- Pro-forma NPA is from across the country but major part is from Maharashtra and Punjab. Exposure to Punjab is around 1.9%.Company has no exposure to West Bengal and Assam
- X-bucket collection efficiency means the collection efficiency for the customer who did not have any overdue as of previous month.
- Billing efficiency means billing for the month for all customer against the particular month billing.
- In Microfinance and small business loans big part is from Tamil-Nadu and in vehicle finance around 30%-40% is from Tamil-Nadu.
- Affordable housing loan segment is very small as of now and management is looking for a yield of 11-11.5% as of now there is no delinquency is the portfolio and currently the presence is in only Gujarat and would slowly expand across the quarter.
- Bank has not done any ECLGS disbursement during the quarter and does not have intent to do any in Q4FY21.
- Normalcy in disbursements is expected from Q1FY22. Microfinance is expected to see muted quarter in terms of growth in Q4FY21.
- Credit cost is expected to be 2.5% for the current year and normalize from next year onward.
- 1+PAR book is close to 10% and would include Pro-forma NPA.

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

20-Jan-21

Sector	Banks
Bloomberg	FB IN
NSE Code	FEDERALBNK

Management Participants

MD & CEO	Mr. Shyam Srinivasan
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3QFY21 EARNING CONFERENCE CALL

- Gold Loans registered record YoY growth rate of 67% and QoQ growth rate of 15.76 %, which is one of the best in the industry and crossed Rs.14, 000 Cr milestones.
- The bank is expecting total restructuring of Rs 1500-1600 Cr (1% of the book) in FY21 which is almost half of the estimated earlier. A large chunk is likely to come from retail segment. Mostly from home loan segment which is a secured booker's 1067 Cr of restructuring has been done till now.
- GNPA and NNPA stood at 2.71% and 0.6% which increased to 3.38% and 1.14% on proforma basis.
- The management guided Advances growth to be 8-10% going ahead. The growth is likely to be spread across different segments. Gold loan growth will stabilize once the economy recovers.
- There has been dip in corporate book growth the reason being cautious stance of the bank on this book.
- PCR including proforma slippages stood at 66% in 3QFY21. The management guided it to be in the range of 65-70% going ahead as well.
- The disbursements under ECLGS stood at Rs 2600 Cr.
- Provisions are likely to be 15-20% on the book restructured going ahead.
- Fee income growth has been high despite slow credit growth the reason being focus on fee income from corporate banking side and cross sell opportunities.
- SMA I&II book stands at 60-70 bps higher than that of pre covid level. Pre covid level it stood at 1.8%.
- The book under restructuring includes 90% to come from moratorium book. Only 0.02% is from non-moratorium book.
- The management guided NIM to be maintained in the range of 3.15-3.2 for next 2 quarters.
- The bank has done Rs 73 Cr of interest reversal for proforma slippages in 3QFY21.
- Collection efficiency stood at 95% as at the end of 3QFY21.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

16-Jan-21

Sector Banks
 Bloomberg HDFCB IN
 NSE Code HDFCBANK

Management Participants

CFO Mr. Shashidhar Jagdeshan
 CRO Mr. Jimmy Tata

3QFY21 EARNING CONFERENCE CALL

- Proforma annualized slippage ratio for the current quarter is at 1.86%, Proforma GNPA stands at 1.38% while the Proforma NNPA stands at 0.40%. Interest reversal on Proforma slippages has been done. Proforma GNPA would include part of restructuring.
- Restructuring as per the RBI resolution framework for Covid-19 is at 0.5% of the total advances. Restructuring that has been done is as per the customer request. There are few corporate restructuring cases but they have been included in the restructuring figure.
- Cost to income ratio is expected to be back to 38-39% in the short term but in medium term management intends to bring it down back again.
- Wholesale portfolio is continuing to do well. Most of the growth is coming from well rated public and private sector enterprises. Average rating of the portfolio has remained steady around 90% of the externally rated book is Rated A and above. There is not much difference between the actual and Proforma NPA numbers in the wholesale book
- In the SME portfolio 30+ DPD has shown improvement since September and FITL is 0.74-0.75% which shows the strength of the book. Stress in the book is as per banks stress test around 2.3%. The delinquency trends have shown improvement across all buckets.
- In the retail portfolio the demand resolution is at 97% v/s Pre-Covid level of 98%. Management believes that they will get to Pre-Covid levels soon. Collection resolution is improving month on month.
- Recovery on written off accounts is also doing well.
- During the quarter bank has sold some assets in the retail portfolio but any financial impact of that has already been taken.
- In the retail book there has been double digit sequential growth in the disbursement. Bank is observing bullish growth rate in retail working capital, home loan, auto loan, LAP etc.
- Gold loan franchise has been witnessing good growth rate and looking at that bank is eyeing a physical distribution with liability branches to grow going forward. Home loan growth is supported by stamp duty reduction.
- In microfinance business normal run-rate of business is expect to resume from January itself and bank is optimistic on it.
- Disbursements under ECLGS 1 as of 15 Jan 2021 are Rs 22102.68 Cr across 119599 customers and in ECLGS 2 bank has disbursed 579.16 Cr across 59 customers.
- Bank has registered 20% YoY growth in saving account acquisition and 15% YoY in current account acquisition. During the quarter bank has opened 2 million liability relationships in the quarter. More than 2.3 lakh CASA accounts have got opened during the year.
- Cards sales volumes were up 32% QoQ. Merchant acquisition volumes were up 20% QoQ
- Banks average LCR for the quarter was 146%. Excess liquidity positions impacts the current NIM by around 15 bps
- Out of the fees and commission income, retail constitutes 94% while wholesale constitute 6%.
- Bank expects to add 100 more branches by the end of the year.

Our Analyst on the Call

Ketan Mehrotra
 ketan.mehrotra@narnolia.com

30-Jan-21

Sector Banks
Bloomberg ICICIB IN
NSE Code ICICIBANK

Management Participants

MD & CEO Mr. Sandeep Bakshi

3QFY21 EARNING CONFERENCE CALL

- Management believes that the current level of provisions should cushion the bank against the future credit losses and if everything goes according to management expectation credit cost should normalize from FY22. In terms of credit cost bank would be looking at 25% of the core-operating profits which would translate into 1.2%-1.3% of the average loans.
- As per management they have considered the impact of ECLGS loans that turn bad into their credit cost guidance for FY22.
- Bank has utilized Rs 1800 Cr of Covid- related provision made in the earlier period. As on Dec 31, 2020, the Bank held aggregate Covid-19 related provision of Rs 9984 Cr, including contingency provision for pro-forma NPAs amounting to Rs 3509 billion.
- Restructuring request till December 2020 was Rs 2546 Cr or 0.4% of the loan book. In MSME bank has not seen any material restructuring request thus don't expect restructuring to increase by large number. Around Rs 800 Cr is retail and Rs around 1700 Cr would be from corporate
- Provision coverage ratio on the Pro-forma basis is 77.6%.
- BB&Below book of about Rs 18000 Cr includes all of Corporate and SME restructuring other than one LRD account.
- Total ECLGS credit disbursed during the quarter was Rs 12600 Cr. SME and business banking would be 1/3 of the disbursement and balance would be across rest of retail portfolio.
- Large part in Pro-forma slippages of Rs 8280 Cr has been from the retail book. Slippages were from across the portfolio that is both secured and unsecured.
- Quality of book originating in corporate is seen is largely from A- and above clients and is mix of short term and long term lending. Longer term loan are floating rate.
- Management believes that there is lot more that they can do in the SME portfolio and their market share is quite low and has seen lot of synergy outcome as they do more and more of it.
- On retail book growth management said there are opportunities so if the demand sustains and pricing is appropriate the bank is very well positioned to grow. Bank is not chasing any specific number for growth on either corporate or retail side.
- Bank has seen very good growth coming from corporate ecosystem the corporate salary accounts.
- Going forward management expects margin improvement although in Q4FY21 it might be affected to certain extent due to NPL additions.
- Drop in number of debit card is on account of removal of some inactive cards.
- Bank has said it is difficult to say how much of a 7% sequential increase in advance is from pent up and it is not focusing on it but on the market share gain.
- Treasury income during the quarter includes Rs 329 Cr from the gains from sale of stake in ICICI securities.

Our Analyst on the Call

Ketan Mehrotra
 ketan.mehrotra@narnolia.com

29-Jan-21

Sector	Banks
Bloomberg	IIB IN
NSE Code	INDUSINDBK

Management Participants

MD & CEO	Mr. Sumant Kathpalia
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3QFY21 EARNING CONFERENCE CALL

- Bank had reduced FD rate by 50 bps during December quarter and result should be visible in Q3FY21. Bank will calibrate its deposit rate in both FD and CASA deposits going forward.
- Vehicles and microfinance has seen disbursement returning to the Pre-Covid levels. Bank has reduced the exposure of Rs 4000 Cr in corporate book with objective to granulize the book.
- Interest reversals during the quarter were Rs 185 Cr on the Pro-forma GNPA which impacted the NIM.
- Unsecured retail saw higher than expected slippages although it is small part of the overall book corporate book did not see any additional stress during the quarter. No stressed assets were sold during the quarter.
- Promoters have got extension till 18 February for exercising of warrants from SEBI and Promoters have agreed to it, it is expected to add 75 bps to CET1.
- Pro-forma slippages of 2508 Cr of 1.2% of the loan of which 19% are from microfinance and vehicle finance each, secured retail contributed 15% and unsecured retail 30% and corporate contributed the balance.
- Total restructuring request received till now will be about 1.8% of which 1.2% is pending for approval. 30% of restructuring requests are from vehicles, Non vehicle retail 13% and balance from corporate bank.
- Disbursements in vehicle finance were near Pre-Covid levels in Q3FY21. In vehicle finance, Collection have moved up from 94.3% in Q2FY21 to 96.9% in Q3FY21 while in microfinance they have moved from 87.2 in Q2FY21% to 94.4% in Q3FY21.
- Exposure to the Assam is just 45 Cr while exposure to West Bengal is just 1.3% of the total loan book.
- Company aims to open around 500 branches over the next 2 years.
- SMA 2 book as on Q3FY21 stands 38 bps
- Total loan related provisions at 188% of GNPA and 3.31% of loans or 111% Pro-forma GNPA, bank will continue to be cautious and build provisions in advance for future loan defaults in Q4FY21 and if COVID plays out going forward there would be normalization of credit cost. Total Covid related provisions stands at Rs 3261 Cr which is 1.16% of the loans.
- Bank is working on 4 recoveries in some lumpy accounts and is expecting some recoveries in Q4FY21 and Q1FY22 if everything goes right.
- Bank will continue to rationalize the corporate book for next couple of quarter and management expect corporate loan book to grow in FY22.
- Management is confident to maintain the NIM in the range bound of 4.15% to 4.25%.
- Bank has sanctioned only Rs 4400 Cr and disbursed Rs 2900 Cr under ECLGS.

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

12-Feb-21

Sector Banks
Bloomberg KVB IN
NSE Code KVB

Management Participants

MD & CEO Mr. B. Ramesh Babu

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- On the advances front the bank is cautious on housing loans and personal loans.
- Proforma GNPA% and NNPA% stood at 9.07% and 4.08%. Proforma slippages stood at Rs 885 Cr in 3QFY21. Most of them coming from commercial and corporate segment. 93% are from moratorium book. Rs 53 Cr is unrecognized interest due to same in 3QFY21.
- The management expects slippages ratio to be at 2.5% for FY21.
- The bank has made Rs 175 Cr of provisions in 3QFY21 for bipartite settlement. Rs 135 Cr has been for paybill. The incremental impact of the wage revision over normalized cost is Rs 56.1 Cr per year.
- Restructuring is estimated to be at 2.25% in total.
- On the advances growth front the management expects the advances to reach to Rs 60K going ahead.
- Gold loans increased by 8% QoQ in 3QFY21 reaching to 23% of the portfolio.
- C/I ratio has been high as it had one time impact of Bipartite settlement for wage revision.
- Under OTR the bank received 1524 eligible applications amounting to Rs 668 Cr and restructured Rs 373 Cr and 93 applications amounting to Rs 295 Cr are under process. Under MSME the bank has restructured Rs 98 Cr in 3QFY21 making the total to Rs 471 Cr. The estimated number for the same is at 2.25% of the advances at the end of the year.
- During the quarter the bank has made Rs 61 Cr of provisions towards restructured advances and Rs 80 Cr towards COVID-19 related package. This includes the proforma slippages also. Total provisions for COVID-19 stress stand at Rs 300 Cr as at December 2020.

25-Jan-21

Sector Banks
 Bloomberg KMB IN
 NSE Code KOTAKBANK

Management Participants

MD Mr. Uday Kotak

3QFY21 EARNING CONFERENCE CALL

- Management expects sequential growth in advance to continue going ahead subject to microeconomic environment.
- Total restructuring number between accounts restructured and invoked is at 0.28%. Management sees very little restructuring requests coming in Q4FY21.
- Commercial vehicle is showing stress in the Bus segment and Pro-forma NPA is high in that segment.
- Full provisioning on the interest reversals including Pro-forma NPA has been provided through P&L.
- On the branches front, management believes that density of branches required going forward would be less than that of pre-covid world therefore banks approach to branches would continue to be more measured.
- Bank is watching the increase in the SMA 2 Book.
- Bank has significant participation in ECLGS loan, disbursements under ECLGS scheme till Q3FY21 was approximately Rs 9400 Cr and crossed Rs 9700 Cr in Jan 2021. Management believes that since it has sovereign guarantee it makes bankers money safe. ECLGS 2 is very small number for the bank. Bank disbursed about 50%-60% of the accounts that were eligible for ECLGS.
- Write off during the quarter were small or negligible.
- Management believes there would not be much of acquisition of stressed assets for at least 3-6 months because of the NCLT process.
- Gross NPA in the Kotak Prime book was 2.46%. Pro-forma Gross NPA for Kotak Prime would be north of 4%.
- TD less than 1 Cr would be just less than 70000 Cr.
- Bank has 5% market share in mobile banking in terms of transaction value and transaction volume is up 73% YoY and Transaction value is up by 40% YoY.
- Collection v/s demand for Dec'20 back to pre-covid levels in secured advances and is near to Pre-Covid level in unsecured advance and is improving month on month.
- In commercial vehicle segment, management said that sales have improved from the previous quarter and disbursements have been higher than previous quarter. Sales in the passenger vehicle segment have been low and capacity utilization has also been low.
- Demand for construction equipment has been good and demand for equipment in the mining segment has also been good and disbursements have been better than previous quarter and collection efficiency is back to normal levels.
- Higher operating expense was on account of some of the promotional expenses, advertisement expenses, communication expenses, the recovery cost and also increase of insurance cost as the deposits base grows.
- Management feels that there would be steady increase in interest rate to the end of 2021 in India and RBI would like to do it gradually but on the way up. The 10 year bond yield is expected to be at 6.5% on the long end.
- On the margin front, management believes with sustainable reduction in cost of fund Bank is competitive in terms of pricing power and growth of high yield assets going forward is expected to support NIM.
- About 40-45% of the Pro-forma slippages would be from unsecured retail book.

Our Analyst on the Call

Ketan Mehrotra
 ketan.mehrotra@narnolia.com

28-Jan-21

Sector	Banks
Bloomberg	RBK IN
NSE Code	RBLBANK

Management Participants

MD & CEO	Mr. Vishwvir Ahuja
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3QFY21 EARNING CONFERENCE CALL

- Bank is confident in stability of wholesale banking and credit card business has bounced back and in micro banking segment management expects normalcy to return within a quarter. Retail loan to MSME segment was most impacted during the pandemic.
- NII was impacted due to interest reversals but is expected to be back to Pre-Covid levels by Q1FY22.
- Bulk of the Pro-forma slippages is from retail book.
- Bank expects total restructuring book to be within 1.5% of the advances.
- Bank is looking to add 70-80 branches more during the Q4FY21. Bank has added around 65 branches in affordable housing and will add another 10 in Q4FY21 and 70 in FY22.
- Market share in credit card has grown to 4.8% and credit spends are back to Pre-covid level. Market share in credit card segment is expected to increase going forward.
- New disbursements have been cautious and focus has been on the collection. Q4FY21 is expected to be muted in terms of new business. In microfinance, company expects disbursements to be slow while disbursements in other segments are expected to grow.
- In micro finance book Credit cost for the full year is expected to be around 2.5% and GNPA are expected to be in range of 5-5.5% which today are around 2.7%. In MSME segment GNPA is expected to be in region of 6% which today are around 4.5%.
- Bank has disbursed around Rs 655 Cr under ECLGS scheme, around 500 Cr to the MSME in retail segment and MSME Restructuring has also been extended to the segment.
- Exposure in Assam is around 2.4%. Collection efficiency is around 60% in Assam and in other stressed states is around 88%-90%.
- Covid provisions used during the quarter would be in the range of Rs 280- 300 Cr which is little over 30%. During the quarter large part of write off was from corporates and next quarter it is expected to be from MFI credit card.
- Calculated provision coverage ratio is expected to go up going forward.
- Company will look at various factors in next 3- 5 months to decide on the growth for FY22.
- Credit cost for Q4FY21 is expected to be around Q3FY21 numbers and going forward into FY22 it will moderate.
- Around 40-45% of MFI book is supported by FLDG arrangements.

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

4-Feb-21

Sector	Banks
Bloomberg	SBIN IN
NSE Code	SBIN

Management Participants

Chairman	Mr. Dinesh Khara
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Analyst

Ketan Mehrotra
ketan.mehrotra@narnolia.com

3QFY21 PRESS CONFERENCE HIGHLIGHTS

- Management maintained the earlier guidance of slippages and restructuring of Rs 60000 Cr in FY21. Management does not expect any abnormal spike in Retail and SME restructuring in Q4FY21. Total restructuring request is of Rs 18000 Cr, out of which Rs 4500 Cr has been implemented.
- Management expects impact of 9-10 basis points on the NIM on account of the restructuring and the Pro-forma slippages but as they have already provided for them the impact on P&L is expected to be minimal.
- Estimated Pro-forma slippages which management have reconciled for Q3FY21 is about 16,461 Cr and for that a total provision of Rs. 5265 Cr has been provided on it.
- Total sanction under the ECLGS scheme is Rs.26000 Cr cumulative and out of which Rs. 23000 Cr has been disbursed cumulatively.
- Outstanding Security receipts are to the tune of Rs 8500 Cr and the normal MTM provision is about 1,100 Cr and the accelerated provision is 1,800 Cr spread over three quarters. Bank will continue to make the Rs 600 Cr extra provision till it provides for entire amount.
- Bank does not expect higher slippages from Agri in Q4FY21.
- Sum total of SMA1 and SMA2 is around Rs 18000 Cr and management will try to keep it at same level going forward.
- Tenor of express credit may be about 3-5 years and there has not been much stress in terms of NPA in the book.
- On the capital requirement front management said that they would review the situation after the Q4FY21 and for monetization of subsidiary, management will take call by the beginning of the next financial year.
- Management expects commission on LC bank guarantee, loan processing, cross selling, and remittances to continue to see an upward increase in the coming year with the increased economic activity.
- Wage bill has increased salary cost by Rs 1000 Cr per quarter.

3-Feb-21

Sector	Banks
Bloomberg	UJJIVANS IN
NSE Code	UJJIVANSFB

Management Participants

MD & CEO	Mr. Nitin Chugh
CFO	Mrs. Upma Goel
CCO	Mr. Kalyanaraman
Head of Credit	Mrs. Sneha Thakur
Business Head	
Micro banking & Rural Banking	Mr. Rajat Singh
National Manager	
Strategy & planning	Mr. Murali Manohar

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Management believes that with the kind of provisions they have taken they can now focus on moving forward.
- Bank has restructured around Rs 852 Cr (8.5% of the micro banking book as of Dec'20). 29% of restructured customers (who had not paid any EMI until Dec'20) have started paying post restructuring.
- Bank has disbursed only Rs 55 Cr under ECLGS scheme.
- Collection efficiency in Assam in January is around 72%, in Maharashtra it is around 87% and in West Bengal it is 92%. Assam is less than 3% of the total loan book. Collection efficiency in Assam have dipped by 9% between December and January
- Focus on FY22 would be on growth and Management does not expect high provisions going forward now that they have taken upfront provisioning. Focus on collection would be stepped up further.
- Management is confident of keeping cost of fund under control.
- Total provisions in the book stands at around Rs 1029 Cr which is around 8% of the gross advance.
- Reduction of the interest income was on account of capitalization of interest. Overall impact was around Rs 43 Cr.
- Interest reversals during the quarter were around Rs 25 Cr
- Collection efficiency in the restructured book is around 73% from around 45% in November
- Yields in the MFI book was affected as Rs 575 Cr of book is not earning any income.
- Bank has plans to diversify into 50% MFI and 50% Non MFI in 3-4 years of time and is on well on track for that.

29-Jan-21

Sector Banks
Bloomberg UNBK IN
NSE Code UNIONBANK

Management Participants

MD & CEO Mr. Rajkiran Rai G

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- India is seen as the fastest growing economy for financial year '22 as per the IMF and in double digit as also highlighted by it in the economic survey.
- On the amalgamation front, we the bank has achieved historic milestone of IT integration within a record time of 10 months. All technology-related integration is fully completed.
- The proforma NPA (slippages) as at December 2020 quarter comprise of 1.8% of the total loan book. The restructuring book which comprises of the implemented cases and the estimated numbers yet to be implemented is roughly about 2.5% of the loan book.
- SMA-2 numbers are roughly 0.8% of the loan book. All three together stress book is about 5% of the loan book.
- On the provisioning front, the bank holds COVID-related provisioning of approximately Rs.3,400 Cr which is approximately 10% of the stress book, including provision of Rs.2,200 Cr made during this quarter.
- Overall, bank raised Rs.2, 000 Cr in tier-2 capital and Rs.1, 700 Cr of AT1 capital during FY21 till date. Out of this Rs.1, 200 Cr, AT1 has been raised during January 21. The bank is planning to raise Rs.2, 000 to Rs.3, 000 Cr of equity capital during the current quarter.
- Guidance for the Current Year: Deposit growth between 4% and 6%, advances growth of 4% to 6%, CASA ratio of around 35%, NIM to be around 2.8%, delinquency to be around 3% for the full year, restructuring to be around 3% of the loan book, credit costs to be 2.5% to 3%.
- Collection efficiency is stable around 85% now.
- Retail advances growth has been at 7% in 3QFY21 and is likely to be in double digit by March 2021. Corporate credit also will see a growth of around 5% to 6% by March 2021.
- Mudra is 18,000 Cr book where stress maybe around 12% kind of thing.
- ECLGS disbursals are around Rs.8, 300 Cr.
- On the MSME side on the restructured book there may be about 5% to 10% of slippages happening over a period of two to three years.
- If adjusted for the interest on proforma NPA the NIM would have declined by 10 bps.

22-Jan-21

Sector	Banks
Bloomberg	YES IN
NSE Code	YESBANK

Management Participants

MD & CEO	Mr. Prashant Kumar
CFO	Mr. Niranjana Banodkar

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Management said there is gradual improvement both in terms of demand for credit as well as the collection efficiency.
- Bank has opened approximately 2.2 lac CASA accounts during the quarter.
- Retail + SME disbursements were at Rs 11,917 Cr in Q3FY21 vs. Rs 6,787 Cr in Q2FY21. The Corporate disbursement was around Rs 2000 Cr.
- Total Aggregate Covid provision stands at Rs 2683 Cr.
- Accounts worth Rs 8062 Cr have invoked restructuring which would be implemented during the current quarter and next quarter. Standstill NPA excluding the restructuring book is Rs 7058 Cr. Overdue advances in 61-90 days bucket excluding the restructuring part would be around Rs 3432 Cr.
- Management said they have just taken the enabling resolution to raise the fund from the board and getting the shareholder approval takes around 45-60 days and in case they found good growth opportunity they can use it.
- Pro-forma Gross NPA is close to 19.5%-20% considering the standstill account.
- Collection efficiency on the retail side has improved to around 96%.
- According to management book at risk is around Rs 18000 Cr including restructuring book of around Rs 8000 Cr.
- Cumulative Disbursements under ECLGS 1.0& 2.0 would be around Rs 3200 Cr out of which Rs 900-1000 Cr would be ECLGS 2.0.
- Bounce rate which had picked up to around 18% are now down to 9%.

11-Feb-21

Sector	Capital Market
Bloomberg	BSE IN
NSE Code	BSE

Management Participants

MD & CEO	Mr. Ashish Kumar Chauhan
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3QFY21 EARNING CONFERENCE CALL

- STAR MF contributed Rs 14365 Cr as net equity inflow during December 2020 against the negative industry outflow of Rs 21293.0 Cr.
- Market share for 3QFY21: StAR MF: 77% (based on value of purchase/redemption orders), SME: 61% (based on number of companies listed in SME segment), BSE Bond: 55%, India INX: 77%.
- Pranurja Solutions Limited incorporated to set up a power exchange jointly with Power Trading Corporation and ICICI Bank. Approval for grant of license for the power exchange from Central Electricity Regulatory Commission under progress.
- Launched StAR MF Plus, a premium platform for distributors and advisors on January 18, 2021.
- In StAR MF the company charges on per transaction basis and average realization for the same has been Rs 5 in 3QFY21. PAT Margins for StAR MF stands at 35%.
- On the pricing front the pricing has reduced in Star MF but increase in volume will be the growth driver going ahead.
- BSE is not able to charge in INX on the account of competitive pressure from NSE.
- BSE is likely to increase charges in equity segment from March 2021.
- Launch of electronic spot platform for agricultural commodities BSE E-Agricultural Markets Ltd. (BEAM) on December 11, 2020.
- Beta-launch of services by BSE Ebix Insurance Broking Services on February 07, 2020.
- BSE Ebix collected Policy premium of Rs 2.3 Cr till January 31, 2021. 7912 Policies issued till January 31, 2021.
- BSE's initiative to introduce Weekly Options has received good response from market participants with the highest traded value crossing Rs 3,898 billion on November 26, 2020.
- Inter-operability along with push towards best price execution likely to increase liquidity on BSE's electronic trading platform over time.
- Over Rs 900 billion of debt was raised on BSE BOND platform through 179 issues in 3QFY21. Over Rs 2,911 billion of debt was raised on BSE BOND platform through 609 issues with 55% market share during the period 9MFY21.
- Investment income increased to Rs 37 Cr from Rs 25 Cr last quarter on the account of MTM gain in the quarter.

Our Analyst on the Call

Aayushi Goyal
 aayushi.goyal@narnolia.com

12-Feb-21

Sector Capital Market
Bloomberg CAMS IN
NSE Code CAMS

Management Participants

CEO Mr. Anuj Kumar
CFO Mr. M Somasundaram
CFO (Designated) Mr. Ram Charan Sesharaman

Our Analyst on the Call

Sangeeta Jalan
sangeeta.jalan@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Transaction volume scaled up in November and December with 63 lakh in Dec end.
- Company has signed a contract with Franklin Templeton which includes rebadging employees.
- Company has made B2B and B2C app which will be launched in Q1FY22.
- MyCAMS transaction is ramping up and grew 30% QoQ.
- AUM has grown by 12% YoY and all the top five mutual funds are CAMS clients.
- Company is making platform based offerings with new business line which includes Recon Platform and digital Loan against mutual fund.
- It built digital onboarding platform for PMS provider which will be expanded to AIF and is signing initial customer which will help in scaling up business volume.
- Company has created CAMSPay, wholly owned subsidiary for carrying out payment aggregator business.
- Company has outperformed industry with the growth of 11.6% in AAUM.
- Inflow from SIP has been steady while QoQ growth was driven mainly by equity and debt.
- SIP book grew slower mainly due to covid but it is expected to be recover in next 6-8 months.
- Revenue grew strongly mainly due to AUM volume growth. Equity AUM grew par with pre-covid level but it was more of valuation gains.
- Equity mix was lower than last year at 34% however it was offset by higher debt component.
- Bottom line grew mainly due to cost controlling measures, operational efficiency and automation.
- Company has announced interim dividend of Rs 7.6 per share.
- Blended realization is stable largely led by asset mix.
- Capex has been lower in this quarter however company expects increase in capex in coming quarters.
- Company guided to maintain its EBITDA margin to 35-40%
- EBITDA yield increased YoY mainly due to decline in Non-Mutual fund business (lower margin).

2-Feb-21

Sector	Capital Market
Bloomberg	CDSL IN
NSE Code	CDSL

Management Participants

MD & CEO	Mr.Nehal Vohra
CFO	Mr. Girish Amesara
COO	Ms. Nayana Ovalekar
COO	Mr Sunil Alvares

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Number of new active beneficial owner accounts stands at around 2.89 Cr. There are 589 Depository participants covering around 96-97% of the pin code throughout the country.
- CDSL remains the only depository to have an international branch.
- Last year income from SEBI project was around 9.49 Cr and this year SEBI had planned the project but was postponed due to pandemic.
- There was no mark to mark loss. Yield has fallen in the corporate bonds.
- Company is focusing on automating the KRA services, has adhaar based license From UIDAI and is in final stage of obtaining it and has registered with CCA For-E-sign License and also launched an online account opening application.
- Out of 30.95 Cr of Transaction revenue, income from margin pledge is around Rs 2.5 Cr.
- Annual issuer income during the quarter was Rs 21.69 Cr v/s 19.48 Cr in Q3F20, Transaction charge income is Rs 30.95 Cr vs Rs 11 Cr in Q3FY20, Online data charges was Rs 13.10 C v/s Rs 9.39 Cr in Q3FY20, IPO Corporate action charges of 6.5 Cr v/s 5 Cr in Q3FY20, CAS statement have contributed around Rs 4.54 Cr v/s the Rs 2.5 Cr in Q3FY20 and E voting contributed Rs 1.6 Cr v/s 44 lakhs in Q3FY20.
- There is no thought on change in dividend policy currently.
- Annual issuer charge revenue from unlisted companies is Rs 1.12 Cr and for 9 month it is 2.84 Cr.
- Lower debtor provisions were there as collections were better during the quarter.
- EBIDTA Margins are expected to be more or less at current levels but will depend on the overall buoyancy in the market.

