

## BSE Limited

BSE Ltd owns and operates the BSE exchange platform. With 5,868 companies listed on the main board, it is the largest exchange by number of listed companies. Currently BSE has a 14% market share in the Equity Cash segment

**Wide source of revenues:** BSE derives its revenues from transaction charges, depository charges, corporate fees, which account for 13%, 18% and 21% of the revenues respectively. In addition to this, it also earns revenues from data selling and treasury income from clearing and settlement funds accounting for 3% & 5% of the revenues respectively. Combined operating revenues account for ~63% of the total revenues, which has reported a 7.8% CAGR over FY2012-16. BSE also earns significantly higher other income due to strong cash on book.

**Listing & other corporate fees provide cushion against volatility in earnings:** Transaction charges & depository fees together account for 31% of revenues and are linked to overall market conditions and can be lumpy. However, BSE generates ~21% of its revenues from corporate fees including the annual listing fees, which every company needs to pay to remain listed on the exchange, this is an annuity business. This segment has seen a healthy 20% CAGR over FY12-16 in revenues and provides a cushion against volatility in the markets.

**Despite divesting stake, CDSL will continue to add value to BSE:** As per SEBI directive BSE will have to reduce its stake in CDSL from current 52%. Post this, BSE will not be able to consolidate CDSL revenues, but will be able to include proportionate profit as share of profit from associates. However, looking at the under penetration of Equity market in India, we believe a lower stake of 24% will also be able to create value for BSE in the long run. As per the RHP, the divestment of CDSL would have impacted the top line and bottom-line by 20.5% and 16.4% based on FY16 financials.

**Outlook Valuation:** While equity savings in India remains low, with other asset classes becoming less attractive, investor's acceptance of equity as an investment is gaining the momentum. With India remaining an attractive investment destination, BSE is likely to see decent growth in business. BSE has sustained the high competition in last many years which is a positive argument in our opinion. Its holding in CDSL and Clearing Corporation will continue to be value accretive in the long run. **At the issue price, the stock is offered at 20.6x its FY2017E annualized EPS, which we believe as reasonably priced and hence, recommend SUBSCRIBE to the issue.**

### Key Financials

| Y/E March (₹ cr)      | FY2013     | FY2014     | FY2015     | FY2016     | 1HFY2017    |
|-----------------------|------------|------------|------------|------------|-------------|
| <b>Total Income</b>   | <b>510</b> | <b>485</b> | <b>584</b> | <b>616</b> | <b>353</b>  |
| % chg                 | (5.2)      | (4.8)      | 20.3       | 5.6        | (5.2)       |
| <b>Net profit</b>     | <b>119</b> | <b>135</b> | <b>130</b> | <b>123</b> | <b>105</b>  |
| % chg                 | (31.0)     | 12.8       | (3.6)      | (5.6)      | (31.0)      |
| EPS                   | 27.9       | 30.7       | 28.2       | 29.6       | 38.0        |
| <b>Book Value (₹)</b> |            |            |            |            | <b>464</b>  |
| <b>P/E</b>            |            |            |            |            | <b>20.6</b> |
| P/ABV (x)             |            |            |            |            | 1.7         |
| RoE (%)               | 6.3        | 6.7        | 6.2        | 6.5        | 10.0        |

Source: Company, Angel Research; Note: Valuation ratios based on pre-issue outstanding shares and at upper end of the price band

## SUBSCRIBE

Issue Open: January 23, 2017

Issue Close: January 25, 2017

### Issue Details

Face Value: ₹2

Present Eq. Paid up Capital: ₹10.92cr

Fresh Issue: -

Offer for sale: 1.54cr Shares amounting to ₹1,243crs

Post Eq. Paid up Capital: ₹10.92crs

Market Lot: 18 Shares

OFS (amount): ₹1,243.43cr

Price Band: ₹805-806

Post-issue implied mkt. cap ₹4,399.8cr\*

Note: \*Upper price band

### Book Building

|                   |     |
|-------------------|-----|
| QIBs              | 50% |
| Non-Institutional | 15% |
| Retail            | 35% |

