

Asian Markets Rating **SELL**

CMP (Rs)	383
Target (Rs)	313
Upside (%)	-19%

Nifty: 18,488 Sensex: 62,429

Key Stock

Bloomberg	TECHNOE IN
Shares O/s Mn (FV INR2)	107.6
Mkt Cap (USD Bn/INR Bn)	0.5/41.2
52-week high/low	409/231
6m daily avg vol (INR Mn)	64
Free Float %	38

Price Performance

(%)	3m	1yr	3yr
TECHNOE	19.9	36.4	114.5
Nifty	6.4	13.5	96.3
NSE500	7.9	13.5	104.7
BSE Midcap	11.0	18.8	130.6

Shareholding Pattern

(%)	Sep-22	Dec-22	Mar-23
Promoter	60.2	61.2	61.5
FII	1.6	1.7	2.1
DII	26.8	25.9	25.0
Others	11.4	11.2	11.4

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FY22-25E Earnings CAGR	CF & Return Profile	Valuations
41%	High	Stretched

Muted show led by slow execution...

Techno Electric and Engineering Limited (TECHNOTE) posted muted results for 4QFY23, led by lower execution in the EPC business. The company received a healthy order inflow of Rs 32.2bn in FY23, which marked a strong order book of Rs 37.7bn and a healthy book to bill of 4.5x on FY23 revenue. During the quarter, the company entered into MOU for the partial sale of its 108.9 MW of wind assets, out of which 105.3 MW successfully entered into sale agreements and made a profit of Rs678.5Mn, the remaining 3.6mw of wind assets delayed due to land and title clearance. We have reduced our FY24E/FY25E EPS by 11%/10%, factoring in lower execution of EPC business and divestment of the majority of wind assets. We downgrade our rating from HOLD to SELL.

- TECHNOE revenues grew by 3% yoy and 69% qoq to Rs3.1bn, lower than our estimates owing to EPC business reporting flat revenue.
- EPC business reported flat revenue of Rs3bn. EBIT decreased by 3% yoy to Rs390Mn, and EBITM declined by 51bp yoy to 12.6%. Corporate/Other revenue stood at Rs250mn and reported a loss of Rs139mn.
- EBITDA decreased by 92% yoy to Rs31mn. The company has not billed the EPC work done for data center ~Rs 1.2 Bn as also the smart metering project billing has not been done yet, while the costs are booked.
- PAT (from continued op) was at Rs 11Mn.
- In FY23, Revenue decreased by 17% yoy to Rs8.3bn, EBITDA declined by 47% yoy to Rs827mn, EBITDAM declined by 585bp yoy to 10%, and Adj PAT decreased by 34% yoy to Rs1.2bn. EPC revenue was down by 18% yoy to Rs8.2bn, EBIT was down by 27% yoy to Rs1.1bn, and EBITM declined by 168bp yoy to 13.8%. Corporate/Other revenue grew by 86% yoy to Rs742mn, and EBIT decreased by 11% yoy to Rs349mn.
- The Company continues to be cash rich with net cash of Rs14.5bn, i.e., ~Rs140/ per share.

Order book and pipeline remain healthy: The current order book stands at Rs37.7bn as of Mar'23, reflecting a strong book-to-bill of 4.5x on FY23 revenue. Order inflow received Rs32.4bn in FY23, and major order includes FGD order from Chhattisgarh State Power Transmission Co Ltd of Rs14.5bn, Techno Infra Developers Pvt Ltd (Data center order) of Rs5.4bn, REC Power Distribution Co. Ltd (AMI) order of Rs2.8bn and remaining transmission orders of Rs9.5bn. Further, the company has L1 orders of Rs12.50 Bn (Leh Ladakh with PGCIL transmission and smart meter business) and is in active negotiation for FGD orders with private players. Management expects orders of Rs40bn in FY23E. We have factored in order inflow of Rs14bn/Rs14bn in FY24E/FY25E and forecast EPC revenue CAGR of 37% during FY23-25E with EBITM of 12-12.3%.

Chennai Phase I Data Center to commission in Sept-Oct 2023: Work on the 24MW data load data centre at Chennai is progressing well with the completion of three slabs at a total cost of Rs ~Rs1.2bn (apart from land cost) on this project. Management expects to commission 1st Phase of the Data center by Sept-Oct 23. The total capex for the Chennai data center is Rs14bn (Rs500mn/per MW) in 3-4 phases, of which ~60-65% constitute electromechanical work to be carried out by its EPC arm. The company is in active discussion with three strategic investors and expects to finalize the same in the coming months.