20-Jan-21

Sector	Capital Market
Bloomberg	HDFCAMC IN
NSE Code	HDFCAMC

Management Participants

MD	Mr. Milind Barve
CFO	Mr. Piyush Rana

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Mutual Fund industry QAAUM increased by 11%/8% YoY/QoQ to Rs 29.7 trn in 3QFY21 as a result of increase in equity and debt AUM. Equity QAAUM saw growth of 9% on QoQ basis whereas debt QAAUM grew by 15% QoQ.
- Other income grew by 68% YoY to Rs 113 Cr mainly on the account of unrealized gain on NCDs of Essel group as well as gain on investments into the debt funds as 82% of its investments are into debt mutual funds. This gain is not sustainable going ahead.
- The company lost market share in actively managed equity assets in 3QFY21 to 13.4% from 13.6 % (Closing AUM basis) last quarter whereas the market share in debt AUM increased to 13.8% from 13.4% last quarter.
- PMS and SMA AUM increased to Rs 11600 Cr from Rs 9800 Cr last quarter.
- The share of direct channel in channel mix increased to 49% from 47% last quarter on the account increase in debt AUM as most of the investments to debt funds come from HNIs and institutional players who prefers direct channel.
- The company collected Rs 1500 Cr through launch of a new fund in 3QFY21 and has a pipeline of 3 more products to strengthen the product mix.
- The company is well focused on B-30 segment going ahead.
- On the debt market outlook the management believes the returns from the debt markets are not likely to be that high going ahead as RBI may not decrease the rates further but debt funds are likely to continue to be choice of investors going ahead.
- HDFCAMC saw slow AUM growth in last few quarters the reason being some of the funds of the company like HDFC Equity fund and HDFC Balanced Advantage funds have been lagging in terms of performance in last few quarters which the management expects are recovering on performance front and going ahead will do better.
- The company saved Rs 25 Cr on OPEX front in 9MFY21.OPEX is likely to remain under control going ahead.
- 72% of the revenue comes from Equity oriented assets and balanced one from non-equity oriented assets.

22-Jan-21

Sector	Capital Market
Bloomberg	IEX IN
NSE Code	IEX

Management Participants

CEO	Mr.Satyanarayan Goel
CFO	Mr. Vineet Harlalka

3QFY21 EARNING CONFERENCE CALL

- Delay in resolution of matter in APTEL regarding REC, the trade in REC Market did not take place even during Q3FY21.
- Despite 43% growth in Day Ahead Market, the prices on the exchange remained subdued and saw a decline of 2% on YoY basis. The average market clearing price in the day-ahead market during the quarter was at Rs 2.76 per unit.
- During the quarter 2 new contract under G TAM market were launched that is daily and weekly and also the licensing agreement was signed with MCX to launch electricity derivatives in the market, this will be launched only after the approval from government and regulator and IEX prices will be used as settlement price.
- The Indian Gas Exchange, a wholly owned subsidiary of IEX, received authorization from Petroleum and Natural Gas Regulatory Board (PNGRB) under the Gas Exchange Regulations. The approval has been granted for tenure of 25 years, making IGX the first regulated delivery-based gas exchange in the country.
- ADANI Total Gas and TORRENT Gas acquired 5% stake in IGX and management is looking forward for the strategic divestment.
- Management guided for continued investment in technology and innovative product.
- Open access volume for the quarter grew by 14% YoY and 24% of total volume was through open access and rest 76% through discomms.
- The management guided for electricity demand to grow by 8-9% for this year.
- In GTM market the sellers are mainly discomms from Telengana and Karnataka and generally generators have long term contract they don't have free capacity to sell in exchange.
- Few LNG terminals are coming up and it is expected that gas infrastructure would be ready in 1-2 years and this would increase the opportunity in gas exchange.
- Petition for the launch of long duration contract (LDC) has been filled with CERC, the CERC will approve it only after Supreme Court settle the jurisdiction issue.
- Once the Government of India approves procedure for cross border trade, the trade can start and management expects it to start in next two month or near term,
- The top 3 states for open access are Gujarat, Telangana and Tamil Nadu.
- The industrial activities and electricity consumption continued to rebound in the third quarter of fiscal year 2021 led by the revival of the consumer sentiment as well as the demand.
- With increase in industrial activities, the national peak demand and energy met grew 7% YoY each during the quarter
- The installed power capacity as of 31st Dec is at 375.3 GW growth of 1.8% YoY. The renewable capacity grew fastest at 6.1% YoY with cumulative renewable capacity at 91.1 GW.

Our Analyst on the Call

Rupali Soni
rupali.soni@narnolia.com

25-Jan-21

Sector	Capital Market
Bloomberg	ISEC IN
NSE Code	ISEC

Management Participants

MD & CEO	Mr. Vijay Chandok
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3QFY21 EARNING CONFERENCE CALL

- Digital business did well since Covid-19 period as 99% of equity and 95% of mutual funds transactions are being performed online.
- The company is diversifying its channel mix with largest sourcing channel now contributing 59% in 3QFY21.
- Prime customers are now at 56% of the equities revenue in 3QFY21 up from 35% YoY.
- The company is focusing on enhancing the operating leverage as branch count and employee count has reduced leading to decline in C/I ratio. Number of branches declined to 151 from 156 last quarter and number of employees declined to 1.59 Mn from 1.85 Mn last quarter.
- Launched ICICIdirect NEO, targeted at traders, offering zero brokerage on all Futures trades and flat Rs 20 per order for Intraday and Options. MTF and ESOP book growth remained muted in 3QFY21 QoQ on the account of reduction from ESOP book side on the account of encashment.
- Cross sell ratio improved to 1.7 from 1.55 YoY with clients with more than 2 products reached 1 Mn up 9% YoY.
- 3.2mn demat accounts opened in the quarter.
- New margin rules from SEBI in December had impact on volumes causing reduction in intraday equity and derivatives volume but the impact on revenue has been lesser as large chunk of revenue forms delivery volumes.
- Equity ADTO increased by 80% YoY. Equity market share up YoY however declined sequentially due to: Oct 20 & Nov 20 (10.8%): lower institutional equity businesses in November where lost some market share due to MSCI rebalance. Dec 20 (9.9%): Decline due to new margin norms however revenue was up due to better mix of delivery and higher active client base.
- ISEC derivative ADTO increased by 28% YoY. Market Share: Oct 20 & Nov 20 (8.0%), Dec 20 (3.4%): Down in Dec due to decline in intraday derivatives having low yields; Revenue decline in Dec'20 is 7.6% of retail brokerage revenue for Dec. Launch of NEO to help increase derivative client base and grow the business.
- Brokerage grew by 65% YoY, however declined by 8% sequentially on the account of lesser trading days QoQ in 3QFY21.
- Employee cost declined QoQ in 3QFY21 on the account of lower provisioning for variable pays. Variable pay is linked to performance but as per the management despite increase in ADTO the variable pay may not increase further.
- Decline in the market share in derivatives segment has been on the account of decline in share on leveraged products.
- Equity and Derivatives intraday forms 75% of volume whereas in revenue terms delivery is higher.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

22-Jan-21

Sector	Capital Market
Bloomberg	MCX IN
NSE Code	MCX

Management Participants

MD & CEO	Mr. PS Reddy
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Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- ADTV grew to Rs 32181 Cr in 3QFY21 a growth of 4% YoY. ADTV in bullion segment increased by 85% YoY.
- Energy segment has started picking up with growth in ADTV of natural gas.
- Other income increased by 33% on sequential basis the reason being treasury gain on investment in bond market.
- Tax has been very much low in 3QFY21 as the company revised its budget in October so did some MAT credit utilization. The company has some MAT credit left still. Once it's over the company will move to new tax rate regime.
- In the options segment the company is not charging currently. It won't charge until the ADT reach Rest 5000 Cr.
- The company applied to SEBI to reduce margins in crude oil segment and the same has been reduced to 50% from 130% earlier. The volatility margins are dependent on volatility generally. Once the volatility reduces it goes down. The margins in crude oil are likely to reduce further.
- In Index products the company is not charging anything currently but will start charging from April 2021.
- Despite reduction in margins in crude oil the company is not seeing much activity in the crude oil contracts which is one dampener for the company currently but management is hopeful of pick up in the same going ahead.

27-Jan-21

Sector	Capital Market
Bloomberg	NAM IN
NSE Code	NAM-INDIA

Management Participants

CFO	Mr. Prateek Jain
ED & CEO	Mr. Sudeep Sikka

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- OPEX declined drastically by 22% YoY on the account of decline in employee cost and cost optimization steps taken by the company in last few quarters.
- Digital contribution to total NIMF business transactions rose to 52%.New Digital SIP Purchase grew 62% in 3QFY21 against 3QFY20.
- Retail AUM contributed 26% of NIMF AUM as against 21% for the Industry.
- NIMF has 6.2 million Unique Investors; 29% market share in the Industry.
- From Oct 2020, NAM India began to manage investments of POLIF and RPOLIF, Manages assets of over Rs 1,200 billion on account of Govt mandates.
- Approx. 76% market share in ETF volumes on the NSE and BSE in 3QFY21.
- AUM growth in 3QFY21 came from MTM gain in equity assets as well incremental flows in debt assets.
- Expenses are mostly fixed in nature and the variable one has be part of scheme expenses so not likely to increase much going ahead.
- Other income increased drastically by 105% QoQ on the account of gain on investment to own equity schemes.
- On the flows front the downfall in debt category has stopped, ETF category they are increasing and in equity currently falling but will improve going ahead.
- Equity yields dropped in 3QFY21 the reason being replacement of old assets with new one with having trail model. Yields are likely to decline by 2-3 bps in next 2-3 year due to the same. In the debt category also the movement towards the ultra-short term category caused the realization to be lower.
- On market share in institutional and HNI category, they are coming back as 25 out of 100 top companies have restarted building relations with the company. MNC corporates are also investing through Nippon.
- 2 new fund managers are likely to join shortly.

30-Jan-21

Sector Capital Market
Bloomberg UTIAM IN
NSE Code UTIAMC

Management Participants

CEO Mr. Imtaiyazur Rahman
CFO Mr. Surojit Saha
Head Operations Mr. Vinay Lakhotia

3QFY21 EARNING CONFERENCE CALL

- The real GDP is expected to break into the positive territory in the third quarter.
- As per the RBI study, the Indian economy will clock a growth rate of 14.2% in the first half of FY21-22.
- India's real GDP is expected to grow by 11.5% in FY2022 based on IMF estimate, making it one of the world's fastest growing economy.
- The Monthly Average AUM for the industry grew to Rs 30.96 lakh Cr for the month of December 2020, a jump of 13.6% on year-on-year basis and 11.6% on quarter-on-quarter basis.
- The market share in the actively managed equity and hybrid category of funds has increased in December 2020 in comparison to the September 2020. During the quarter the company saw a net inflow of Rs 2,436 Cr in Debt category to take our AUM to Rs 22,681 Cr as on 31st of December 2020.
- The company saw maturity redemption of Rs 1,076 Cr in two of its closed ended equity funds, namely UTI Focused Equity Fund – IV and V.
- Backed by the good fund performance the share of Equity and Hybrid, as a percentage of overall Quarterly Average AUM, has increased to 39.27% as of December 2020 as against September 2020.
- During the quarter the company launched a very successful NFO, UTI Small Cap fund which received an overwhelming response from investors. The scheme has attracted more than 88,000 applications garnering more than Rs 920 Cr.
- During the third quarter, the company saw SIP flow of about Rs 820 Cr as compared to Rs 760 Cr in the September quarter.
- UTI continues its focus on growing its reach the Tier II and Tier III cities and expanding the retail branch network through Business Development Associate and Mutual Fund Distributors.
- Will be opening 6 new branches across the country in 4QFY21.
- 95% of the sales came from the electronic platform in 3QFY21.
- On the Administrative costs, the company has taken a number of cost saving and cost optimization measures, which is helping in reducing cost.
- During the last nine months, the company has been able to save Rs 13 Cr in Administrative costs and if the same run rate continues, expects to save Rs 20 Cr for the full financial year as compared to last year
- Employee cost increased in last 9 months the reason being ESOP expenses. Absolute ESOP cost for 9MFY21 stood at Rs 25 Cr. The total amount was Rs 58 Cr which has to be apportioned over next 4 years from FY19. Rs 10.5 Cr done in FY20, Rs 30 Cr in FY21 and rest to be there across next 2 years.
- In next 5 years 250 employees will be retiring having impact of RS 85 Cr on the company.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

22-Jan-21

Sector Diversified Financials
Bloomberg AAVAS IN
NSE Code AAVAS

Management Participants

MD & CEO Mr. Sushil Kumar Agarwal
CFO Mr. Ghanshyam Rawat

Our Analyst on the Call

Ketan Mehrotra
 ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Collection efficiency trends have been encouraging and have increased from 95% in Q2FY21 to 98.8% in Q3FY21.
- 100% of the company's portfolio is secured against mortgage most of which is self-occupied residential property. Average ticket size of the portfolio is around Rs 10 lakh.
- Total number of live accounts stands at 118398 which is 22% YoY growth, total number of branches stands at 263.
- During Q3 FY21 company additional provision of Rs 4.29 Cr for potential impact of COVID-19 (based on the profiling & risk categorization of the customers as well as their behavior during the moratorium period) taking the overall additional provision for COVID-19 impact to Rs 19.03 Cr as of Q3FY21. Total ECL provision stand at Rs 48.29 Cr.
- Company is carrying liquidity of Rs 2674 Cr as of 31 DEC 2020.
- Around 5800 accounts had not paid EMI in September which has come down to 2000 as of December out of which most of the accounts are in first and second bucket. 1+DPD is expected to come down going forward.
- Company maintains Securitization between 15-20% depending upon the market available. This quarter profit on account of assignment transaction was high because company has sold a pool which is having spread of more than 6.5% v/s spread of 5% during the earlier quarters
- Geography above 1+DPD of 8% would be Maharashtra which is at 12%. The similar trend for Maharashtra is seen in NPL as well.
- Management would be cautious on disbursement in the next quarter and then expects to get back to normal path going forward.
- Reason for keeping high liquidity is as per management decision. Normally the company keeps amount worth disbursements of 4-5 months as cash in hand but due to COVID they have increased it to 5-6 months.
- The increase in share of salaried occupation in AUM is due to (a) higher share of salaried occupation in the disbursements during 9M FY21 and (b) reclassification on existing loan accounts basis Occupation of primary earning member of borrower instead of main applicant.

21-Jan-21

Sector **Diversified Financials**
 Bloomberg **BJFIN IN**
 NSE Code **BAJAJFINSV**

Management Participants

CFO	Mr. S. Sreenivasan
CEO, BAGIC	Mr. Tapan Singhel
CFO, BAGIC	Mr. Ramandeep Singh Sahni
CEO, BALIC	Mr. Tarun Chugh
CFO, BALIC	Mr. Bharat Kalsi

3QFY21 EARNING CONFERENCE CALL

➤ Management guided for continuous focus on technology advancement with investing in AI and digital capabilities.

➤ BAGIC

- GWP grew by 11% in 3QFY21 vs industry growth of 2% and private player growth of 8.6%. The growth is mainly driven by 4W and 2W segment which grew by 9.6% and 13.1% respectively on account of increased personal mobility post pandemic.
- Commercial vehicle segment showed the de growth of 19% driven by high exposure in the profitable passenger carrying vehicle segment, which is still below the pre-Covid level.
- Retail health insurance segment has seen the slowdown as the COVID health products were driving the growth and with availability of vaccine and price hikes for retail health policies, the segment showed the growth of only 3.4% in the quarter
- Under retail health non- covid claims are gradually coming back to normal as people have started visiting the hospitals and delayed surgeries has also started taking place and Covid claims have started declining as the number of new cases has reduced.
- The group health de grew by 8.2% in 9MFY21 as company is cautious on employers' employee group health due to high loss ratio.
- Motor TP claims are not being settled at the same pace by the company as off now as the courts are still not operating at full capacity which may result in additional interest cost and soon the normalcy is expected.
- Combined ratio for the quarter stood at 96.1% compared to 103.6 % in 3QFY20 on account of lower claims and expenses.
- For motor od, loss ratio is expected to shoot up in coming quarters.
- Profit after tax grew by 73% YoY to Rs 330 crs from Rs 191 crs in 3QFY20 on account of higher capital gains , lower claims and lower cost.

➤ BALIC

- The individual rated new premium business grew by 14% YoY to Rs 613 crs from Rs 539 crs in 3QFY20 on account of increased institutional business which grew by 75% YoY as partnership continue to deliver.
- Group protection business de-grew by 12% due to lower disbursements by banks and NBFCs.
- The term protection remained muted in 3QFY21 on account of increased term rates and huge uptake in Q1.
- Lower 13th and 25th month persistency is due to COVID-19 & extreme market volatility and renewal collection for 9MFY21 was severely impacted.
- Profit after tax de grew by 17% to Rs 118 crs from Rs 143 crs in 3QFY20 due to higher new business strain.

Our Analyst on the Call

Rupali Soni
 rupali.soni@narnolia.com

20-Jan-21

Sector Diversified Financials
 Bloomberg BAF IN
 NSE Code BAJFINANCE

Management Participants

MD Mr. Rajeev Jain
 CFO Mr. Sanjeev Jain

3QFY21 EARNING CONFERENCE CALL

- AUM growth is back across all businesses except auto finance. AUM growth was granular across all lines. Most businesses have started disbursing 85- 100% of last year's volumes with incremental growth being observed every month. The Company expects core AUM growth to resume to pre-COVID levels by Q4 FY21.
- In Q3 loan disbursements were at 81% of last year's disbursements.
- Mortgages disbursement was at 90% of 3QFY20 level. However, AUM growth for the quarter was Rs 770 Cr as against Rs 3,700 Cr in 3QFY20 due to significant portfolio attrition caused by pricing pressures. The Company has taken pricing actions to revert to pre-COVID growth levels by 4Q/ 1Q.
- The Company acquired 2.19 MM new customers in the current quarter v/s 2.46 MM in 3QFY20.
- Existing customers contributed to 64% of new loans booked during 3QFY21 vs. 68% in 3QFY20.
- The Company has received RBI approval for issuance of cobranded credit card in association with DBS Bank (India) Limited.
- NII for the quarter was lower by Rs 239 Cr compare to 3QFY20. This was mainly caused by interest reversal of Rs 450 Cr versus Rs 83 Cr in 3QFY20 and cost of surplus liquidity of Rs 213 Cr against Rs 83 Cr in 3QFY20.
- The company will go back to its pre-COVID liquidity buffer of 7-8% of its borrowings by March 2021. This will make sure that costs of excess liquidity normalize to pre covid levels.
- The Company has rolled back some of the transient cost cuts (eg Employee costs) as it reverts to pre-COVID growth. However, business transformation should lead to structural reductions in call center costs, travel costs, advertising & promotion and employee trainings costs etc.
- During the quarter, the Company has done one-time principal write-off of Rs 1,970 Cr on account of COVID-19 related stress.
- FY22 onwards, the Company expects loan losses and provisions to revert to pre-COVID-19 levels of 160-170 bps of average assets.
- In 3Q, Collection efficiencies in bucket 0 was back to pre-COVID levels and in early buckets (1 and 2), it was significantly better than pre-COVID levels.
- The company estimates Rs 1200-1250 Cr of provisions in 4QFY21.
- Adjusted (Proforma) GNPA and NNPA stands at 2.86% and 1.22% in 3QFY21. The Company expects to revert to pre-COVID NNPA by H1 FY22 except auto finance business which may take longer due to underlying collateral value.
- The Company also plans to partner with 25+ adjunct app ecosystems which have relevant product/services for its customers.
- The non-linearity of head count addition will see transformation in the next fiscal.

Our Analyst on the Call

Aayushi Goyal
 aayushi.goyal@narnolia.com

27-Jan-21

Sector Diversified Financials
Bloomberg CANF IN
NSE Code CANFINHOME

Management Participants

MD & CEO Mr. Girish Kousgi

3QFY21 EARNING CONFERENCE CALL

- Disbursements declined by 25% YoY on the account of impact coming from closure of registration in Telangana in 3QFY21. Telangana forms 20% of the incremental book. 18% of book and company could do business in Telangana only for 15 days in 3QFY21 due to the same reason. The issue in Telangana has been resolved now. Disbursements are likely to be better in 4QFY21 at around Rs 1600 Cr.
- On the demand front demand is back in affordable housing for both builder and non-builder segment.
- GNPA stood at 0.68% in 3QFY21 and it is less than 1% including NPAs not included due to Supreme Court ruling. The Company continues to focus on improving asset quality.
- The company has done Rs 87 Cr of restructuring.
- As per the management on the account of stress in corporate and SME segment the banks have started moving towards mortgages business HFCs are facing tough competitions from the banks currently which is a threat to the company.
- On the account of competition from the banks the company has the strategy of repricing the book. Due to the same starting lending rates have been decreased to 6.95% almost 100-150 bps lesser than the earlier one. This will impact the margins going ahead. Margins are likely to be at 3%+ and spreads are likely to be at 2.4% going ahead.
- The company is likely to have increase in ticket size from Rs 18 lakhs to Rs 19 Lakhs under the strategy of tapping the customers in Tier I cities.
- Salaried customers to the mix have increased to 72% which will again go back to 70% going ahead.
- The incremental cost of funds stand at 5.5-5.6%. The cost is not likely to go down from here.
- On the loan book growth front the company will start growing normally from this quarter. The management expects 17-18% growth rate in next 6-8 quarters time
- OPEX increased in 3QFY21 on the account of Rs 6 Cr of provisions on salary revision which is a one off.
- The management expects to open 12-15 branches every year.
- Borrowings stood at Rs 18500 Cr as against Rs 18100 Cr last quarter.
- BT went down in 3QFY21 due to the pricing strategy.
- The company has Rs 4000 Cr of unavailed credit limits as at 3QFY21 which is enough to take care of next 8 months.
- Some pent up demand will be there in 4QFY21 as business was impacted in Telangana in 3QFY21.
- Average age of customers is 35-37 years and average salary of salaried customer is 40k per month.
- C/I ratio is likely to be in the range of 15-16% in the long term. In short term due to some IT expense sit may increase by 1-1.5%.
- Total provisions on the book stands at Rs 74 Cr standard asset provisions, Rs 55 for NPA, Rs 73 for COVID-19 and Rs 13 Cr for deemed NPA making total reaching Rs 215 Cr.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

1-Feb-21

Sector	Diversified Financials
Bloomberg	CIFC IN
NSE Code	CHOLAFIN

Management Participants

Chairman & Non-

Executive Mr. Vellayan Subbiah

Director

ED Mr. Ravindra Kundu

President Mr. Shaji Varghese

(Housing Fin)

Senior VP &

Business Head Mr. Suresh Kumar

(LAP & SME)

Exe VP & CFO Mr. Arul Selvan

3QFY21 EARNING CONFERENCE CALL

- AUM growth is back across all businesses except auto finance. AUM growth was
- In home loan company is serving client in Tier 3 and tier 4 cities with self-construction and ready property.
- As per management they have lost some market share in CAR and MUV but not in tractor segment company has gained.
- ECLGS disbursement during the quarter was around Rs 1500 Cr. Restructuring is expected to be 2%.
- Management expect improvements in pre-provisioning profit to sustain, there will increase in cost to income ratio going forward but reduction in credit cost will take care of total profitability
- Management said that post moratorium ended clarity on stage 1 assets emerged and provisioning on stage 1 assets was reduced may be because they were performing well or may be because they have moved to stage 2.
- Used vehicle growth is 70% from commercial vehicle and 30% from passenger vehicle.
- Most of the customers who were struggling to pay due to capacity utilization were below 2% and have asked for restructuring. School bus operators have taken restructuring for the bigger term while heavy commercial vehicles have taken for lower term.
- Management is confident on the growth prospect going into the medium term and long term.
- On conversion into bank if RBI allows it, management said they would be deciding on it on the basis of what are the terms RBI states for it and would decide in next 3- 6 months on that.

Our Analyst on the Call

Ketan Mehrotra

ketan.mehrotra@narnolia.com

29-Jan-21

Sector Diversified Financials
Bloomberg CREDAG IN
NSE Code CREDITACC

Management Participants

MD & CEO Mr. Uday Kumar Hebar

3QFY21 EARNING CONFERENCE CALL

- GLP grew by 39% YoY and 10% QoQ to Rs 12321 Cr. Disbursements grew by 54% YoY and 179% QoQ to Rs 4590 Cr. Disbursements have reached pre covid levels. The management expects to grow portfolio at CAGR of 25% in next 4-5 years.
- ECL of 5.94% against GNPA of 6.84% (predominantly: 60+ dpd) for CAGL. By industry norms, ECL would be 5.05% against GNPA of 5.09% (90+ dpd)
- Write-off of Rs 111.9 Cr (incl. accelerated write-off of Rs 84.7 Cr) for CAGL. Rs 61.2 Cr interest income (on Stage 3 portfolio) de-recognized in 3QFY21 for CAGL.
- ECL of 4.60% against GNPA of 2.79%, Write-off of Rs 19.9 Cr, Rs 7.3 Cr interest income (on Stage 3 portfolio) de-recognized in 3QFY21 for MMFL.
- Adequate liquidity with Rs 1587 Cr of cash and cash equivalent, Rs 1599 Cr of undrawn sanction, Rs 4113 Cr of sanctions under pipeline as on December 2020.
- The company does not have much exposure to west Bengal (less than Rs 10 Cr) and Assam.
- The company has done high provisioning in 3QFY21 the major stress coming from Maharashtra as it is likely to take 2-3 months more to recover.
- Provisions have peaked in 3QFY21 and are not likely to increase further.
- Around 64% of new disbursements are coming from new branches.
- In Maharashtra Kolhapur, Sangali, Satara facing challenges.
- Credit cost stands at 60-90 bps in normal course of business.
- The management intends to geography mix for loan book to be 25% Karnataka, 25% Maharashtra in total top 3 states to be 60% in next 3-4 years' time.
- Liquidity stands at 12-15% of AUM currently which is likely to go back to 8% from FY22.
- NIM has declined in 3QFY21 on the account of interest reversal of Rs 61 Cr.
- Cost of borrowings declined significantly and the company will pass on the benefits to the customers going ahead.
- The company acquired 1.62 lakh customers in 3QFY21 and 15-18% of disbursements have been to new customers.
- ROA guidance of 2% for FY21.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

29-Jan-21

Sector **Diversified Financials**
 Bloomberg **CRISIL IN**
 NSE Code **CRISIL**

Management Participants

CFO **Mr. Sanjay Chakravarti**

3QFY21 EARNING CONFERENCE CALL

- World GDP is likely to grow by 5% in 2021 with India GDP growth to be at 11% in 2021. Indian economy is likely to reach pre covid level by 2QFY22.
- Credit growth fell to multi year low of 2% YoY in 9MFY21.
- The company acquired Greenwich associates in the year 2020. Greenwich accelerates company's strategy to be the leading player in the global benchmarking analytics across financial services.
- Completed SEBI mandated segregation of ratings business and transferred the same to its wholly owned subsidiary Crisil Ratings Ltd.
- Income from operations increased by 14% YoY in 2020 which comes to 1% excluding Greenwich Associates. Whereas PAT growth stands at 3% including Greenwich Associates which increased to 18% excluding the same, the reason being the acquisition cost.
- In 2020, bond issuances remained range bound YoY largely concentrated at AAA. Number of issues declined to 451 in CY20 from 547 in CY19. During the year, the bond market increased by 8% YoY by in quantum with lower no. of issuers (-18%).
- The number of ratings on negative watch or outlook has doubled since September 2019. RBI's loan moratorium has provided a breather to corporates (especially sub-investment grade firms).
- The Ratings segment registered healthy growth driven by performance of Large Corporate Ratings. Growth in ratings division is likely to good for 2HFY21.
- During the year released over 100 PRs and hosted 30 webinars covering key sectors such as agrochemicals, Invites/REITS, hospitals, fertilizers, dairy etc. Research segment grew strongly driven by Global Research & Analytics (GR&A) performance and acquisition of Greenwich. Growth in the segment was offset by weak performance in Coalition, which saw headwinds due to cost pressures faced by global banks. Margins in research segments are likely to improve going ahead.
- The advisory segment witnessed impact of delayed decision making and implementation delays given Covid-19 pandemic impacting full year margins. Launched the new ICON platform with new-age risk assessment models.
- Sharp economic recovery benefiting from a low base and expansionary India budget expected to spur growth in 2021.
- On the pricing front in capital market it is 2.5x that of for the bank loans.

