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India Infrastructure Insights # 23

■ Industry Overview

What Are Asian Investors Thinking About the Sector?

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- *We spent the last week in Hong Kong and Singapore meeting ~30 long-only and hedge fund investors. Below we highlight what Asian investors are thinking about the India industrials/infrastructure conglomerates and electric utility sectors.*

- **Industrials and infrastructure sectors** — Most investors agree that new project announcements declining over last 3.5 years is bad news for capex and GDP growth for next 2-3 years. But some see a silver lining at two levels: (1) If stalled projects get cleared, this could prevent significant capex decline and support GDP growth. (2) In the short term, PSUs could undertake new projects as they are cash-rich. This, along with interest rate cuts, could influence private companies to spend on capex over medium term. The macro data points we highlighted suggest running underweight, but if one takes GoI reforms seriously, one should run overweight.

- **Electric utilities sector** — Our India strategist Aditya Narain has been running underweight on sector since 2007 and continues to do so. We agree with this view. Most investors are either running underweight on the sector or have no interest.

- **Industrials** — Investors were generally either already long L&T or looking to go long. The key catalyst investors are looking for is announcement on the NIB by the GoI. No short interest in the stock. Investors largely agreed with our Sell call on BHEL and believe stock is trading in an Rs190-270 band based on news flow. Investors felt Cummins is a tad pricey, but there would be more interest if stock corrects to Rs420 levels. Mixed views on Thermax and Voltas. Most investors have missed Havells and are not sure they should consider the same given stock run and concerns on Sylvania.

- **Infrastructure conglomerates** — Most investors expressed concerns about JPA management and questioned whether cement stake sale will happen. Interest came from long-only and hedge fund investors as a high-beta play on deleveraging and likelihood of interest rates coming down next year. Investors less keen to look at R-Infra, but we highlighted valuations at a significant discount to adjusted book value. Adani Ports, JSPL and IRB trading below fundamental fair value in our view because of controversies; we prefer IRB amongst the three.

- **Electric utilities** — Either investors already own PGCIL or they believe the stock does not suit their investment style. Decent discussions on NTPC and Tata Power, but limited conclusions positively or negatively. CESC, JP Power and JSW Energy were discussed briefly.

- **No or limited-interest stocks —** Crompton, ABB, Suzlon, BGR, Sintex, GMR, GVK, Essar, Pipavav, NCC, IVRCL and Adani Enterprise, Adani Power and Lanco.

See Appendix A-1 for Analyst Certification, Important Disclosures and non-US research analyst disclosures.

We spent the last week in Hong Kong and Singapore meeting ~30 long-only and hedge fund investors. Below we highlight what Asian investors are thinking about the India industrials/infrastructure conglomerates and electric utility sectors, as well as feedback on specific stocks in each of these sectors.

Industrials and Infrastructure Conglomerates

Outlook gloomy at best, but some see a silver lining

- We highlighted the fact that CMIE's capex database suggests new projects announcements (NPA) in a quarter continued to decline in quarter ended Sept12. We are back to FY03-04 levels in terms of new capex activity. Quantum of stalled projects continues to inch up making historic highs every quarter.

- RBI's annual capex data suggest debt funding tied up capex has fallen 50% over the last two years, which has led to capex declining 11% in FY12 with outlook for further declines in FY13E.

- The breakup of debt tied up for capex historically suggests that the two largest sectors which contribute to capex are power and metal & metal products. Given the lack of fuel, ore and clearances for these projects, the outlook for capex in India appears gloomy.

- The fact that most of funds used for capex in FY12 were tied up 2+ years back unlike the past few years suggests corporates are either not going to banks with fresh proposals or fresh proposals are getting rejected.

- We also highlighted that NPA is highly correlated to capex two years down the line. There have been two instances in the past when NPA declined. In FY97-98 when NPA declined for two years, capex declined for four years. NPA declined once again in FY01-02, but this did not result in capex declines as it had already fallen ~ 50% over past four years and was coming off a low base. Further, by FY03, India's capex super-cycle had started which lasted for nine years.

