IDFC SECURITIES

COMPANY UPDATE

Sintex Plastics Tech.

Focus on Balance Sheet disrupting P&L!

OUTPERFORMER

20 April 2018
BSE Sensex: 34416
Sector: Midcaps

We remain positive on Sintex Plastics Technology (SINTEX), notwithstanding the company's underperformance versus broader indices (post listing). Weak 9MFY18 performance, especially in the prefab/infra segment coupled with company's delay in communicating shift in strategy (taking government share to 0% vs ~60% earlier) has weighed down the stock. However, the silver lining is our expectation that 1) SINTEX's working capital stress (due to delayed payments) should ease 2) Debt repayments would remain on track due to FCF generation and recent promoter equity infusion, 3) potential debt-deal with KKR would reduce interest payouts. Sustained delivery in the custom moulding (CM) segment, coupled with rising focus on retail business and lower contribution of government revenue would improve earnings quality and return ratios, but we would look for early signs of an uptrend (expected from Q3FY19E onwards) before turning upbeat; we roll forward to FY20E EPS, but have cut PE multiple to 13.5x (15x earlier). Current valuations more than discount our muted expectations. We retain our Outperformer rating with a revised target price of Rs90.

Government business withdrawal disrupts P&L but improves balance sheet: We believe SINTEX's strategic decision to lower government revenue share to nil (~21% in FY17) would result in 3% consolidated revenue and ~13% profit decline per annum (pa) over FY17-19E versus our earlier expectation of growth. As government business was marred by higher working capital investments, provisions made for delayed payments hampered margins. As a result, we expect exit from government business to ease working capital; in addition, recent equity infusion (Rs6bn warrants) by the promoter will also aid the company's debt repayment target. SINTEX has already repaid ~Rs3bn debt in FY18E and expects to repay another ~Rs10bn by FY20E (Net Debt/EBITDA to fall to ~2.3x versus ~4.1x in FY18E).

Superior earnings quality through sustained delivery in CM and rising focus on retail: We estimate ~34% pa decline in prefab segment revenue but ~10% CAGR in CM over FY17-19E; this coupled with SINTEX's renewed focus on retail (organized players to benefit post GST) would improve SINTEX's earnings quality on lower working capital requirements.

KKR deal could improve corporate governance perception: KKR private equity might get 1-2 seats on BAPL Board (CM segment, 100% subsidiary of SINTEX), after KKR refinances BAPL's debt. We expect BAPL to contribute ~85%/~88% of SINTEX's revenue/EBITDA by FY20E; the rub-off effect on company-wide corporate governance would be perceived as a positive by the market once KKR comes on board, in our view.

Stock data

CMP (Rs)	59
Mkt Cap (Rs bn/USD m)	39.5 /617
Target Price (Rs)	90
Change in TP (%)	(11.8)
Potential from CMP (%)	52.1
EBITDA change (%)	
FY18E	(0.6)
FY19E	(14.4)
FY20E	(14.7)

Bloomberg code	SINTEX IN
1-yr high/low (Rs)	137/55
6-mth avg. daily volumes (m)	4.6
6-mth avg. daily traded value (Rsm/USDm)	355.6/5.4
Shares outstanding (m)	594.1
Free float (%)	70.2
Promoter holding (%)	32.0

Price performance – relative & absolute

(%)	3-mth	6-mth	1-yr
SINTEX IN	(23.1)	(37.4)	-
BSE Sensex	(3.1)	6.3	17.4

Key valuation metrics

Year to 31 Mar	FY17	FY18E	FY19E	FY20E
Net sales (Rs m)	59,947	57,866	56,276	63,597
Adj. net profit (Rs m)	4,195	3,086	3,196	4,451
Shares in issue (m)	555	594	670	670
Adj. EPS (Rs)	7.6	5.2	4.8	6.6
% change	(46.8)	(31.3)	(8.1)	39.3
PE (x)	7.9	11.4	12.4	8.9
Price/ Book (x)	1.1	1.0	0.9	0.9
EV/ EBITDA (x)	6.9	8.3	7.7	6.3
RoE (%)	14.9	9.5	8.5	10.1
RoCE (%)	10.7	7.7	8.0	9.6

Source: Company, IDFC Securities Research

Rohit Dokania
rohit.dokania@idfc.com
91-22-4202 2567

Aasim Bharde, CFA
aasim.bharde@idfc.com
91-22-4202 2576

For Private Circulation only.