Outlook and Valuation: We have factored in a revenue CAGR of 36% on a lower base of FY22 resulting in PAT CAGR of 41% during FY23-25E. While the long-term outlook for EPC business remains healthy, the valuations appear Stretched. We also note deterioration in return ratios as Data Centre's revenue and profitability are not considered awaiting clarity. We have downgraded our rating from HOLD to SELL with a SOTP TP of Rs313. However, the execution of data center project and successful tie up with strategic investors are the key monitorable.

Exhibit 1: Key Financials (Consolidated)

Y/E Mar (Rs mn)	FY21	FY22	FY23	FY24E	FY25E
Sales	8,713	10,739	8,295	13,279	15,419
yoy (%)	2.2	23.2	(22.8)	60.1	16.1
EBITDA	1,982	2,222	827	1,670	1,965
yoy (%)	2.9	12.1	(62.8)	102.0	17.7
Adjusted PAT	1,465	1,758	926	1,687	1,840
yoy (%)	(9.3)	20.0	(47.3)	82.2	9.1
EBITDAM (%)	22.7	20.7	10.0	12.6	12.7
Equity	220	220	215	215	215
EPS	13.3	16.0	8.4	15.3	16.7

Exhibit 2: Key Indicators

Y/E Mar	FY21	FY22	FY23E	FY24E	FY25E
Core RoANW (%)	14.5	18.4	7.0	14.8	12.0
Core RoACE (%)	13.3	15.7	7.0	14.5	11.9
Core ROIC (%)	19.3	22.6	12.2	21.2	17.0
D:E (x)	(0.4)	(0.6)	(0.7)	(0.5)	(0.4)
Adjusted PER (x)	28.9	24.1	45.7	25.1	23.0
P/BV (x)	2.6	2.3	2.2	2.1	2.0
EV/Sales (x)	4.0	2.9	3.2	2.3	2.1
EV/EBITDA (x)	17.6	14.1	32.6	18.6	16.4
Div Yield (%)	2.6	0.5	1.6	2.6	2.6

Source: Company, AMSEC Research



Concall Highlights:

- Guidance:** Management expects EPC Revenue of Rs13bn (Excluding data center), Rs3.5-4bn from data center. Expects a margin of 12%-13% in FY24E. Further, it expects an order inflow of Rs40bn in FY24E.
- Wind assets sale:** The company entered MOUs for the sale of its 108.9MW of wind assets, out of which 105.3 MW successfully entered into sale agreements and made a profit of Rs678.5Mn, the remaining 3.6mw of wind assets delayed due to land and title clearance. Techno still has 21 MW of wind assets and expects to sell in the coming years.
- Data center:** Management expects strong traction in the data center business. Capex in Chennai data center is Rs14bn (450Mn/per Mw) and expects to complete 1st Phase projects & commission projects from Sept'23-Oct'23, still in active discussion with three strategic partners. The total unexecuted work for Data Centre considered in the order book is at Rs4.2 Bn.
- Transmission:** TBCB bidding for 50GW of renewable power out of 170GW is in progress. The total transmission market is Rs400bn, of which techno expects an order of Rs30bn over the next three years. The current order book is Rs14.3bn.
- FGD:** FGD segment is getting strong traction. The current order book is strong at Rs14.59bn and expects 50% execution in FY24E and 50% in FY25E. Further, 100GW Thermal capacity is yet to order from SEBs and the private sector, which implies a business opportunity of Rs1000bn. The total business opportunity is Rs993bn (Rs270bn bids open and Rs722bn under various stages before bidding). Management expects to receive an order inflow of Rs10bn every year. Techno has orders worth Rs20bn under bidding in the pipeline.
- Smart Metering:** Govt. of India plans to grow from 1 mn smart meters to 250 mn smart meters by 2024. Till now total smart meters sanctioned for installation is 105.56 mn. Out of the above, around 5.70 mn meters have been installed till now, and rest are under various stages of implementation. Total market opportunity is Rs99.8bn, and techno is targeting Rs10-15bn every year in this segment. Techno has received orders for 2 lakh meters at Jammu & Kashmir, 12 months execution cycle, supplied one lakh meters, installed 50,000-60,000 meters, and will complete this order by Dec'23. Techno has also got an order worth Rs 3.38bn for 2.5 lakh smart meters (L1) under the DBFOT model. Techno is bidding for 40 Lakh meter projects worth Rs 45bn.