- ***Our conclusions:*** *NPA declining over the last 3.5 years is bad news for capex for the next 2-3 years, which in turn is bad news for India's GDP growth. Five to six years back, when a corporate was taking up cement, steel or power projects, the Government of India (GoI) promised them land, ore, fuel and clearances and asked them to start the project. In a number of cases, promises have not been kept and numerous projects are stalled. So will these corporates repeat their mistakes once again? Last but not least, many corporates who undertook significant capex over the last 6-7 years are overleveraged. They need to deleverage first before they can undertake capex. Our India strategist Aditya Narain has been running an overweight on this sector this year.*

- ***Investor conclusions:*** *Most investors agree with our conclusions. But some see a silver lining at two levels: (1) If GoI shows some more alacrity like they have done over the last few months, a lot of stalled projects could get cleared. This may not contribute to fresh orders, but at least this could prevent significant capex decline and support India's GDP growth. (2) In the short term, PSUs could undertake new projects at the insistence of the Finance Minister given a lot of them are cash-rich. This, along with interest rates cuts, could have a rub-off effect on private companies and encourage them to commence capex. However, investors have mixed opinions if they should run an overweight or an underweight on this sector. In our view, the macro data points we highlighted* *suggest running an underweight, but if one takes the GoI reforms seriously, one should run an overweight.*

Larsen & Toubro

- The most discussed stock. Many investors are surprised by L&T's order inflows in 1HFY13 given the macro-environment. We highlighted that we believe this is because of significant market share gains as competing infrastructure companies in India are overleveraged.

- A large part of the order inflows are from the building & factories segment. Most investors now agree that this segment actually makes margins inline or higher than company margins. Investors were keen to know the outlook for orders in the next six months.

- We got a sense that from expectations of L&T missing order inflow guidance in FY13E, expectations have now moved to them meeting the same. In fact, some investors even asked us if there is a likelihood of L&T beating the guidance. Investors are also braced for a 50bps margin decline this year.

- We highlighted that the company is bidding for incremental international orders at 100-200bps lower margins. It is also a fact that L&T's internationalization strategy has not been a roaring success so far in 1HFY13, which actually is a positive for margins over the short term. But long-term margin contraction by another 50bps is a downside risk investors need to be prepared for, in our view.

- Investors are aware of the deteriorating working capital, but believe given the environment, this was bound to happen. Some expect the same to improve next year as interest rates come down and vendor finances improve.

- A lot queries centered on the strategy of trying to improve RoCE and more particularly on the likelihood of the L&T IDPL stake sale actually happening by the end of FY13E. Some commented that L&T Finance holdings stake will have to be sold down to meet SEBI requirement of 75% in the near future and given the stock run on the back of expectations of a banking license, it would be a positive for L&T.

- Most investors have taken the RoCE improving strategy positively and have very favorable reviews of the new chief financial officer (CFO).

- ***Our conclusions:*** *L&T remains our top large-cap liquid pick given the lack of alternatives. Recent disappointments in BHEL, Crompton, Cummins and Voltas only add to its appeal. Further, the stock correcting from recent highs of Rs1750 levels makes us more positive. L&T has announced Rs50bn+ of orders in 3QFY13 so far.*

- ***Investor conclusions:*** *Investors were either already long L&T or were looking to go long. The key catalyst investors are looking out for is announcement on the NIB by the GoI. But investors were also keen to see how the winter session of parliament goes before taking a call on the stock .We did not find any hedge fund interest in shorting the stock.*

Jaiprakash Associates

- The second most discussed stock. Almost everyone had met the company on their recent Asia road show and most questions centered on deleveraging and likelihood of the cement stake sale in Jaypee Cement Corp.: "If it will happen and if it does happen, what are the likely timelines?"