"Important disclosures appear at the back of this report"

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

INVESTMENT THESIS

- The demerger of the plastics business of the erstwhile listed entity Sintex Industries Ltd. (SINT) into a new entity, Sintex Plastics Technology Ltd. (SINTEX) has been a disappointment at best, both in terms of financial performance and stock returns.
- Shifting focus away from government business (prefab) has led to sharp revision in SINTEX's overall financial estimates. However, this strategic change should improve SINTEX's working capital levels.
- Balance sheet strengthening remains on track, as the company is aggressively reducing debt through (1) internal accruals (minimal capex), and (2) equity infusion from promoter.
- We have cut our revenue/EBITDA estimates by ~11%/14% respectively, for FY19E/20E. However, lower interest (due to debt repayment) implies net income cut (~14%) is not as severe.
- Over the long term, SINTEX's earnings quality should improve as prefab business would no longer get bogged down by delayed payment cycles from government departments. The company is increasing focus on retail portion of custom moulding (CM)/prefab.
- Post severe correction in the stock price, we believe that the known risks are well discounted. We maintain our Outperformer rating on the stock with a revised target price of Rs90 (we roll forward to FY20E EPS, but cut PE multiple to 13.5x versus 15x earlier).

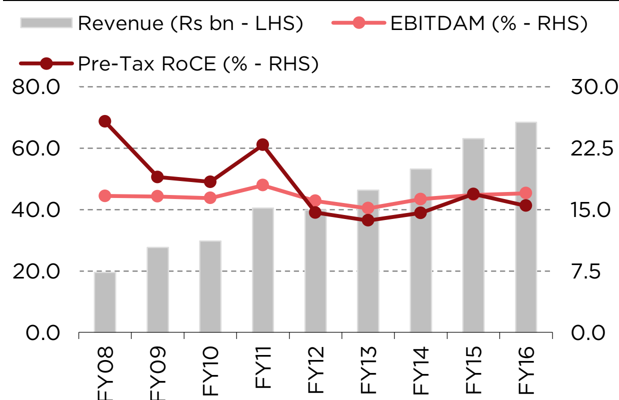
Expectations from the demerger were high...

Reasons for the demerger

Under appreciated by markets due to inefficient capital allocation problems

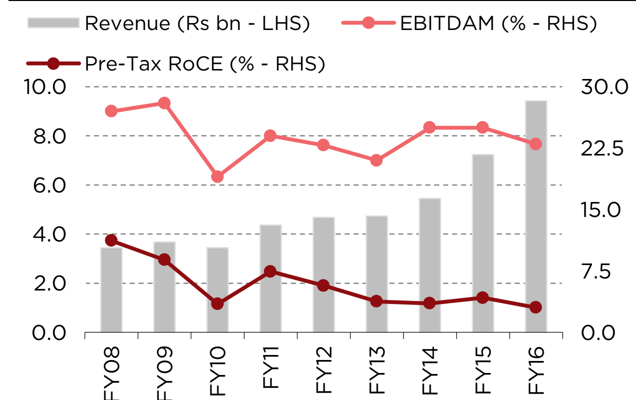
The erstwhile Sintex Industries Ltd. (SINT) which housed both the plastics (prefabricated structures/monolithic construction/CM) and the textiles (yarn/fabric) businesses was under appreciated by the markets due to inefficient capital allocation problems. Although the plastics business was self-sustaining in terms of growth and free cash generation, SINT's decision to diversify into cotton yarn (supported by government sponsored low interest debt) was perceived as a negative by the markets, given the commoditized nature of the latter. Prior to the demerger (announced in mid FY17; went into effect in late May 2017), the plastics division pre-tax RoCE used to be ~15%, while the same metric for textiles was more closer to ~3%.

Exhibit 1: Plastic business financials (pre-demerger)



Source: Company, IDFC Securities Research

Exhibit 2: Textiles business financials (pre-demerger)



Source: Company, IDFC Securities Research

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

The contrasting performance of the two divisions and the disproportionate capital allocation resulted in the company commanding low price multiples (~10x 1-year forward earnings/~5x 1-year forward EBITDA). There was always the perception that the cash-generating plastics business supported a cash-hungry textile business. The demerger of the plastics business into a separate listed company (named Sintex Plastics Technology Ltd. (SINTEX)) was an apt signal to send to the markets that both businesses were independent of each other.

❑ Hopes pinned on the plastics business

Post demerger, the expectation was that SINTEX would trade at a higher multiple compared to the new SINT (only the textiles business). The textiles business was expected to operate at lower capacity utilization as the new yarn spinning facilities were relatively new to the market while in contrast, SINTEX already had established prefab/infra and CM businesses with superior return ratios.