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## Company background

Established in 1875, BSE Ltd. is Asia's first & the Fastest Stock Exchange in the world with the speed of 6 micro seconds and one of India's leading exchange groups. More than 5,500 companies are listed on BSE, making it world's No. 1 exchange in terms of listed companies. BSE's popular equity index - the S&P BSE SENSEX - is India's most widely tracked stock market benchmark index. It is traded internationally on the EUREX as well as leading exchanges of the BRICS nations. BSE Ltd. owns and operates BSE exchange platform, which provides markets for listing and trading in various types of securities and derivatives. With US\$1.71tr market capitalization of listed companies, BSE is 10th largest exchange in world by market capitalization. BSE operates in the following business segments i.e. Listing Business, Markets Business, Data Business and Additional Supporting Businesses. BSE holds stake at 50.05% in Central Depository Services (India) Ltd ("CDSL") and has 100% stake in Indian Clearing Corporation Ltd. ("ICCL").

### Exhibit 1: Shareholding Pattern Pre Issue (%)

| Shareholders          | % Holdings |
|-----------------------|------------|
| Trading Member (A)    | 36.1       |
| Associate Trading (B) | 8.8        |
| Total A+B             | 44.9       |
| <b>PUBLIC</b>         |            |
| Individual            | 8.2        |
| Corporate             | 10         |
| HUF                   | 0.6        |
| Insurance Company     | 4.7        |
| FDI                   | 20.7       |
| FII                   | 9.1        |
| NRI                   | 1.8        |
| Total C               | 55.1       |
| <b>Total A+B+C</b>    | <b>100</b> |

Source: RHP, Angel Research

## Key Management Personnel

**Sudhakar Rao** - Chairman and a Public Interest Director – Mr. Sudhakar has been part of the Board since 2011. He holds a Master's degree in Economics from University of Delhi and a Master's degree in Public Administration from Kennedy School of Government, Harvard University. He is a retired IAS Officer.

**Ashishkumar Manilal Chauhan** - MD and CEO – Mr. Ashishkumar has been part of the Board since 2012. He has a Bachelor's in technology in mechanical engineering from Indian Institute of Technology, Bombay and has also completed a post graduate diploma in management from the IIM Calcutta. At present, he is the Chairperson of the board of governors of National Institute of Technology, Manipur. Prior to joining the Exchange, he has served on several committees constituted by Department of Posts, Direct Taxes, SEBI, Forward Market Commission and he was the group Chief Information Officer of Reliance Industries Limited.

## Issue details

BSE is coming out with its maiden IPO of 15,427,197 equity share of ₹2 each through offer for sale by existing stakeholders via book building route with a price band of ₹805-806. BSE will mobilize ₹1,243.43crore (based on upper price band). Minimum application is to be made for 18 shares and in multiples thereon, thereafter.

### Exhibit 2: Top10 Shareholders Pre Issue

| Name of the Shareholder               | Shareholding % |
|---------------------------------------|----------------|
| Deutsche Boerse                       | 4.7            |
| Singapore Exchange                    | 4.7            |
| State Bank of India                   | 4.7            |
| Life Insurance Corporation of India   | 4.7            |
| GKFF Ventures*                        | 4.6            |
| Quantum (M) Limited                   | 3.7            |
| Caldwell India Holdings Inc.          | 3.7            |
| Atticus Mauritius Limited             | 3.7            |
| Acacia Banyan Partners Limited        | 3.7            |
| Bajaj Holdings and Investment Limited | 2.8            |
| <b>Total</b>                          | <b>41.0</b>    |