- We highlighted that ~40% of overall debt of JPA is from JP Power and 75% of this is project-level debt which we believe one should not fret about as this will come down as the projects get commissioned. 10-15% of remaining debt is in JP Infratech where capex is over and the company will deleverage as tolls are collected and real estate advances come through. Finally, the cement asset sale is necessary to deleverage the remaining debt.

- There were discussions on the recent cement price correction, and most investors commented this is on account of JPA. There were discussions on the outlook for the EPC, cement and power businesses.

- ***Our conclusions:*** *At our current target price of Rs97, cement assets in parent valued at $110/tonne, JCC at $107/tonne and 4.3 MTPA in JV at book value. If we revalue the cement assets to $130/tonne (most frontline cement stocks trading at $170-200/tonne) the fair value would move up to Rs120-130. We also highlighted that in the super bull case if deleveraging does happen and stock does move to Rs120, the company might be open to sell a portion of treasury shares on its books which could lead to the second leg of deleveraging.*

- ***Investor conclusions:*** *Most investors raised concerns about management and whether the cement sale will happen given the sword of Damocles (FCCB repayment) is no longer hanging over their head. Interest expressed by both long-only and hedge fund investors on the stock as a high-beta play on deleveraging and likelihood of interest rates coming down next year. Some did comment that the cement sale timelines seem to have shifted from Nov12 to early part of CY13.*

BHEL

- Again, a keenly discussed stock with most questions centering around, “What will make Citi turn positive on the stock?” Given that rupee depreciation has blunted the competitive edge of the Chinese and international coal prices have corrected from $120/tonne to $80/tonne, should one get constructive?

- We highlighted that there are 25GW (spill over from XIth Plan) + 75GW (XIIth Plan) + 43GW (XIIIth Plan) which have been ordered and a portion of the same is already in BHEL’s order backlog. Out of this 143GW, maybe 30GW may not see the light of the day (bulk orders placed on the Chinese). India is currently struggling to arrange coal for this 113GW which amounts to 452mn tons (implying Coal India has to double production in the next five years). Against this backdrop, we struggle to get constructive. As sales flatten out, margins should fall (operating leverage turns negative), which will lead to EPS and RoE declines.

- BHEL’s WC has historically been at precarious levels (receivables 7-9 months and inventories at 3-4.5 months). As long as the backlog grows, customer advances grow, the illusion that everything is okay is maintained. But once backlog starts declining, the illusion wears off. Net cash end 2Q13 Rs36.1bn (Rs64.8bn end FY12 and Rs94.5bn end FY11). 1HFY13 CFO was -Rs25bn. It is only a question of time before BHEL becomes a net debt company, in our view.

- ***Our conclusions:*** *Maintain Sell. BHEL is trading in a band of Rs190 to Rs270 based on news flow and will likely continue to do so.*

- ***Investor conclusions:*** *Investors largely agree with the call and are basically trading the stock in this band.*

Cummins

- We highlighted that Cummins is a structural thematic pick on India's power deficits and coal problem. Power generation back-up (30%+ sales) is set to grow at a robust pace given that all India scheduled power deficits are at historic highs. Distribution business (20% of sales) should continue to grow as this is basically after-sales service.

- Auto (6% of sales) should remain weak in the short term but should pick up in the future. Industrial (12% of sales) is largely linked to capex activity in the country and remains weak. Exports (25-30% of sales) are more difficult to take a call on given dependencies on the global macro-environment.

- Most investors don't have too much of a concern on QSK60 engines not being made by Cummins India. Concerns about the India office building remain, but most investors have reconciled to the same.