The plastics business was expected to generate free cash flow (FCF) of ~Rs2.5-3bn for FY18E and FY19E (post routine capex of ~Rs2.5bn each year). As the plastics business was generating >15% pre-tax RoCE prior to the demerger and was set to reduce debt to the tune of the FCF amount generated each year, the market was hopeful that multiple rerating and earnings growth would provide the required support to the stock price. We too had hinged our initiation report (August 2017) on similar thesis (we valued the company at 16x FY19E EPS).

...but the reality has been sobering!

Government business contributed 55-60% to SINTEX'S prefab/infra revenue prior to the shift

Post demerger, the company changed its strategy, whereby the company looked to reduce focus on the government portion of the prefab business (a lucrative high-margin business where SINTEX had built competitive advantages for itself). The company did not communicate the change in strategy to the market citing compliance regulations. Management broke its silence on the issue only post H1FY18 results in an analyst call, and eventually declared weak results in Q3FY18. Post demerger, the market had pinned hopes on the profitability of the plastics business, given the high margins in prefab. As a result, the demerger turned out to be a damp squib in terms of financial performance.

❑ Changing gears in prefab...

The company unexpectedly changed its strategy and decided to shift focus away from the government portion in its prefab business, causing a major overhang on the company's financial performance in FY18E. Various government divisions contributed 55-60% to SINTEX'S prefab/infra revenue prior to the shift. Recurring delay in collections, a problem that plagues most companies dealing with government agencies (many a times, companies write-off such payment delays), was the key reason that compelled the change in strategy.

Moreover, most government execution contracts (eg, schools set up across a district) also need to be secured by a bank guarantee (and a security amount), which is not released for 2-3 years until after the contract is executed (as after-market service and quality are judged during this period). As a result, working capital and contingent liabilities (through bank guarantees) tend to get tied up for long periods.

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

SINTEX could not communicate any information related to the plastics entity due to compliance reasons

❑ ...and inability to communicate...

Most market participants did not anticipate the change in strategy in the prefab/infra segment, as the business itself was not known to be plagued by collection issues in the past. Moreover, SINTEX, being an old player in this space, had the experience of handling this business well.

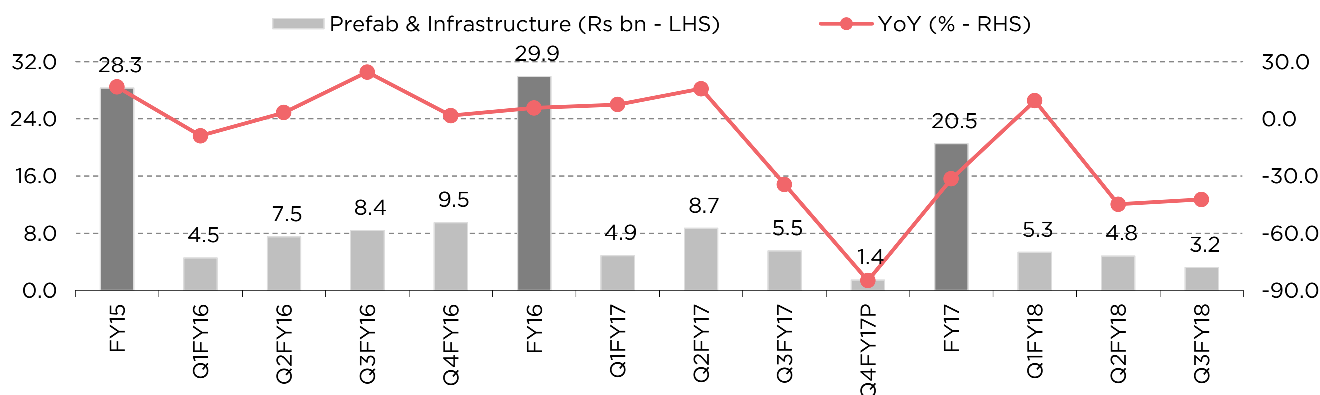
In addition, due to compliance reasons (it was in the midst of the demerger), SINTEX could not communicate any information related to the plastics entity with market participants immediately after the demerger processes gathered steam in March 2017 until it filed an Information Memorandum of SINTEX's financials with SEBI and the stock exchanges (which happened in June 2017).

❑ ...threw up a negative surprise in Q2FY18 results...

Although the Information Memorandum did give an indication that the prefab/infra segment was being scaled down, the extent of the new strategy became clear only in SINTEX's maiden analyst conference call post H1FY18 results in October 2017 (SINTEX did not declare Q4FY17 and Q1FY18 results separately, given the on-going demerger process and subsequent listing in August 2017), where the management articulated about their reasons of going slow on government driven business within this segment.