Our Analyst on the Call

Aayushi Goyal
 aayushi.goyal@narnolia.com

2-Feb-21

Sector Diversified Financials
Bloomberg HDFC IN
NSE Code HDFC

Management Participants

VC & CEO Mr. Keki Mistry

Q3FY21 Media Interaction Highlights

- The company saw good demand in housing loans. Loan approvals in 3QFY21 have been higher by 32% YoY as against last year.
- Disbursements were higher by 26% YoY. Disbursements in 1QFY21 have been only 37% of the disbursements in 1QFY20 which improved to 95% in 2QFY21 and in 3QFY21 the company did 126% of what it disbursed in 3QFY20.
- Individual AUM grew by 10% YoY whereas non individual loans grew by 7% YoY in 3QFY21 showing an aggregate AUM growth of 9% YoY.
- The company sold loans aggregating to Rs 7076 Cr and all these were sold to HDFC bank. In last 12 months the company sold the loans aggregating to Rs 16956 Cr. Had these loans not been sold then the growth in individual loans would have been 16% and the same would have been 13% for total loan book.
- 17% of the loans in value terms and 34% of the loans in number terms were to customers who are in the Economically Weaker Section or in the Lower Income Group. Average loan size here has been Rs 18.5 Lakhs for LIG and Rs 10.7 Lakhs for EWS.
- In terms of Incremental growth 137% of the growth came from individual loans book. Non individual has shown a -37%. For 3QFY21.
- As on December 2020, the unrealized gains on listed investments stood at Rs 252910 Cr.
- Capital Adequacy stood at 20.9%; Tier 1 Capital at 19.9%.
- As per regulatory norms, the gross non-performing loans as at December 31, 2020 stood at Rs 8,012 Cr. This is equivalent to 1.67% of the loan portfolio. The non-performing loans of the individual portfolio stood at 0.79% while that of the non-individual portfolio stood at 4.00%. The quarter ended December 31, 2020, saw resolutions in certain non-individual loans.
- If the Honorable Supreme Court order of maintaining the classification of accounts as status quo till further orders were not to be considered, the non-performing loans would have been higher at 1.91% of the loan portfolio; with individual NPLs at 0.98% and non-individuals NPLs at 4.35%.
- As at December 31, 2020, Rs 5010 Cr is being restructured under the RBI's Resolution Framework for COVID-19 Related Stress. This is 0.9% of AUM. Of the loans being restructured, 26% are individual loans and 74% non-individual loans. The largest account under the resolution framework accounted for 0.5% of AUM. Cumulative COVID-19 provision as at December 31, 2020 stood at Rs 959 Cr.
- The average daily balance in liquid funds during the quarter ended December 31, 2020 was Rs 16800 Cr compared to Rs 22500 Cr in the previous quarter.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

22-Jan-21

Sector Diversified Financials
Bloomberg IHFL IN
NSE Code IBULHSGFIN

Management Participants

VC, MD & CEO Mr. Gagan Banga
Deputy MD Mr. Ashwini Hooda
CFO Mr. Mukesh Garg

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- As cost of funds moderate spread on loan book has expanded leading to rise in NII QoQ.
- On book AUM grew to Rs 70282 Cr from Rs 72791 Cr last quarter. The company saw accelerated repayments from wholesale side the reason for decline in loan book. Retail loan disbursals have picked up on the back of rising house sales. The company targets to reach monthly run rate of Rs 1500 Cr per quarter by 2QFY22.
- The company targets to reduce wholesale book by 33% by Mar 22 and 50% by Dec 22.
- IBH has concluded discussions with a foreign portfolio investor to create an AIF investment platform to co-invest in completed/ near-completion quality residential and commercial assets. The company is likely to begin investing through the same by 2QFY22.
- GNAP% and NNPA% stood at 1.75% and 0.77% .Without the Supreme Court's dispensation, GNPA's would be 2.44% as at Dec 31, 2020 compared with 2.21% as at Sep 30, 2020. Had the Company not chosen to de-grow its book in the past 1 year, the above Gross NPAs of 2.44% would have been at 2.06%.
- Stage 3 Provision Coverage Ratio stands at 40% on Proforma Gross NPAs (i.e. without Supreme Court dispensation).
- The Company has restructured only 0.95% of its loan assets.
- Collection efficiency has normalized and is now at 98% against 95.2% last quarter.
- By the end of 1HFY22 the Company will add 50 new branches to those in 1HFY21, in Tier 3 & 4 towns.
- Rs 2671 Cr of regulatory equity capital raised from QIP and partial sale of stake in OakNorth Bank provides liquidity for growth.

5-Feb-21

Sector Diversified Financials
Bloomberg INDOSTAR IN
NSE Code INDOSTAR

Management Participants

Exe VC & CEO Mr. R Shridhar
CFO Mr. Amol Joshi
Director Strategy Mr. Pankaj Thapar
CBO Mr. Deep Jaggi
COO Ms. Jaya Janardanan

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Disbursements have improved as management had decided that they would increase disbursements when the collection efficiency improves. Most of the disbursements that have happen during the quarter have been through ECLGS.
- Management believes there is huge opportunity to gain market share in both used and new vehicle due to replacement demand.
- Management believes the partnership with ICICI bank will help them and they are looking to put new vehicle business in ICICI bank balance sheet. With this partnership and building of huge infrastructure have removed any uncertainty in regards to liquidity.
- Management is going to focus on geographical expansion to be all India network company, product expansion with focus on passenger vehicle and farm equipment and construction equipment.
- Management expects good asset growth in FY22.
- Gap between the marginal cost of fund and average cost of fund is expected to reduce going forward.
- Bank is looking to reduce the corporate book and is confident to reduce the corporate book to less than 10% by March 2022.
- 74% of the book is in stage 1 and around 22% is in stage 2. Maximum portion in stage 2 is from Commercial vehicle and SME and very minuscule from corporate book. Management does not expect big slippages from stage 2 assets going forward.
- There have been no key write off barring some few cases.
- Reduction in the Corporate GNPA is on account of repayment that they have received on account of arrangement with real estate developer.
- There has been no restructuring in the corporate book at this point of time. The restructuring in the retail book is 3.66% with Vehicle finance at 3.97% and SME at 4.8%.
- Management expects the NIM to improve from Q1FY22 with excess liquidity flushing off.
- Incremental branches going forward will be smart branches which will help in improving cost to income ratio.
- Management overlay provision stands at Rs 255 Cr. Management is looking to carry the overlay provisions going forward. An overall provision the company is carrying is around Rs 550 Cr.
- In terms of reducing promoter stake management is active and steps are being taken for it. When the market improves management will find a way for it. Company has time till June for the purpose.

18-Jan-21

Sector Diversified Financials
 Bloomberg LTFH
 NSE Code L&TFH

Management Participants

MD & CEO Mr. Dinanath Dubhasi

3QFY21 EARNING CONFERENCE CALL

- Monthly Collection efficiency in farm was highest ever at 91.8% in Dec 2020. The Two Wheeler collection efficiency was 98% and in Micro loans collection efficiency was 98.3% which is behind the Pre-Covid level but has recovered rapidly.
- Company Continues to carry additional provisions of Rs 1,739 Cr (1.90%) on standard book as of Q3FY21.
- Company has been focusing on increasing its counter share with selected dealers to OEM partners which has led to it maintaining the market share in farm and two wheeler segments.
- Company is maintaining cautious approach on micro loans disbursements.
- In infrastructure business there was strong disbursement momentum majorly among renewable and roads segment. For renewables In terms of cash flows operational projects are being paid on time and for roads segment annuity projects are receiving payments on time and toll collections for the portfolio financed by the company have surpassed Pre-covid level. Sell down volumes for the quarter was Rs 884 Cr.
- As of Dec 20 Company maintains a liquidity of Rs 16442 Cr of which Rs 7957 Cr was in form of liquid assets.
- Increase in Net stage 3 sequentially can be attributed to the fact that some accounts under moratorium till end of august would have been 90+DPD only by Q3FY20.
- Company has not done any one time restructuring in entire rural portfolio and Real estate portfolio. Maximum amount that can be restructured in entire portfolio is Rs 1438 Cr which corresponds to 1.4% of book of which assets worth Rs 230 Cr have been restructured in Q3FY21 and balance may be restructured in next 2 quarters.
- Cheque bounces have not yet come back to Pre-Covid levels which increases the cost of collections.
- In Retail company waits for a really high DPD to write off. Write off during the quarter was high as company has written off a large conglomerate.
- On provisioning front management said they would reverse the additional provisions made when they see normalcy coming back and speed on normalcy coming back.
- Large part of re-pricing benefit on the liability side would have happened in Q3FY21.
- On the commercial paper front reaching 11%, management said there Cash flows allow much more and they have not put any cap on it.
- Companies Assam portfolio is 50% of what it was 2 years back, Infact entire Assam portfolio is about Rs 400 Cr out of which 0 DPD is close to 50% and anything above 0 DPD Company has largely provided for it.

Our Analyst on the Call

Ketan Mehrotra
 ketan.mehrotra@narnolia.com

30-Jan-21

Sector Diversified Financials
Bloomberg LICHF IN
NSE Code LICHSGFIN

Management Participants

MD & CEO Mr. Siddhartha Mohanty

3QFY21 EARNING CONFERENCE CALL

- Outstanding Loan portfolio up by 6% to Rs.220197 as against Rs.208270 Cr. Individual Loan Portfolio Rs.204444 as against Rs.194004 Cr.
- Individual Home Loan Disbursements of Rs. 14511 Cr against Rs 10655 Cr, up by 36%. 3QFY21 Total Disbursements Rs. 16857 Cr against Rs 13177 Cr up by 28%. Disbursement growth has been uniform across the country.
- Stage 3 EAD stood at 2.68% which is likely to increase by 1% if Supreme Court judgment is not there.
- Collection efficiency for December 2020 stood at 98%. Total ECL provision stood at Rs. 2948.05 Cr as on 3QFY21. Covid-19 related provision stood at Rs. 212.01 Cr as on 3QFY21. Provisions for impairment stood at Rs. 186.53 Cr as on 3QFY21.
- Rs. 6-7K of liability is likely to mature by the end of 4QFY21 and Rs 20K is likely to mature by FY22.
- Rs. 1400 Cr of assets have been referred to SWAMIH. Total 14 cases are there, 1 is already done, 3 are under process and 10-12 more cases are there. These are already stage III assets.
- GNPA for individual loans stands at 1.62% including Home loan at 1.07%.GNPAs for project loans stands at 16.22%.Total GNPA at 2.68% as at 3QFY21.
- Stage II assets from individual loans stands at less than 7% and the same is less than 10% for project loans.
- Incremental Cost of funds is 5%.
- Liability mix is likely to remain diversified going ahead. NCDs at 60% rest from others going ahead.
- Incremental ticket size increased QoQ to Rs. 26-27 Lakhs the reason being people are availing bigger ticket size loans due to lower interest rates.
- Interest accrued stands at Rs. 150 Cr for project loans.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

29-Jan-21

Sector **Diversified Financials**
 Bloomberg **MMFS IN**
 NSE Code **M&MFIN**

Management Participants

MD **Mr Ramesh Iyer**

3QFY21 EARNING CONFERENCE CALL

- Collection efficiency in month of October were around 84% but have moved to 96%-97% in December. Collection efficiency in December improved on account of improvement in business activity in various segment and also in some states crop money started to come in.
- Sentiments have remain positive and have improved month on month on volume terms but company has still not caught up with Pre-Covid levels as vehicles are still not being made sufficiently available, also the cash purchases have gone up in vehicles which has brought down volume for financing. In Q4FY21 volumes are expected to grow.
- In car segment there is competitive pressure from the state bank with people looking for 7 years loans.
- Margins are expected to improve going forward with better liquidity management.
- Management has said that GNPA and provisioning are temporary to this quarter and get reversed in next quarter as company has done no restructuring against expectation of 150000 customers. 90%-95% of the customer has serviced the loan during these 3 months.
- In stage 2 contracts only 6% did not pay any installments during Q3FY21 and out of these 2% have a credit balance and 1% who have only 1 or installments pending and there contract is maturing.
- In stage 3 around 26% of the accounts have started making payments although not enough to get a roll back into a stage 2 or stage 1, looking at the above figures management decided to go with excess provisioning rather than going for restructuring.
- Out of 1500000 customers to whom moratorium was given upward of 94-95% customers have serviced there loan and customers who have not paid have already flowed into NPA.
- Management said that if around 150000 customers which they thought would opt for restructuring had done then Gross NPA would have been much lower.
- Disbursement of 45% comes from M&M and balance from Non M&M. In Mahindra and Swaraj tractors due to some supply constraints as well as cash purchases there is some market share loss and Company got slow in Non-Mahindra tractor segment as there was some pressure post-election in certain geographies.
- Most of the overlay provision as of Q3FY21 would be towards Stage 3.
- Write off during the quarter was about Rs 300 Cr. Going forward company will do write off in stable manner rather than doing it in September and March.
- Management will look to maintain NNPA around 4% going forward.
- Cost to income ratio reduction is on account of reduction in regional offices, Also company has relook at the security services expenses but with reduction in the business activities there might be some increase.
- Undrawn lines for the company would be around Rs 1500 Cr.
- Pro-forma GNPA and Reported GNPA are same for the company.

Our Analyst on the Call

Ketan Mehrotra
 ketan.mehrotra@narnolia.com

8-Feb-21

Sector Diversified Financials
Bloomberg MGMA IN
NSE Code MAGMA

Management Participants

MD & VC Mr. Sanjay Chamria
Group CFO Mr. Kailash Baheti
CEO Mr: Deepak Patkar
MD (Magma Housing finance) Mr. Manish Jaiswal
MD&CEO (Magma HDI General Insurance) Mr Rajiv Kumaraswami

Our Analyst on the Call

Ketan Mehrotra
 ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Moratorium portfolio where customers have not paid even 1 EMI till Dec-20 stands at Rs 280 Cr (1.9% of AUM).
- Pro-forma NPA is expected to decline in Q4FY21.
- Management expects the reduction in cost of funds to continue.
- Out of the Opex reduction of approximately 70 bps in 9MFY21, about 40 bps is expected to sustain.
- Company has received firm interest from few investors in the capital raise process for MAGMA MDI and hopes to reach definitive alignment in the foreseeable future.
- New tractor disbursements have been slow but normalization is expected in next 1 or 2 quarter.
- Collection efficiency in SME segment has now reached the Pre-Covid levels.
- Management believes that they will be able to carry some portion of the Covid provision into FY22.
- In case of restructuring, Management only gave the extension of tenure which is within the allowed norms of 2 years.
- Total disbursement till date under ECLGS is Rs 325 Cr out of which Rs 110 Cr is from SME book and balance is ABF book. Disbursement was done only after the due diligence was done.
- Disbursement is expected to keep improving quarter and quarter and AUM is expected to stabilize for 4QFY21 at the current numbers and grow at 10%-15% in FY22.
- Combined ratio in insurance business is on declining trend and is aiming to take combined ratio to 103%-104% in next 3-4 years of time.
- On the ABF business, Management does not have endeavour to repossess everything and resell but they want customers to come back and release the assets. The release % currently stands at 65% and management expects even better performance in Q4FY21. The ball park number that management looks at is around 75%.

29-Jan-21

Sector Diversified Financials
Bloomberg MGFL IN
NSE Code MANAPPURAM

Management Participants

MD & CEO Mr. VP Nandakumar

3QFY21 EARNING CONFERENCE CALL

- Gold AUM grew by 24% YoY and 3% QoQ in 3QFY21 constituting 73% of the total book and the management expects the growth to continue in this segment on the back of good demand.
- On the competition front the banks are registering better growth in gold loan which is due to the higher LTV tap for them but as per the management it is a temporary phenomenon which will normalize once the regulator reduces the tap.
- Asirvad AUM at Rs 5,358 Cr (up by +7.8% QoQ and +6.7% YoY).
- Collection efficiency improved to 99% in December from 93% in November month for MFI segment. It stood at 112%, 110% for December and November for Vehicle finance. And 97% and 94% for Home loan segment.
- Raised fresh borrowing of Rs 1,925 Cr in Q3 FY21 on Standalone basis through NCDs and bank loans.
- Non- gold loan disbursements during 3QFY21 at Rs 1,519 Cr with MFI disbursements at Rs 1306 Cr and Vehicle Finance at Rs 116 Cr in 3QFY21. Gold loan disbursements stood at Rs 57445 Cr in 3QFY21
- On the liquidity front the company has Rs 2640 of cash and cash equivalents and Rs 2500 Cr of undrawn credit limit from banks as at 3QFY21.
- CP exposure has declined significantly as the company raised money from other sources due to lower rates but going forward it will increase.
- The average LTV stands at Rs 2963 per gram i.e.63% in 3QFY21.
- The auction number stood at Rs 3.61 Cr in 3QFY21.
- The company provided Rs 29 Cr on standalone basis and Rs 48 Cr for MFI segment in 3QFY21. Along with that Rs 28 Cr of additional COVID-19 provisioning is there on standalone basis since March 2020.
- On the stress front in west Bengal the company does not see any challenges as 12% of the MFI book is in west Bengal and Rs 38 Cr is the exposure to Assam .
- The management maintained earlier AUM guidance of 15% for FY22 as well.
- ECL provisions outstanding(standalone entity) on balance sheet stands at Rs 223 Cr which includes Rs 66 Cr for vehicle finance and rest for gold loans.6% provisioning is there in MFI book.
- 15-20% of the new customers opt for online gold loan.
- Write off has been at Rs 68 Cr in 3QFY21.
- In MFI book out of 23 lakh customers, 1 lakh were not active i.e. they were not paying anything till December but in January they have started paying and 18% of them are now paying one.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

11-Feb-21

Sector Diversified Financials
Bloomberg MASFIN IN
NSE Code MASFIN

Management Participants

Chairman & MD Mr.Kamlesh Gandhi
CFO Mr. Ankit Jain
Director & CEO Mrs. Darshana Pandya

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Company has liquidity buffer of around Rs 1000 Cr and around Rs 500 Cr as unutilized cash credit facility.
- Company has assessed its structural liquidity for the period ended 31st December 2020 and no negative impact on liquidity has been observed and the cash flow in all the cumulative buckets remains positive.
- As per the management, it is not right period to focus on the topline and they would refrain from giving any growth guidance for next 2 quarter. Focus is much more on maintaining the asset quality and will gradually reduce the excess liquidity. Management is trying to understand the consistency of Cash-flow for the borrowers.
- Covid-provisions stand at 1.66% of the on book asset.
- Disbursement target for Q4FY21 would be around Rs 1200 Cr.
- Micro enterprise loans and SME loans have been key growth driver for the company in the past and will continue to remain the same going ahead.
- Cost to income ratio may increase going forward as the business normalizes.
- Management is not in much of a hurry to restructure and as they are into MSME they have the time till March and till now they would have done around 1% Restructuring.
- In MSE around 93.77% borrowers are current and have no overdue and in SME 94.88% of the borrowers are current have no overdue.
- Going forward management would settle anywhere between 16-20% ROE depending on the leverage that they take from time to time.
- Average tenure of loans is between 18-24 months and average maturity of borrowing is between 30-36 months.
- In Q4FY21 GNPA could be between 1.5%-2% and NNPA could be between 1%-1.5%.
- Going forward in next 3 years management expects some more business to come from geographies other than Gujarat.

9-Feb-21

Sector Diversified Financials
Bloomberg MUTH IN
NSE Code MUTHOOTFIN

Management Participants

MD Mr. George Alexander Muthoot

3QFY21 EARNING CONFERENCE CALL

- Blended incremental cost of funds stands at 8%. Incremental cost of borrowings for Bank loans stands at 8% and for NCDs it stands at 7.5%. Incremental yield stands at 22%.
- Other income increased to Rs 11 Cr as against Rs 1 Cr last quarter on the account of insurance claims received and recovery on some of the write offs done earlier.
- Employee cost reduced to Rs 241 Cr from 253 Cr QoQ on the account of less variable pays in the quarter.
- The company disbursed fresh loans to 3.88 lakh new customers amounting to Rs.2976 Cr.
- The management guided AUM growth to be at 25% for FY21 and 15% for FY22 on YoY basis.
- CP to the liability mix stands at 11% currently. The company intends to restrict the CP to be at 10% of the liability mix going ahead.
- The company added 150 branches in last one year and the management targets to add 150-200 branches in next year.
- Provisions increased in 3QFY21 the reason being portfolio churn and AUM growth.
- The company is maintaining high liquidity at around Rs 8500 Cr on the account of uncertainties.
- Gross stage III for Housing finance arm stood at 6.81% without taking supreme court order in consideration.
- Stage I assets stands at 98.21%, stage II at 0.48% and stage III at 1.3%.
- Incremental LTV stands at 67% with interest accrued and 65% with accrued interest.
- The company has not initiated any restructuring as of now.
- During November 2020, Company successfully completed 23rd Public Issue of Non-Convertible Debentures raising Rs. 2000 Cr.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

11-Feb-21

Sector Diversified Financials
Bloomberg POWF IN
NSE Code PFC

Management Participants

MD & Chairman Mr. Ravinder Singh Dhillion

3QFY21 EARNING CONFERENCE CALL

- Electricity generation has witnessed the growth trajectory consecutively for the last five month and is now on the revival path. Power demand is improving and negative impact of pandemic is seeing downward trend.
- In January 2021 PFC has successfully raised the funding from retail investors through taxable bonds. Issue was subscribed 9 times over the base size of Rs 500 Cr. PFC has mobilized Rs 4429 Cr for a tenor ranging from 3 to 10 years at cost ranging from 4.40% to 7.15%.
- Decline in disbursement in generation front was on account of delay of implementation of projects due to Covid. Decline in the generation book was on account of 2 of the borrowers Pre-paying the company.
- 2 Projects under NCLT namely Jhabua power and south east UP is expected to get resolved in next 6 to 9 months. Provisioning on Jhabua power is around 56% and on South east up projects is 41%
- Revision in yield is expected during the Q4FY21 in order to pass on benefit of reduction of cost of fund to the borrowers, which might impact spreads to a certain extent.
- NCLT resolution has been slowed down on account of Covid-19. In case of IND barath Energy Utkal project there was a bid by the JSW which was withdrawn due to some material change and next hearing is on 25 February 2021 and in case of the Lanco Amarkantak project there were 2 bids received but they were not as per managements recovery expectation.
- Mark- to market loss of about Rs 495 Cr during 9MFY21 is on the hedged loans.
- In Q3FY21 company has restructured the RKM Powergen Pvt. Ltd project and resolution has been successfully implemented and Resolution plan for India Power Corporation (Haldia) Ltd project has been approved by REC and PFC. The exposure the India Power Corporation (Haldia) Ltd is around Rs 959 Cr.
- Majority of the outstanding standard loans to the private sector would be operational
- Company is in discussion with the government on payment of the dividend and based on the discussion only they will be able to decide as to when they will be able to pay dividend.

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

27-Jan-21

Sector Diversified Financials
Bloomberg PNBHOUSI IN
NSE Code PNBHOUSING

Management Participants

MD & CEO Mr. Hardayal Prasad

3QFY21 EARNING CONFERENCE CALL

- Management expects to maintain cost to income ratio in the range of 15%-17%.
- Company aims to enhance its focus on affordable housing including high yielding segment which will help the yield and profits. Management expects retail book to give spread of about 2.1%-2.3%.
- Company has a board approved policy on Co-Lending and is in advance stage of co lending arrangement with banks.
- Company is working on 9% of its stress book other than NPA to make sure it is resolved or some of it flows into the NPA.
- SWAMIH fund recognized that there is lot of opportunity for them to resolve asset of the company and have identified asset worth Rs 1200 Cr from the stressed part of the book but the company has identified 3 projects worth Rs 350 Cr where company is actively engaging to resolve them.
- In terms of capital infusion, by PNB management said RBI approval is still awaited. Board has today approved a method of QIP for the purpose of capital raise. Company would take decision soon on method and amount of capital raise.
- 90%-95% of Pro-forma NPA of retail is coming from customer who has availed moratorium on august 2020. Book of Rs 18500 Cr was there in retail moratorium out of which 68% has paid all 4 EMI, 3.7% have Pre-closed and residual might be in stage 1 and stage 2.
- Going forward management expects ROA to be in the range of 1.4%-1.6% and muted advance growth for FY22 with larger focus on retail.
- Company has liquidity in the range of Rs 7000 Cr-8000 Cr as of Q3FY21 and is working to bring it down. Undrawn lines would be in range of Rs 1500-1800 Cr
- Company is looking to clear its high cost borrowing.
- 17% of the AUM would be the corporate segment and management is working to bring it down and have reduced it by Rs 1000 Cr out of target of Rs 1500 Cr.
- Premium on the Repo ranges between 150-200 bps.
- Company would be maintaining similar trajectory of credit cost in Q4FY21 and expect it to come down in FY22.
- Yield on retail home loans on AUM basis is 9.82% on a weighted average basis.
- Write off during the 9MFY21 is Rs 34 Cr.

Our Analyst on the Call

Ketan Mehrotra
ketan.mehrotra@narnolia.com

11-Feb-21

Sector Diversified Financials
Bloomberg RECL IN
NSE Code RECLTD

Management Participants

IAS, Chairman and MD Mr. Sanjay Malhotra

Our Analyst on the Call

Ketan Mehrotra
 ketan.mehrotra@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Sanctions in 9MFY21 increased to 137,526 Cr registering a growth of 43% YoY.
- Disbursements grew to Rs 62,795 Cr in 9MFY21 registering a growth of 17% YoY.
- Cost of funds reduced to 7.19% from 7.26% last quarter and is likely to further go down as per the management.
- Loan book growth is likely to be at 10-12% per year going ahead.
- Stage III assets stood at Rs 18221 Cr out of these Rs 2178 Cr are those for which resolution is approved and are under implementation and Rs 4436 Cr are those under resolution in IBC and Rs 11600 Cr is in NCLT. The company does not expect stress to increase going ahead.
- Under the government liquidity scheme total disbursements have been Rs 46k Cr, Rs 24K Cr by REC and Rs 22K Cr by PFC.
- NIM increased YoY the reason being decline in cost of funds. But these numbers are not sustainable. Yields are likely to be in the range of 10.5%.
- CRAR ratio is likely to be in range of 15-20% going ahead. Debt/Equity ratio is likely to be less than 7%.
- Total AP exposure stands at Rs 28K Cr.
- During the quarter, the Company has implemented restructuring plan of one of the borrowers with an outstanding loan amount of Rs. 2301.99 Cr. According to the restructuring agreement, the outstanding loan has been converted into a fresh term loan of 1396.55 Cr along with allotment of equity/ debt instruments and balance amount of Rs. 905.44 Cr has been written off with the reversal of the corresponding provision thereof.

15-Feb-21

Sector Diversified Financials
Bloomberg SATIN IN
NSE Code SATIN

Management Participants

CMD Mr. H.P Singh

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Cost of Funds is likely to remain stable at 11% going ahead as per the management.
- Consolidated AUM grew by 2.8% QoQ and 8.2% YoY to reach Rs 7,880 Cr in 3QFY21.
- Management expects AUM growth to be 25-30% in FY22.
- Share of Secured Portfolio (%) increased to 8% of total AUM as on 31st Dec 2020, in-line with the company's stated strategy of moving towards a balanced mix of secured & unsecured lending.
- Average monthly disbursements increased to Rs 607 Cr from Rs 239 Cr last quarter.
- On the collection efficiency front, the people who paid all the EMIs increased to 98% in Jan 2021 from 84% in Dec 2020.
- Collection efficiency in UP, MP, Bihar reached to 100% whereas in Assam it stands at 84%.
- Collection efficiency for TFSL stood at 91% in Dec 2020. No restructuring of any loan.
- Collection efficiency for SFL stood at 99% in Dec 2020. Nonpaying clients amounts to <2%. 7% cases were restructured.
- Cumulative Provisions stood at 5.7% of the on-book AUM as of 31st Dec 2020, on account of potential COVID related asset quality risks. Peak provision numbers for COVID-19 stress stands at 5-6%.
- GNPA stands at 1.5% (without Assam at 0.5%), while Pro forma GNPA at 9.6% (without Assam at 7.6%).
- Continue to maintain healthy balance sheet liquidity with Rs. 1,831 Cr of surplus funds as on 31st Dec 2020. Furthermore, the company has undrawn sanctions worth Rs. 881 Cr.
- Bolstered Capital position by successfully raising Rs. 120 Cr via Rights Issue of partly paid equity shares in 9MFY21 (Ratio of 48:125). The issue was oversubscribed at 123%.