- ***Our conclusions:*** *Remains a longer-term structural Buy given high operating cash flows and high dividend payout. Recent correction has taken stock down to 16x FY14E P/E which is a not a bad price time to get into the stock, in our view.*

- ***Investor conclusions:*** *Some investors do like the story and the company, but find it a tad bit pricey and are hoping the stock corrects to Rs420 levels when they want to buy it for the longer term. Given that stock is illiquid makes it that much tougher to get in and out. One investor who had sold out recently after the 2QFY13 results had some interesting observations. The investor mentioned that Caterpillar's entry into India a big worry because their diesel gensets in the HHP category are more efficient (less diesel consumption). They don't need to spend too much time setting up a distribution channel as the existing construction equipment distribution channel can be utilized for the same. The investor pointed that Cummins India has cut down on productive capex and maintained capex on the India office building which is a negative message for investors. We concur these are valid concerns.*

Thermax and Voltas

- ***Our conclusions:*** *Remain Sell on both stocks. Thermax has three businesses – small boilers, utility boilers and environment business. Utility boilers have not won any orders to date. Small boilers could face increased competition from BHEL as orders in their conventional business dry up. We find the stock pricey at 17x-18x FY14E P/E. Voltas' main MEP business is operating at 5% EBITDA margins. Infact 2QFY13 margins were 1-2%. Very difficult to get constructive on the name especially given stock has done well this year.*

- ***Investor conclusions:*** *Views on Thermax and Voltas seem divided. Some agree with our call but some believe Thermax is a good company and what you see now are trough earnings. If industrial activity recovers, the stock would look cheap. On Voltas, the supporters largely latch on to the fact that it zero debt/ liquid and has Tata ownership so it is worth giving the benefit of the doubt.*

Havells

- ***Our conclusions:*** *Remain a Buy. We agree 2QFY13 domestic business was not strong, but this could be an aberration as portion of domestic business is quasi-consumer in nature and should continue to grow. Sylvania does not contribute much to our target price and is self funding.*

- ***Investor conclusions:*** *Investors agreed the stock has had great run this year and some of them have missed it. Given it has run and given concerns on outlook for Sylvania, many investors were not very keen to evaluate the company currently.*

Reliance Infrastructure

- ***Our conclusions:*** *Most investors were not keen in evaluating the company. But we believe the thesis here is worth a look. We said we will not make a business argument on the company. The consolidated book value of the company is Rs937/share. If we adjust the concerns of Mumbai/Delhi regulatory assets by knocking off the same from book value and further knock off 50% of investments in group company preference shares/debentures, the adjusted book value is still Rs658/share. Stock trades at Rs450 levels. If there is positive news flow on the group and given company is still profitable, stock could trade up to adjusted book value and has done the same in the earlier part of the year.*

- ***Investor conclusions:*** *Investors acknowledged that given the stock is liquid, one can consider this a high-beta play in a risk-on environment.*

Adani Ports, JSPL and IRB

- ***Our conclusions:*** *We highlighted these stocks as trading below fundamental fair value on account of one or the other controversy. Of the three, we prefer IRB. On the JSPL/Adani Ports controversies, if they have a negative outcome, in the worst case their intrinsic business models could get affected. But this is not the case with IRB. Stock appears cheap.*

- ***Investor conclusions:*** *Investors agree that IRB could provide handsome returns if the controversies blow past. On Adani Ports, there are concerns if Adani Ports' balance sheet would be used to support Adani Power and Adani Enterprise which are overleveraged. Investors agreed that Adani Ports has a fantastic asset in Mundra, but there are concerns on Abbot Point. We had limited discussions on JSPL as most investors have had detailed discussion with the Citi JSPL analyst Atul Tiwari earlier.*

Crompton Greaves, ABB, Suzlon, BGR, Sintex, GMR, GVK, Essar Ports, Pipavav Port, NCC, IVRCL and Adani Enterprise

- Limited or no interest in these stocks

Electric Utilities

Limited interest centering on three stocks

- ***Our conclusions:*** *Our India strategist Aditya Narain has been running an underweight on this sector since the IPO of Reliance Power in 2007 and continues to do so even today, and we agree with this view. Since Apr12, 20+ SEBs have raised tariffs by 2-37%. This follows a 1-35% average tariff increase in FY12. Proposal to restructure SEB debt have also been passed which should improve their financial condition. The concerns of shortage of fuel (coal and gas) and unrenumerative PPAs remain.*