Q3FY18 results saw continued pain in this segment, despite the base-quarter being affected by demonetization (as cash payment cycles were stretched and cash was initially unavailable for day-to-day operations on the ground). Given the high-margin nature of this business (prefab segment generated 20-25% EBITDA margin), SINTEX's overall profitability took a big hit due to this shift as well.

Exhibit 3: Prefabricated structures/infrastructure revenue trend – Unexpected decline from Q4FY17



Source: Company, IDFC Securities Research; Note: Q1/Q4FY16 revenue includes ~Rs870m/~Rs2.3bn of legacy EPC revenue respectively. There is no EPC revenue from Q1FY17 onwards.

Exhibit 4: Mr. Amit Patel (Promoter) communicating the change in strategy during the Q2/Q3FY18 analyst calls

"We intend that prefab business or the business, which is spoiling our balance sheet as well as business, which has been affected from last November on government focused business has been we are extremely careful on entering this business and that is why controlling this business, controlling prefab business we have improved our cash availability, cash distribution and reduction on debt, so this has been possible just by controlling this." *- Q2FY18 Analyst Call*	**"Prefab historically always had more than 22%, 24% margins, so when prefab business de-grew overall margin looks less, but our cash generation improved, prefab business was very difficult to collect money, on paper, it was showing higher margins, but when you see cash positiveness, working capital, receivable numbers, it was not coming and that is why we kept on increasing debt. So that is the reason why now though we see lesser margin but more key free cash."** *- Q3FY18 Analyst Call*

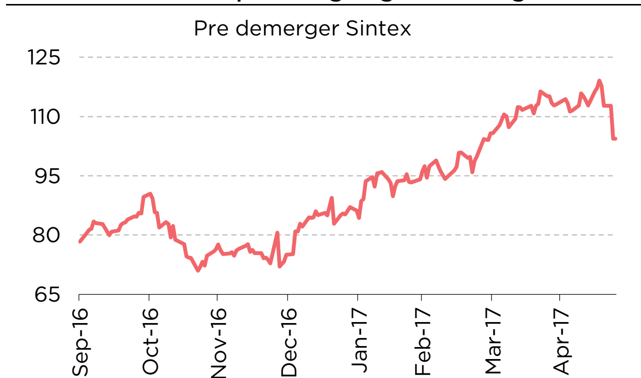
Source: Company, IDFC Securities Research

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

...hurting stock price as well

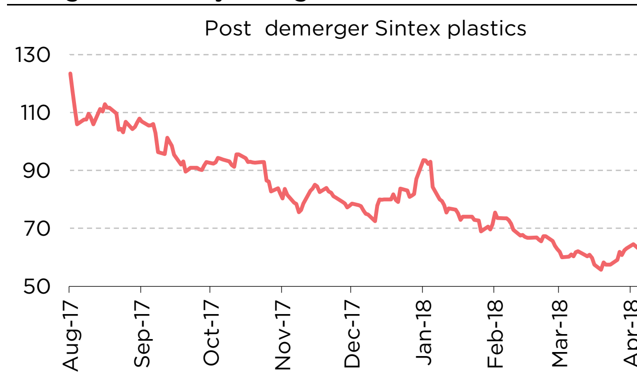
Not surprisingly, SINTEX's stock price went through a massive correction post demerger and on relisting as a separate entity on the exchanges. From its listing high of Rs136.5/share on 8 August 2017, the stock crashed ~52.6% as of 9 April 2018. BSE SENSEX and BSE 500 indices posted ~4.7% each during the corresponding periods.

Exhibit 5: Sintex price performance post demerger announcement and prior to going ex-demerger



Source: Bloomberg, IDFC Securities Research

Exhibit 6: Sintex Plastics price performance post listing of the entity in August 2017



Source: Bloomberg, IDFC Securities Research

Shifting focus – a risk being played out

Sintex Group (SINT/SINTEX) has had a history of pivoting out of its core business into unrelated businesses, given the company's vision to build itself into a diversified conglomerate.

Exhibit 1: Shifting interests over the years...

Year	Business Entries
1931	Started as a textiles company (under the name Bharat Vijay Mills)
1975	Forayed into plastics through storage containers business
Late 1970s	Entered electrical custom moulding business
2000	Set up prefabricated structures business
2005	Forayed into monolithic construction
2007/08	Expanded CM capabilities (through acquisitions in 2007/08)
2016	Set up compact cotton yarn facilities (~600,000 spindles)

Source: Company, IDFC Securities Research

SINT/SINTEX has not shied away from entering unrelated businesses (at times to its existing strengths), thereby increasing the risk for all stakeholders in lieu for potential rewards. While some of these businesses have panned out well (eg, water tanks, CM after a few years of settling down) and a few lost steam (prefab was doing well until the change in strategy in FY18E), others (monolithic) ended up burdening the company. We had highlighted these concerns in our initiation note of August 2017.