Source: RHP Angel Research

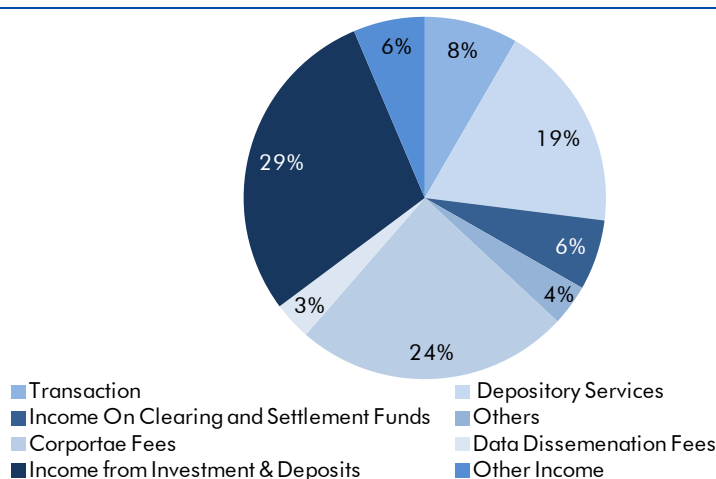
## Objects of the offer

- To achieve the benefits of listing the Equity Shares on NSE and also for the sale of Equity Shares by the Selling Shareholders.
- The Exchange expects that listing of the Equity Shares will enhance its visibility and brand image and provide liquidity to its existing Shareholders.
- The Exchange will not receive any proceeds of the Offer and all the proceeds of the Offer will go to the Selling Shareholders in the proportion of the Equity Shares offered by them.

## Investment rationale

**Wide source of revenues:** BSE derives its revenues from transaction charges, depository charges, corporate fees, which account for 13%, 18% and 21% of the revenues respectively. In addition to this, it also earns revenues from data selling and treasury income from clearing and settlement funds accounting for 3% & 5% of the revenues respectively. Combined operating revenues account for ~63% of the total revenues, which has reported a 7.8% CAGR over FY2012-16.

### Exhibit 3: Revenue Stream



Source: RHP, Angel Research

### Exhibit 4: Segmental Revenues

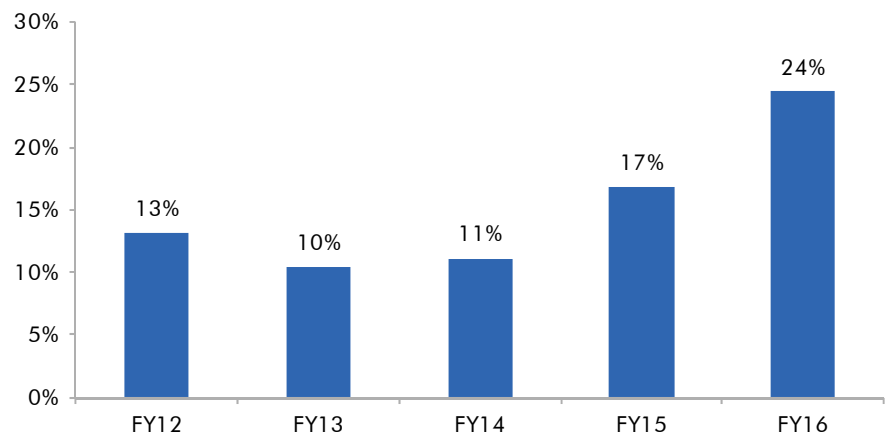
| Revenue Contribution                             | Nature Of Business                             | FY12        | FY13        | FY14        | FY15        | FY16        | 1HFY17      |
|--|--|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Revenue from Operations</b>                   |  | <b>59%</b>  | <b>54%</b>  | <b>55%</b>  | <b>62%</b>  | <b>69%</b>  | <b>69%</b>  |
| Of Which   |  |             |             |             |             |             |             |
| Transaction Charges                              | Linked to Market Activity                      | 7%          | 6%          | 6%          | 9%          | 9%          | 14%         |
| Income from Depository Services                  | Recurring as well as Linked to Market Activity | 18%         | 18%         | 18%         | 18%         | 20%         | 20%         |
| Treasury Income On Clearing and Settlement Funds | Linked to Market Activity to an Extent         | 9%          | 7%          | 9%          | 9%          | 7%          | 5%          |
| Others   | Recurring                                      | 7%          | 7%          | 6%          | 4%          | 4%          | 4%          |
| Services to corporate                            | Recurring                                      | 14%         | 11%         | 12%         | 18%         | 26%         | 23%         |
| Data Dissemination Fees                          | Recurring                                      | 4%          | 4%          | 4%          | 4%          | 4%          | 3%          |
| <b>Income from Investment &amp; Deposits</b>     | <b>Recurring</b>                               | <b>41%</b>  | <b>46%</b>  | <b>45%</b>  | <b>38%</b>  | <b>31%</b>  | <b>31%</b>  |
| <b>Total</b>                                     |  | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> |

Source: RHP, Angel Research

As we can see from the above table, BSE has been able to increase the share of revenues from corporate fees from 14% in FY2012 to 23% in 1HFY2017. Similarly, the share of transaction charges has also gone up to 14% from a level of 7% during the period. Moreover, the good part is that, over the same time it has been able to reduce its revenue contribution from treasury income and other income.