- ***Investor conclusions:*** *Most investors are either running an underweight on this sector or have no interest.*

PGCIL, NTPC and Tata Power

- ***PGCIL Conclusions:*** *PGCIL was the most discussed stock. Either investors already own it or they believe the stock does not suit their investment style. No questions on execution or our EPS estimates. Questions centered on the possibility of stake sales by GoI. We highlighted that PGCIL is like a bond, in a sense, where the principal value should keep growing every year. One can reasonably expect 10-12%+ returns ever year with 2%+ dividend yield, in our analysis. A few new investors were concerned about leverage and we highlighted high leverage is a positive in PGCIL as that means RoEs are higher (interest is a pass through and leverage is not a concern).*

- ***NTPC Conclusions:*** *We highlighted that we are aware of the fact that the regulatory block would grow very fast over the next 2-3 years. But till the coal situation improves, it is difficult to see RoEs of > 13% in the company. We have a Neutral on the stock, and the key negative catalyst could be GoI selling down 9.5% stake in the company in the near future.*

- ***Tata Power Conclusions:*** *An asymmetric bet at best, in our view. Stock already factors in a tariff hike of Rs0.30/kWh for the Mundra UMPP. While investors are focused on Mundra UMPP, they seem to be ignoring the fact that international coal prices are correcting which will negatively impact consolidated earnings. Most investors believe it is hard to take a call on what will happen to tariff hike petition filed by Tata Power. Legally difficult to justify but change in law provision loophole or GoI wanting to encourage capex by the private sector could result in a tariff hike.*

Other Stocks

- *There was no interest in Adani Power and Lanco Infratech. Limited interest in JSW Energy as falling international coal prices could benefit them disproportionately as merchant prices are unlikely to fall. There was limited interest in JP Power, but most investors prefer playing the same through JPA as it is more liquid.*

- *On CESC, there was limited interest. We highlighted the fact that earlier both regional utility analysts and Indian portfolio managers looked at the stock. Even earlier it was difficult to convince a regional utility analysts to look at the stock given the retail diversification. Now with a further BPO diversification, it becomes all the more difficult. Concerns on if FSL is the last acquisition or if the company would go for an IT company or more acquisitions on the retail side.*