21-Jan-21

Sector **Diversified Financials**
 Bloomberg **SBICARD IN**
 NSE Code **SBICARD**

Management Participants

CEO **Mr. Ashwini Kumar Tiwari**

3QFY21 EARNING CONFERENCE CALL

- Retail spends have crossed Pre-Covid. Daily average spends are up approximately 125% QoQ. Average retail spends have increased across most of the categories except travel and entertainment.
- Online spends proportion in the total spends has increased to 53.4% for 9MFY21 as compared to 44% for FY20.
- Operating cost was higher on account of higher cash back cost and higher collection cost.
- Total Management overlay provision at Rs 1,113 Cr as on 3QFY21 vs. Rs 758 Cr as on 2QFY21
- As of Q3FY21 33% of the RBI-RE book is delinquent between 30-90 days.
- Drop in Pro-forma NPA during the quarter was on account of write of around Rs 652 Cr and recovery of about Rs 400 Cr through RBI resolution scheme.
- Yield has been impacted because of the rundown of the revolver book. Management hopes that as the RBI-RE book runs down and company re opens cards the revolver book would get back to earlier numbers by next year.
- Company is seeing good traction in Google pay fee and there are more than 50000 transactions on a monthly basis on Google pay platform. As of now not all merchants are accepting the card as they accept only UPI.
- Company still has a provision of about Rs 200 Cr after covering for RBI-RE and SC stand still.
- Management expects credit cost to be lower next year subject to the economy
- Management expects to recovery to continue from the RBI-RE Book.
- Delinquency rate and Customer acquisition cost in the BANCA is much lower than Open market Source.
- ECL provisions would be around Rs 2000 cr.
- 30 day DPD level in NON-RBI-RE book is behaving better than Pre-Covid level.
- Average tenure for RBI-RE book is around 18 months however people are pre-paying which might lead to book running earlier.

Our Analyst on the Call

Ketan Mehrotra
 ketan.mehrotra@narnolia.com

30-Jan-21

Sector Diversified Financials
Bloomberg SCUF IN
NSE Code SHRIRAMCIT

Management Participants

MD & CEO Mr. Y S Chakravarthi

3QFY21 EARNING CONFERENCE CALL

- Disbursements doubled in sequentially in 3QFY21. SME loan witnessed a QoQ growth of 186%. 2W grew 133% QoQ and represents highest ever disbursements of the company. Gold loan disbursements grew 24% QoQ.
- AUM grew 4% QoQ and the management expects AUM growth for FY22 to be in mid-teens. The management continues with its cautious approach on unsecured book.
- OPEX grew substantially on QoQ basis on the account of increase in disbursements and promotional expenses. C/I ratio is likely to be below 40% going ahead.
- Stage II assets for 1QFY21, 2QFY21 and 3QFY21 stood at 5%, 5% and 7 % (30-60 days: 4%, 60-90 days: 3%). Credit cost is likely to range between 2.5-3% going ahead.
- GNPA decreased by 21 bps QoQ to 6.46 % (without considering Supreme Court order) the reason being most of the exposure is to traders and Self-employed people in Tier-II, Tier-III and rural areas. Minimum exposure is to manufacturing sector (6%).
- Overall collection efficiency stood at 98% in 3QFY21. Collection efficiency on billing stood at 78%. This number is same as that in Pre Covid-19 period.
- 30% of the disbursements are to existing customers and rest is to new customers.
- On the liquidity front the company has Rs 2670 Cr of free unencumbered assets and Rs 887 Cr of SLR investments. Undrawn bank lines stood at Rs 370 Cr.
- Write offs in 3QFY21 stood at Rs 209 Cr.
- Cost of funds are moderating with incremental cost of borrowing to be at 8.8%. Cost of funds is ,likely to further go down by 5-10 bps in 4QFY21 but it is likely to be 9-9.1% in FY22.
- Disbursements have been high in personal loan segment .NPAs in the same segment will go down by 50% once the old book retires and new comes in.
- The company has plans to raise Rs 300-400 Cr for Shriram Housing in next 6-7 months period.
- GNPA's/NNPA basis adoption of Supreme Court order stood at 1.71%, 1.22% which is at 2.4%, 1.91% without assuming the same for housing finance. Overall Collection efficiency for Shriram Housing stood at more than 100% and it is at 97% on billing. In 3QFY21 Shri ram Housing did additional provisioning of Rs 3.04 Cr for Covid-19 making aggregate to Rs 13 Cr.
- Covid related provisioning for the quarter was Rs 592 Cr.
- The company has introduced gold loans to certain Northern regions, and this business is trending well there.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

29-Jan-21

Sector Diversified Financials
Bloomberg SHTF IN
NSE Code SRTRANSFIN

Management Participants

MD Mr Umesh Revankar

3QFY21 EARNING CONFERENCE CALL

- In auto industry CV sales recovered to pre COVID levels.
- The company reported disbursement of Rs 12606 Cr including Rs 332 Cr of new vehicle and Rs 12198 Cr of used vehicles.
- Collections have been good in 3QFY21 with 97% in the month of October and November and 104% in the month of December.
- Stage III assets stood at 7.11% as against 8.71% last year including the accounts not classified as NPA due to Supreme Court order. The company has already provided for these accounts.
- The company raised Rs 12K Cr through various instruments as against Rs 10000 Cr last quarter. The liquidity stands at Rs 13K Cr which is enough for next 6 months liabilities. Cumulative surplus up to 1 year is at Rs 8500 Cr.
- The company has been focusing on retail deposits which have shown good growth of 14% YoY. In January company has accessed overseas market and completed raising through dollar bond of Rs 500 Mn. Overseas bonds forms 13% of the total liabilities as of December 2020 and overseas loan is about 4.2%.
- Interest cost declined marginally by 20 bps in 3QFY21 on the account of bank borrowing rates being much lower.
- Employee count reduced in 3QFY21 and the company has started hiring so it will go up going ahead.
- C/I ratio increased marginally on the account of CSR expenses which were not there earlier in previous 2 quarters.
- 1 lakh borrowers having exposure of Rs 1200 Cr have not paid single installment during moratorium period. Subsequently most of them have started paying and as on date this number stands at 9600 borrowers having exposure of Rs 112 Cr which has been classified as stage III and appropriate provisions have been held.
- The company extended ECLGS to 77K borrowers amounting to Rs 694 Cr and the company also gave option of OTR and the company received proposal of Rs 3000 Cr out of which invoked Rs 2267 Cr of proposal out of which the company has already restructured Rs 310 Cr which comprises of 11370 borrowers. The company is holding provision of 10% on these. Remaining is likely to be restructured going ahead.
- The company made Rs 225 Cr of COVID-19 related provisions. The cumulative number as on December 2020 stands at Rs 2507 Cr.
- Stage I assets are at 80.78% as against 81.58% in last quarter and stage II is at 12.11% as against 11.15% in last quarter. These are the numbers ignoring Supreme Court judgment.
- Credit cost guidance of 2.7-2.8% for FY21. Credit cost is likely to go down to long term average of 2% in FY22.
- Full year growth guidance of 6% for FY21 and double digit growth in FY22.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

9-Feb-21

Sector Diversified Financials
Bloomberg SPANDANA IN
NSE Code SPANDANA

Management Participants

MD & CEO Mrs. Padmaja Reddy

3QFY21 EARNING CONFERENCE CALL

- AUM grew by 32.1% YoY and 5.6% QoQ to Rs 7764 Cr. Disbursements touched historical high of Rs 2317 Cr up by 18% YoY and 42% QoQ. Disbursements reached pre-Covid levels in 3QFY21.
- Total Provision of Rs 623 Cr (including write offs) has been made so far towards COVID & Others, which accounts for 8.0% of total AUM & 9.1% of On Balance sheet Portfolio.
- All non-paying loans having an outstanding of Rs 196 Cr were written off and Rs 16 Cr interest on these loans was derecognized.
- PAR 0+:10.9%, PAR 30+:9.4% and PAR 60+:5.7%.
- Proforma GNPA stood at 2.7% and proforma NNPA stood at 1%.Proforma GNPA reached to 4% if write off are not considered.
- The company raised Rs 2011 Cr during 3QFY21.On-boarded 12 new lenders and raised Rs 4289 Cr since lockdown.
- As of 31st Dec 2020, Cash & Cash equivalents are Rs 776 Cr and sanctions in pipeline of over Rs 2600 Cr.
- Company started transition to monthly repayment in late-2019, in response to customer demand, driven by a lower time commitment from their side. Today 75% of AUM is on the monthly repayment, and it is consistently demonstrating superior collection efficiency. This will also have a positive long-term impact on operating cost ratios & portfolio quality.
- Around 55k borrowers amounting to Rs 230 Cr are partially paying borrowers.
- Collection efficiency in December including arrears stands at 96% and the same number without arrears is 93%.
- NIM declined QoQ in 3QFY21 on the account of interest derecognized on the written off pool.
- The company has no presence in Assam and chosen not to enter on the account of rapid expansion by the peers.
- On the exposure to West Bengal, Spandana tested the market, but quickly understood that borrowers were highly over-leveraged and pulled back reducing from the peak of 3% of AUM to 0.5% of AUM currently.
- Uttar Pradesh and Tamil Nadu also the company has chosen not to expand. Exposure stands at 1.5% and 0.1% of AUM.
- Abhiram uses Spandana's branch network for storage of its goods, it also contributes to a small portion of their rental cost sub 10 bps impact on Spandana's opex ratio in 9MFY21.The company added 15 new branches in 3QFY21.
- The company has written off Rs 61 Cr from Orissa, Rs 42 Cr from Maharashtra, Rs 14 Cr from Karnataka, Rs 20 Cr from Chhattisgarh. So most of the stress came from Orissa. Collection efficiency in Orissa improved to 90% and in Maharashtra reached to 94%.
- Average ticket size Rs 38K or disbursements. Average portfolio for customer is Rs 34K.
- The company did Rs 227 Cr of PTC transaction in 3QFY21.
- The management guided AUM to be at Rs 8200-8300 Cr for FY21.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

22-Jan-21

Sector	Insurance
Bloomberg	HDFCLIFE IN
NSE Code	HDFCLIFE

Management Participants

MD & CEO	Ms. Vibha Padalkar
ED	Mr. Suresh Badami
CFO	Mr. Niraj Shah
IR	Mr Kunal Jain

9MFY21 EARNING CONFERENCE CALL

Business Performance:

- There has been pickup in saving business on sequential basis on account of increase in ticket size and no. of policies.
- Company has recorded a growth of 8% in terms of individual WRP during 9MFY21 . This is on base of 31% growth last year.
- Performance compares well against private industry which de-grew by 6% on the base of 16% growth 9MFY20.
- Company sold around 6.8 lakh policies registering a YoY growth of 6%.
- Market share in terms of individual WRP has increased by 214 bps from 14.3% in 9MFY20 to 16% in 9MFY21.
- Market share for group and overall new business segment amongst the private sector player at 27.3% and 22.3% respectively
- Product mix remained balance with ULIP at 23%, Non-par saving at 30%, Par saving at 35%, Protection at 7% and annuity at 5%.
- There has been 17% growth in retail protection and 42% growth in annuity where annuities contributing over 5% of individual APE in 9MFY21.
- There have been signs of demand for individual protection reverting to normal level after the surge in Q1 on the back of pandemic and effective price increase.
- Company is confident about the protection business on the back of under penetration and increase awareness about the need of protection.
- NBP for 9MFY21 stands at 25.6% with the VoNB Rs 1408 cr
- Operating return on embedded value stands at 18.3%.
- Company settled 1271 individual and 542 group covid related claims as on Dec 2020.
- PAT grew by 6% to Rs 1042 cr and solvency position remains healthy at 202%
- Banca grew by 20% during 9MFY21. Within Banca growth of HDFC bank continues to trend well retaining the market share.
- Agency continued to gain attraction in Q3 with the focus on profitable product mix and maintaining quality of business.
- Company is collaborating with New bancassurance partners including Yes bank and SBI capital market.
- Launched new term plan HDFC Click 2 Protect Life that provides flexibility to auto balance death and critical illness cover or receive income pay-outs from age 60.
- 13th month persistency ratio is 92.9% and 61st month persistency stands at 51.8%..
- Company is confident that agency will grow in the next quarter. Added 18500 agents in the nine months.

Our Analyst on the Call

Sangeeta Jalan
sangeeta.jalan@narnolia.com

19-Jan-21

Sector Insurance
Bloomberg ICICIGI IN
NSE Code ICICIGI

Management Participants

MD & CEO Mr. Bhargav Dasgupta
CFO Mr. Gopal Balachandran
ED- Retail Mr. Sanjeev Mantri
ED- wholesale Mr. Alok Agarwal

Our Analyst on the Call

Rupali Soni
rupali.soni@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Overall industry has seen a growth with automobile sales picked up, hospitality and travel business has also seen the growth and with vaccine coming in the market, economic activity is expected to normalize soon.
- In General insurance segment the Motor segment has seen the growth of approx 14% as personal mobility has seen increase and marine and fire segment is also picking up.
- Health claim has reached pre- covid level, till Dec 2020. 7.68 lakhs claim were recorded with 39000 claims registered by ICICIGI.
- New website for SMEs were launched in the quarter and the mobile application reached the 3.44 lakhs downloads.
- The GDPI for 9MFY21 showed growth of 3.9 % to Rs 10525 crs whereas industry showed the growth of 2.5%. For Q3 the GDPI grew by 9.2% YoY compared to industry growth of 4.9%.
- Individual health indemnity business showed the growth of 17% for 3QFY21.
- Application has been filed before NCLT (Mumbai), for seeking directions for convening meeting of Equity shareholders and dispensation of creditors meeting with respect to Scheme of Arrangement, on December 3, 2020.
- The benefit business has shown de growth as the ICICI bank has planned to focus fully on the core bank business rather than selling insurance product.
- Investment leverage stood at 4.05 for 9MFY21 , this is low compared to 4.16 in 9MFY20 as the crop premium that were filled in 2018-19 are paid off in this year and also no dividend were paid on account of regulatory front.
- Management guided for positive growth in Q4.
- Management focus is towards expanding distribution network to increase penetration in Tier 3 and Tier 4 cities.
- Individual agents increased to 55615 as on 31 Dec 2020 from 52785 as on 30 Sep2020 and number of virtual offices stood at 840.

27-Jan-21

Sector Insurance
Bloomberg IPRU IN
NSE Code ICICIPRULI IN

Management Participants

MD & CEO Mr. N. S. Kannan
CFO Mr. Satyan Jambunathan

3QFY21 EARNING CONFERENCE CALL

- The net profit stood at Rs 306 cr for 3QFY21 due to higher tax outgo.
- The higher tax outgo at around Rs 22 cr was expected due to the changes in the dividend distribution tax affected last year.
- The company is actively engaged in partnership with various private sector banks to new small finance banks.
- IDFC and IndusInd banks have started yielding and it has shown a great significance to the company.
- **New Partnerships with Banks and Channels-**
 - Partnered with RBL bank which is serving over 8.6 million customers through network of 398 branches.
 - Signed partnership with AU Small Finance bank which is serving 1.8 million customers with network of 700 banking branches.
 - Partnership with Phone Pay with 250 million customers and they launched an instant term insurance plan with premium as low as Rs 149 per annum.
 - The company also became partners with BSE Ebix Insurance Broking Pvt Ltd.
- Asset under management crosses 2 trillion marks and it stood at Rs 2.05 trillion marked on 31st Dec 2020 due to growth in new business premium, good persistency level etc.
- Solvency ratio increased to 226% at December 2020 as compared to 194% as of March 2020.
- **Premium Growth**
 - NBP stood at 34.43 billion on 3QFY21 with 14% growth on YoY basis.
 - Link segment grew by 21% on QoQ basis and Non-Linked savings business grew by 36% on YoY basis.
 - APE grew by 14% on QoQ basis.
 - Product mix increased by 48% on linked, 46% on Non-Linked and 6% on Group-savings on 9MFY21.
 - Distribution channel of APE other than ICICI bank grew by 9% on YoY basis.
 - Total APE is Rs 39.54 billion on 9MFY21.
- **Protection focus**
 - New business sum assured which includes savings & protection continues to be the market leader of the private sector.
 - New business sum assured grew by 22% and there is the strong growth in the group term and credit life in 3QFY21.
 - APE stood at 7.03 billion and Sum assured market share stands at 13% on 9MFY21 and there is continuous growth in retail and group line business.
- **Persistency level**
 - There is an improvement in persistency ratio in 13th and 61st month.
 - The improvement in 61st month is due to the testimony on how the company is building the business for long term.
- **Productivity**
 - Cost stood at 14.6% in 9MFY21 against 16.6% for 9MFY20.
 - Savings stood at 9.3% in 9MFY21 against 11.1% in 9MFY20.
 - Value of new business (VNB) for 3QFY21 in which APE stood at 1666 cr and then value of new business comes at 428 cr.
 - Non-participating product savings has expanded its product tenure from 15 years to 20 years.
 - ICICI prudential pension fund increased by 52%.
 - Annuity, credit life, non-par guarantee group term products are doing very well and it will grow further too.
 - Annuity grows over 70% in 9MFY21 and ICICI bank has made this growth more over contributing to over 400% growth in this.
 - Non-par savings depends on the customers and the partners have expanded its products on this segment on large basis.
- **Future guidance**
 - The management expects that margins can be fluctuating in the coming quarters.
 - Annuity business will continue to grow more in future.
 - Bancassurance continues to be the largest channel for the private players.
 - Protection and Annuity contributed over 1/3rd of new business premium.
 - The commission paid to the agents which is based on products came down to Rs 386 cr due to which decline in the other expenses is there.

Analyst

Deepak Kumar
Deepak.kumar@narnolia.com

22-Jan-21

Sector Insurance
Bloomberg SBILIFE IN
NSE Code SBILIFE

Management Participants

MD & CEO Mr. Mahesh Kumar Sharma
Pres. Operations Mr. Anand Pejawar
Pres - Business Strategy Mr. Abhijit Gulanikar
Pres. & CFO Mr. Sangramjit Sarangi
Appointed Actuary IR Mr. Prithesh Chaubey
Mrs Sunita Verma

9MFY21 EARNING CONFERENCE CALL

- New Business Premium for 9MFY21 has grown by 13% and stands at Rs 144.4 bn mainly driven by individual new business premium.
- Company is maintaining Private market leadership in NBP with 23.7% market share an improvement of 133 bps as compared to 9MFY20.
- Non –par NBP grown by 42% and stands at Rs 83.2 bn.
- Individual rated premium business for 9MFY21 stands at Rs 65.8 leading to private market leadership with a share of 23.4%.
- Group NBP marked a YoY growth of 44% and stands at Rs 63.1 bn with private market share of 25.3%
- Renewable premium for 9MFY21 has shown a strong growth of 27% and stands at Rs 201.70 bn and accounts 58% of gross written premium.
- Non –par has shown a growth of 24% with a share of 58% in NBP.
- Individual premium is at Rs 4.9 bn registering a growth of 36%.
- Group protection for 9MFY21 stands at Rs 1130 cr out of which credit life is Rs 860 and group term insurance is around Rs 270.
- On APE basis protection contributes 11% of new business and has registered growth of 28%.
- Annuity business witnessed 173% growth and stands at Rs22 bn and contributes 15% of NBP.
- ULIP momentum has picked up from Q2 and individual ULIP contribute to 67% of Individual NBP.
- Guaranteed Non-par saving product is contributing 9% of individual New business and 5% of total new business collected.
- Banca business marks a share of 67% in individual NBP.
- Total no of CIS stands at 50352 as on Dec 31st 2020.
- Instant policy protection through Yono app has covered 566036 lives.
- Agency channel contributed 26% in Individual NBP.
- Total agent stands at 1,06,906
- AUM crossed Rs 2 trillion mark this quarter and stands at Rs 2095 bn as on 31st Dec 2020
- VoNB is Rs 1450cr for 9MFY21 as compared to Rs 1470 in 9MFY20 mainly due to volume of individual business and product mix. Company is expecting steadily growth in VNB.
- VoNB margin stands at 19.3% (without effective tax rate basis) and at 20.8% (with effective tax rate basis).
- Company has highest embedded value in the industry which is around 32000 cr in Q3FY21.
- 13 month persistency is 86.2% and 61st month persistency ratio is around 60% in Q3FY21.
- Banca and Agency business has shown de growth. Company expects better agency and Banca business in the Q4.
- Solvency stands at 234% as on Dec 31st 2020.
- Cost efficiency improved with opex ratio reducing from 6% in 9MFY20 to 5% in 9MFY21.
- Company is improving technology with 99% of individual proposal submitted digitally . 32% individual proposal through automated underwriting
- Company has increased total protection business by 12% due to the large protection gap in the economy and is focusing to improve more in coming quarters.

Our Analyst on the Call

Sangeeta Jalan
sangeeta.jalan@narnolia.com

5-Feb-21

Sector Healthcare
Bloomberg ALKEM IN
NSE Code ALKEM

Management Participants

MD Mr. Sandeep Singh
CFO Mr. Rajesh Dubey
President Mr. Amit Ghare
Sr. VP (chronic Division) Mr. Yogesh Kausal
IR Mr Gagan Borana

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- India business grown with significant recovery in acute portfolio. In chronic area of Cardiac and anti- diabetic, company is ahead of therapy growth rate.
- Company has gained market share in large brands and is looking to restructuring and expansion of acute segment in next FY.
- In Q3, Trade generic business has outperformed branded business significantly however company believes decline in growth rate of trade generics while branded business will grow.
- Antibiotic has not gone to pre-covid level led by better hygiene and less demand in hospital while normalcy is expected in next few months.
- With vaccine being rolled out, company expects pickup in new prescription generation.
- Company has received marketing authorization from DCGI for its Biosimilar and expects to launch soon in India and then make it global which is a five year plan.
- International business growth is driven by product launches.
- Other international market revenue driven by good growth in Australia and Chile.
- Company expects 4-5 launches in Q4FY21.
- It has received 10 ANDA approvals this quarter from USFDA.
- All the six manufacturing facilities supplying to US market have received EIR as on date.
- Manufacturing facility at Indore is awaiting pre-approval from USFDA.
- EBITDA margin led by saving in marketing and other expense coupled with productivity improvement.
- The company is confident regarding EBITDA margin expansion by 200 bps every year.
- Cost optimisation will be continued in next year.
- Net cash stands at Rs 800 cr as on 3QFY21.
- Capex for 9MFY21 is Rs 130cr however company expects capex of around Rs 300 cr by year end.

19-Jan-21

Sector Healthcare
Bloomberg ALPM IN
NSE Code APPLTD

Management Participants

MD Mr. Pranav Amin
MD Mr. Shaunak Amin
Director Fin & CFO Mr. R.K. Baheti
Head Finance Mr. Mitanshu Shah
Head Strategy Mr. Jesal Shah
Senior VP Fin Mr. Ajay Kumar Desai

3QFY21 EARNING CONFERENCE CALL

- Rhizen pharmaceutical posted profit for the first time.
- EPS for 9MFY21 is Rs 48 per share on weighted average basis vs. Rs 32 for the same period last year.
- Capex for the quarter is Rs 197 cr and for 9MFY21 is Rs509 cr. Capex for on-going projects is Rs 1700 cr
- Company will do Capex of around Rs 400 in injectable plant and API business in the next two years.
- Financial assistance to Aleor Dermaceuticals limited Rs 60 Cr in 3QFY21 and in 9MFY21 is Rs 125cr. Cumulative funding is Rs 800 cr.
- Net borrowing is Rs 300 cr, gross borrowing is Rs 600 cr. Net debt equity is 0.08.
- Company will pay off Rs 100 cr in FY22 and remaining in FY23.

Domestic Business:

- India branded business performed better on the back of some recovery in market along with better operational performance.
- Largely the growth in this quarter is driven by focus speciality segment which is 15% growth in Cardiology, 19% growth in Gynaecology, 19% growth in Gastrology, and 30 % growth in Anti- Diabetics.
- Company has shown 3% growth in anti- infective.
- Market continues to perform badly in cough and cold side and hence company has shown a de-growth of 24% in this segment.
- Company expects some normalization in cough and cold segment and anti-infective segment in Q4.
- Domestic Sales grew by 14% YoY to Rs 418 cr is also driven by pick up in older brands and contribution from new launches will take few quarters to reflect in numbers.
- Demand of Azithromycin has declined this quarter as compared to last quarter which company expects will continue in Q4.

International Business:

- R&D expenses are Rs 148 cr, 11% of sales. Company expects total of Rs 630-650 cr of R&D for FY21.
- Filed 1 ANDA and received 8 approval including 2 tentatives.Cummulative ANDA approval is 139 including 18 tentative.
- Company launched 7 products this quarter and is expected to launch 5-6 in Q4FY21.
- International business grew by 3% YoY to Rs 683 cr this quarter.
- US generic de-grew by 1% YoY to Rs 512 cr this quarter and 21% to Rs 1689 cr for 9MFY21.
- Ex-US grew by 15% YoY to Rs 171 cr for the quarter and Rs 554 cr for 9MFY21.
- API grew by 21% to Rs 214 cr for the quarter.
- Company expects inspection in next 6 months. No new filing is being done from F4-jarod plant.
- From oncology plant the company has already done filing and is awaiting inspection. From general injectable plant company has done 5-7 filings.
- Disruption due to sartan shortage for the last 8 quarters is comparatively stable.
- Company is very bullish about US market.

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

13-Feb-21

Sector Healthcare
Bloomberg APHS IN
NSE Code APOLLOHOSP

Management Participants

MD Mrs. Suneeta Reddy
President Dr. Hariprasad
CEO Mr Chandra Sekhar
Group CFO Mr. A. Krishnan
CFO of Apollo 24/7 Mr. Sanjiv Gupta
CFO of Apollo Pharmacy Mr. Obul Reddy

3QFY21 EARNING CONFERENCE CALL

- Recovery was evident in Q3 with increase in occupancy and recovery in all other matrix.
- Healthcare services revenue grew by 17%, surgical volume grew at 64%, occupancy improved to 63% from 56%.
- Company had allocated 2300 beds across hospitals for covid during pandemic and has now reduced it to 1500 beds as of Dec'20. In January the total covid beds available is around 800.
- Covid contributed to 16% to total revenue with 25% of occupied beds.
- In Q3, Non covid occupancy stood at 60% and covid occupancy 73%, (1173 beds were occupied) while in December covid occupancy decreased to 67% and non covid improved to 63%.
- Company guided improvement in occupancy from next quarter as normalization in air and rail transport is seen.
- Covid revenue has started to taper off and has now begun to be substituted by non-covid revenue.
- New hospital revenue grew by 7% while mature hospital revenue de- grew by 8% YoY.
- Cost optimization which started in Q1 continues in this quarter and company recorded cost saving of Rs 40cr in Q3FY21. Company has guided to continue cost optimization and expects cost saving of Rs 100-125 cr in FY22.
- In January, AHLL has raised capital of Rs 1170 through QIP which was oversubscribed by 12.5 times.
- Out of the amount raised through QIP, Rs 400cr will be used for acquiring the rest 50% stake in Apollo Gleneagles, Kolkata , Rs 100 cr for Apollo 24*7, Rs 100cr in diagnostic segment and balance will be used to reduce debt and strengthen its balance sheet so as further opportunities of acquisition can be grabbed.
- Board has approved the scheme of amalgamation of wholly owned subsidiary, Apollo home Healthcare ltd and Western Hospital Corporation Pvt ltd. This amalgamation will help in generating significant synergies.
- Company has partnered with the government in the vaccination drive and is providing vaccines in 27 Apollo centres in the country.
- ARPOB increased from Rs 32000 to Rs 36000. Company expects further increase in ARPOB to Rs 40000 in coming quarters. ARPOB was mainly driven by case mix.
- Apollo 24*7 partnership with HDFC has seen good momentum.
- Margin from New hospital stood at 14%. Company expects to sustain it in coming quarters and guided EBITDA margin from new hospital to be around 13-15% next year.
- Company has 4500 pharmacies as of Dec'20. It added 252 stores in Q3FY21.
- Consolation of Apollo Gleneagles, Kolkata will start from March or April. Rs 400-500 Cr of revenue is expected from it in FY22.

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

11-Feb-21

Sector Healthcare
Bloomberg ARBP IN
NSE Code AUROPHARMA

Management Participants

MD Mr. N. Govindarajan
CFO Mr. Santhanam Subramanian
COO and Head Formulations Mr. Sanjeev Dani
Exe Chairman (USA) Mr. P.V. Ramaprasad Reddy
CFO (USA) Mr. Swami Iyer

3QFY21 EARNING CONFERENCE CALL

- Formulation business contributed 89% to the revenue and API business contributed 11% to the revenue.
- US formulation business grew by 6.8% YoY to Rs 3172 Crs, out of which Natrol business contributed Rs 300 Crs. US business contributed 49.8% to the revenue on account of new launches and on constant currency basis revenue grew by 2.9% YoY to US\$ 431 Mn.
- US oral business grew by 11% YoY on account of large portfolio and injectable business de grew by 11% YoY to US \$ 69 Mn but grew by 6% on QoQ basis.
- As of 31st December 2020, total of 441 injectables were filled out of which 87 have received final approval and 54 are under approval. During the quarter 8 ANDAs were filled with USFDA and received approval for 13 ANDAs including 9 injectable.
- Europe business grew by 1% YoY on constant currency basis and contributed 26.3% to the revenue whereas Growth market revenue grew by 10% YoY on constant currency basis and contributed 6.2% of the revenue.
- ARV business grew by 36% YoY on constant currency basis and contributed 7% to the revenue. The growth is on the account of increased conversion from TLE to TLD across geographies.
- Net organic CAPEX for the quarter stood at US\$ 76 Mn.
- During the quarter R&D spend for the quarter stood at Rs 391 cr that is 6.1 % of revenue.
- Finance cost stood at 1.5% on account of multiple currency loans.
- Management guided that capacity for viral vaccine is being expanded on account of COVID vaccine, clinical material for Auro vaccine and also for the contract manufacturing.
- Gross Margin is improving on the account of forex benefit, Europe business contribution and improvement in product profile across geographies.
- On regulatory front 11 state-of-the-art API and intermediates manufacturing facilities inspected by the US FDA, UK MHRA, TGA Australia, ANVISA and other regulatory agencies.
- Management guided for US\$ 200-225 Mn of capex for FY21-FY22 excluding PLI capex.
- Management guided that under PLI scheme 2 or 3 products would be manufactured which will incur capex of around 3000 crs for 30-32 months.
- Management guided for doubling the external sales of API in next 4-5 years and this would be achieved by capacity expansion and also introducing certain large volume products which are not in portfolio and this would require the capex of 800 crs in 2-3 years.