**Listing & other corporate fees provide cushion against volatility in earnings:** Transaction charges & depository fees together account for 31% of revenues and are linked to overall market conditions and can be lumpy. However, BSE generates ~21% of its revenues from corporate fees including the annual listing fees, which every company needs to pay to remain listed on the exchange, this is an annuity business. This segment has seen a healthy 20% CAGR over FY12-16 in revenues and provides a cushion against volatility in the markets.

#### Exhibit 5: Trend in Fee Income from Corporate



Source: RHP, Angel Research

**Despite reduction in stake CDSL will continue to create value for BSE in the long run:** BSE Ltd holds 54.2% stake in Central Depository Services Ltd (CDSL). CDSL is a highly profitable venture for BSE Ltd, and had revenue of ₹116cr for FY2016 with PAT of ₹63cr. There are two depositories in India, CDSL and National NSDL. As on August 31, 2016, CDSL had 1.13 Crores active accounts, implying a 43% market share in total demat accounts. As per SEBI's 2012 regulations, no single exchange can hold more than 24% stake in a depository and gave stock exchanges three years to come into compliance with the limitations. Due to BSE's inability to meet the guidelines, the deadline for the same was extended to March 31, 2017. Consequently, BSE will have to reduce its stake in CDSL to meet the regulatory norms.

#### Exhibit 6: CDSL Financial Snapshots

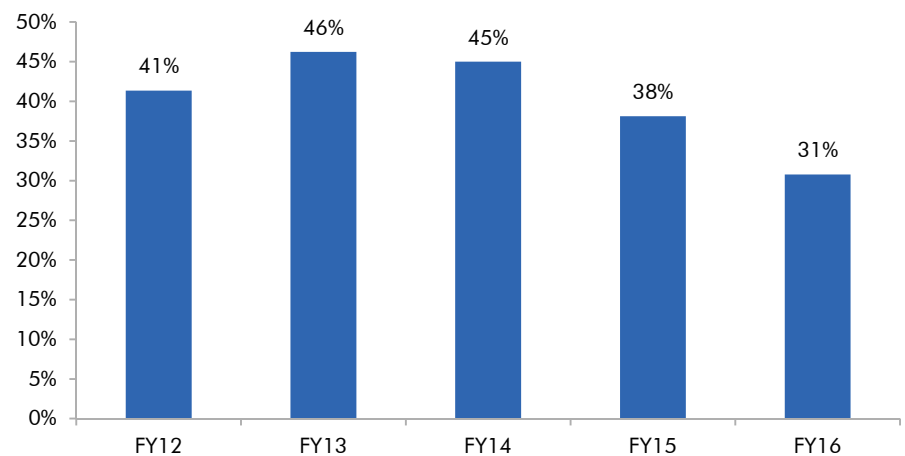
| (₹ Cr)             | FY14       | FY15       | FY16       |
|--------------------|------------|------------|------------|
| Equity Capital     | 105        | 105        | 105        |
| Reserves & Surplus | 223        | 230        | 262        |
| <b>Net Worth</b>   | <b>327</b> | <b>334</b> | <b>366</b> |
|                    |            |            |            |
| Total Revenues     | 105        | 105        | 116        |
| PAT                | 41         | 35         | 63         |
| EPS                | 3.9        | 3.3        | 6.1        |
| Book Value         | 31.3       | 32.0       | 35.0       |

Source: RHP, Angel Research

Post divesting stake in CDSL, BSE will not be able to include the revenues of CDSL in their top-line and the proportionate share of profit will be accounted as share of profit from associate. With duopolistic business, we believe CDSL will continue to add value to BSE, as the number of Demat accounts keeps on increasing every year in India.

**Other Income a large source of bottom-line:** BSE has cash & current investments worth ₹2,350 and interest income on the same, forms 29% of the total income. With softening G-Sec yield, there could be decline in the same. However, it will continue to form a large part of the business going ahead. The nature of business doesn't need much capex, and hence, BSE will continue to hold cash on books, so interest income will continue to form a large part of the bottom-line going ahead as well.