Exhibit 3: Order book as of 31st March 2023

Client Name	Amount (Mn)	Share (%)
Rajasthan Rajya Vidhyut Prasaran Nigam Limited	14592	38.69%
PGCIL	5009	13.28%
Techno Infra Developers Pvt. Ltd.	4225	11.20%
Techno AMI Solutions Pvt. Ltd.	2691	7.13%
Sterlite Grid 18 Limited	2221	5.89%
REC Power Distribution Co. Ltd (JKPDD)	1877	4.98%
Khavda Bhuj Transmission Limited	1915	5.08%
Chhattisgarh State Power Transmission Co Ltd	1352	3.58%
Others	3837	10.17%
Total	37719	100%

Source: Company, AMSEC Research



Exhibit 4: 4QFY23 Quarterly financial performance

P&L (Rs mn)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	yoy(%)	qoq (%)	FY22	FY23	yoy (%)
Net Sales	3,052	1,730	1,858	1,853	3,130	2.5	68.9	9,992	8,295	(17.0)
Cons of Raw Materials	2,347	1,017	1,298	1,373	2,569	9.5	87.2	7,463	6,258	(16.1)
Employee Cost	81	86	100	98	138	69.6	40.3	339	422	24.4
Other Expenditure	253	149	136	148	391	54.3	164.4	610	789	29.4
Total Expenditure	2,682	1,252	1,534	1,619	3,099	15.6	91.4	8,412	7,468	(11.2)
EBITDA	371	477	324	234	31	(91.6)	(86.7)	1,580	827	(47.7)
Add: Other Income	67	130	190	200	227	238.9	13.7	440	746	69.6
Interest	17	14	13	16	63	262.1	285.6	64	107	67.0
Depreciation	19	103	19	19	20	2.1	2.6	74	76	2.1
Exceptional item	-	-	-	-	-	-	-	1,104	-	(100.0)
Profit Before Tax	401	490	482	397	175	(56.3)	(55.9)	2,986	1,390	(53.4)
Provision for Taxation	(43)	134	121	82	164	(482.0)	100.3	592	464	(21.5)
PAT (from continue op)	444	356	361	315	11	(97.5)	(96.5)	2,394	926	(61.3)
Profit/(Loss) from dis op	(72)	-	227	(1)	557	(877.3)	(40,559.6)	208	902	333.2
Minority Interest	0	(0)	(0)	0	0	(24.0)	72.7	0	0	12.5
Share of profit /loss of associates	-	-	-	-	-	-	-	36	-	(100.0)
Adj PAT (Inc discontinue op)	372	356	588	314	568	52.5	80.8	1,754	1,828	4.3
Exceptional Items					679	-	-		679	-
Adjusted PAT (After dis op)	372	356	588	314	(111)	(129.8)	(135.3)	1,754	1,150	(34.4)
Equity Capital (FQ Rs 2)	220	220	220	216	215			220	215	
Basic EPS (In Rs.)	4.0	3.2	3.3	2.9	0.1			21.8	8.6	
Adjusted EPS (In Rs.)	3.4	3.2	5.3	2.9	5.3			15.9	17.0	
EBITDA (%)	12.1	27.6	17.4	12.6	1.0	(1115bp)	(1161bp)	15.8	10.0	(585bp)
PAT (%)	11.9	19.1	28.7	15.3	16.9	498bp	161bp	16.8	20.2	341bp
Tax / PBT (%)	(10.7)	27.4	25.2	20.6	93.7	10442bp	7307bp	19.8	33.4	1359bp
Raw Mat / Net Sales (%)	76.9	58.8	69.9	74.1	82.1	521bp	800bp	74.7	75.4	75bp
Emp Cost/Net Sales (%)	2.7	5.0	5.4	5.3	4.4	174bp	(90bp)	3.4	5.1	169bp
Other Exp/Net Sales (%)	8.3	8.6	7.3	8.0	12.5	419bp	451bp	6.1	9.5	341bp

Source: Company, AMSEC Research

Exhibit 5: Q4FY22 Segment Quarterly financial performance.