Our Analyst on the Call

Rupali Soni
 rupali.soni@narnolia.com

5-Feb-21

Sector Healthcare
Bloomberg CDH IN
NSE Code CADILAHC

Management Participants

MD Dr. Shari Patel
CFO Mr. Nitin parekh

3QFY21 EARNING CONFERENCE CALL

- EBITDA went up by 210 basis points to 21.3% from the 19.2% registered during 3QFY20 as it was adjusted for loss of export incentive revenues, else EBITDA margins should have been in line with that of the preceding quarter.
- The US geography comprising of generics and the speciality portfolio registered revenues of 16.03 billion rupees during the quarter.
- Cadila was the second fastest growing company among the top 10 Indian pharma companies.
- Branded generic business grew by 24% on a YoY basis on the therapy products, and co. gain market share in pain management, anti-infective and the anti-diabetic portfolio during 3QFY21.
- Animal health business in India saw another quarter of robust performance, as the business posted sales of 1.63 billion rupees with the growth of 17% on a YoY basis
- Implementation of digital initiatives along with focused efforts to enhance customer Connect led to the improvement in the growth of the business.
- Launched seven new products during the quarter which includes the launch of doxorubicin liposomal injection, which is the first complex injectable developed in house.
- Received approvals for nine products, including for tentative approvals, and 5 Additional NGS with the US FDA during this quarter.
- New Product approvals for the quarter include three first cycle approvals, cumulative first cycle approvals for the year 2020 stand at 7.
- Received approval for 38 new products, which is the second highest number of NDA approvals received by any generic company across the world.
- Cumulative filings include 71 filings for injectable products.
- Co. completed phase two clinical trials of their first in class plasmid DNA zygote and also initiated a phase three trial for the Zycho vaccine. Co. will end up investing total of 150-250 Cr.
- The plant is expected to be ready for commercial production by the first quarter of FY22. The designated capacity of the plant is equivalent 220 million doses.
- Co. also submitted an application to the CGM to carry out the preclinical and safety toxicity studies of co's recombinant measles vectored vaccine which is Zyhco MB vaccine which is a second vaccine candidate for the COVID-19.
- CO. received approval from the CGI for some are magnesium for the treatment of non-alcoholic fatty liver disease in India, the molecule becomes the first medicine for the treatment of natural on the distribution that which is a second NC molecule.
- Co. has completed large scale recruitment of patients in the phase three clinical trial in India for the treatment for anaemia in dialysis and non-dialysis dependent patients.
- Co. has also recruited a large number of patients despite the challenges posed during the covid 19 pandemic.
- On US front, Co. has two indications PVC and Nash. On PVC co. believe they can complete everything and enter the market in somewhere in 2023. fortunately side by 2026 for PVC itself is \$10 billion in terms of market size
- Remaining Development Studies before the co. file for NDA will be 8-9% of R&D.
- Main compound lialda has strong market shares of about 55%.
- New facility will have the Capacity to produce 120 million doses and current smaller plants can only produce about 10 to 20 million doses.

Our Analyst on the Call

Rupali Soni
 rupali.soni@narnolia.com

29-Jan-21

Sector	Healthcare
Bloomberg	CIPLA IN
NSE Code	CIPLA

Management Participants

MD & Global CEO	Mr.Umang Vohra
Global CFO	Mr. Kedar Upadhye
IR	Mr.Naveen Bansal

3QFY21 EARNING CONFERENCE CALL

- Pandemic has helped in cost optimization through digitization and increased productivity which has led to revenue and EBITDA growth.
- Management is focusing on simplifying manufacturing network by divesting manufacturing facility.
- Key priorities for the management would be maintaining market growth, key launches, digital transformation and execution on organic and partnered launches.
- Revenue grew by 18% YoY on account of acquisitions and performance across geographies.
- Growth in Non – Covid portfolio in India is around 6-7% and the many therapies outside Covid is coming back.
- One India business performed well with prescription business showing growth of 25% YoY led by covid-19 portfolio, healthy traction in respiratory and chronic therapies and recovery in hospital and acute businesses with opening-up of OPDs.
- Trade generic business showed growth of 7% YoY on account of brands transitioned to consumer health business and seasonal demands.
- Consumer Health business generated Rs 250 crs plus revenue for 9MFY21 led by strong organic demand and traction in consumer brands post transfer from trade generic business.
- US generics business showed growth of 6% YoY on account of new launches, continuous supply of Albuterol, Revlimid settlement and traction in institutional channel.
- South Africa business grew on account of strategic partnership with Alvogen for 4 oncology products and SSA and CGA grew by 15% and 63 % YoY on account of strong commercial execution and higher order delivery in the quarter.
- Emerging market grew 46% YoY on account of continuous demand across all regions. Europe and API business grew 28% and 18% respectively mainly driven by market share gains in key Direct to markets and strong order book and customer relationship.
- EBITDA Margin reported in the quarter is highest ever in recent history this is on the account of, COVID portfolio, increased supply of global business and cost optimization through balance between digital and face to face interaction.
- Management guided for 27.5% ETR for full year.
- US generic segment is expected to grow on account of enhanced product portfolio, Advair under review, 2 inhalation assets to move into clinical trials.
- On regulatory front the company is actively engaged in resolution of observation for Goa plant facility.
- Robust cash generation has helped in pre debt payment of Rs 137.5 Mn \$ for invagen acquisition and Rs 300 crs working capital loan in India.
- Return on investment capital has expanded by 900 bps on account of growth, margin expansion and cause discipline.
- Management is in the talk with government to include the products that company produce under PLI scheme.

Our Analyst on the Call

Rupali Soni
rupali.soni@narnolia.com

6-Feb-21

Sector Healthcare
Bloomberg DIVI IN
NSE Code DIVISLAB

Management Participants

MD Dr Murali K. Divi
CFO Mr. L Kishore Babu
GM- Finance and Account Mr Venkatesh

Our Analyst on the Call

Rakesh Wadhvani
 rakesh.wadhvani@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The company have entered into contrast medium APIs. The market for the same is 46 billion dollar.
- The contrast medium will be a high volume of products.
- The company is expecting from the new Molecule in the generic side of the business to lower the raw material cost and better technology edge.
- The company is focusing on Green chemistry.
- The employee Cost includes the incentive of 34 Cr for appreciation on relentless work during Covid 19.
- 181 Cr capitalised on Assets in 3QFY21, and 1011 Cr in 9MFY21.
- Forex gain of 2.5 Cr in 3QFY21 and Forex loss of 8 Cr in 9MFY21.
- Export Accounts 85% of the business.
- Europe and America accounted for 68% of the revenue.
- Domestic sales have increased to 15% in this Qtr.
- Product Mix: Generic 60%, Custom product 40%
- Constant Currency growth for this 3QFY21 is 11% and 9MFY21 is 22%.
- Nutraceutical business in 3QFY21 was 145 Cr and 439 Cr. in 9MFY21.
- Lower raw material costs and high volume is achieved by new technology, new design equipment, backward integration of generic compounds and process improvement.
- Capex of 400 Cr discussed before for plant and new opportunities will start production in 1HFY22. Next Capex will be on improving the buildings which were constructed in 1995.
- The Market for Nutraceutical business is 1 billion. The Capacity for nutraceutical increased by 100%. The current business is of 600 Cr.
- The management is expecting to maintain good margins.
- Carotenoids- 95% of business is from Europe and the US.
- The margin of Nutraceutical is same as Generic.
- The products in which China is a competitor like fermentation, antibiotics etc are seeing pressure. But the company is optimistic that for 34 years the generic business will not have any issue due to this competition.
- The increase in inventory is due to the raw material and inventory from the new blocks

29-Jan-21

Sector Healthcare
Bloomberg DRRD IN
NSE Code DRREDDY

Management Participants

CEO Mr. Erez Israeli
CFO Mr. Parag Agarwal

3QFY21 EARNING CONFERENCE CALL

- Management strategy for the coming quarters is to launch new products and ramp up market share of new launches and cost reduction and optimization.
- Revenue for the quarter grew by 13% YoY on account of new launches across segments. The North America, Europe, India, emerging market and PSAL segment grew by 9%, 34%, 26%, 5% and 1% respectively.
- North America business contributed 235 Mn \$ to the revenue, growth of 4% YoY and decline of 5% QoQ on the account of 5 new launches, increase in base business and also the decline in COVID related demands in retail and hospital business and price erosion.
- Europe business grew 20% YoY to 47 Mn euro on account of new launches that is 3 in Germany, 1 each in UK, Italy, France and Spain.
- Emerging market stood at Rs 932 crs growth of 5% YoY on account of 27 new launches and also the acquisition of anti-allergic brand from Glenmark have been completed for Russia and CIS market.
- PSAL segment revenue stood at 95 Mn \$, de growth of 2% YoY and 17% QoQ on account of decreased API procurement by clients in the quarter which was high in previous quarter due to pandemic.
- India business grew by 8% YoY excluding wockhardt contribution.
- For US market 22 products have been launched till 9MFY21 and management guided to maintain the 30 product launches in FY21.
- Gross Margin decline by 30 bps YoY and 10 bps QoQ, primarily impacted by price erosion and lower export benefits and partially offset by the milestone income received for the compound AUR102 and improved productivity.
- Other expenses were high during the quarter on account of COVID freight expenses, digitalization and investment in brands and capabilities and the expenses are expected to normalize in coming quarters.
- R&D expenses for the quarter stood at Rs 411 crs, which is 8.3% of revenue. Management focus continues on building a healthy pipeline of new products across markets including development of COVID-19 treatment products.
- Impairment charges of 82 Mn US\$ was taken during the quarter primarily for 3 products related intangible acquired from Teva in 2016. The products are Nuvaring, kombiglyze-XR, Qsymia and metformin. Management guided that this is one time off and the reason behind this is price erosion, increased competition and higher than expected value erosion.
- Management guided that CRL has been received for Copaxone and the response is being prepared and in next 2 months it will be submitted.
- Management guided that two new ANDAs were filled during the quarter. As of 31st December 2020, cumulatively 89 generic filings are pending for approval with the USFDA (87 ANDAs and 2 NDAs under 505(b)(2) route). Of the 89 ANDAs, 48 are Para IVs and 24 have 'First to File' status.
- Phase 3 trials for Sputnik V vaccine in India has been started after approval from DCGI.

Our Analyst on the Call

Rupali Soni
 rupali.soni@narnolia.com

28-Jan-21

Sector **Healthcare**
 Bloomberg **GRAN IN**
 NSE Code **GRANULES**

Management Participants

Chairman & MD **Mr. Krishna Prasad Chigurupati**
 ED, GPI **Ms. Priyanka Chigurupati**
 CFO **Mr. Sandip Neogi**

3QFY21 EARNING CONFERENCE CALL

- Management guided that supply chain issue and raw material price increase is the after effect of COVID crises.
- Increased raw material prices are passed on to the customers and this will continue and situation is expected to stabilize by 1QFY22.
- For the company 80% business comes from Rx and 20% from OTC.
- During the quarter core molecule contributed 84% to the revenue.
- GPI is not facing any issue of shipping and raw material issues.
- Management guided that gross margin would be affected due to raw material prices and it is expected to be between 50-53% and EBITDA margin would be around 25-27%.
- Management guided of Rs 200-250 crs CAPEX in FY22 and Rs 400 cr over next 3 years that is in between FY 23-25.
- MUPS based facility in vizag is expected to get ready by Q4FY22.
- During the quarter, land in Genome valley was acquired for the construction of a PFI & FD manufacturing facility for 10 Bn units of solid orals, other finished dosage forms and additional capacity for PFIs and this facility is expected to be operational by early FY24.
- New launches like potassium chloride ER tablets is 1st product from MUPS based plant in Hyderabad, and this is expected to come in the market after the enough inventory is stocked as the capacity is less and new block will be ready by Q4FY22.
- Revenue de grew by 1.6 % on QoQ basis mainly due to delayed launches because of COVID, withdrawal of MEIS benefit and inventory build-up for one of the key products in US and this product will be launched by April FY22.
- PAT decline 10% QoQ on account of one-time product loss, this product was produced for one of the deals but it could not take place so this loss was incurred.
- Management revised the PAT growth to 60-70% earlier it was 70% and For FY22 it is between 25-30% earlier it was over 30%.
- Management guided for geographic expansion to Canada, Australia, Europe and South Africa for core molecule.
- Management guided that currently there are total of 45 filling, 35 approvals and 25 launches and 10 to be launched out of which 2-3 products launched in this quarter. 2 dossiers have been filled and is expected to launched by this fiscal or Q1FY22.
- R&D spends for the quarter stood at Rs 22 crs.

Our Analyst on the Call

Rupali Soni
 rupali.soni@narnolia.com

29-Jan-21

Sector Healthcare
Bloomberg DLPL IN
NSE Code LALPATHLAB

Management Participants

Chairman & MD Dr. Arvind Lal
CEO Dr. Om Prakash Manchanda
CFO Mr. Ved Prakash Goel
COO Mr. Bharath Uppiliappan
CS & Head IR Mr. Rajat Kalra

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Business has seen returning to normalcy and non-covid business has seen large recovery.
- Increase in spend on preventive check will benefit the diagnostic company.
- While covid cases contributes significantly to the business, company is focusing on growing non-covid business through expansion, deeper penetration in existing market and selective inorganic acquisition in newer markets.
- Despite decrease in RT-PCR test, company remains focused on optimising cost structure and per test realization by way of managing revenue mix.
- Oct and Nov has seen sharp rise in covid test but decline is seen from December onwards.
- Contribution from Covid test will continue to decline in coming quarters.
- Contribution from west India has gone up 59% to 64% on YTD basis. Increase in share of Western India is mainly driven by volume growth.
- Company continues to strengthened service delivery especially in area of home collection through franchise partners.
- 40% increase from pre to post covid period in non-Covid home-collection.
- Non -covid home collection is around 6% of total non-covid revenue.
- Company is focusing on organic expanding in south and west India.
- Company's initiative of acquiring few small size labs through its subsidiary has gathered momentum.
- Company is planning to open two Reference labs and PSC in Mumbai and Bengaluru.
- Board has approved interim dividend of Rs 6 per equity share.
- In Q3FY21 company did around 5.3 lakh RT-PCR tests.
- Revenue contribution from RT-PCR, antibody and allied test is Rs 97.5 cr which contributes to 21.6% of total revenue of Q3.
- Realization per patient in Q3FY21 is at Rs. 824, higher as compared to Rs. 688 in Q3 FY20 driven mainly by covid contribution.

29-Jan-21

Sector Healthcare
Bloomberg LPC IN
NSE Code LUPIN

Management Participants

CEO Ms. Vinita Gupta
VC Mr. Kamal Sharma
MD Mr. Nilesch Gupta
ED Mr. Ramesh Swaminathan
Head-IR Mr. Arvind Bothra

Our Analyst on the Call

Sangeeta Jalan
sangeeta.jalan@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- US revenue was mainly driven by ramp up in sale of Albuterol as well as new products like Tacrolimus Capsules etc.
- Gross margin driven by business mix across regions and control in freight rates while employee expense increased mainly due to increment rolled out in Q3 and onetime restructuring cost.
- Company will continue to keep employee expense to sales to about 18%.
- Other expenses driven by lower forex losses, lower R&D while royalty expense increase in partner's front.
- R&D spend has decreased significantly to 9% this quarter. Company wishes to keep the same percent in FY22 as well.
- Effective Tax rate has improved driven by the performance of subsidiary companies.
- EBITDA margin is driven by improvement in business mix and cost optimisation efforts on profitability front.
- Chronic product sales picked up as patients starts visiting clinics.
- Anti-diabetic, cardiac and CNS registered robust growth in this quarter.
- API sales de-grew QoQ on the account of weaker flu season in most part of the world.
- Company launched 7 products, filed 1 ANDA and got 7 ANDA approval in Q3
- Company expects to launch 3-4 more products in coming quarter.
- Company expects to launch Spiriva it by mid of FY22.
- Albuterol ramped up to 9% generic market share. Company expects 20% in coming quarters which will be around 14-15 million units.
- In injectable pipeline is picking up and company expects more than 6 filing in coming quarters.
- Company launched its first biosimilar Nepexto launched in Germany and company expects to launch more in coming quarters
- Branded sales in US is around Rs 2 mn dollars

11-Feb-21

Sector **Healthcare**
 Bloomberg **METROHL IN**
 NSE Code **METROPOLIS**

Management Participants

MD **Ms. Ameera Shah**
 CEO **Mr. Vijender Singh**
 CFO **Mr Rakesh Agarwal**

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Operational performance has not been uniform. B2C recovery has been better while B2B recovery are yet to return to pre-covid level which has partially reflected in non-covid revenue.
- In Q3FY21, Non-covid business contributed 81% of total revenue while covid business contributed 19%.
- Revenue growth in the quarter was led by 12% increase in patient visits and 7% increase in no. of tests along with initiatives such as penetration in home testing services and increase in specialized tests.
- EBITDA margin led by better control over fixed and operating cost, better product mix, increase in B2C contribution and digitalization.
- Revenue from home testing excluding covid has increased by 34% from Rs 19 cr in Q3 last year to Rs 25 cr in this quarter.
- Company is focusing on ramping up home testing services in new locations and increase in portfolio of test available for home testing.
- Company guided covid revenue to be moderate going ahead which will be led by lower covid test coupled with lower test prices.
- Company guided that it will focusing more on non covid part of the business. Ramping up of this segment will help in growth and sustainability.
- It also guided that it will use the profitability to increase in speciality test, B2C services and home testing tests and focus on automation and digitalisation.
- 8% of total revenue i.e., Rs 21 cr was contributed from digital medium.
- Company has announced interim dividend of Rs 8 per share.
- Revenue per patient including covid increased by 12%YoY to Rs 1029 and revenue per test increased to Rs 537.
- Non covid revenue per patient increased by 4% YoY to Rs 959 and revenue per test increased Rs 468.
- Revenue from north region has increased from 7% to 13% in Q3FY21 mainly due to covid and brand awareness in the north.
- Company acquisition with hitech will help in better penetration.
- In home testing services, Company is currently in 59 locations however it plans to increase it to 200 locations by year end.
- In Q3, company has added around 100 centres and plans to add around 75 more centres in Q4FY21 and around 500 centres in FY22.
- B2C to B2B ratio stands at 61: 39. Company targets B2C:B2B ratio to be 65:35.

29-Jan-21

Sector Healthcare
 Bloomberg SUNP IN
 NSE Code SUNPHARMA

Management Participants

MD Mr. Dilip Shanghvi
 CEO (North America) Mr. Abhay Gandhi
 CEO (India) Mr. Kirti Ganorkar
 CFO Mr. C S Muralidharan
 Associate VP, IR Mr. Nimish Desai

3QFY21 EARNING CONFERENCE CALL

➤ India Business:

- India business accounts to 31% of total sales for Q3. Growth was led mainly by chronic portfolio both in terms of volume and value.
- In therapy segment, company is in-line with market.
- Growth in semi-chronic has started recovering. Acute segment is facing challenges led by lower infections and patients flow to the clinic.
- In Q3FY21, company launched 27 new products in Indian Market.

➤ US Business:

- Sales in US business were driven by ramping up sale of speciality business and ex-taro generic business.
- Speciality revenue has increased over Q2 driven by products like Ilumya, cequa and Absorica LD.
- Drug to Market spend for Ilumya is optimised. For Cequa spend will much less as compared to Ilumya.
- Ilumya sale for 9MFY21 have already crossed total of FY20 Ilumya sale.
- Generic for Absorica LD is yet to enter the market.
- Ex-Taro net debt stands at Rs 250 mn as on 3QFY21.

➤ Emerging market and ROW:

- Emerging market accounts 17% of total sale of Q3 driven by multiple markets such as Japan , Europe coupled with Taro ROW business

➤ Other:

- Consolidated R&D investment for Q3FY21 was Rs. 560 crores, 6.4% of sales as compared to Rs. 527 crores (6.6 % of sales) for Q3FY20.
- Speciality R&D accounts to 27% of total R&D for the quarter.
- Board has decided to announce interim dividend of Rs 5.5 per share.
- For the quarter, 2 ANDAs were filed and 3 approvals were received. Additionally, the pipeline includes 55 approved NDAs while 8 NDAs await US FDA approval.
- Revenue growth mainly led by sequential growth in US and India Business.
- Increase in QoQ COGS led by product and geography mix and one time charges at Taro.
- Other expense was lower due to lower marketing, R&D and traveling expense. Company expects increase in promotional expense.
- API business was down by 10.5%YoY this quarter. Company's API business imparts benefits of vertical integration and continuity of supply chain for formulation business.
- Company will continue to focus on increasing API supply for captive consumption for key products.

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

29-Jan-21

Sector	Industrial
Bloomberg	ARTTO IN
NSE Code	AARTIIND

Management Participants

CMD	Mr. Rajendra Gogri
CFO	Mr. Chetan Gandhi
VC & MD	Mr. Rashes C. Gogri

3QFY21 EARNING CONFERENCE CALL

➤ Nitrochlorobenzene

- Volume 3QFY21 Nitrochlorobenzene 16830
- Pricing is impacted and margin benefit due to restriction in China. China Export have down by 1% as demand in the domestic market increased.

➤ Capex

- FY21 10001200 Cr. , 9month aggregate is 891 Cr.
- 200250 Cr is for Pharma
- Current maintenance CAPEX is 300 Cr.
- FY22 and 23 Specialty Chem 8001000 Cr and Pharma 150200 (Around 10001200 out of which 20%25% for Pharma and 75% 80% Speciality Chem)
- Pharma: Land in Dahej land acquired and ongoing expansion of AIP facilities.
- According to the management for 56 year, the company will be in investing in Capex around 1000 Cr per year.

➤ Pharma Sector :

- CAGR 18% for the last 5 years.
- Expecting topline to grow by 1820%
- EBIT is current growth around 37% but not sustainable, expecting 2327% growth

➤ Chlorination

- The management is expecting 1000+ Cr revenue from the segment. As this is imported to India.

➤ VAP

- Contribution of VAP in Segment revenue increases from 72% to 76%
- The company strategy is to focus on the valueadded Chemistry

➤ Production in 3QFY21

- Nitrochlorobenzene is 16830 metric tonne compared to 14900 metric tonnes 3QFY20
- Hydrogenic production 2740 Metric tonnes compared to 2330 Metric tone in FY20.
- Nitrolic 3600 compared to 1667 Metric tonnes in 3QFY20
- Export Market
- Increasing Container prices will not impact on the volumes in 4QF21
- Domestic Market is back to preCovid level.
- \$45 billion worth Chemical is imported from India.

➤ PVA

- 3QFY21 520 tonnes per month
- 3QFY20 420 Tonnes per month

- Capex by the company is not under any PLI Scheme.

➤ Management Guidance :,

- According to the management the margins are sustainable
- The management is in line with the guidance of PAT equal to last year.
- The management is expecting 20002500 Cr topline and 400600 Cr EBITDA to generate from the Capex, WIP for FY 23FY24.
- Revenue CAGR of 1820 % next 34 yrs.
- \$125 million contracts commissioned in 4QFY21 delayed to 2HFY22

Our Analyst on the Call

Rakesh Wadhvani
rakesh.wadhvani@narnolia.com

9-Feb-21

Sector	Industrial
Bloomberg	AIAE IN
NSE Code	AIAENG

Management Participants

Exe director- fin	Mr. Kunal Shah
CS	Mr. S.N. Jetheliya
Director	Mr. Sanjay Majmudar

Analyst

Sandip Jabuani
sandip.jabuani@narnolia.com

3QFY21 EARNING CONFERENCE CALL

➤ The sales in

- 3QFY21 65000 tonnes
- 9MFY21 186925 tonnes

➤ The production in

- 9MFY21 was 200538 tonnes compared to 194361 tonnes in 9MFY20
- 3QFY21 73680 tonnes

➤ Other Income :

- Raw material prices are high due to a shortage in the raw material and input product. But according to the management, it is not a structural increase. And receivable days are 18. Total working capital days are 120-125.
- Mining 43397 tonnes in 3QFY21 and 131000 tones in 9MFY21 compared to 122000 tonnes in 9MFY20.
- Capacity is 319000 tonnes, The new mill lining plant will start from June.
- CAPEX did till now is 88 Cr payable in 4QFY21 will be of 130-150 cr. Total CAPEX for the year 200-230 Cr.
- The Capex for FY22 is 50 Cr on maintenance and CAPEX on grinding media plant which would be around 150200 Cr.
- Volume is less in Brazil not only due to duty which is 11.8% but also the customers have multiple vendors. The interim duty is 36% and the final duty is 11.8% in Brazil.
- The company assumes if by June everything become normal the company will be back to pre covid level in 6-9 month.
- Mining volume drivers are gold, copper and iron.
- The company exports approx 25000 tonnes to Canada.
- The volume of FY21 will same as FY20 or plus-minus 5000 according to the management.

29-Jan-21

Sector Industrial
 Bloomberg KKC IN
 NSE Code CUMMINSIND

Management Participants

MD Mr. Ashwath Ram
 CFO Mr. Ajay Patil

3QFY21 EARNING CONFERENCE CALL

- Domestic sales declined by 3 % and export sales increased by 1% during 3QFY21 compared to same quarter last year.
- Company expects gradual recovery of demand in upcoming quarters.
- Power generation segment is showing strong recovery with about 11% growth in current quarter, driven by strong recovery in area of data centers, industrial business and rentals business.

- Breakup of power Generation Revenue :
 - High horse power - 224 Cr
 - MHP – 94 Cr
 - LHP – 93 Cr
 - HDHP – 54 Cr

- Segment Revenue Breakup :
 - Compressor – 25 Cr
 - Construction – 102 Cr
 - Mining – 47 Cr
 - Railways – 48 Cr
 - Others – 35 Cr

- Management is indicating price hike in next year to compensate commodity cost fluctuations, depending on category of product.
- Other income stands strong in this quarter due to good performance by its subsidiary and got some exchange gains too as compared to previous quarter.
- Other expenses also declined by cost reduction efforts taken by company including workforce reduction.
- Impairment cost included in previous quarter is not included in current quarter which constitutes one of the reasons for lower expenses.
- Company has got larger one time order in this quarter and it expects cost to come back with better productivity and more sales.
- Company is deciding to launch more customized products both for domestic as well as global customers.
- It introduced some new products in marine segment and expects segment to grow gradually.
- Railway segment business is lagging behind due to COVID scenario but company is positive about it to recover within next 3 to 4 quarter.
- CBCP upgrade is being delayed for about 6 months, which will be completed till early FY2022 after which cost price and selling price for products will be higher than now

Our Analyst on the Call

Naveen Kumar Dubey
 naveen.dubey@narnolia.com

12-Feb-21

Sector Industrial
Bloomberg DBL IN
NSE Code DBL

Management Participants

ED & CEO Mr. Devendra Jain
Head – Strategy & Planning Mr. Rohan Suryavanshi
CFO Mr. Radhey Shyam Garg

Analyst

Sandip Jabuani
 sandip.jabuani@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- National Infrastructure Pipeline (NIP) which was launched in FY19 with 6835 projects has been expanded to 7400 projects in FY20 and it will require investment of Rs 111 lakh cr till FY25.
- In NIP, 217 projects of Rs 1.10 lakh cr are completed, 1,754 projects under execution and 16500 km is on DPR stage.
- The government is focusing on infrastructure business and the budget has also shown that there will be allocation in infrastructure. So from next 2-3 years, an increase in the projects will come out.
- **Government Initiatives**
 - The government has given a relaxation in payment terms which improved the cash flows for the company.
 - They also released bank guarantees and also have an extension of 3-6 month time in all the projects.
 - There is a change of ownership in HAM projects to 6 months which was earlier 2 years.
 - The introduction of PPP model in Railways will bring private investment opportunities and they also allowed privatization in coal mining through new revenue sharing model.
 - In budget the government announced National Monetization Pipeline to be launched which will benefit the company.
- **RBI Initiatives**
 - The RBI reduced bank rate which will help the company in reducing interest cost going forward.
 - They also introduced TLTRO which has helped in securing lower cost debt.
- **Company updates**
 - The company entered into Railways segment and won New BG electrified double railway line project in Chhattisgarh.
 - The company won Delhi - Vadodara Greenfield Expressway tunnel project in Rajasthan and Siarmal Open Cast MDO Project in Odisha with a peak rated capacity of 50 MTPA.
 - The company has won 15+ cr projects across 9 states and 6 sectors along with the entry in the Railways also.
 - Sector wise composition of order book: Roads-39%, Railways-5%, Irrigation-26%, Bridges-12%, Tunnel-9%, Mining-9%.
 - Contract type composition of order book: EPC-67% and HAM-33%.
 - The order book is 26000+ cr.
- The mobilization advances were 1200 cr and the retention money is 700 cr in December.
- The company is looking 2000 cr divestment in Balance sheet in which they are expecting 900 cr in FY22 and 1100 cr in FY23.
- The EBITDA margin reduced by 4% due to price increase for the key commodity and the PAT decreased due to reduction in margins and the material cost impact.
- The CAPEX for Siarmal project is around 1300 cr where 900 cr is of equipment. This will generate revenue after 4 years.
- The company bided on 20000 cr projects where 600 cr projects is of EPC and 15000 cr is of HAM.
- **Future guidance**
 - The management expects that they will continue to grow in range of 15-20% with doubling of revenues which will come from different segments.
 - There will be Rs 150 cr mobilization advances in next quarter and the debt will decrease as well.
 - The management said that the working capital days will also decrease.
 - The management expected that the total order book at the end of FY22 will be around 28000-30000cr.
 - The management said that there will be long-term partnerships with investors for asset business.