**Exhibit 7: Other Income as % of Total Income**



Source: RHP, Angel Research

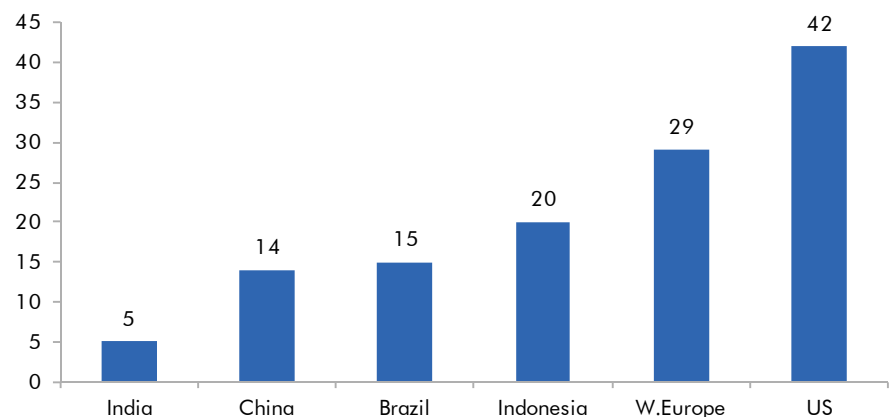
**BSE's subsidiaries will create value in the long run:** In addition to CDSL, BSE holds 100% stake in the Indian Clearing Corporation Ltd., which will create value in the long run for the exchange. These are specialized institutions, and hence, they should get premium valuations as and when if listed. Accordingly, in our view, in addition to BSEs own business, one should look at the growth prospects of the entities in which it has meaningful stake.

**Exhibit 8: Performance Of Key Subsidiaries (₹ Cr)**

| CDSL ( 50.05% Stake by BSE)                                 | FY14 | FY15   | FY16   |
|---|------|--------|--------|
| Total Revenues  | 105  | 105    | 116    |
| % Growth YoY  |      | (0.2)  | 10.3   |
| PAT   | 41.4 | 34.74  | 63.4   |
| % Growth YoY  |      | (16.1) | 82.5   |
| <b>Indian Clearing Corporation Ltd ( 100% stake by BSE)</b> |      |        |        |
| Total Revenues  | 91   | 90     | 70     |
| % Growth YoY  |      | (0.8)  | (23.0) |
| PAT   | 60.5 | 63.4   | 48.3   |
| % Growth YoY  |      | 4.9    | (23.9) |
| <b>CDSL Ventures Ltd ( 100% stake by CDSL)</b>              |      |        |        |
| Total Revenues  | 16.3 | 20.1   | 22.4   |
| % Growth YoY  |      | 23.1   | 11.6   |
| PAT   | 7.7  | 9.2    | 11.0   |
| % Growth YoY  |      | 19.7   | 19.2   |

Source: RHP, Angel Research

**Equity as an asset class is gaining momentum in India:** India's equity savings as a percentage of financial savings is substantially lower at 5% v/s 14% in China and 42% in US. However, with other asset classes becoming less attractive, investor's acceptance of equity as an investment will gain momentum in the years to come. With 7-8% GDP growth rate, India will continue to be an investment destination by foreign investors for long period of time. Though BSE has 13-15% market share in the Equity Cash segment, and even if it is able to retain the same, with improving outlook, the business for it should see decent growth going ahead.

**Exhibit 9: Participation by retail investors %**


Source: RHP, Angel Research

## Industry Scenario

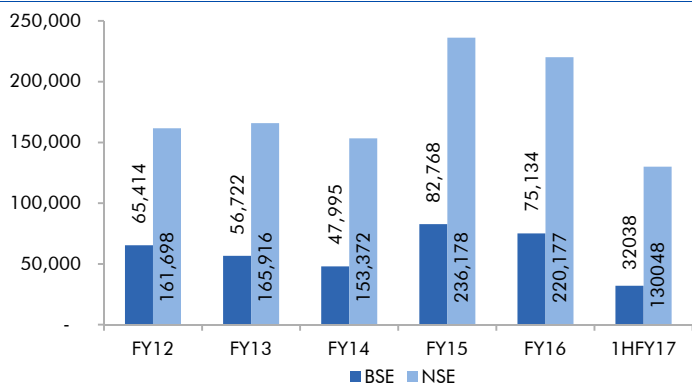
### Exhibit 10: Overview global exchanges (in US \$ Billions)