We see our risks being played out to an extent, as seen from the company's latest moves. Reversing gears from government-driven prefab business (similar to what the company did in Monolithic after 2012) and increasing focus on CM (including retail) could bring out a period of uncertainty and volatility in revenue. **However, we view the company's experience in managing these businesses in the past as the only silver lining. While it would continue to perform well on the CM side, prefab/infra would report growth only from FY20E, once the decline in this segment is arrested.**

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

Firming balance sheet

The unexpected disruptions in prefab/infrastructure division (~45% of SINTEX's proforma revenue prior to FY17) have caused SINTEX's revenue and profitability to move south. However, one silver lining is the company's relentless focus to improve its balance sheet strength. This was SINTEX's stated objective post demerger, and we remain encouraged that the management is walking the talk in this regard.

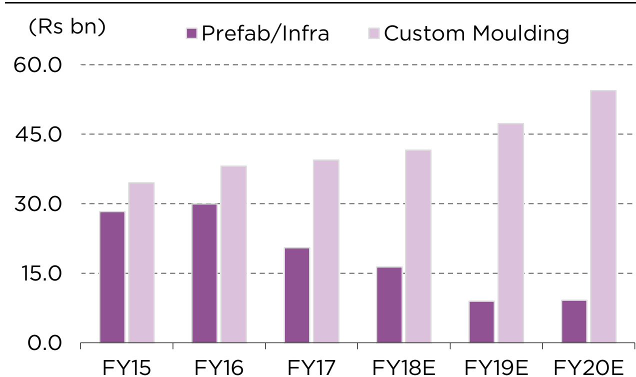
❑ Shift away from government business would free up cash

SINTEX still has some legacy government prefab orders

Although prefab has been a historically high-margin business (20-25% versus SINT's (pre-demerger) 15-16%), high government receivables would mean that the return ratios of this particular business was on the lower side. We believe the company's strategy to shift away from this part of the business will help SINTEX free up cash on account of (1) lower working capital requirements (shorter payment cycles for private customers), and (2) low to nil bank guarantees/security amounts tied up for performance in private sector orders (versus 2-3 year average bank guarantees required for government department orders, and in extreme cases 5+ years).

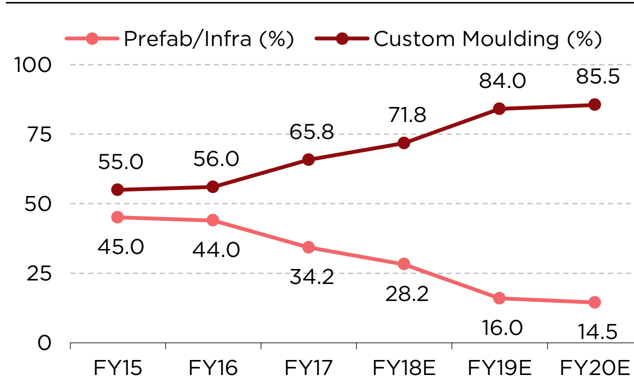
SINTEX still has some legacy government prefab orders (which would get fully executed over 12-18 months). Once these are out of the system, the company's contingent liabilities will reduce to the extent of bank guarantees that have been committed to secure these orders and any security amount already paid would be returned. As a result, reduced focus on government orders would also aid working capital to some extent. SINTEX estimates ~Rs6bn stuck in bank guarantees would free up over FY18E/19E (~Rs2.9bn in FY18E; ~Rs3.0bn in FY19E).

Exhibit 7: SINTEX's segment revenue trend



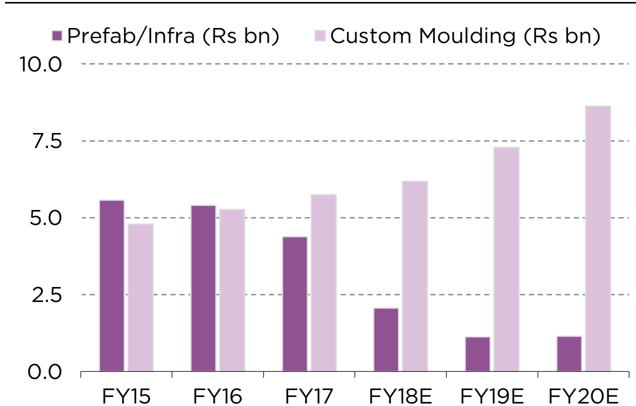
Source: Company, IDFC Securities Research