21-Jan-21

Sector	Industrial
Bloomberg	GMM IN
NSE Code	GMPFAUDLR

Management Participants

MD	Mr. Tarak Patel
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Our Analyst on the Call

Sandip Jabuani
sandip.jabuani@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Strong recovery in pharmaceutical sector specially lots of investment coming in from US and Europe which will help in creating local capacity in India and removing local dependency on China
- Order book is about 20-21 million.
- Order intakes recently are strong for example 4 mn dollar from acid recovery order (acid recovery means to purify the concentric acid and weak acid to high concentric acid) from Russia and research order from China of about 7 million dollar.
- PAT quarter to quarter basis is low by 11% because of recreational expense which was one-time expense because company acquired Hyderabad subsidiary, additional depreciation taken to align the accounting policies which account about three and half crore.
- Hyderabad subsidiary is now operational and running with shipment about 4.2 crore with 30 equipment that are ship to Hyderabad.
- GMPFAUDLR International transaction has received antitrust approval and foreign investment approval and will close the transaction by the end of this month and look up to consolidating the Global Business revenue with GMPFAUDLR.
- Ground work done for low costing which will help India to become a hub for other manufacturing facilities globally and planning to enter into new market in South Asia in Middle East where earlier restrictions were there to bring some new European Technologies and localizing them.

6-Feb-20

Sector	Industrial
Bloomberg	IRB IN
NSE Code	IRB

Management Participants

CMD	Mr. Virendra Mhaikar
Group CFO	Mr. Anil Yadav

3QFY21 EARNING CONFERENCE CALL

- The recovery of the loans taken has been started from previous quarter and in Q3 it has been built strongly.
- With 32% QOQ growth in collection for 13 toll asset, the company surpasses the pre-covid collection across the asset during the Q3 of FY21.
- Mumbai-Pune TOT project lead the growth of 42% QOQ increase in collections achieved across the vehicles category permitted after September onwards.
- For this asset, the crossed collection of 3.8 cr a day which was estimated for Q3.
- The four TOT assets (toll assets) owned by IRB reported a growth of 29% on QoQ resulting in cash profit increasing from 171 cr by 97% QoQ basis.
- The company completed the Agra-Etawah project this quarter and they witnessed a strong growth in collection of 56% QoQ basis and 76% on YoY basis.
- The management expects to complete the 2-3 projects in Q4 which will follow the same collection pattern.
- Recovery in construction segment is of 29% QOQ basis and it will improve further in Q4 also.
- Balanced EPC order book now stands at 11300 cr out of which 4400 cr is of construction based providing good visibility for the Q4.
- Net profit is of Rs 69 cr clearing all accumulated losses incurred due to covid-19 pandemic.
- Loss of Private Invt portfolio is coming down consistently with strengthening collection and it will lead to the shift in profit in coming quarters.
- The company has achieved Financial Closure for the Gandeve – Ena HAM Project, awarded in September 2020. With this there are no Financial Closures pending in our asset portfolio.
- Private Invt losses reduced to Rs 17-18 cr and it will be in CAPEX mode in the next couple of years.
- Construction margin will be little low as because of the prices increasing of the steel and cement.
- Interest rate range will be around 8.25 for the next quarters.
- Contribution from key groups- BOT is 480 cr, HAM is 260 cr and the other stuffs i.e. of utility shifting, OEM etc is 340 cr. OEM is around 50%.
- Cash will be roughly around Rs 2300 cr, Net debt to Equity is 1.9:1.
- The management expects a total 60000+ cr ordering before the end of March.
- Employee cost rationalization has been done to save the cost prices.
- Annual inflation in tariff increases in 4-4.5%.
- IRR will be good for the Mumbai-Pune project.

Our Analyst on the Call

Sandip Jabuani
sandip.jabuani@narnolia.com

29-Jan-21

Sector	Industrial
Bloomberg	KECI IN
NSE Code	KEC

Management Participants

MD	Mr. Vimal Kejriwal
CFO	Mr. Rajeev Aggarwal

3QFY21 EARNING CONFERENCE CALL

- Revenue growth is led by robust execution in railway and civil businesses.
- Revenue could have been higher but due to covid challenges in international locations especially Brazil and impact on 3 ongoing projects DMRC, RRTS and farmer agitation which created huge pressure on cement and steel availability.
- EBITDA margin impacted led by cost escalation in Brazil due to pandemic along with increase in prices globally and Steep depreciation of Brazilian Real.
- Pat margin improved aided by significant reduction in interest cost and optimization of tax cost.
- Reversal of price trend in past few days and availability of steel has starting improving, company expects good growth in Q4 and FY22.
- YTD order inflow stands at Rs 6827 cr largely driven by core International T&D business especially in SARC, Middle East and Africa.
- Order book stands at Rs 17918 cr and L1 Rs 6000 cr contributed equally by T&D and non –T&D business.
- Domestic order T&D, revised bidding of Green energy corridor project phase 2 has been completed for most of the schemes of this month. Bidding of balance scheme and process of award will be concluded in next few weeks. Company expects around Rs 1000-2000 cr of order inflow from this segment.
- Core T& D business ramp up across all project sites in both domestic and international business.
- Lag in start of some projects was driven by delay in approval of Visa, work permits and stringent quarantine guidelines.
- Company expects at least 50% growth in civil sector next year.
- Recently acquired transmission tower manufacturing facility in Dubai has been commissioned in Q3 and has announced first few supply orders in EPC.
- Company expects to complete two old EPC project by Q1and Q2 next year.Q2 onwards company expects normalization in Brazil issues.
- Company is expanding its portfolio in technology enables emerging growth areas of metros, DFCC and high speed trains. Company has received aggregate of Rs 500 cr from these new areas.
- Expansion in client portfolio by receiving its first order for composite doubling project which includes track linking, signaling and telecommunication and overhead electrification work.
- Company has received orders from chemical and water pipeline segments. Secured repeat order in cement and public segment.
- Company will commercialize a few new railway products in Q4.
- In solar, company is in track with execution of 20MW carport for automobile. First section of Carport has commissioned already. It has also received 13.6 rooftop solar projects.
- During the quarter, in urban infra sector, company is operating 5 projects. Company expects to receive one more projects and is L1 in airport project. Company's data center is under construction.

Our Analyst on the Call

Sandip Jabuani
sandip.jabuani@narnolia.com

12-Feb-21

Sector	Industrial
Bloomberg	KNRC IN
NSE Code	KNRCON

Management Participants

VP – Finance	Mr. S. Vaikuntanathan
ED	Mr. K. Jalandhar Reddy

3QFY21 EARNING CONFERENCE CALL

- Infrastructure sector has bounced back with execution of projects, availability of raw materials and labour.
- Government huge funding allotment for infrastructure pipeline will help in overall growth.
- NHAI have awarded contract of 2423 km national highway.
- HAM physical progress of project: Chittoor to Mallavaram -72.1% complete, Ramsanpalle to Mangalore – 64.2%, Magadi to Somwarpeth- 22.4%, Trichy to Kallagam-58.9% complete and Oddanchatram to Madathukulam is 14% complete.
- The incremental equity requirement of the company is 90 Cr, 139 Cr, and 50 Cr for FY21, FY22, and FY23 respectively.
- The toll collection in Bihar in Q3FY21 is Rs 11.43 Cr.
- During the quarter company has received order for upgrading Cheyyur – Vandavasi Polur Road including ECR link (ODR) Cheyyur – Panayur Road to 2 laning in the state of Tamil Nadu on EPC mode aggregating to Rs. 538.9 cr.
- HAM & EPC is 55% of the order book and the remaining 45% is Irrigation and other projects
- Client wise 30% is from Captive (HAM Projects) while 70% from third party clients which are mainly government clients.
- Average ticket size is Rs 1000 cr.
- Company has received Rs 540 cr as on Dec'20 from the Telangana government for irrigation project and is expected to receive remaining Rs 140cr in Q4.
- Debt to equity ratio as on Dec'20 stands at 0.1 times as compared to 0.12 times as on 31st March 20.
- Management is positive on his revenue guidance of Rs 2500 cr for FY21 and expects growth in revenue of 15-20% in FY22.
- YTD Company has received 4000 cr of order inflow. Company will be completing 3 HAM projects by June and is expecting to get another Rs 3000-4000 cr of order by March. The total order book by year end is expected to be around Rs 10000 cr.
- Company is focusing on urban and water infra.
- Order book status of irrigation projects: Navyuga irrigation is 775 cr, Mallana Sagar is Rs 195 cr while both Kaleshwaram project stands at Rs 1600 cr .
- Management expects to complete Mallana Sagar project this year while Navyuga project will be completed by FY22.
- Order book of Ramanathapuram and Sungam Junctions flyover stands at Rs 88 cr as on Dec'20.
- Capex in 9MFY21 is around Rs 60 cr and by year-end total capex would be around Rs 100 cr. For FY22, company plans Capex of Rs 100-120 cr.
- Other income has increased significantly because company has received Rs 12.5cr interest income on delayed receipt from the authority.
- Working capital cycle stands at 55 days.
- Gross debt as on Dec'20 stands at Rs 16 cr and cash as on Dec'20 is Rs 43 cr.

Our Analyst on the Call

Sandip Jabuani
Sandip.jabuani@narnolia.com

25-Jan-21

Sector Industrial
Bloomberg LT IN
NSE Code LT

Management Participants

Jt General Manager-
 IR & Acc Mr. Harish Barai
 VP - Corporate
 Accounts & IR Mr. P Ramakrishnan

3QFY21 EARNING CONFERENCE CALL

- The company registered strong order inflow of Rs 124800 cr this quarter on the back of orders from infrastructure and hydrocarbon segments.
- Order book for the quarter stands at Rs 3, 31,000 cr of which domestic contributes 80% while international 20%.
- Out of the domestic order book of Rs 2637 bn the split is as follows: Central Govt 12%, State got 34%, PSUs 41% and private 15%.
- Out of this order book almost around Rs 90 bn is multi-lateral funded.
- Company expect prospect pipeline of Rs 2.65 trillion for Q4FY21of which Rs 2.2 trillion is domestic and the balance international.
- Govt is focusing on key areas such as Metro /RRTS /HSR High speed rail, road and expressways, renewables, water and power transmission and distribution to boost recovery.
- For 9M Company's absolute level of net working capital has shown marginal improvement driven by customer collections. Company endeavours to maintain the same level of net working capital in March 21 as existed in march2020.
- Q3 order inflow in infra segment surpassed cumulative order flows in H1FY21 and recorded 22% growth in revenue in Q3 on back of supply chain normalization and work force availability. There could be volatility in margin ahead depending on job mix.
- In power segment, Revenue increase in Q3 driven from opening order book.
- In Defence Engineering, Multiple small value orders replenish opening order book. The recent policy of Govt concerning this sector is encouraging, Rs 28000 cr of domestic project has been cleared by defence council however implementation may happen over a course of time.
- Decline in Revenue from Developmental Projects segment is mainly driven by Nabha Power mainly due to lack of coal supply due to the Rail Roko Agitation in Punjab which affected the power generation for almost a month.
- Metro margins are impacted by operating expenditure because of under recovery due to covid. Current traffic average on weekdays is around 125000-130000 riders per day.
- Margin improvement in IT and technology segment driven by improved utilization, onshore -offshore mix and operational efficiencies.
- In Financial Service segments, PAT de-growth is largely due to enhanced credit cost provisions.
- In Q2, company has announced fund allocation of Rs 2000 for Hyderabad metro out of which Rs 500 cr infused in Q3.
- In next 2-3 quarters company expects decline in standalone debt. Current Net debt to equity ratio is 0.1. Company expects it to be negligible post March.

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

19-Jan-21

Sector Industrial
Bloomberg METP IN
NSE Code MOLDTKPAC

Management Participants

CMD Mr J. Laxman Rao

Our Analyst on the Call

Rupali Soni
rupali.soni@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Volume showed the growth of 36% which resulted in profit increment of 70% and management guided that for full year it is expected to grow by 8-10%.
- New products like QR coded IML labels, new packaging for food and FMCG and pumps as are expected to launch soon and these product launches will drive growth in near term.
- Management guided for capacity expansion in FY21-22 for Mysore, satara and vizag plant for Asian paints.
- EBITDA/KG grew to 36.46 from 34.36 in 3QFY20, increase of 6% YoY.
- PAT showed the growth of 69% YoY despite the increase in raw material prices by 15-20% as the price rise was successfully pass on to the clients.
- Management guided that when capacity utilization reaches 70-80% then profit margin will grow up and is better than IML pricing, and to reach this level it will take 2-3 quarters.
- Clients like Godrej, Wipro, Asian Paints etc have already made booking for pumps.
- Once the volume for pumps reaches 5-6 mn per month it will contribute much higher than any other product.
- Pump to be launched are of 24 mm and 28 mm , whereas management guided for enhancement in product range by launching 34mm pump for shampoo.
- Management guided that pump and related product of healthcare could contribute 100 cr in next 3 years.
- Management guided that FMCG segment is expected to grow by 30-35%, lube will grow by 5-7% and paints is expected to grow by 18-20%.
- Credit period is not the concern as all the clients are major MNCs.
- Raw material prices are expected to stabilize in the same level and are expected to decrease in next 2-3 quarters.
- Management guided of capacity increase of 44000 ton by April 2021.
- IML segment have 8-10% better margin compared to non IML segment whereas paints and lubes have on average 25-30 per kg margin and for FMCG it is around 40-80 per kg.

5-Feb-21

Sector	Industrial
Bloomberg	PNCL IN
NSE Code	PNCINFRA

Management Participants

MD	Mr. Yogesh Kumar Jain
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3QFY21 EARNING CONFERENCE CALL

- In budget FY21, finance minister stated to allot 2.27 Lakh crore to infrastructure projects over next 2 to 3 years. So, momentum is expected to increase.
- Budget estimate for NHAI has increased by nearly 35% to Rs. 57350 Cr compared to Rs. 42500 Cr last year.
- Budget allocated 1.18 Lakh Crore to MORTH out of which 1.08 lakh Cr towards Capex for year 2022.
- Budget also proposed to set a development financial institution with a sum of Rs. 20000 Cr which will extend funding support of approx. 5 lakh Cr to infrastructure sector.
- NHAI awarded a total of 2424 Km till Dec 20 as compared to 3211 Km for full year of 2020. It is targeting to award between 4800 to 5200 Km before end of current FY.
- Company received letter of award for irrigation project in state of Andhra Pradesh of 1000 Cr in current quarter as well as for 5 rural drinking water supply project in state of Uttar Pradesh Valued 3717 Cr.
- Net working capital as on December 20 is around 67 days as compared to 85 days as on September 20.
- Order inflows: company expects its order inflows same as guidance given in previous quarter of around 10000 Cr for FY21. For FY22 also it will be in same range.
- Non-road sector contribution in order book should not be more than 20%.
- Capex: No major capex for drinking water & irrigation projects. Revision is done on company guidance from 125 Cr to 200 Cr out of which 90 Cr machine already received.
- Equity Investment: Company expects to require equity of 926 Cr in next 2 to 3 years which will be divided as such but this mix may vary- FY22 – 350 Cr, FY23 – 168 Cr, FY24 – 120 Cr
- EBITDA M %: company sticks to its earlier guidance of about 13 – 13.5 %.

Our Analyst on the Call

Sandip Jabuani
 Sandip.jabuani@narnolia.com

11-Feb-21

Sector	Industrial
Bloomberg	RITE IN
NSE Code	RITES

Management Participants

Chairman & MD	Mr. Rajeev Mehrotra
Director Finance	Mr. BP Nayak
CFO	Mr. Parmod Narang

Our Analyst on the Call

Sandip Jabuani
Sandip.jabuani@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Revenue decreased by 28% YoY mainly due to no export deliveries this quarter, disruption in supply chain and restriction due to pandemic.
- EBITDA margin is led by efficient execution and timely implementation of cost control initiatives which has helped the company in sustaining margins.
- The emphasis on infrastructure by the government such as National rail plan and national infrastructure pipeline will help to drive the growth of the sector and will provide opportunity to the company to achieve double digit growth from FY22.
- Company expects growth of 15% in FY22 over FY20.
- In Order front, new projects are lined up in metros, railways and highways.
- Inspection delayed in rails and other capital items impacted consultancy revenue which remained muted while company expects recovery in consulting revenue.
- Quality assurance business remained muted this quarter.
- Company is under discussion for 40 coaches tender.
- Leasing revenue has almost reached to pre-covid levels, margin for the quarter stands at 39.8%.
- No export delivers were scheduled in Q3 however Q4FY21 is expected to see export delivers for SriLanka and Mozambique. Export of train will start from Feb end while Exports is expected to do better in FY22.
- Rs 1000 cr of export order are in manufacturing process. Company expects around Rs 400 cr of revenue from export in Q4.
- Company's subsidiary, REMC Ltd. margin were impacted mainly due to less traction power required by railways during the quarter but power generation from wind mill has shown growth.
- In Turnkey project, company has started work for new electrification line and billing will start for it in Q2FY22. Company guided 20-25% of revenue from turnkey business.



25-Jan-21

Sector Industrial
 Bloomberg SI IN
 NSE Code SUPREMEIND

Management Participants

MD Mr. MP Taparia
 CFO Mr. P C Somani

3QFY21 EARNING CONFERENCE CALL

- The demand for the product is from rural, tier 3 and 4 markets, The demand is from the housing market.
- The packing segment of the business was affected due to the increase in prices of raw materials.
- **PVC Prices**
 - The prices are alleviated. Due to which demand from the agriculture segment is affected/
 - The management is expecting by March the prices will lower.
 - PVC price will lower but not to the extent as before.
 - PVC consumption degrowth in the industry is 20.5% and the companies degrowth is by 3.70%
 - The price of CPVC have also increased.
- **Capex**
 - A carried forward investment of Rs.182 Cr includes the Capex is 400 Cr for FY21
 - On 7 sites additional construction activities are going on.
 - New plants in 3 locations and land for the same are acquired in Tamil Nadu, Odisha and Assam , the plant construction is on leases agreement.
 - The management is expecting the functioning of these plants is FY22.
 - In the coming year the management is expecting to increase capacity in different states.
- **VAP:** The growth is due to the launch of new products in plastic, Furniture and material handling product. These products gave a boost of 190 Cr in 3QFY21. Plastic piping system share went up to 42%, Furniture 52.5%. The management is focusing on Value-added products
- **Packaging Segment:** Growth was low due to the high price of LTP. The management is expecting in 4QFY21 the prices will lower.
- **Agri Portfolio:** According to the management the demand in this segment is affected due to the prices. The management is positive that the demand for the same will increase by mid-March, April and May. The Demand is currently very less.
- **Tank:** Tank manufacturing will increase from 5 to 8 location by the end of the year. According to the govt., 15 -16 Cr tanks are sold every month. The increase in the location will increase logistic benefits.
- **Distribution Strength:** The distributors are 4001, Out of which: Pipeline 1373, Material Handling 205, Furniture 1240, Cross Remediated 504 and Protective project 705.
- **Capacity Break up:**
 - Plastic Piping- 499111
 - Industrial- 74897
 - Packaging- 90544
 - Furniture- 29848
 - The total capacity is 695000. The increase in capacity is 58000 i.e in Piping.
- **Guidance:**
 - The Volume and Value of products in 4QFY21 will be better than 4QFY20 if the Covid 19 situation is under control according to the management.
 - According to the management the sale will be more than 1403 Cr.
 - The management to focus on maintaining the ROCE around 25% and improve it above 30%.
 - The management is expecting 10-12% growth in volume and this will be sustainable.

Our Analyst on the Call

Sandip Jabuani
 sandip.jabuani@narnolia.com

4-Feb-21

Sector	Industrial
Bloomberg	TMX IN
NSE Code	THERMAX

Management Participants

MD & CEO	Mr. Ashish Bhandari
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3QFY21 EARNING CONFERENCE CALL

- The profitability is 34% above before exceptional item due to cost control measures in material and employee cost initiated by management in this quarter.
- The exceptional items impacted the results is on account of impairment of goodwill in Thermax Netherlands B V and reversal of part of the provision created earlier for claims arising from the closure of a German subsidiary.
- The order booking is Rs 1565 cr and the order balance is Rs 5208 cr for 3QFY21 and the orders are coming back from refinery, food & beverage, cement and steel.
- **Order book for 3QFY21-**
 - Energy- Rs 908 cr from domestic and Rs 383 cr from exports.
 - Environment- Rs 158 cr from domestic and Rs 15 cr from exports.
 - Chemical- Rs 50 cr from domestic and Rs 52 cr from exports.
- The company won a major EPC order from a bio-refinery in Assam for setting up captive Combined Heat and Power plant.
- International business is generating around 30-40% overall business.
- Input cost is being affected due to the increase in steel prices and the management is taking steps to control it.
- The union budget increased the market sentiments in terms of infrastructure and due to this demand will increase.
- The margins were better due to the mix segment as the company won an international order as well as the volumes came up with managed base cost.
- The chemical segment had the capacity constrain in respect to the business. The phase-I of the plant was getting close to full and the Phase II of the Dahej plant had to expand the capacity.
- The company is supporting the National Hydrogen Mission announced in the budget in which the management said that they are expecting positive development from this.
- **Subsidiary**
 - Danstoker subsidiary was in loss as the lockdowns were again in Europe and some changes occurred in district heating in energy segment and the management expects some portions like renewables and biomass will be stronger in future.
 - The South-East Asia subsidiary also faced loss but the pipelines were in good position. The management expects it will be in good position due to biomass and fuels.
 - In US, the chemicals were at good position but the cooling was in slowdown and it is expected to rise again in coming quarters.
 - CAPEX is around 40-50 cr which is lower than last year and they expect it will be around 70 cr in December.
 - The management expects that there will be better demand from different geographical locations.
 - The management said that there can be increase in demand at Danstoker as company has received orders in constructions, energy etc.
 - The management said that they will earn a good growth due to the focus on the infrastructure orders and they started receiving the orders from it.
 - There can be variation in the margins as the management said that the price of the commodity is increasing and the steel prices will impact most of its business.
 - The management expected that the growth will be there if the volume of them will sustained and the ongoing orders will be completed on time as they are six months late for them.

Our Analyst on the Call

Sandip Jabuani
 Sandip.jabuani@narnolia.com

21-Jan-21

Sector Information Technology
Bloomberg CYL IN
NSE Code CYIENT

Management Participants

Exe Chairman Mr. B. V. R. Mohan Reddy
CMD Mr. Krishna Bodanapu
CFO Mr. Ajay Aggarwal
CFO Mr. Karthikeyan Natarajan

3QFY21 EARNING CONFERENCE CALL

- Services revenue was USD \$ 115.3 mn signifies a growth of 1% QoQ and 0.3% in CC terms.
- DLM revenue was USD \$ 26 mn grew by 24.8% QoQ and 72.4% YoY basis.
- DLM EBIT stood at 10.6% in 3Q and is sustainable going forward as per management.
- Free cash flow for the quarter is Rs. 152 Cr. lower on sequential basis by 25.3%.
- Management expects sequential improvement in margins in 4QFY21 driven by the increase in volume and improvement in operational efficiencies.
- CYIENT has been placed in the top quadrant in the overall ER&D services category for the seventh consecutive year in the Zinnov Zones annual ratings.
- Within ER&D services, Cyient maintained its “leadership” position in the aerospace, industrial, medical devices, telecom, and the software-defined network-NFV verticals. The report also recognizes Cyient’s mature Digital Engineering Services capabilities.
- The partnership SPRINT partners will enable Cyient to identify new business opportunities, to lower its product development costs and to offer cutting edge geospatial solutions with higher precision.
- The partnership will also assist Cyient in accessing industry experts from UK Academic Institutions and small businesses for collaborative space data and technology projects across UK.
- CYIENT signed a MoU with SaaS Provider Decipher to support the Global Rollout of Key Cloud Mining Platform. The platform will help streamline tailings and rehabilitation monitoring in the industry.
- Collaboration with SaaS provider will enable global mining players to meet regulatory compliance and monitoring guidelines.
- CYIENT collaborated with SR University to help advance the field of Additive Manufacturing.
- CYIENT will help SR University in developing an industry-oriented curriculum focused on advanced manufacturing systems. This will help reduce the skill gap between the need and availability of resources trained in areas such as design for additive manufacturing.
- CYIENT will look to SR University to lead innovation through industry-aligned research and development in the field of advanced materials, design, and process controls.
- Management won 5 multi-year deals with total contract potential of USD \$106 mn. It consist of 3 large deals worth USD \$50 mn with top 5 telecom companies, 1 deal in DLM worth USD \$ 36 mn and 1 deal from a Med Tech company worth USD \$ 20 mn.

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

15-Jan-21

Sector Information Technology
Bloomberg HCLT IN
NSE Code HCLTECH

Management Participants

CEO Mr. C. Vijay Kumar
CFO Mr. Prateek Aggarwal
Sr corporate VP
Digital & analytics Mr. Anant Gupta
Corporate VP Mr. Anil Ganjoo

3QFY21 EARNING CONFERENCE CALL

- EBIT margin during the quarter was at higher side of the margin guidance of 20-21% given by management.
- Higher net income in 3Q was primarily due to lower tax provision.
- Attrition rate was at all-time low at 10.2%. However, management expects the same to go up in the coming quarters based on the very strong demand environment.
- From booking prospective management find 13 transformational deals across industry verticals, including Life Sciences and Healthcare, Technology and Financial Services. TCV signed by the management grew by 13% YoY in comparison to fiscal 2019.
- Pipeline remains very strong and expects further booking in coming quarters.
- Strong performance during the quarter was led by digital, Cloud and products and platform businesses; which reflects the success of many strategic investments made by the management over the years.
- The organic and inorganic investments made to build broad based IP products and platform portfolio and an enterprise digital transformation value proposition that is truly integrated and differentiated.
- The R&D investments made by management and innovative products which are very relevant for the clients which are driving success of products business.
- Digital transformation value proposition is truly differentiated it's integrated and designating extremely well with clients.
- The growth drivers are based on the 4 parameters which is driving growth; overall demand environment is very strong, Mode 2 business particularly digital and cloud growing very aggressively, products and platform business and the last one is trust and support of Clients.
- 5 out of 7 verticals have shown positive growth momentum. Retail and manufacturing verticals are recovering from the pandemic and performed well in 3Q.
- Media and telecom which posted 12% QoQ in CC, substantial part of it is due to one-time deal activity.
- Mode 2 business delivered 10.9% QoQ and 25% YoY growth in CC terms.
- Europe based life centers and healthcare companies selected HCLTECH as its preferred digital transformation partner for bottom-up transformation.
- Product and platform business grew by 9.3% YoY in CC terms which continues to validate strategies of the management with the very strong business model and its execution.

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

13-Jan-21

Sector Information Technology
Bloomberg INFO IN
NSE Code INFY

Management Participants

CEO & MD Mr. Salil Parekh
COO Mr. Pravin Rao
CFO Mr. Niranjan Roy

3QFY21 EARNING CONFERENCE CALL

- Highest ever large deal wins in 3Q with the TCV of USD \$ 7.1 billion with the largest ever deal sign in the history of IT services industry in India. This will continue to expand from the presence to the continental European Market.
- Large deal wins in 3Q is USD \$ 7.1 billion includes share of new deals i.e. 73%. Net new deals signed in 3Q were more than 1.5 times of what was signed in entire fiscal year 2020.
- Other than the largest deal within the industry, another deal signed by the management OF USD \$ 500 million.
- Overall management won 22 large deals in 3Q; includes 18 deals from financial services.
- Region wise 13 deals are from America, 7 deals from Europe and 2 from Rest of the World.
- Overall deal value for CY20 is USD \$ 12 billion and over 9MFY20 is USD \$ 8 billion positioned strong pipeline of deals going ahead.
- Digital revenue grew by 31.3% YoY in CC terms and cross the milestone of Digital revenue share of 50% plus in total revenue.
- Cash flow from operations remain robust by the end of 3Q with USD \$ 829 billion. Balance sheet remain solid with cash and investments at USD \$ 4.5 billion after payout of interim dividend.
- Recognizing continuous performance as contribution from the employees during these times management is paying salary to them 100% for the quarter and salary increase will be effective 1st Jan 2021.
- Management is also expanding promotion cycle across all levels in 4QFY21.
- 97% of the employees across the world are continuing working from home due to COVID.
- Net employee addition was more than 9100 in 3Q.
- Voluntary attrition over IT services has reached over 10%.
- Financial services, Hitech and Life science verticals reported double digit growth in CC terms.
- Utilization was at 86.3% with all time high level in 3Q.
- Onshore offshore mix remains lowest at 75.4%.
- Looking forward Management expects strong growth momentum in its business, market share gain, and increase in the speed of digital transformation as a client.
- Management increased the revenue growth guidance for FY21 from 2-3% to 4.5-5% growth in CC terms.
- Management also increases the operating margin guidance from 23-24% to 24-24.5% for FY21.