| No.Exchanges              | Country     | Domestic Market Cap |        | Value Of Equity Trading |        |
|---------------------------|-------------|---------------------|--------|-------------------------|--------|
|                           |             | 2015                | 2016   | 2015                    | 2016   |
| 1 ICE:NYSE                | U.S         | 17,787              | 18,711 | 15,868                  | 17,477 |
| 2 NASDAQ-US               | U.S         | 7,281               | 7,064  | 12,237                  | 12,515 |
| 3 Japan Exchange          | Japan       | 4,895               | 4,686  | 5,444                   | 5,541  |
| 4 Shanghai Exchange       | China       | 4,549               | 3,777  | 6,085                   | 21,343 |
| 5 LSE Group               | UK          | 3,879               | 3,480  | 2,771                   | 2,651  |
| 6 Euronext                | EU          | 3,306               | 3,286  | 1,952                   | 2,077  |
| 7 Shenzhen Stock Exchange | China       | 3,639               | 3,191  | 5,941                   | 19,611 |
| 8 Hong Kong Exchanges     | Hong Kong   | 3,185               | 2,973  | 1,521                   | 2,126  |
| 9 TMX Group               | Canada      | 1,592               | 1,869  | 1,408                   | 1,185  |
| 10 Deutsche Borse         | Germany     | 1,716               | 1,539  | 1,470                   | 1,556  |
| 11 BSE Ltd                | India       | 1,516               | 1,521  | 123                     | 121    |
| 12 NSE                    | India       | 1,485               | 1,494  | 633                     | 677    |
| 13 SIX Swiss Exchange     | Switzerland | 1,519               | 1,420  | 797                     | 991    |
| 14 Korea Exchange         | South Korea | 1,231               | 1,260  | 1,350                   | 1,930  |
| 15 NASDAQ Nordic          | Sweden      | 1,268               | 1,221  | 723                     | 755    |

Source: RHP, Angel Research

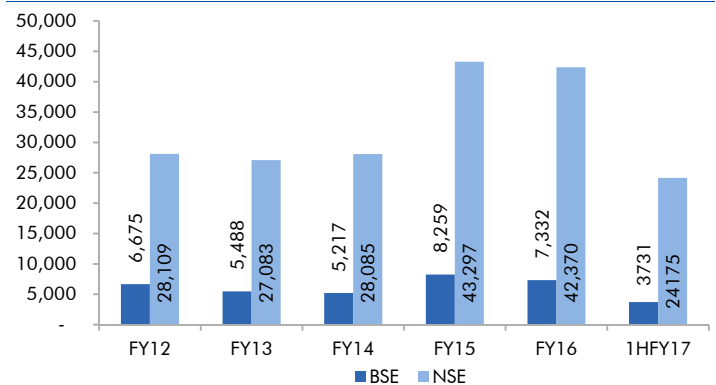
From 2012-16, the number of combined shares traded in both exchanges grew by 30%. The steady growth of Indian economy, growing awareness regarding stock market, increased participation by foreign institutional players, as well as domestic retail investors are the key factors which contributed to the growth.

### Exhibit 11: Volumes of shares traded in millions



Source: RHP, Angel Research

### Exhibit 12: Turnover in Equity Cash Segment (₹ mn)



Source: RHP, Angel Research



## Outlook & Valuation

While BSE has not been able to gain market share from its competitor it has also not lost market share in the last five-six years in the Equity cash segment. Its holding in CDSL and Clearing Corporation will continue to be value accretive in the long run. CDSL had a PAT of ₹63cr for FY16 and being specialized institutions it should attract a premium valuation. LIC had bought a 4.15% stake in 2015 in CDSL valuing the company at ~ ₹800cr. Similarly Indian Clearing Corporation had a PAT of ₹48cr for FY16 and if we apply similar valuations to it, it would be valued at ~₹600-700 cr. Considering BSE's stake in CDSL at 50.05% and in ICCL at 100% we believe the, entire market cap of BSE at the issue price seems reasonably priced. At the issue price the stock is offered at 20.6x its FY17 annualized EPS. Looking at the business model, we believe the issue is reasonably priced and hence recommend **SUBSCRIBE** to the issue.