Segment	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	yoy(%)	qoq (%)	FY22	FY23	yoy (%)
Revenue										
EPC (Construction)	3,080	1,448	1,806	1,839	3,098	0.6	68.5	9,924	8,190	(17.5)
Energy (Power)	12	309	52	14	9	(24.4)	(35.1)	109	109	(0.5)
Corporate	27	103	190	200	250	817.3	25.3	399	742	86.3
Total	3,119	1,860	2,048	2,052	3,356	7.6	63.6	10,432	9,041	(13.3)
EBIT					(23)				-4	
EPC (Construction)	404	236	277	225	390	(3.4)	73.2	1,534	1,129	(26.5)
Energy (Power)	(10)	166	29	(9)	(13)	31.9	33.3	19	19	1.1
Corporate	24	101	189	198	(139)	(677.3)	(170.3)	393	349	(11.0)
EBIT Margin (%)										
EPC (Construction)	13.1	16.3	15.3	12.2	12.6	(51bp)	34bp	15.5	13.8	(168bp)
Energy (Power)	-80.1	53.9	56.7	-68.1	-139.9	(5976bp)	(7177bp)	17.3	17.6	28bp
Corporate	88.5	98.6	99.5	99.3	-55.7	(14422bp)	(15499bp)	98.5	47.1	(5145bp)
ROCE (%)										
EPC (Construction)	16.2	5.6	6.4	7.2	8.4	(787bp)	115bp	61.7	24.2	(3751bp)
Energy (Power)	-1.8	2.6	-0.5	-2.1	-2.4	(61bp)	(26bp)	3.5	3.6	9bp
Corporate	0.2	1.3	2.3	1.3	(1.1)	(136bp)	(243bp)	4.1	2.8	(126bp)