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

20-Jan-21

Sector Information Technology
Bloomberg LTI IN
NSE Code LTI

Management Participants

CEO Mr. Sanjay Jalona
CFO Mr. Ashok Sonthalia
COO Mr. Nachiket Deshpande
Pres. Sales Mr. Sudhir Chaturvedi

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- All the pillars of revenue growth strategy growth accounts, invest accounts, new account openings and large deals have performed well in this quarter.
- 2 large deals wins were signed by the management in 3Q with cumulative net new TCV of USD 278 million.
- LTI partnership with Wizard is to provide digital transformation services in the UAE. LTI will start with infrastructure, applications and ERP services for the 50 plus clients. The Deal tenure is 6 years and the deal value is estimated as USD \$ 204 mn.
- The second large deal win is with global fortune 500 energy company with LTI as its primary partner for an application managed services agreement to create and consolidate a business-aligned IT services delivery platform across the organization and reduce total cost of ownership. It's a 5 year deal with net new TCV of USD \$ 74 mn.
- Management expects broad based demand across the verticals.
- In 3QFY21; 22 new logos were launched. A new logo is of global fortune 500 company was added taking fortune 500 logos count to 69.
- A UAE-based leader in digital transformation has selected LTI as its partner of choice to provide infrastructure and application operations support and maintenance for its existing and new customers.
- LTI will also partner with end customers on their journey to cloud and transform operations to bring in best-shoring and automation.
- Management remains focused on building and scaling differentiated capabilities. A healthy deal pipeline and sustained client mining make management optimistic about the future.
- Management continues to see strong demand for cloud-based IT solutions. Tier 1 level partnership with the hyperscalers enables us to work closely on client outcomes and go-to-market opportunities.
- Management remained focused on two goals, i) fulfilling commitments to clients and ii) keeping employee stay.
- LTI is now an Elite level partner of Snowflake; the data cloud company.
- LTI has also become the maiden partner for Snowcase - a program that Snowflake is launching to develop and market industry-specific solutions to accelerate cloud data transformation journey of enterprises.
- LTI has partnered with Temenos to launch a Digital Banking Platform in the Nordic region.
- On the data product side, a global banking and financial services company would use 3 product licences of Elite ecosystem- AI, CatLog and decisions to bring about efficiency in the reporting with the regulators.

20-Jan-21

Sector Information Technology
 Bloomberg LTTS IN
 NSE Code LTTS

Management Participants

CMD Dr. Keshab Panda
 Deputy CEO Mr. Amit Chadha
 CFO Mr. Rajeev Gupta
 COO Mr. Abhishek Sinha

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Operational performance was good with an EBIT margin expansion of 150 BPS to 15.2%; which is in line with what was guided in 1QFY21.
- Free cash flow continues to be remaining robust in 3Q with the DSO remaining with narrow band.
- Deal pipeline is expected to remain healthy and management foresees the same sequential growth to continue across verticals going ahead.
- Strong uptick in Industrial Products has been led by deals involving digital led transformational programs.
- The deal pipeline is healthy across segments as customers prioritize business transformation to improve efficiency and productivity.
- LTTS won 7 deals with TCV of USD \$ 10 mn plus, which includes a USD \$ 100 mn plus deal along with 2 USD \$ 15 mn plus deals.
- LTTS won its biggest deal ever with a TCV of USD 100 million plus from a global O&G major to be the primary engineering partner to support two of the customer's integrated refining and chemicals manufacturing facilities in USA.
- Zinnov rated LTTS as a 'Leader' in newer areas like Digital Engineering, IoT, AI and Digital Thread – which are critical technologies for products and services transformation. Such technologies are 49% of revenue share and LTTS is leveraging them across diversified portfolio to further positioning as innovation partners to customers.
- LTTS raises FY21 guidance - which is now for a revenue decline of about 6.5% in USD terms.
- From 1ST April onwards, Mr. Amit Chadha will step in as a CEO.
- Transportation Vertical- All the sub segments grew by 3% sequentially (aero, auto and highway). Within Aero growth was led by the defence part, while the outlook for the commercial is still a challenge.
- Management foresees consolidation and product software opportunity here in this transportation vertical. Auto remains a soft quarter in 3Q on account of seasonality.
- For transportation overall LTTS won 3 deals greater than USD \$ 10 mn in 3Q and management sees multiple deals in the pipeline; as momentum for transportation picking up.
- Plant and Engineering vertical- grew by 9.2% sequentially with the momentum strengthening the previous quarter. In FMCG and chemicals, LTTS see traction in the areas of CPG and services.
- Industrial products vertical- grew by more than 5% sequentially demand was driven by digital smart products, value engineering of existing products.

2-Feb-21

Sector	Information Technology
Bloomberg	MAST IN
NSE Code	MASTEK

Management Participants

VC & MD	Mr. Ashank Desai
President	Mr. Abhishek Singh
CEO EVOSYS	Mr. Umang Nahata
Group VP fin	Mr. Arun Agarwal

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Demand for transformation and cloud migration project across geography have built robust momentum keeping in mind that over change was seasonal weaknesses
- MASTEK crossed US\$ 60 million revenue mark in 3QFY21 witnessing a growth of 73.9% YoY in CC and EBITDA margin at 23.5%.
- Revenue during the quarter stood at Rs. 446 Cr. grew 76.4% YoY basis.
- Revenue performance during the quarter is based on the acquisition; however the performance is balanced on QoQ basis in terms of organic as well as inorganic growth. Both of these have done very well.
- The 12 months order backlog grew by 101.0% YoY.
- Net cash balance after adjusting for debts stood at Rs 520 Cr. which also includes Rs 237 Cr. from sale of stake in Majesco.
- MASTEK added 57 new customers during the quarter, driven by increasing demand for digital transformation and cloud transformation services and added 248 employees.
- Customers added during the quarter are across geographies.
- With positive momentum across geographies and verticals, management is confident of continuing this transformational journey in the coming quarters.
- New deal wins across geographies has boosted management confidence and reinforces investment decisions in public sector and oracle EBM space.
- US focus is bearing fruit; Evosys expertise in Oracle cloud migration coupled with Mastek's capability to cross-sell digital commerce and transformation services has helped management to win integrated and larger deals.
- Mastek has given an in-line performance in 3QFY21, despite the seasonality impact in UK.
- With ongoing integration of Evosys, management is well on our way to achieve both financial and strategic value from the deal.
- Mastek and Evosys entered into a LOI with a leading professional services organization in North America under "Joint Go-To Market strategy"; order value of the same is USD \$ 1.8 million.
- Clarity on Brexit has led to good traction in both public sector and digital transformation deals.



18-Jan-21

Sector Information Technology
Bloomberg MTCL IN
NSE Code MINDTREE

Management Participants

CMD Mr Debashis Chatterjee
COO & ED Mr. Dayapatra Nevatia
CFO Mr. Vinit Teredesai

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Digitizing and creating new business models, enhancing customer behavior technology etc. played a crucial role over this tough time.
- Management continues to calibrate the way they conduct their business build on core strength, to establish more stronger and resilient organization.
- Management commitment to deliver superior client satisfaction, consistent and competitive profitable growth remains stronger than ever.
- In 3Q, management recorded revenue of USD \$ 274.1 mn representing broad based growth of 5% QoQ, EBITDA was 23.1% with an expansion of 350 bps sequentially.
- For the quarter, order book of USD \$ 312 mn represents 51% YoY growth.
- For 9MFY21, order booking has crossed USD \$ 1 bn mark.
- Management has lost several strategic initiatives during the pandemic to ensure the relevance of office and meet client's need.
- Projects undertaken during the quarter; i) Hospitality business to detect payment default by the customer at any hotel ii) medical procedure equipment was implemented iii) For large insurance company in US MINDTREE implemented fully enterprise data exchange B2B solution.
- Revenue grew across all geographies and service lines. Communication media and technology grew 5%, Retail CPG and manufacturing grew 5.8%, BFSI grew 0.8%, travel transportation and hospitality grew 13% sequentially.
- Among the geographies; North America contributed 77%, Continental Europe UK and Ireland contributed 15% and Asia pacific contributed 8% of the overall revenues.
- Management can see clear traction across 4 clearly defined service lines based on the deals and the conversation with the clients currently happening.
- Revenue contribution from service lines are: Customer success: 38%, Data and intelligence 15%, Cloud 19%, Enterprise IT 28%.

22-Jan-21

Sector Information Technology
Bloomberg MPHL IN
NSE Code MPHASIS

Management Participants

CEO Mr. Nitin Rakesh
CFO Mr. Manish Dugar

3QFY21 EARNING CONFERENCE CALL

- With the adoption of digital technologies, technology spend remain strong for recent industry report cater digital adoption across industry for both consumers as well as enterprises.
- Ecommerce penetration in US for instance increased by 19% points by 1QFY20 in comparison to 10% points at 1QFY19.
- Management believes 2021 will see continue investment by enterprises in digital transformation.
- In 2020, it's all about resilience and continuity of business; 2021 seems to be about clients starting to perform and budget for vision for long term plan about digital transformation.
- Tribe based approach since it's launched it is significantly contributing to deal pipeline; with 49% increase in the deal pipeline compare to fiscal year 2019.
- Management will continue to expand this tribe universe; added to new tribes in FY21.
- TCVs of deals won driven significantly by the tribe model is up 64% YTD FY21.
- Revenue during the quarter Rs. 2474 Cr. grew 1.5% QoQ and 8.4% YoY and in CC terms growth was 1.6% QoQ and 4.3% YoY.
- In Direct business; new TCV wins in 3QFY21 was USD \$ 247 mn. 9MFY21 TCV win is USD \$ 867 mn grew 64% YoY basis.
- Direct business continues to power all growth. Growing by 5.1% QoQ and 23% YoY on reported basis and 5.3% QoQ and 19% YoY in CC terms.
- Contribution of Direct business to overall revenue stands at 85%.
- DXC revenue declined 17.9% QoQ and 39% YoY on reported basis and declined 18.2% QoQ and 42% YoY on CC terms.
- DXC contribution to revenue is now further reduced to 13% of revenue in 3QFY21.
- EBIT improves 3.2% QoQ and 9.6% YoY in 3Q. EBIT margin improves 30 BPS QoQ to 16.4% and it is at the higher end of 15.5-16.5% margin band.
- Growth is broad based across all client segments within direct business. Market share gains to strategic alignment with new spend areas with the top 10 client contributed to help growth reflecting increased depth of company's relationships.

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

29-Jan-21

Sector Information Technology
Bloomberg PSYS IN
NSE Code PERSISTENT

Management Participants

CMD Mr. Anand Deshpande
ED & President - Technology Mr. Sandeep Kalra

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Persistent explore new technologies, delivery models and new ways of working together to deliver digital excellence to its customers.
- Employees at persistent have accelerated growth and reinforced capabilities across all areas of the company.
- Persistent have built deep healthcare expertise in delivering salesforce services and is effectively leveraging it to build an edge over its competitors.
- Management closed FY20 very strong, for the first time in Persistent's history crossing the half billion-dollar mark in revenue.
- Management had particular strength in technology services unit, which delivered a robust quarter driven through solid expansion.
- Management continued a strong expansion of new logos across the business.
- While Covid-19 is presenting challenges, it is also unearthing business opportunities as every organization now understands that the status quo is not a viable option.
- Persistent prescient adoption of cloud technologies internally allowed management to enable more than 99% of employees to work from home within the first week. This helped us ensure business continuity for customers.
- Persistent continue to deliver engineering solution expertise in key industry segments and service lines, helping customers to imagine their new digital future.
- Management continues to see growth in average deal size during the quarter.
- Management saw secular growth across top customers, in particular across BFSI and software & Hi-tech industry segments.
- Management delivering differentiated value to its clients by anticipating what they need beyond their current requirements, tapping the best expertise from across Persistent.
- This combined with our continued recognition by industry analysts including Zinnov, ISG and Constellation are leading to positive traction in new and existing accounts and increased deal sizes.

13-Jan-21

Sector Information Technology
 Bloomberg TELX IN
 NSE Code TATAELXSI

Management Participants

MD & CEO Mr Manoj Raghavan
 SVP Marketing Mr. Nitin Pie
 CFO Mr. K. M. Ramasubramanian

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Strong growth in revenue is due to both business divisions, Embedded Product Design division grew by 9.3% QoQ and 14.5% YoY and Industrial design business grew by 27.5% QoQ and 7.1% YoY.
- PBT grew by 73.1% QoQ and 43.4% YoY. Tax during the quarter stood at Rs. 105.2 Cr. reporting a growth of 33.3% QoQ and 39.5% YoY.
- Healthcare reporting continuous faster growth than the other industry with 24% QoQ. Media and communication grew by 8% QoQ.
- Recovery in the automotive segment consecutively from the last two quarters. Transportation vertical grew 7.9% QoQ.
- OEM started with some key R&D program as well as new opportunities with suppliers.
- Recovery in the design business could be seen in 3Q. Management expects the same growth momentum going ahead.
- Management is back with the pre-covid momentum and expects the same growth momentum going ahead.
- Management is confident with the strong deal pipeline across industry and believes that a lot more is pending in the same.
- Onshore and Offshore mix improved favorably helped in margin expansion.
- Revenue growth in 3Q is not the one-time growth and it does not include significant amount from IP revenue. However, IP revenue in 3Q is lower in comparison to 2Q revenue.
- Utilization went up during the quarter despite hiring took place, also helps in margin expansion.
- Growth in medical business, as medical business comes under higher margins leads to improvement in margins in 3Q.

8-Jan-21

Sector Information Technology
Bloomberg TCS IN
NSE Code TCS

Management Participants

CEO & MD Mr. Rajesh Gopinathan
CFO Mr. V Ramakrishanan
COO Mr. N G Subramaniam
Chief HR officer Mr. Milind Lakkad

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Strong demand from the core transformation services, market share gain and quick revenue conversion from all the deals won helped management to build up robust momentum that overcome seasonal weaknesses and post strong sequential growth in 3QFY21.
- The growth momentum over the last two quarters also helped management to get back in achieving growth on YoY basis to what was expected at the beginning of FY21.
- The strong topline performance is based on strong operational matrix reflecting the power, flexibility and responsiveness of SBWS operating model.
- Operating margin for the quarter was 26.6% with expansion of 0.4% QoQ and 1.6% YoY.
- Largest two business verticals BFSI and retail grew by 2% QoQ and 3.1% QoQ in CC terms have shown a good growth in seasonally weak quarter.
- The business teams that grow customer spending during the quarter include customer experience enhancement, new product initiative, and regulatory work.
- 2 larger deals in BFSI signed by the management in 3QFY21, the prudential financial deal was close in mid-December but a small amount of revenue was added in 3QFY21. The post bank system deal was closed by 1st Jan.
- Retail cluster grew by 3.1% QoQ in CC terms, despite the seasonal softness of the holiday season and continuous weakness in discretionary retail, CPG and hospitality subvertical.
- US retail have shown good recovery followed by UN and UK.
- Life sciences and healthcare vertical continue to outperform growing 5.2% sequentially and 18.2% on YoY basis in CC terms. Other verticals also showed good growth: manufacturing grew 7.1%, communication and media 5.5% and technology services 0.8% QoQ basis in CC terms.
- By geography; sequential growth was led by North America, India and UK by 3.3%, 18.1% and 4.5% QoQ basis respectively in CC terms. Other markets also grew as well Asia pacific 2.6%, MEA 6.7% QoQ and Latin America by 3.1% in CC terms.
- Product and platform continues to grow well Ignio, Cognitive automation software acquired 8 new logos in 3Q and 7 customers go live on the product.
- During 3QFY21, the product won 3 more awards and granted 2 more patents with a total of 27 patents granted till date.
- As customer empower on their cloud transformation journey and look to redeploy their talent from business usual task to transformational project they are deploying ignio various solutions at very creative cases to proactively monitor their infrastructure, automate routine maintenance activity and built operational resilience.

29-Jan-21

Sector	Information Technology
Bloomberg	TECHM IN
NSE Code	TECHM

Management Participants

CFO	Mr. Manoj Bhat
CEO	Mr. CP Gurnani

3QFY21 EARNING CONFERENCE CALL

- The technology modernization cycle continues to gather pace and positioning of creating experiences through next now has seen in gaining significant traction in the market place.
- Management has structurally changed delivery model and their focus on operational excellence has again yielding results.
- Management is seeing continuous improvement in their operating metrics and is confident of continuing on this transformation journey in the coming quarters.
- Margin expansion of 140 BPS sequentially during the quarter with highest ever utilization resulted an EBITDA margin of 19.6%.
- Free cash flow as at 31ST Dec 2020 is USD \$ 226 million.
- Cash and cash equivalents remain at USD \$ 1625 million on 31ST Dec. 2020.
- Recently, management has acquired payment technology services limited a step down subsidiary of fintech firm FIS focused on serving the banking and payment needs of Asian financial services firms.
- The acquisition was for about USD \$ 9 million i.e. around Rs. 66 Cr. which is expected to close by this quarter.
- The acquisition will give management to access to IP's and licenses for two products open payment framework and multi bank system.
- Net new deals include TCV at USD \$ 455 million in 3QFY21, includes TCV from enterprise and communication of USD \$ 352 and USD \$ 104 million respectively.
- Recently, management has collaborated with the college of military engineering; Pune to address challenges in the field of defence through technological innovations.
- TECHM has been chosen as a strategic partner by a leading communication service provider in UK for implementing software defined network enabled 5G transport network.
- TECHM has been chosen as a global strategic partner by a UK based leading global mining company for application modernization, consulting, data analytics and customer experience across multiple locations.
- Management has expanded its strategic alliance with BMC Software, a global leader in IT solutions for the autonomous digital enterprise, to enable digital transformation for global enterprises.

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

13-Jan-21

Sector Information Technology
Bloomberg WPRO IN
NSE Code WIPRO

Management Participants

CEO & MD Mr. Thierry Delaporte
Senior VP & CFO Mr. Jatin Dalal

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Management is optimistic with respect to the current year 2021 for the businesses as well as Clients.
- Wipro has moved into new organization structure and are stabilizing quickly.
- Wipro has delivered a second consecutive quarter of strong performance based on healthy revenue growth, acceleration in order booking, margin expansion, sustained lower employee turnover and solid operating cash flows in 3Q.
- Revenue grew by 3.9% QoQ in rupee terms, 3.7% QoQ in CC terms in 3QFY21. IT services segment revenue grew by 3.4% QoQ in CC terms.
- Growth in revenue across the sectors and verticals are led by a surge in volumes.
- Operating margins are expanding during the quarter by 240 BPS to 21.7%; which is highest achieved over the last 22 quarters.
- Expansion in margins led by improved revenue growth trajectory and excellence in operations and focusing on improvement in quality of revenue with several metrics at an all-time high increasing Offshore mix, Utilization, attrition and optimizing sub-contracting.
- Management expects revenue from IT services to be in the range of USD \$ 2102 million to USD \$ 2143 million, which translates to a sequential growth of 1.5% to 3.5%.
- Management close largest ever deal win in Continental Europe
- The demand environment is steadily improving especially for digital transformation, digital operations and Cloud services.
- Operating cash flows in 3Q grew by 45% YoY with the significant improvement in outstanding receivables.
- Utilization and attrition rate improved in 3Q leads to margin expansion.
- Good order booking across major geographies in US gross turnover was very healthy and the order booking grew by double digit YoY.
- Few large deals conversion in Europe leads to Europe growing faster on YoY basis at 1.4% in CC terms. Demand in Europe particularly expected to remain strong as per the management.
- Demand driven by acceleration in adoption of Cloud, digital transformation and driving efficiencies
- From sectors view, 5 out of 7 sectors grew 4% sequentially. Consumers sector is trying to stabilize on the back of solid demands. BFSI grew driven by demand across all sub verticals.

5-Feb-21

Sector Logistics
Bloomberg CCRI IN
NSE Code CONCOR

Management Participants

CMD Mr. V Kalyana Rama

3QFY21 EARNING CONFERENCE CALL

- There is around 10% plus growth in volumes and operating margins. This quarter had an advantage of 15 days free movement of empties given by Indian railways.
- This 15 days free movement has resulted and helped revenue from domestic market to grow.
- Rail freight Margin has grown substantially from 27 to 33.88% due to more loaded running and increase in lead Kms.
- Land license fee stands around Rs. 450 Cr and company is recording it in its balance accounts.
- Actuarial provision booked in this quarter is on account of employee welfare provision and management decided to keep on providing it into medical fund. It will be around 1% of PBT every quarter

- **Originating volume for quarter-**
 - EXIM - 536563
 - Domestic - 77076

- Empty running cost has increased on both EXIM and Domestic as compared to last year from 23 Cr to 33Cr and 28 Cr to 34Cr respectively.
- Volume handling in metric tons for current quarter is 8.85 mn tons and 2.46 mn tons for EXIM and Domestic respectively.
- Overall lead in current quarter is 790 Km, where 709 and 1401 is for EXIM and Domestic respectively.
- Other operating expenses is reduced in this quarter through major steps taken on security arrangement optimized in FY and other cost cutting was on fuel count which is sustainable and also to be followed in future.
- There is improvement in realization in current quarter both on EXIM and Domestic front through more loaded running and increase in lead Kms.
- No price hike is done in current quarter.
- Number of double stacking trains handled during quarter is 777.
- DFC (Advantage on transit from Rewari to Palampur) is on trial now and advantages from this will be seen from next year.
- Contribution from Northern interland volume % is getting double stack is about 60-70%.
- Rail coefficient has improved for JNPT.

- **Market share port wise for Mundra and Pipavav has increased both in import or exports.**
 - Mundra: Import – 41-45% and Export – 45-47%
 - Pipavav : Import - 52-58% and Export – 33.50%
 - JNPT : Import – 62-63% and Export – 63-64%

- **Guidance for the Year-**
 - Company expects 5% less than last year and planning to match at least last year performance level.
 - Input From Capex for year is around 500 Cr out of which company did around 200 Cr in last 9 months.

Our Analyst on the Call

Rakesh Wadhvani
rakesh.wadhvani@narnolia.com

30-Jan-21

Sector **Logistics**
 Bloomberg **MAHLOG IN**
 NSE Code **MAHLOG**

Management Participants

MD & CEO **Mr. Rampraveen Swaminathan**
 CFO **Mr. Yogesh Patel**

3QFY21 EARNING CONFERENCE CALL

- Auto sector was seeing slowdown before pandemic but are now gradually improving on account of increased tractors demands from farmers as agriculture sector has shown strong demand on account of strong kharif output which led to strong cash flow and better rabi sowing.
- Ecommerce was the key focus in pandemic, the shift to digital platform has made the work easy and the growth in this segment would continue.
- Manufacturing segments is seeing growth on the account of expansion of existing customers and new customers' addition which led to volume uptake.
- Consumer sector has seen positive traction from FMCG and pharma segment and has achieved pre Covid level. The shift to digital platform would drive growth in these segments.
- Management strategy for the commodity segment would be selective customers, network optimization and profitable growth.
- Under Supply chain, the transportation business would be impacted on account of hikes in fuel prices, farmers strike which effected movement of vehicles in north India and liquidity crunch.
- Key drivers for the quarters were, providing end to end supply chain solution to one of the largest consumer durable company, expanding distribution network to north India for one of the pharma company, providing warehousing to leading defense manufacturer and groceries fulfilment in eastern India through e-commerce.
- SCM has contributed 96% to the revenue whereas EM has contributed 4%.
- Enterprise Mobility was impacted due to pandemic as trip level has reduced due to work from home mainly IT companies and management guided that is will take several quarters before recovery.
- SCM business has seen the uptake on account of strategy execution and demand recovery due to festive season.
- Mahindra SCM business grew by 20% YoY on account of growth in farm and recovery in auto sector.
- Non- Mahindra revenue growth was driven by e commerce, growth in consumer and pharma sector and integrated service portfolio.
- During the quarter Edel , last-mile cargo delivery service was launched which received positive feedback from customers.
- Gross margin declined by 46 bps on account of volatility of transport supply with the introduction of floor price and new product introduced in the segment is generating lower margin as they are in start-up phase and is expected to stabilize soon.
- Managements expects the strong demand from electronic and heavy and bulky products in coming quarter.
- Management guided that despite the growth in telecom sector the business from this segment was sluggish as the companies are focusing more on 5-G and with the launch of this the growth would continue.
- Management guided for warehouse expansion in North India and Mumbai and in next few months these warehouses are likely to be operational.
- Capex for 9MFY21 was around Rs 40 crs.

Our Analyst on the Call

Rupali Soni
 rupali.soni@narnolia.com

10-Feb-21

Sector Logistics
Bloomberg TCIEXP IN
NSE Code TCIEXP

Management Participants

MD Mr. Chander Agarwal
VP & CFO Mr. Mukti Lal

3QFY21 EARNING CONFERENCE CALL

- Q3FY21 saw recovery in macro-economic indicators. The quarter started off with strong recovery with normalization in economic activity, improved business sentiments, increase in demand due to festive season and expansion of business operations by MSME.
- E-way bill generation in October was 6.4 Cr bills while November shown a decline and was 5.8 cr however it again picked up from December.
- Company has opened 10 new branches in this quarter and 20 new branches in 9MFY21.
- Board has announced interim dividend of Rs 2 per share with the payout ratio of 100% on face value.
- It has launched a TCI Express ESG Profile on its website to transparently disclose ESG related information.
- Profitability was mainly driven by cost rationalization measures, high capacity utilization and measures taken for sustaining cost.
- Demand picked up in October due to festive season but in November it declined however Revival in demand has happened from December.
- EBITDA margin at all time high driven by increase in revenue and cost control initiatives.
- Company targets 3% increase in EBITDA margin in coming years which will be driven by increase in sorting centres and increase in efficiency.
- Company expects reduction in operating cost by 1% next year.
- Revenue mix (value wise) between the SME client and corporate customer is 52: 48.
- Total tonnage handles this quarter for 3QFY21 is 2.15 lakh tonne compared to 2.25 lakh tonne in Q3FY20.
- Company has done Price hike of 2% in Q3FY21.
- Salary increment has been announced to the employees on 1st October. Company expects same employee expense in the Q4FY21 while for FY22 company expects the employee expense to be 2-3% higher from FY20.
- Company will double its no. of branches in next 3-4 years.
- Volume for Q3FY21 is 4.6 lakh tonne while for Q3FY20 was 6.75 lakh tonne.
- Volume from E-commerce B2B is 3-4% of total volume.
- SME gives 20-22% higher margin than large customer.
- Capex was planned to be around Rs 400 cr out of which Rs 240 cr is remaining. Company is planning to spend Rs 70 cr out of the remaining amount for automation and construction part in pune and Gurgaon sorting centres.
- Remaining Rs 170 cr will be used for sorting centres in Chennai, Nagpur and Indore of which approval process is taking place and for acquiring land in Mumbai and Kolkata.
- This capex will be done in around next 2-2.5 years.
- The pune sorting centre has been completed and will be commenced from Q4FY21 while Gurgaon sorting centre will be functional from Q1FY22.
- Sorting centre at Pune has area of 1.5 lakh square feet and company has made capex of Rs 25 crore on construction while will be doing Rs 15 cr of capex for automation.

Our Analyst on the Call

Sangeeta Jalan
 sangeeta.jalan@narnolia.com

3-Feb-21

Sector Metals
Bloomberg ASTRA IN
NSE Code ASTRAL

Management Participants

MD Mr. Sandeep Engineer
CFO Mr. Hiranand Savlani

3QFY21 EARNING CONFERENCE CALL

Pipe Business:

- Based on the previous call in 2QFY21; as business started picking up in 3QFY21 the growth started accelerating both in terms of top line as well as bottom line.
- Growth in EBITDA margins was much higher in comparison to top line growth; based on better product mix, value added product and inventory gains because of PVC price hike.
- Expansion plans of Odisha have started as scheduled; and management will be ready with the plant in 2QFY22.
- Revenue will start coming up from the new expanded plant in Odisha is expected from 3QFY22 as per management.
- Value added product expansion is as per schedule, building for which is ready and production will commence from 2QFY22 for the Wall manufacturing unit; plant for which is set up at Dholka, Gujarat.
- Management is expecting to start fitting production facility at Hosur for both PVC and C-PVC from 1QFY21; which is also an expansion plan taken up by management at Hosur.
- The demand scenario of pipe business is expected to remain positive which helps management to grow in terms of volume by 15% YoY along with growth in value terms.
- Management expects demand to remain positive going ahead.
- Expansion work for new product launching is going on; management is expecting to launch some new products in the 1HFY22. The details of the same will be available from management close to their launch.
- Plant tank business recently acquired by the management in 3QFY21, has almost completed the acquisition process. Few formalities of acquisition are still pending which management is going to complete in Feb-2021.
- Astral brand tank is launched shortly in a month at Ahmedabad and Aurangabad, while at Ghiloth it will be launched by 1QFY22. At Hosur location the tank will be launched in 2QFY22.
- At Odisha location the tank product will be launched by the name of Astral with the current expansion plan. It's going in hand with the ongoing project.
- Management expects the launching of Astral brand tanks across sizes to be launched at 4-5 locations within coming 8-9 months. Work for the same is underway, orders for the same have been placed and the infrastructure work regarding the same has either been undertaken or completed.