Figure 1. India Electric Utilities Comparables

Name	RIC Code	Reco	Mcap ($mn)	Price (Rs)	EPS CAGR	P/E			P/BV			RoE %		
					FY12-FY15	FY13E	FY14E	FY15E	FY13E	FY14E	FY15E	FY13E	FY14E	FY15E
NTPC	NTPC.BO	Neutral	23,829	159	8%	13.7	12.7	11.9	1.7	1.5	1.4	12.6%	12.6%	12.4%
PGCIL	PGRD.BO	Buy	10,017	119	16%	14.1	12.2	10.7	2.1	1.9	1.7	15.7%	16.3%	16.5%
JPVL	JAPR.BO	Buy	1,809	38	65%	13.4	7.9	5.6	1.6	1.3	1.1	12.7%	18.5%	21.4%
Adani Power	ADAN.BO	Sell	1,928	49	NA	(133.9)	31.5	13.5	1.8	1.7	1.5	-1.3%	5.7%	12.1%
Lanco Infratech	LAIN.BO	Buy/HR	569	13	NA	(38.0)	12.2	10.0	0.7	0.6	0.6	-1.8%	5.4%	6.2%
CESC (Conso)	CESC.BO	Sell	659	290	31%	10.5	7.9	5.9	0.9	0.8	0.7	9.1%	11.0%	13.0%
Tata Power (Conso)	TTPW.BO	Sell	4,464	103	-4%	21.9	19.5	18.0	1.9	1.8	1.7	9.2%	9.6%	9.7%
JSW Energy	JSWE.BO	Neutral/HR	1,844	62	41%	19.1	12.1	11.0	1.7	1.5	1.4	9.0%	13.1%	13.0%
Average					**26%**	**(9.9)**	**14.5**	**10.8**	**1.6**	**1.4**	**1.3**	**8.1%**	**11.5%**	**13.1%**
NHPC	NHPC.BO	NR	5,211	23	-3%	12.3	11.0	10.2	1.0	0.9	0.9	8.1%	8.6%	8.6%
Torrent Power	TOPO.BO	NR	1,354	158	8%	8.3	7.5	4.8	1.2	1.1	NA	14.0%	14.7%	NA
Reliance Power	RPOL.BO	NR	4,802	94	25%	25.4	24.3	15.5	1.4	1.4	1.3	5.5%	5.9%	9.1%
KSK Energy Ventures	KSKE.BO	NR	369	54	61%	7.8	6.0	4.0	0.6	0.5	0.5	8.1%	10.1%	11.6%
NLC	NELG.BO	NR	2,436	80	NA	10.2	9.0	NA	1.0	1.0	NA	10.3%	10.6%	NA
NR Average					**23%**	**12.8**	**11.6**	**8.6**	**1.0**	**1.0**	**0.9**	**9.2%**	**10.0%**	**9.8%**
Overall Average					**25%**	**(1.2)**	**13.4**	**10.1**	**1.4**	**1.2**	**1.2**	**8.5%**	**10.9%**	**12.2%**