Source: Company, AMSEC Research



Exhibit 6: Quarterly revenue trend

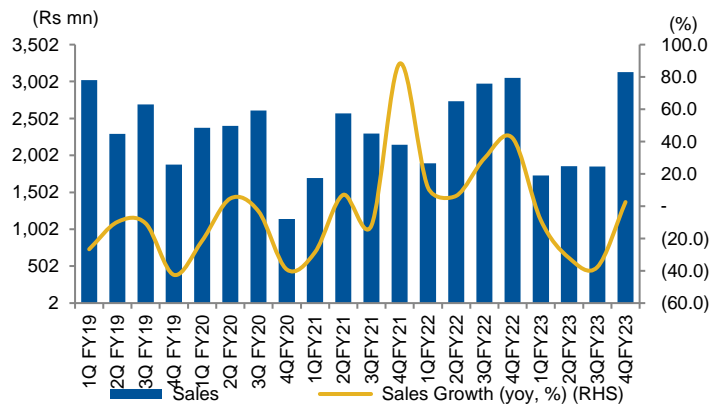


Exhibit 7: Quarterly revenue breakdown segment wise

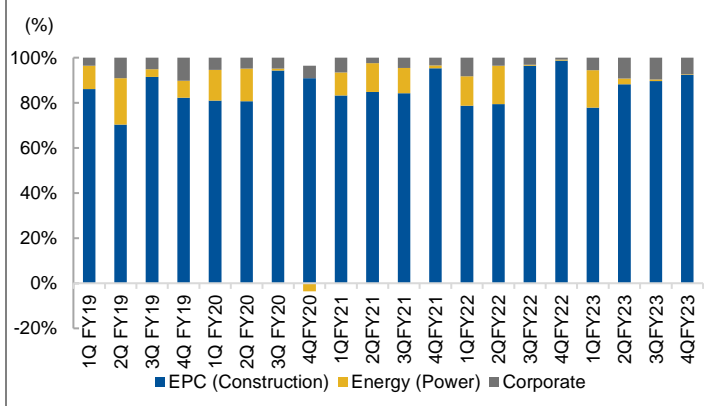


Exhibit 8: Quarterly EBITDA Margin Trend

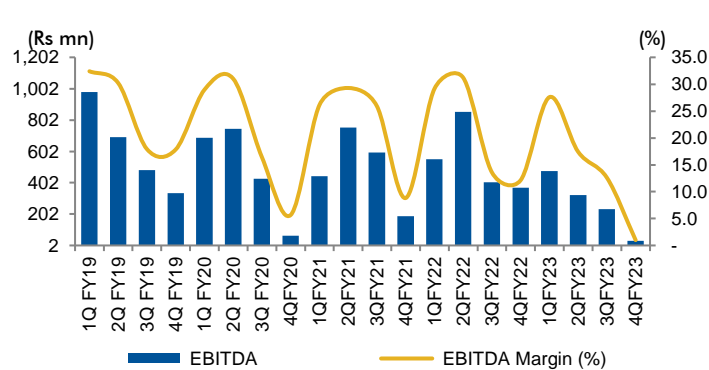


Exhibit 9: Quarterly profit trend

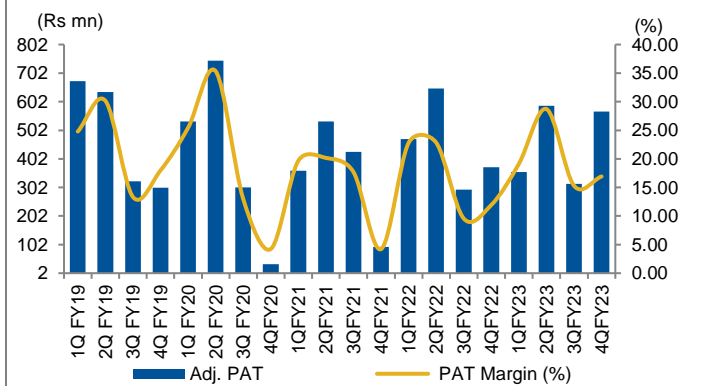


Exhibit 10: Quarterly EPC EBIT and EBITM %

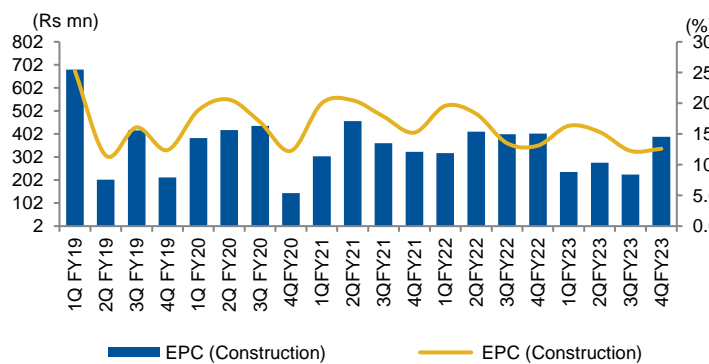


Exhibit 11: Order book trend



Source: Company, AMSEC Research



Exhibit 12: SOTP Valuations and PT based on FY25E

Business segment	Valuation methodology	Amount (Rs mn)	Per Share (Rs)
EPC	15x FY25E P/E	27,621	251
Wind power (21 MW)	Rs 40 Mn/ MW	840	8
Data Centre (at BV)		6000	55
Total equity value		34,461	313
CMP			385
Upside (%)			-19%

Source: Company, AMSEC Research

Exhibit 13: Segment financial:

EPC segment	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Closing orderbook	20,250	25,937	25,541	20,203	15,889	22,686	19,324	14,374	37,718	38,506	37,152
Order intake	14,934	15,830	11,714	6,396	4,477	14,640	4,556	4,974	32,458	14,000	14,000
Sales	6,681	10,143	12,109	11,734	8,792	7,843	7,917	9,924	8,190	13,212	15,353
EBITDA	968	1,436	1,781	1,823	1,529	1,396	1,454	1,533	1,165	1,621	1,917
EBITDA margin %	14.5	14.2	14.7	15.5	17.4	17.8	18.4	15.5	14.2	12.3	12.5
Other Income	202	375	258	370	704	465	398	404	746	779	688
Adjusted PAT	878	1,225	1,423	1,549	1,501	1,441	1,326	1,451	1,309	1,689	1,841
Capital Employed	1,123	2,039	1,970	1,970	1,957	2,052	2,381	2,486	4,662		
ROCE	85.4	69.9	90.0	66.8	77.5	67.6	60.9	61.7	24.2		

Source: Company, AMSEC Research

Wind business	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Installed capacity (MW)	207	163	163	130	130	130	130	130	21	18	18
Units, mn p.a	315	198	315	273	247	228	213	222	36	31	31
PLF (%)	17.4	13.9	22.1	24.0	21.7	20.0	18.8	19.5	19.5	19.5	19.5
Average tariff	3.9	4.1	4.6	4.4	4.4	3.0	3.8	3.8	2.4	2.2	2.2
Revenues	1,233	801	1,458	1,212	1,095	683	821	850	87	66	66
EBITDA	1,124	744	1,344	1,117	963	531	553	692	62	48	48
PAT	155	-23	484	457	414	100	118	229	-3	6	6
Capital Employed	7,472	10,208	8,972	8,972	6,601	6,995	6,668	533	526		
ROCE	7.1	2.5	9.4	11.4	8.4	1.8	2.2	3.5	3.6		