Exhibit 8: Prefab/Infra to shrink in overall pie



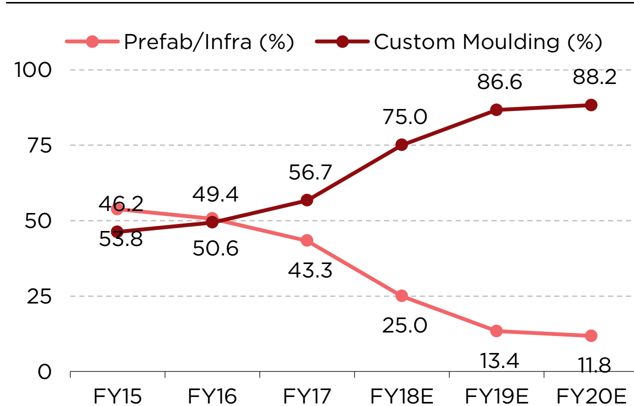
Source: Company, IDFC Securities Research

Exhibit 9: SINTEX's segment EBITDA trend



Source: Company, IDFC Securities Research

Exhibit 10: EBITDA to get skewed towards CM



Source: Company, IDFC Securities Research

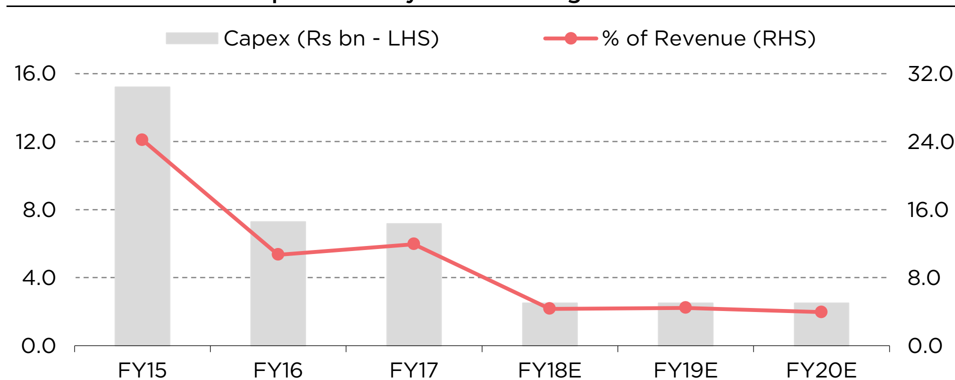
Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

Management has indicated capex of ~Rs2.5bn for FY18E

❑ Low capex intensity over next 2 years

SINTEX believes that it has enough capacity (across its business divisions, and especially prefab) to cater to growth for next 2 years. As a result, the company doesn't anticipate any major capital expenditure budgets for this period, beyond routine capex (estimated at ~Rs2.5bn each year for FY19E/20E). Management has indicated capex of ~Rs2.5bn even for FY18E. This too was a stated objective from the company and we remain heartened to see this play out. Moreover, GST implementation is pushing out unorganized players from the market, thereby making factories idle. The company intends to outsource to such factories to churn out products for its retail CM business, as it expands its presence across India.

Exhibit 11: SINTEX's capex intensity on a reducing trend



Source: Company, IDFC Securities Research

The warrant conversion would raise promoter's stake in SINTEX to ~36%

❑ Promoter warrant infusion to help meet debt repayment target

In February 2018, SINTEX announced that the promoter would infuse funds in the company to the tune of ~Rs6bn (at an estimated ~Rs90/share) through convertible warrants. The funds would be utilized to repay high-cost debt on SINTEX's books. The warrant issue is expected to dilute ~11% of SINTEX's equity but would be largely EPS neutral (~1-2% decline) due to savings in interest payments.

As per our discussions with SINTEX's promoters, most of the ~Rs6bn commitment would be infused over FY19E. ~Rs2.7bn has already been invested in the company through these warrants in FY18E. As per the promoter, SINTEX would utilize ~Rs2-2.5bn each year in FY18E and FY19E to repay its debt on books.

The warrant conversion (expected to be concluded over FY19E) would raise promoter's stake in SINTEX to ~36% (from ~30% prior to the issue of warrants). This is in line with the promoter's stated goal of enhancing ownership to ~40% in the company over two years.

KKR will get 1-2 seats on BAPL's board, once the deal is concluded

❑ KKR's potential debt investment in BAPL a positive sign

In addition to warrant infusion by the promoter, SINTEX is negotiating with Kohlberg, Kravis & Roberts (KKR) for a debt investment of ~Rs12.8bn in its subsidiary, Sintex BAPL Ltd (which houses SINTEX's CM businesses; 72% of revenue in FY18E; ~85% in FY20E). The monies will be used to replace BAPL's existing debt with KKR's lower cost debt, resulting in ~150bps interest savings (average cost of KKR's debt estimated at ~8%). The debt facility would be for 10 years and the cash repayment cycle would be more back-ended. This will positively contribute to SINTEX's earnings growth.