### Exhibit 13: Comparative Valuations

| Name Of Exchange         | One Year Forward P/E |
|--------------------------|----------------------|
| TMX Group                | 16.2                 |
| Deutsche Boerse          | 18.1                 |
| Hong Kong Exchanges      | 37.4                 |
| Multi Commodity Exchange | 44.0                 |
| Japan Exchange Group     | 22.7                 |
| Bursa Malaysia           | 24.1                 |
| EURONEXT                 | 16.2                 |
| Singapore Exchange       | 22.2                 |
| London Stock Exchange    | 24.2                 |

Source: Angel Research

**Income statement**

| Y/E March (₹ Cr)                   | FY13       | FY14       | FY15       | FY16       | 1HFY17     |
|------------------------------------|------------|------------|------------|------------|------------|
| <b>Operating Revenues</b>          | <b>274</b> | <b>267</b> | <b>361</b> | <b>427</b> | <b>242</b> |
| - YoY Growth (%)                   | (13.1)     | (2.6)      | 35.4       | 18.1       |            |
| <b>Other Operating Income</b>      | <b>236</b> | <b>218</b> | <b>223</b> | <b>190</b> | <b>111</b> |
| - YoY Growth (%)                   | 6.0        | (7.4)      | 2.0        | (14.8)     |            |
| <b>Total Income</b>                | <b>510</b> | <b>485</b> | <b>584</b> | <b>616</b> | <b>353</b> |
| - YoY Growth (%)                   | (5.2)      | (4.8)      | 20.3       | 5.6        |            |
| <b>Operating Expenses</b>          | <b>242</b> | <b>242</b> | <b>319</b> | <b>358</b> | <b>190</b> |
| - YoY Growth (%)                   | 10.6       | 0.1        | 31.8       | 12.0       |            |
| <b>Operating Profit</b>            | <b>267</b> | <b>243</b> | <b>264</b> | <b>258</b> | <b>163</b> |
| - YoY Growth (%)                   | (16.1)     | (9.3)      | 8.9        | (2.2)      |            |
| <b>Other Income</b>                | <b>43</b>  | <b>45</b>  | <b>41</b>  | <b>42</b>  | <b>30</b>  |
| - YoY Growth (%)                   | 5.9        | 3.2        | (8.3)      | 2.5        |            |
| <b>Depreciation</b>                | <b>28</b>  | <b>32</b>  | <b>59</b>  | <b>62</b>  | <b>25</b>  |
| - YoY Growth (%)                   | (16.9)     | 14.3       | 81.7       | 5.0        |            |
| <b>Profit Before Tax</b>           | <b>280</b> | <b>255</b> | <b>246</b> | <b>238</b> | <b>168</b> |
| - YoY Growth (%)                   | (13.7)     | (9.1)      | (3.5)      | (3.1)      |            |
| <b>Prov. for Taxation</b>          | <b>38</b>  | <b>34</b>  | <b>44</b>  | <b>32</b>  | <b>22</b>  |
| - as a % of PBT                    | 13.5       | 13.3       | 17.8       | 13.6       |            |
| <b>PAT</b>                         | <b>242</b> | <b>221</b> | <b>202</b> | <b>206</b> | <b>145</b> |
| - YoY Growth (%)                   | (6.8)      | (8.9)      | (8.4)      | 1.8        |            |
| <b>Exceptional Item</b>            | <b>98</b>  | <b>61</b>  | <b>51</b>  | <b>47</b>  | <b>21</b>  |
| <b>Adj PAT</b>                     | <b>145</b> | <b>159</b> | <b>151</b> | <b>159</b> | <b>125</b> |
| <b>Share Of Minority</b>           | <b>25</b>  | <b>25</b>  | <b>22</b>  | <b>37</b>  | <b>20</b>  |
| <b>PAT after Minority Interest</b> | <b>119</b> | <b>135</b> | <b>130</b> | <b>123</b> | <b>105</b> |
| - YoY Growth (%)                   | (31.0)     | 12.8       | (3.6)      | (5.6)      |            |