Source: Bloomberg and Citi Research estimates

Figure 2. India Industrials & Infrastructure Conglomerate Comparables

	RIC Code/ Reco	Price	Mcap	P/BV				RoE				P/E				EV/EBITDA			
		Rs	US$mn	FY12	FY13E	FY14E	FY15E	FY12	FY13E	FY14E	FY15E	FY12	FY13E	FY14E	FY15E	FY12	FY13E	FY14E	FY15E
INDUSTRIALS																			
L&T Parent Adj	LART.BO / 1	1,623	18,576	3.0	2.6	2.3	2.0	18.8%	18.3%	18.5%	18.7%	17.0	15.2	13.0	11.2	13.2	12.0	10.1	8.6
L&T Cons	LART.BO / 1	1,623	18,576	3.4	3.0	2.6	2.3	17.1%	16.5%	17.2%	17.3%	21.4	19.3	16.2	13.8	na	na	na	na
BHEL	BHEL.BO / 3	223	10,218	2.2	1.8	1.6	1.4	28.2%	24.0%	19.2%	15.1%	8.5	8.2	8.8	10.0	5.7	5.7	5.9	6.6
Cummins	CUMM.BO / 1	478	2,476	6.5	5.8	5.1	4.4	28.3%	30.1%	31.5%	32.1%	24.3	20.3	17.1	14.7	20.6	16.8	13.8	11.6
ABB	ABB.BO / 3	708	2,803	5.9	5.3	4.6	4.0	7.4%	13.2%	15.6%	18.4%	81.3	42.3	31.7	23.2	52.0	27.7	20.8	15.0
Crompton Cons	CROM.BO / 2	116	1,386	2.0	2.0	1.8	1.6	10.8%	7.8%	14.2%	16.8%	19.8	25.9	13.4	9.9	9.9	13.8	8.1	5.7
Havells Cons	HVEL.BO / 1	575	1,342	7.5	5.9	4.6	3.6	46.0%	35.0%	34.7%	32.5%	19.4	18.8	14.8	12.4	12.1	11.8	9.4	7.7
Sintex Cons	SNTX.BO / 3	61	309	0.7	0.6	0.6	0.5	14.3%	11.3%	11.8%	11.4%	5.2	5.9	5.1	4.8	5.8	6.0	5.5	5.0
Thermax Cons	THMX.BO / 3	568	1,265	4.2	3.6	3.1	2.7	27.4%	22.0%	20.1%	19.1%	16.8	17.4	16.4	15.1	10.7	10.9	9.8	8.5
Voltas Cons	VOLT.BO / 3	106	652	2.4	2.2	2.0	1.8	21.3%	13.1%	15.1%	15.5%	11.2	16.5	13.3	11.8	10.2	13.6	10.0	8.3
Suzlon Cons	SUZL.BO / 3	17	555	0.6	0.6	0.6	0.5	-11.8%	-4.5%	4.5%	12.0%	-4.2	-13.1	12.9	4.5	8.8	6.1	4.5	3.4
BGR Cons	BGRE.BO / 3H	269	363	1.7	1.6	1.4	1.3	21.7%	16.0%	14.7%	15.0%	8.7	10.2	10.0	8.9	5.9	6.9	7.5	10.1
MID CAP E&C																			
IVRCL Parent	IVRC.BO / 3	40	198	0.3	0.3	0.3	0.2	1.2%	4.0%	5.4%	6.6%	22.2	6.6	4.7	3.8	8.3	6.4	5.8	5.4
Nagarjuna Parent	NCCL.BO / 1	43	208	0.2	0.2	0.2	0.2	1.5%	4.1%	4.8%	5.5%	13.5	4.9	4.3	3.7	6.7	7.2	6.6	6.3
INFRASTRUCTURE																			
Adani Ports Cons	APSE.BO / 1	127	4,773	5.3	4.4	3.6	2.8	24.4%	22.9%	27.1%	29.0%	23.2	21.1	14.6	10.9	20.3	13.4	10.0	8.4
Gujarat Pipavav	GPPL.BO / 2	47	421	1.9	1.7	1.6	1.5	6.2%	6.6%	7.7%	7.2%	30.6	27.5	21.7	21.8	14.8	14.6	13.3	11.0
Essar Ports	ESRS.BO / 1	93	710	1.7	1.6	1.5	1.2	15.1%	12.1%	14.7%	24.5%	12.7	14.7	11.2	5.7	10.1	9.8	7.7	4.9
IRB Cons	IRBI.BO / 1	126	780	1.5	1.3	1.1	1.0	18.8%	17.6%	14.7%	16.3%	8.4	7.7	8.2	6.6	6.7	7.1	6.4	6.1
GMR Cons	GMRI.BO / 3H	18	1,306	0.9	0.9	0.8	0.8	-7.9%	0.3%	9.8%	5.1%	-15.8	264.7	9.0	16.1	18.4	11.8	8.8	10.2
GVK Cons	GVKP.BO / 2H	13	372	0.6	0.6	0.5	0.5	1.8%	2.2%	3.3%	-3.4%	32.4	25.5	16.8	-15.9	20.8	23.6	9.0	7.8
CONGLOMERATES																			
JSPL	JNSP.BO / 1	379	6,622	2.0	1.6	1.4	1.1	24.8%	20.4%	18.1%	17.4%	8.9	8.7	8.2	7.1	7.7	7.5	7.5	6.0
Adani Enterprise	ADEL.BO / 1	232	4,767	1.3	1.2	1.1	1.0	9.9%	7.7%	10.4%	12.6%	13.9	16.3	10.9	8.0	17.6	12.1	8.7	7.2
JPA Parent	JAIA.BO / 1	92	3,675	0.3	0.3	0.3	0.3	9.6%	6.2%	6.2%	5.1%	3.8	5.1	4.9	5.6	7.2	7.9	7.6	7.9
RELI Parent	RLIN.BO / 1	467	2,297	0.0	0.0	0.0	0.0	8.9%	7.2%	6.2%	5.8%	0.5	0.6	0.7	0.7	4.5	4.5	4.5	4.3

Source: Citi Research estimates

Appendix A-1

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