As per our discussions with the promoter, the debt investment is non-convertible. KKR will get 1-2 seats on BAPL's board, once the deal is concluded. Also, KKR will be entitled to 4.8% premium on principal repayments if BAPL delivers 25% EBITDA CAGR over the preceding three years.

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

Currently, SINTEX is negotiating with its banks to prepay BAPL's loan obligations (most banks have agreed). Once the deal fructifies, BAPL would be left with only working capital debt from these banks.

The entry of KKR into SINTEX (through BAPL) would no doubt be seen positively by the markets. KKR's entry should improve corporate governance standards at BAPL (and effectively SINTEX's as BAPL would be the largest revenue source for the company after the strategic withdrawal from Prefab/Infra).

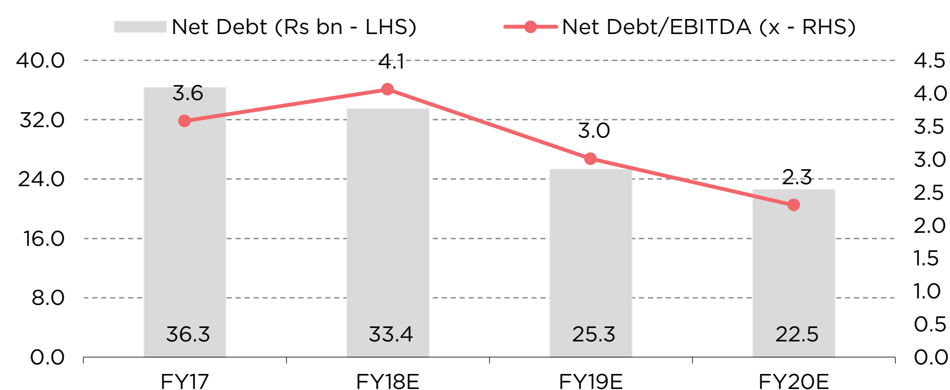
❑ Debt reductions on track

SINTEX intends to repay further ~Rs5bn each over FY19E/20E

SINTEX's focused approach on trimming its balance sheet instead of growth, gives us confidence that the company is on track to repay its debts. The company expects to generate FCF of ~Rs2.5-3bn each year, which would be utilized to reduce debt. For FY18E, the company has indicated that it has repaid ~Rs3bn of its loans (~Rs2.9bn repaid as of 9MFY18), and intends to repay further ~Rs5bn each (through a combination of FCF and promoter warrant infusion money) over FY19E/20E.

We expect return ratios to improve, supported by debt reductions and expected improvement in overall profitability over H2FY19E and FY20E. SINTEX is targeting to improve its RoCE to ~18% over next 2-3 years (versus ~8% expected in FY18E) and reduce net debt/EBITDA to ~2x (from ~3x currently).

Exhibit 12: Net debt to reduce by FY20E; debt ratio to reach comforting levels



Source: Company, IDFC Securities Research

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

What's in store ahead?

We met SINTEX's promoter (Mr. Amit Patel) to get a sense of the road ahead for the company. We gather it is business as usual for the company's B2B CM businesses (domestic + international), while retail CM, which has been on the back burner for long, is expected to surge. Prefab revenues would bottom out by FY19E, as contribution from government orders to this segment will fall drastically, in line with the company's changed strategy.

❑ Retail business – a new exciting opportunity for SINTEX

With price differentials shrinking between unorganized and organized players, SINTEX has renewed focus on retail business

SINTEX is concentrating on kick-starting its retail business (which currently sells storage tanks and doors to a large extent). The Sintex brand (for consumers) was built on the quality and durability of its water tanks, but with cheap imitations from unorganized players flooding the market (entry barriers were low) and the company focusing on other businesses (like CM and later textiles), growth in the retail business was slow and measured.

Now with GST implementation in the ground, the company has seen unorganized players retreating from the market. With price differentials also shrinking between the unorganized and organized players (30% earlier, which has now come down to 10%), SINTEX has renewed its focus on this business. The company is rebuilding its dealer/retailer network on the ground (~260 active dealers currently) and expanding operations in North India. The company expects to later build its network in the East (including Northeast) and South India. The company already has a decent presence in West India. SINTEX is also tying up with local manufacturers to make its products available locally in its new markets (3 new plants signed up in recent times, taking its total facilities to 6 and the company is targeting 12 such facilities).