**Balance Sheet**

| Y/E March (₹ cr)              | FY13         | FY14         | FY15         | FY16         | 1HFY17       |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| Share Capital                 | 10.4         | 10.4         | 10.7         | 10.7         | 10.7         |
| Reserve & Surplus             | 2,279        | 2,360        | 2,450        | 2,439        | 2,480        |
| NetWorth                      | 2,289        | 2,371        | 2,461        | 2,449        | 2,491        |
| Core Settlement Gurantee Fund | 1            | 6            | 111          | 176          | 187          |
| Minority Interest             | 173          | 188          | 199          | 222          | 215          |
| Non Current Liability         | 281          | 70           | 67           | 72           | 71           |
| <b>Total Liabilities</b>      | <b>2,744</b> | <b>2,634</b> | <b>2,838</b> | <b>2,920</b> | <b>2,963</b> |
| Goodwill On Consolidation     | 85           | 85           | 85           | 85           | 85           |
| Fixed Assets                  | 129          | 139          | 169          | 165          | 164          |
| Tangible Assets               | 88           | 85           | 136          | 143          | 138          |
| Non Current Investments       | 527          | 1,125        | 1,410        | 1,525        | 1,197        |
| Long term Loans and Adv.      | 56           | 79           | 86           | 120          | 108          |
| Current Assets                | 3,140        | 2,635        | 2,439        | 2,300        | 2,664        |
| Current Investments           | 826          | 1,061        | 866          | 537          | 855          |
| Cash & Bank Balances          | 2,048        | 1,469        | 1,452        | 1,610        | 1,491        |
| Othr Current Assets           | 216          | 53           | 60           | 85           | 197          |
| Current Liabilities           | 1,201        | 1,436        | 1,356        | 1,285        | 1,266        |
| Net Current Assets            | 1,939        | 1,199        | 1,083        | 1,014        | 1,398        |
| <b>Total Asset</b>            | <b>2,744</b> | <b>2,634</b> | <b>2,838</b> | <b>2,920</b> | <b>2,963</b> |

**Key Ratios**

| Y/E March                       | FY13 | FY14 | FY15 | FY16 | 1HFY17 |
|---------------------------------|------|------|------|------|--------|
| <b>Profitability ratios (%)</b> |      |      |      |      |        |
| EBITDA %                        | 52.5 | 50.0 | 45.3 | 41.9 | 46.1   |
| PAT %                           | 23.4 | 27.8 | 22.2 | 19.9 | 29.7   |
| RoE                             | 6.3  | 6.7  | 6.2  | 6.5  | *10.0  |
| ROA                             | 4.3  | 5.1  | 4.6  | 4.2  | *7.1   |
| <b>Per Share Data (₹)</b>       |      |      |      |      |        |
| EPS                             | 27.9 | 30.7 | 28.2 | 29.6 | *39.0  |
| BV                              | 441  | 457  | 459  | 456  | 464    |
| Dividend                        | 4.0  | 4.0  | 5.0  | 7.5  |        |
| <b>Valuation Ratios (x)</b>     |      |      |      |      |        |
| PER                             | 28.9 | 26.2 | 28.6 | 27.2 | 20.6   |
| P/BVPS                          | 1.8  | 1.8  | 1.8  | 1.8  | 1.7    |
| EV/EBITDA                       | 10.1 | 11.3 | 10.3 | 11.0 | 8.1    |
| EV/ Revenues                    | 5.3  | 5.6  | 4.6  | 4.6  | 3.7    |
| Dividend Yield (%)              | 0.5  | 0.5  | 0.6  | 0.9  |        |

Note: \* Annualized numbers

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### BSE Ltd.

|   |    |
|---|----|
| 1. Financial interest of research analyst or Angel or his Associate or his relative             | No |
| 2. Ownership of 1% or more of the stock by research analyst or Angel or associates or relatives | No |
| 3. Served as an officer, director or employee of the company covered under Research             | No |
| 4. Broking relationship with company covered under Research                                     | No |

**Ratings (Based on expected returns over 12 months investment period):**

Buy (> 15%)

Accumulate (5% to 15%)  
Reduce (-5% to -15%)

Neutral (-5 to 5%)  
Sell (< -15)