Source: Company, AMSEC Research



Financials (Consolidated)

(Rs mn)

Profit and Loss Statement

Particulars	FY21	FY22	FY23	FY24E	FY25E
Net sales	8,713	10,739	8,295	13,279	15,419
Consumption of materials	5,693	7,463	6,258	10,012	11,626
Staff Expenses	333	346	422	677	786
Other operating expenses	705	708	789	920	1,042
Total Expenditure	6,732	8,517	7,468	11,609	13,455
EBITDA	1,982	2,222	827	1,670	1,965
Depreciation	411	413	76	84	84
Operating profit	1,570	1,809	751	1,586	1,881
Other income	398	404	746	779	688
EBIT	1,968	2,214	1,497	2,365	2,569
Interest	78	56	107	107	107
Exceptional items	450	1,104	-	-	-
Profit before tax	2,339	3,261	1,390	2,258	2,462
Tax	503	658	464	571	622
Reported net profit	1,836	2,603	926	1,687	1,840
Minority interest	18	(36)	(0)	-	-
Adjusted net profit	1,465	1,758	926	1,687	1,840
Share O/s mn	110	110	108	108	108
EPS Rs (adjusted)	13.3	16.0	8.4	15.3	16.7

Cash Flow Statement

Particulars	FY21	FY22	FY23	FY24E	FY25E
PBT	2,339	3,261	2,523	2,258	2,462
Other Financial adjust.	411	413	238	84	84
Chg. in working capital	(591)	1,005	(382)	(651)	(68)
Interest Paid	78	56	107	107	107
Tax Paid & Other Adj	(984)	(2,150)	(2,142)	(571)	(622)
Cashflow from operat.	1,254	2,585	344	1,226	1,963
Capital exp. & Advances	1	(337)	(29)	(4,592)	(1,992)
ROU	(644)	-	-	-	-
Chg. in investments	101	(2,435)	(3,641)	4,500	-
Other investing cashflow	(644)	533	4,384	-	-
Cashflow from invest.	(1,186)	(2,240)	714	(92)	(1,992)
Issue of equity	-	-	(703)	-	-
Issue/repay debt	400	(77)	-	-	-
Interest Paid	(78)	(56)	(107)	(107)	(107)
Dividends paid	(660)	(495)	(220)	(646)	(1,076)
Cashflow from finan.	(338)	(628)	(1,029)	(753)	(1,183)
Chg. in cash & cash eq	(271)	(283)	29	382	(1,213)
Open. cash & cash eq	365	737	455	1,462	1,843
Closing cash & cash eq	94	455	484	1,843	630
Free cash flow to firm	1,254	2,248	315	(3,366)	(29)

Balance Sheet

Particulars	FY21	FY22	FY23	FY24E	FY25E
APPLICATION OF FUNDS :					
Non Current Assets	5,400	4,595	1,763	6,271	8,179
Goodwill	10	10	-	-	-
Gross block (Total)	7,080	7,094	1,206	1,752	7,752
Less : accumulated depreciation (Total)	2,447	2,852	728	812	896
Net block (Total)	4,633	4,242	478	940	6,856
ROU	23	339	334	326	318
Capital work in progress	-	-	946	5,000	1,000
Noncurrent investment	734	5	5	5	5
Current Assets	16,626	20,565	26,031	27,154	28,197
Current investment	6,404	10,485	13,043	8,543	8,543
Inventories	62	271	1,011	1,528	1,690
Sundry debtors	5,302	5,840	6,413	9,823	9,716
Cash and bank	808	467	1,462	1,843	630
Short loans & advances	1,190	1,085	1,564	2,500	3,500
Others current assets	2,860	2,417	2,539	2,917	4,117
Total Assets	22,026	25,160	27,794	33,425	36,376
SOURCES OF FUNDS :					
Share Capital	220	220	215	215	215
Reserves	15,942	18,147	19,191	20,232	20,996
Minority Interest	0	0	0	-	-
Total Shareholders Funds	16,163	18,368	19,407	20,447	21,211
Non-Current Liabilities	1,551	1,221	717	717	717
Total borrowings	400	-	-	-	-
Deferred tax liability	1,151	1,221	717	717	717
Other long term liabilities	-	-	-	-	-
Long-term provisions	-	-	-	-	-
Current Liabilities	4,313	5,572	7,669	12,260	14,448
Short term borrowings	-	-	-	-	-
Trade payables	4,288	5,558	7,614	12,187	14,363
Other current liabilities	-	-	-	-	-
Short term provisions	25	14	56	73	84
Total Equity & Liabilities	22,026	25,160	27,794	33,425	36,376
Net Working Capital*	5,101	4,041	3,857	4,508	4,576
Total Gross Debt**	400	-	-	-	-
Total Net Debt	(6,812)	(10,952)	(14,505)	(10,386)	(9,173)
Total Invested Capital	9,351	7,416	4,902	10,062	12,037
Capital Employed***	16,563	18,368	19,407	20,447	21,211