Adhesive business:

- Structural changes in adhesive business almost completed.
- The addition to the network of distributor, retailer is going in and which is a continuous process.
- UK business outperformed during the quarter, not only in terms of volumes but also in terms of Margins as well.
- New products were launched by management particularly US as well as UK in the construction industry i.e. housing or roofing products; which are manufactured in UK and are sold in good quantity in US since last 4 months.
- Expansion plans in adhesive business is a phase wise expansion plan. This is not a one go CAPEX level.
- Management will be going in the backward integration expansion plan for adhesive business.

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

12-Feb-21

Sector	Metals
Bloomberg	COAL IN
NSE Code	COALINDIA

Management Participants

Chairman & MD	Mr. Pramod Agrawal
Director Finance	Mr. Sanjiv Soni

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Post COVID demand for energy is increasing, and in Jan coal based energy generation has increased by 8% YoY.
- On cost front there was no such benefit, the inventory holding days have gone down at power plants from around 30 days to 18 days.
- Management offset the cost factor with respect to increase in the offtake volumes in non-regulated sector (the volumes increased by 60% over last year at non-regulated sector).
- Out of the total offtake volumes 80% of the supply is covered by power station, and the remaining is for other sectors.
- The loss from the Power sector that has happened in 1QFY21 has compensated completely till now.
- Management expects to meet the Coal demand in India by the company going ahead.
- Average premium in the month of January was 25%.
- In order to become Net Zero Energy company CIL proposes to execute Solar Projects to generate 3 GW of solar energy.
- Coal evacuation and FMC projects will help reduce air pollution and environmental impact.
- Management expects the capex to be Rs. 4850 for building 12 washeries.
- CIL incurs around INR 3,400 crore on transportation charges on coal annually. This can decline substantially with improvement of first mile connectivity by mechanization.

10-Feb-21

Sector Metals
Bloomberg HNDL IN
NSE Code HINDALCO

Management Participants

CFO & CEO Mr. Pradeep Maheshwari
CEO, Novelis Mr. Steve Fisher
MD Mr. SatishPai

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Hindalco is World's most sustainable aluminium company in the Dow Jones Sustainability Indices based on its S&P Global CSA score 2020.
- Hindalco reported strong quarterly performance across all business in 3QFY21 backed by strong macros and strong recovery in all the relevant market.
- Strong performance in 3QFY21 was driven by Novelis performance and India Aluminum Business backed by higher volumes, better product mix, lower input cost, stability in operation and cost saving measures.
- Novelis record quarterly shipments of 933 KT up 17% YoY driven by strong demand across product end markets. Novelis recorded EBITDA at USD 501 million on the back of higher volumes and improved margins. EBITDA per ton was reported at USD \$ 537 per ton grew 25% YoY.
- India Aluminum business metal sales at 315KT. EBITDA during the quarter were Rs. 1323 Cr. on account of favourable macros and lower input costs.
- Utkal Alumina capacity expansion of 500 KT expected to be commissioned in Q1FY22.
- Due to planned maintenance shutdown in one of the smelter Cathode production was low at 51 KT in 3QFY21.
- Highest ever fertilizer sales volume at 156 KT grew 135% YoY, on the back of robust demand.
- Net Debt to EBITDA has significantly improved to 3.09x as at December 31, 2020.
- Global Aluminium production grew by 2% in fiscal 2020 while consumption declined by 4%, leading to surplus of 2.6 MT.
- In China Aluminium production as well as consumption both increased by 4% for the current fiscal.
- Globally the production as well as consumption both were increased by 5% largely based on growth in China. Improvement in auto segment leads to higher demand in domestic aluminium industry. Domestic sales improved by 6% YoY to 379KT in 3QFY21.
- The sharp sequential growth was due to the strong demand from transport, consumer durables, and stable demand in pharma and food packaging.
- Global consumption of copper business declined by 3.3% YoY due to impact of current pandemic, however, Chinese refined copper consumption grew by 6%.
- Imports overall share reduced to 35% in comparison to 51% in 3QFY20.

20-Jan-21

Sector Metals
Bloomberg HZ IN
NSE Code HINDZINC

Management Participants

CEO Mr. Arun Misra
CFO Mr. Swayam Saurabh

3QFY21 EARNING CONFERENCE CALL

- HINDZINC is included in the list of A rated companies for climate change carbon disclosure project. It is one of the two companies in metal and mining sector across the globe which has scored A rating in Climate Change.
- HINDZINC has maintained 1st position in Asia pacific region in Metal and mining sector under Dow Zone sustainability index for 3rd consecutive year and ranked 7 globally in the metal and mining sector.
- In 3QFY21, HINDZINC has highest ever ore production supported by proactive mine planning driven by increase in use of technology and better targeting.
- Management also successfully managed cost at lower levels and 9M till date cost is lower level to underground mining operations.
- Global mine supply continues to face COVID related disruptions and significant production was lost in China, Bolivia, Beru and Mexico some of which is likely to be permanent in nature.
- Mines across the world are facing operational challenges to ramp up production while complying with social distancing norm.
- According to Wood Mackenzie, mine production in CY20 was down by 3% and concentrate market remain in deficit to the order of 220KT, as smelters were not heavily impacted due to low manpower requirement.
- Global demand is expected to reshape recovery. Manufacturing sector in China is quickest to recover return to normal with industrial utilization rate back to pre-pandemic levels by May.
- The real estate sector also saw a rapid return to normal by Oct and Nov. China retail sales was also back to normal.
- In US the new administration is likely to invest in upgrading infrastructure and to decarbonizing economy both of which will support Zinc demand.
- Driven by this fundamental support, Zinc prices stay strong rally during the quarter.
- Prices were at USD \$ 2800 per ton while averaging at USD \$ 2628 per ton in 3QFY21 grew 10% YoY and 13% QoQ.
- Wood Mackenzie estimate Zinc LME prices to be around USD \$ 2800 per ton in 2021.
- As migrant workers return, downstream manufacturing units reported achieving 90-100% plant utilization.
- Zinc apparent consumption in 3QFY21 was up 6-7% YoY and 12-13% QoQ basis. Consequently, premium also rose significantly.
- Major steel manufacturers have signalled tremendous improvement in demand and resulted to strong quarterly result, which also provided support to Zinc pattern.
- Global investor interest remains weak in Silver for 3QFY21, as short term macro-economic look improved and news of vaccines rolled out. This drives investors to high yielding asset classes.
- Mined metal production was up 22% supported by higher ore production. 9MFY21 performance production was up 2% YoY basis.

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

22-Jan-21

Sector Metals
Bloomberg JSTL IN
NSE Code JSWSTEEL

Management Participants

Jt. MD & Group CFO Mr. Seshagiri Rao M.V.S
Deputy MD Mr. Vinod Nowali
Director, Commercial & Marketing Mr. Jayant Acharya
CFO Mr. M. V. S. Seshagiri Rao

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Management has set the ambitious target to reduce CO2 emission by 41% by 2030 by 5 levels and achieve net carbon neutrality at coated operations.
- After the COVID 19 crisis, where global economic activity has come to guide took halt. Few measures taken by various government a very large stimulus i.e. 12% of GDP that has been given by the government, further supported by huge liquidity infusion by central banks where there holding of Debt is over 25 trillion.
- With the rebound in economic activity that management is seeing; it's expected that in 2021 there will be positive growth of 4% as it is 4.3% in 2020.
- The recovery in the overall economic activity has also got reflected in the way of very robust recovery in the steel demand.
- The investment in the construction and infrastructure sector across the world that picked up.
- The overall recovery of steel in global markets; which could be noticed by overall increase in steel prices and realization.
- China's 4QCY20 GDP growth of 6.5% reflects strong economic growth. Outlook is positive for broad-based growth across investment, manufacturing and services.
- Strong growth in automotive sector, notably in PV and 2-wheelers, and tractors aided by strong rural incomes. Automotive Steel sales increased by 57% YoY, while India's domestic automotive production grew by 16% YoY.
- Recovery in residential real estate and continued traction in commercial real estate is a bright spot, with scope for structural revival of the sector.
- Increase in realization during the quarter on account of revision in quarterly or half yearly contract pricing, increase in domestic sales, favorable product mix and higher steel prices.
- At Dolvi, majority of the CAPEX is expected to complete and plant will commission by the end of 4QFY21. Full integrated operation and stabilization will be in 1QFY22.
- In Vijayanagar plant; one CGL line is expected to be commissioned by 1QFY22.
- Color coating line is expected to be commissioned by 2QFY22. Commissioning of coke oven plant will be in 2HFY22

10-Feb-21

Sector **Metals**
 Bloomberg **NMDC IN**
 NSE Code **NMDC**

Management Participants

CMD **Mr. Sumit Deb**
 Director Finance **Mr. Amitava Mukherjee**

Our Analyst on the Call

Ayushi Rathi
 ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Management expects production as well as sales nos. to remain positive going ahead based on the volume no's in 3QFY21.
- Volume no. was lower in 1QFY21 offset by higher volume in 2QFY21 and 3QFY21. 4QFY21 is expected to remain optimistic with respect to growth nos. based on 16-17% volume growth in the month of Jan-21.
- Management is back with respect to volume no's at Pre-COVID levels, along with the price movements which were also positive.
- Due to steep fall in the market along with the price correction in the secondary market there was fall in the prices of lumps and fines.
- Odisha mines have corrected their prices which could be seen in the auction pricing of Steel-30 or ONC, resulted to correction in prices done by management accordingly.
- Over the last few months, iron ore prices went up substantially and the correction also took place. Management won't see further correction in any prices going ahead. Donimalai mine additional royalty will be paid to the Karnataka government. Additional royalty is of 22.5% at donimalai mine.
- State government has given permission to management to start the mine production at Donimalai.
- Production target for FY21 as per management is around 35 MT, and management expects the same to reach at 40 MT.
- MDO is not the policy of management for increasing the mining efficiency.
- Demerger process of steel plant will take another 6 months to get completed.
- Capex plan for FY21 is around Rs. 1900 Cr. and for FY22 it's expected to be Rs. 2500-3000 Cr.
- Major capex is expected to be spend at steel plant, followed by donimalai mine.

3-Feb-21

Sector Metals
Bloomberg RMT IN
NSE Code RATNAMANI

Management Participants

MD Mr. Prakash Sanghvi

Our Analyst on the Call

Ayushi Rathi
ayushi.rathi@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Revenue in 3QFY21 is Rs. 461 Cr. along with PAT amounted for Rs. 61 Cr.
- Due to COVID the performance during the quarter was poor in 3QFY21; resulted to degrowth both on YoY basis as well as sequentially.
- Management had robust order booking in the month of march based on which there was reasonable sales in 1HFY21.
- Order booking in 1HFY21 remains on hold due to COVID.
- Commissioning of both the plant capacity took place in 3QFY21; i.e. for SS as well as CS (LSAW) pipes plant.
- Under LASW pipe plant commissioning some part is still left to get commissioned; which will be done in 4QFY21.
- Management is confident to get the commercial production from both the newly commissioned plants from FY22 onwards.
- Management is confident to achieve revenue in the range of Rs. 2800-3000 Cr. going forward.
- Management saw order visible is internationally; however in Europe the market condition are not that good due to Covid.
- Management expects the market conditions to be back at per-covid level from April onwards.
- Increase in prices of raw material for SS as well as CS pipes resulted to slowdown in the order booking by EPC contractors during the quarter.
- The EPC contractors are placing orders only which are needed on urgent basis based on the increase in steel prices.
- In the budget proposal where custom duty has been reduced by 5% on steel, anti-dumping duties removed for 6 months will help company to soften the raw material cost.
- Order booking as on 1ST Jan 2021 was worth Rs. 1359 Cr. includes SS and CS pipes of Rs. 347 Cr. and Rs. 1012 Cr. respectively.
- Domestic and Exports order book as on 1ST Jan 2021 stood at Rs. 1230 and Rs. 129 Cr. respectively.

4-Feb-21

Sector	Others
Bloomberg	BHARTI IN
NSE Code	BHARTIARTL

Management Participants

MD & CEO	Mr. Gopal Vittal
CFO	Mr. Badal Bageri
MD Finance	Mr. Harjeet Kohali

Our Analyst on the Call

Rupali Soni
rupali.soni@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Company successfully demonstrated live 5G services in Hyderabad.
- 5G ecosystem is still nascent and in coming 12 months the shipment coming would be more with 5G.
- Around 300 Mn featured phones can be upgraded to smartphones.
- AGR matter the Group has filed an application before the Hon'ble Supreme Court highlighting basic arithmetical, clerical and computational errors in the DOT demand. The application is pending adjudication.
- Revenue for the quarter grew on account of consistent performance in every segment and Revenue market share increase of each business.
- Homes business witnessed revenue growth of 2.3% YoY, with customer addition of 215K, the growth is on the account of customer demand due to work from home and study from home, expansion and improved experience.
- Airtel business is showing double digit growth from last few years on account of efficient business model and strong demand for connectivity and solution. The company continues to expand and grow verticals such as data centres, cloud, cyber security, customer relationship management platforms, video-conferencing amongst others.
- Under homes business 1.4 Mn fibre home passes were given and in coming year or so the copper asset would be converted to fibre which will help in reducing cost and improving experience.
- Digital services offering continues to see robust growth, MAUs increased to over 190 Mn across our key digital assets that is Thanks, Wynk, Xstream.
- Management guided of continued scale up LCO partnership model and expanded to 120+ cities.
- Digital TV business grew by 5.8% YoY on account of strong customer addition of 485K and for further accelerating the business innovation and differential experience is focused on.
- DTH segment would grow in midterms on account of availability of DTH at much lower rates and also the cable operators are high in India so this convert from cable to DTH would also be helpful in growth.
- During the quarter under partnership model Airtel joined hands with Amazon for the first roll out of Prime Video Mobile Edition.
- Indus tower ltd and Bharti Infratel merged on 19th Nov, 2020 and the business is now named as Indus tower Ltd and the merged entity is treated as Joint venture.

2-Feb-21

Sector	Others
Bloomberg	DAGRI IN
NSE Code	DHANUKA

Management Participants

MD	Mr. M.K Dhanuka
Director	Mr. Harsh Dhanuka
CFO	Mr. V. K Bansal

3QFY21 EARNING CONFERENCE CALL

- Industry Growth was low in 3QFY21 due to the low consumption in the south region which contributes 1/3 of industry consumption. The consumption was low due to prolonged rainfall in Oct and Nov in the Southern region and two cyclones in Nov.
- The insecticide category was impacted due to lower pest infestations.
- In 3QFY21 the company bought back 10 lakhs fully paidup equity shares at 1000 per equity share.
- Paidup capital is reduced by 20 lakhs.
- Segment Revenue%: Herbicides - 31%, Fungicides - 19%, Insecticides- 37% and others- 13%
- Geographical Contribution%: North-20%, South-39%, East-13% and West-27%

- **CAPEX**
 - A plant for Technical Manufacturing of Pesticides i.e. Backward Integration Process, at Dahej, Gujarat.
 - A land of 137000 sqm acquired in the year 2013, Approx 200 Cr estimated for setting up the plant.
 - The amount for the same will be taken from internal accrual.
 - Reason for the expansion
 - Mgt is expecting to improve market share and to open a new avenue for exporting of product and reduce the dependency of the Company on other players for procuring the raw molecules.
 - The complete plan for the new plant will be finalized in the next 6 month.
 - The production will start after 2.5-3 yrs.

- **Import and Price Increase**
 - 25% of raw material consumption is from import.
 - After the new plant is set up the management is expecting the rate of raw material consumption to be less than 20% i.e. is in 34 Yrs.
 - Raw material prices from China are increasing because some facilities in China have shut down due to covid 19 and Freight charges have increased.
 - The price increase is around 67% as compared to last qtr.
 - The price increase in raw material will be shifted to the consumer.

- **Launches:**
 - No new product will be launched in 4QFY21. In FY21, the launches made in the last 9 months are 6 out of which two were 9(3) products.
 - In FY22, 2 new 9 (3) Herbicides and some comarket products will be launched.

- **GUIDANCE:**
 - The management intimated that the company in future will export intermediate to the Japanese, American and European companies
 - The Product imported from China will be manufactured in the new plant initially.
 - The management foresees a high export opportunity for the products as global companies see India as better suppliers as compared to China
 - 12-15% growth will be sustainable for 45 yrs.
 - EBITDA will be in the range of 16-17%.
 - The company is not under the new tax bracket of 15%.
 - Other expense will increase sharply in FY22 (maybe more than the topline growth of 10-12%)
 - The employee benefit will only increase by 10% max.
 - The Gross margin for 4QFY21 in line with 4QFY20 as per the management.
 - The management has indicated that the south region has recovered and expecting a better contribution to sales.
 - New Molecules as a % of Total Revenue have decreased from the past two years. But the management is expecting it to be 15 % plus in the coming years.

Our Analyst on the Call

Rajeev Anand
 rajeev.anand@narnolia.com

19-Jan-21

Sector	Others
Bloomberg	INMART IN
NSE Code	INDIAMART

Management Participants

MD	Mr. Dinesh Agarwal
CFO	Mr. Prateek Chandra
Whole Time Director	Mr. Brijesh Agarwal

Our Analyst on the Call

Rupali Soni
rupali.soni@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- The sales from operation stood at Rs 174 crs growth of 5% YoY on account of similar increase in paying subscribers and marginal improvement in ARPU.
- The collection from customers grew by 9% QoQ to Rs 179 crs whereas decline of 2% was seen on YoY basis.
- The total traffic grew by 35% YoY reflecting 85 mn visits per month, business inquiries delivered increased by 37% YoY to 154 mn with 90 days repeat buyers standing at approx 60%.
- During the quarter around 7000 clients were added in net paying subscriber, resulting to 1, 48,000 customers at the end of quarter.
- Management guided for raising funds of approx Rs 1100 crs which will be used in inorganic and organic growth opportunities in strategic spaces.
- Management is aiming to invest in strategic spaces that are fintech, SaaS and vertical commerce with main aim of ease of doing business and expanding network.
- Margins were sustained in the quarter as other expenses and employee benefit expenses were low as the hiring have just started and offices stay closed, but there will be increase in the expenses as the business volumes reaches the normalcy.
- The expenses are expected to reduce on account of shift to channel sales partners, digitization and hiring employees to work from home.
- The legal proceeding filled against the competitor (Just Dail) is pending and is scheduled for 25th Jan 2020.
- The advertisement expenses has not been incurred since FY17 and also the traffic has gone up by 30-40% in last year, so no plans of incurring this expense in near terms.
- The changes in base package has been made by simplifying it to Rs 3000 plus tax per month from previously Rs 5000 setup price and Rs 3000 including tax per month.
- ROI for suppliers differs for customers and is calculated by how many leads converted, how many days customer visited, how many calls made and inquiries came.
- Management guided that in a quarter around 25-30 company meetings are done and 25-30 companies are researched upon on secondary basis.
- Vyapar is doing well, the revenue run rate is Rs 3 Cr in quarter and also the no. of customers has gone up to 75000 customers and the company is being helped by IndiaMart to get leads.
- Manufacturing management system is being developed and slowly the company is building the products and this will come together in times to come.

28-Jan-21

Sector	Others
Bloomberg	IRCTC IN
NSE Code	IRCTC

Management Participants

CMD	Mr. Mahendra Pratap Mall
CFO	Mr. Raman Chopra

3QFY21 EARNING CONFERENCE CALL

- The Company witnessed good improvement in 3QFY21, All the segments apart from tourism (impacted on account of partial operation of tejas trains) has seen QoQ improvement on profitability.
- The revenue from Internet ticketing the segment increased to Rs. 153 cr. in 3QFY21 vs. Rs. 58 cr. in 2QFY21 and Rs. 227 cr. in 1QFY21.
- Income from service charge stood at Rs. 95 cr. with 55 million tickets being booked through IRCTC. The EBITDA margin from the segment improved to 76.3% in 3QFY21 vs 58% in 2QFY21 & 85.2% in 3QFY20.
- Catering segment revenue stood at Rs.49 cr. in 3QFY21 vs. Rs. 17 cr. in 2QFY21 & Rs. 269 cr. in 3QFY20. The loss at EBITDA level declined to Rs. 8 cr. in 3QFY21 vs. Rs. 33 cr. in 2QFY21 and a profit of Rs. 30 cr. in 3QFY20.
- Rail Neer saw improvement QoQ improvement in revenue to Rs. 17 cr. in 3QFY21 vs. Rs. 9 cr. in 2QFY21. Current capacity is around 1400000 litre per day which will increase to 1500000 litre per day by FY21 which will be on account of addition of plant at Una and Bhusawal.
- Tourism has been impacted the most while the revenue improved QoQ with Rs. 15.5 cr. in 3QFY21 vs. Rs. 4 cr. in 2QFY21. Due to lower revenue and partial operation of Tejas train the loss at EBITDA level increased QoQ to Rs. 11.4 cr. vs. Rs. 9.5 cr. in 2QFY21.
- For 3QFY21 CAPEX was Rs. 15 cr. and for 9MFY21 was at Rs. 80 cr.
- Cash on books as of 3QFY21 was at Rs. 1560 cr. with core cash of Rs. 404cr.
- Currently Tickets booked per day is 8 lakh tickets per day, pre-COVID were booking stood at 9.5 lakh tickets per day and booked 55 million tickets in 3QFY21.
- The Mail express train used to have unreserved coaches (4-5 unreserved seating coaches) and have been converted in seating coaches which are being booked now and out of 800000 tickets being reserved around 30% tickets comes from these coaches.
- Average realization stood at RS. 18 per ticket vs. Rs. 20 per ticket Pre-COVID-19. On account of share of BHIM and UPI bookings is going up. (charges Rs. 15 for sleeper and Rs. 30 for AC classes for offline while For BHIM and UPI charges Rs. 10 for non-Ac and Rs. 20 for AC)
- AC and non-Ac tickets as a % of overall booking stood at 1/3rd and 2/3rd excluding 2S category.
- BHIM UPI booking Pre-COVID-19 was in the range of 15% and now has reached to 22-23%.
- Total user base stood at 6 cr. with active users at 5 cr. and daily new registration stood at 25000 users per day.
- Fixed haulage and Lease charges for both the Tejas trains stood at Rs. 14 cr.

Our Analyst on the Call

Gazal Nawaz
 gazal.nawaz@narnolia.com

4-Feb-21

Sector	Others
Bloomberg	MATRIM IN
NSE Code	MATRIMONY

Management Participants

MD & CEO	Mr. Murugavel Janakiraman
CFO	Mr. Sushanth Pai

Our Analyst on the Call

Rupali Soni
rupali.soni@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Marketing expenses for the quarter increased on the account of business traction and competitive scenario.
- Matchmaking margins continue to improve and stood at 63% compared to 52% in 3QFY21 on account of operational efficiencies and productive measures.
- 27000 success stories were created in 3QFY21.
- Personalized and retail segment contribute 10% to the revenue.
- Paid subscription for the quarter grew by 31.6% YoY on account of differential strategy and double-digit growth from Northern and Western market.
- During the quarter two new and exclusive services namely Rajasthani Matrimony and Bihari Matrimony was launched in order to expand and strengthen leadership in the North.
- Exclusive site for Doctors that is Doctors Matrimony was launched during the quarter.
- Management is confident about double digit growth YoY for top line as the company is converting and executing well.
- Management guided for increased EBITDA margin and PAT growth for Q4 on account of billing growth.
- Management guided that loss from marriage segment in 4QFY21 would be in the same range as of 3QFY21.
- In coming quarter the marketing expenses are expected to increase slightly with the increase in profitability.
- Management guided that expanding globally is our growth strategy.

10-Feb-21

Sector	Others
Bloomberg	MAHGL IN
NSE Code	MGL

Management Participants

MD	Mr. Sanjib Datta
Dy. MD	Mr. Deepak Sawant
Senior VP	Mr. Rajesh Wagle
CFO	Mr. S. M. Ranade

Our Analyst on the Call

Rupali Soni
rupali.soni@narnolia.com

3QFY21 EARNING CONFERENCE CALL

- Effect of pandemic has still not over as public transport are not used much, work from home continues and schools have not reopened yet.
- In the Union budget 2021 government guided of increasing share of natural gas in energy basket from 6% to 15% by 2030 for making the country a gas-based economy and also plans to add 100 more districts under CGD.
- Management focus is towards expansion of CGD network.
- During the quarter 49171 domestic household were added and 97.19 km pipeline were setup taking it to more than 5700 km.
- During the quarter 6 new CNG stations were added taking it to total 265 CNG stations and 47 industrial and commercial customers were added taking it to more than 4093 customers in total.
- In Raigarh GA more than 39500 domestic household were connected and 18 CNG stations were operational with average sales of 41000 kg per day in month of December.
- In Raigarh GA 41.92 km pipeline were added taking it to 192.33 Km pipeline.
- In Raigarh GA received permission for laying 8 km steal pipeline along state highway from Panvel to Rasaini.
- During the quarter 2.777 MMSCMD sales volumes were achieved with CNG volume of 1.883 MMSCMD, PNG Domestic with 0.509 MMSCMD and PNG Industrial with 0.378 MMSCMD which led to EBITDA and EBITDA Margin improvement.
- For the quarter Industrial realization stood at Rs 30.78/ SCM and Commercial is at Rs. 33.72/ SCM.
- Management guided of demand of hike in trade discount from oil marketing companies to sell CNG from their outlets.
- Volume demand from different segments is from auto it is 37%, private cars is 43-44%, street buses are 9.5-10%, black and yellow taxi is 5-6% and commercial vehicles is 3-4%.
- Management guided that price hike for CNG and PNG was taken on account of increased wages and per unit SCM cost and further it is expected to increase as volumes are impacted by COVID and increased oil and spot LNG prices.
- Price hike depends on oil prices, spot LNG prices and rupee dollar exchange. Increased APM gas prices are immediately passed on to customers.
- CAPEX target of the company for FY21 and FY22 is around 350-400 and 650 cr respectively, as for FY22 management plans to invest in real estates. Management guided for maintaining the guidance of addition of 20 plus CNG station and up gradation of 15-20 plus CNG station every year.

13-Feb-21

Sector	Others
Bloomberg	PHNX IN
NSE Code	PHOENIXLTD

Management Participants

Joint MD	Mr. Shishir Shrivastava
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3QFY21 EARNING CONFERENCE CALL

- The company has seen sustained recovery in the consumption at the malls since reopening. Consumption across our retail portfolio came in at Rs 13.8 billion in 3QFY21, up 195% QoQ and at 67% of 3QFY20. Consumption levels are anticipated to sustain and gradually improve going ahead. Consumption in January 2021 at 83% of Last year.
- Consumptions are likely to be 90% of the consumption last year by 4QFY21.
- In line with consumption, retail collections continue to witness sharp improvement.
- In 3QFY21 collection was at approximately Rs. 2.6 billion and 9MFY21 retail collection at approximately Rs. 3.9 billion.
- Commercial office portfolio was the least impacted portfolio and continues to remain resilient. For 9MFY21 commercial revenues were at 93% of last year.
- Fountainhead tower 2 areas have been recently leased and are expected to start generating rent soon. Work at fountainhead tower 3 is on course for completion and is expected to be completed in next 2 months. Fountainhead Tower 2 has achieved leasing of over 50,000 sq ft since receipt of OC in Oct 2020 and witnessing strong leasing traction.
- Art guild house in Mumbai has leased occupancy of 85% as of December 2020.
- The St. Regis, Mumbai revenue remained impacted. Depends on business travel. The company is upgrading the F&B and banquets to capitalize on the wedding season.
- The company has recently acquired a property of 7.48 acres of prime land in Alipore, Kolkata for retail led mixed-use development for consideration of RS 300 Cr. Construction cost is estimated to be about Rs 500 Cr. Total cost for first phase is likely to be Rs 885 Cr including cost of land. Expansions will Rs 120 Cr. Rentals are likely to be Rs 150-175 per sq ft once it becomes operational in FY25.
- Average cost of borrowings reduced to 8.48% from 8.88% in 2QFY21. Which further reduced to 8.31% in January 2021. Some loan re pricing are likely to be done in next few months.
- Across the portfolio the company had cash flow of Rs 364 Cr in 3QFY21. Retail acquired majority of it. Retail collections were Rs 260 Cr for 3QFY21. Seeing good cash inflows in retail category in January 2021 as well.
- For 3QFY21 the company had CAPEX of Rs 100 Cr and Rs 140 Cr for 1HFY21. So in total Rs 240 Cr for 9MFY21.
- 70% of the stores crossed MG threshold in the month of December.

Our Analyst on the Call

Aayushi Goyal
aayushi.goyal@narnolia.com

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Disclosure of Interest Statement-

Analyst's ownership of the stocks mentioned in the Report	NIL
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A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com.

Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-40541700.

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