Source: Company, AMSEC Research

Ratios

Particulars	FY21	FY22	FY23	FY24E	FY25E
PER SHARE					
EPS Rs (adjusted)	13.3	16.0	8.4	15.3	16.7
CEPS Rs	19.9	26.8	8.9	15.7	17.1
Book Value Rs	146.9	167.0	176.4	185.9	192.8
VALUATION					
EV / Net Sales	4.0	2.9	3.2	2.3	2.1
EV / EBITDA	17.6	14.1	32.6	18.6	16.4
P / E Ratio	28.9	24.1	45.7	25.1	23.0
P / BV Ratio	2.6	2.3	2.2	2.1	2.0
FCF Yield (%)	0.0	0.1	0.0	(0.1)	(0.0)
GROWTH YOY%					
Sales Growth	2.2	23.2	(22.8)	60.1	16.1
EBITDA Growth	2.9	12.1	(62.8)	102.0	17.7
Net Profit Growth	(9.3)	20.0	(47.3)	82.2	9.1
PROFITABILITY (%)					
EBITDA / Net Sales	22.7	20.7	10.0	12.6	12.7
EBIT / Net sales	22.6	20.6	18.0	17.8	16.7
NPM / Total income	16.1	15.8	10.2	12.0	11.4
CFO/EBITDA %	88.6	145.9	97.8	107.6	131.6
CFO/PAT %	85.6	147.0	37.2	72.7	106.7
Raw Material/Net Sales	65.3	69.5	75.4	75.4	75.4
Int/PBIT	4.0	2.5	7.1	4.5	4.2
Core ROaNW (Ex cash)	14.5	18.4	7.0	14.8	12.0
Core ROaCE (Ex Cash)	13.3	15.7	7.0	14.5	11.9
ROaNW	9.4	10.2	4.9	8.5	8.8
ROaCE	15.6	18.0	12.3	17.9	14.8
Tax / PBT	21.5	20.2	33.4	25.3	25.3
TURNOVER					
Net Working Cycle (Days)	214	137	165	121	106
Debtors Velocity (Days)	222	199	282	270	230
Inventory (Days)	3	9	44	42	40
Creditors Velocity (Days)	180	189	335	335	340
LIQUIDITY					
Current Ratio	2.4	1.8	1.7	1.5	1.4
Quick Ratio	2.4	1.8	1.6	1.4	1.2
Gross Asset Ratio	1.2	1.5	2.0	9.0	3.2
Total Asset Ratio	0.4	0.5	0.3	0.4	0.4
Net Debt-Equity Ratio	(0.4)	(0.6)	(0.7)	(0.5)	(0.4)
Interest Coverage (x)	25.1	39.3	14.0	22.1	24.0
PAYOUT					
DPS (Rs)	10.0	2.0	6.0	10.0	10.0
Payout %	-	62.6	23.2	38.3	58.5
Yield %	2.6	0.5	1.6	2.6	2.6



Recommendation rationale

Buy: Potential upside of	>+15% (absolute returns)
Accumulate:	>+5 to +15%
Hold/Reduce:	+5 to -5%
Sell:	< -5%
Not Rated (NR):	No investment opinion on the stock

Sector rating

Overweight:	The sector is expected to outperform relative to the Sensex.
Underweight:	The sector is expected to underperform relative to the Sensex.
Neutral:	The sector is expected to perform in line with the Sensex.

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