In terms of products, the company expects to sell storage tanks and doors, as it builds out its network across India. Once the network is up and running, the company intends to introduce new products like doors, kitchen cabinets, as well as products for waste management, prefab do-it-yourself kits, and electrical enclosures (catering only to B2B customers currently).

As per SINTEX, retail revenues grew ~2x yoy to ~Rs6bn (~Rs4bn water tanks; balance is doors and miscellaneous). In FY19E, the company expects this business can grow ~50% yoy. The business currently enjoys EBITDA margins of 14-15% (which could rise to 18-19% with rising volumes). Once margins rise, SINTEX will begin to spend on brand building, especially in the Northern and Eastern India markets.

❑ Domestic CM – increasing client diversification

The automotive industry currently contributes ~85% revenues to SINTEX's domestic CM business

Domestic CM business remains on a healthy footing after initial hiccups prior to GST implementation (slowdown in purchases from end client industries). As in the case of retail, the company expects its domestic CM business to also post ~20% yoy growth. Margins are expected to stabilize at 18-19% in this business.

The automotive industry currently contributes ~85% revenues in this business and the company is striving to reduce this focus to 75% (given the lower margin, higher volume attribute of the automotive segment) over the medium term (and to 50% in the long term). Electricals business (~15% of revenue) has relatively higher margins and SINTEX is targeting to increase the contribution from this segment to ~30% going forward.

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

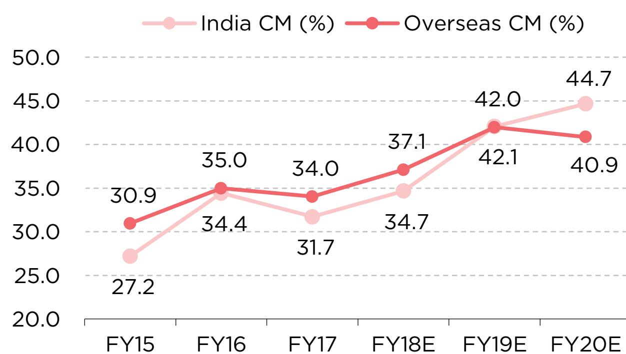
SINTEX has reduced the share of automotive revenues to 22% from ~70% earlier in the international business

❑ International CM – stable and healthy

The company expects the stable and healthy growth in its international CM business to continue. The international CM business did not face any hiccups as was seen in the Indian economy (demonetization/GST). The company estimates ~10% yoy growth in FY18E (although this growth would be aided by 7-8% appreciation in Euro). For FY19E, the company is targeting ~10% yoy constant currency growth and margin expansion of 50-100bps to ~12% versus 11-11.5% currently.

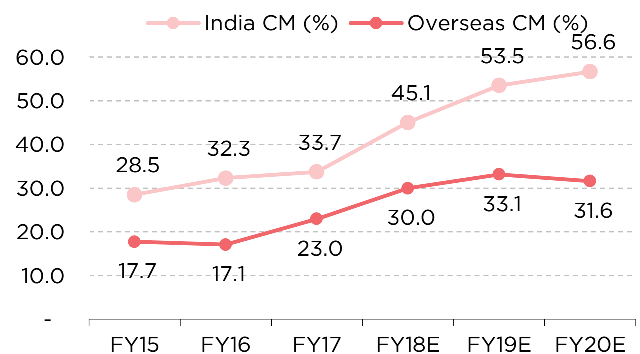
Unlike the domestic CM business, SINTEX has managed to reduce the current share of automotive revenues to 22% in the international business (from ~70% in 2011). The company hopes to bring this down to ~20% in the coming years. Electrical business is the largest contributor within the international CM business for SINTEX (32-33%) with aerospace (a lucrative and growing segment) at ~20%. These three categories are the largest in SINTEX's international business. Over time, the company would strive to increase the contribution of aerospace and marginally reduce contribution from automotive/electricals, but cumulatively put together these would continue to contribute ~70% of international CM revenues.

Exhibit 13: CM revenue (% of total revenue)



Source: Company, IDFC Securities Research

Exhibit 14: CM EBITDA (% of total EBITDA)



Source: Company, IDFC Securities Research

The company remains bullish on private sector spending for prefab products

❑ Prefab/Infra – Private/quasi-government clients key focus

Prefab revenue is expected to decline over the next two quarters, post which it will flatten out. Given company's reducing focus on government projects, growth would remain weak in the near-term. SINTEX has run down its order book post demonetization and has also gone slow on winning new orders. However, from H2FY19E, the company expects to see government orders increasing in the run up to the national elections in early 2019. While the company would take a call before trying out for some of these orders, it would remain cautious and selective (similar approach as in Monolithic).

The company remains bullish on private sector spending for prefab products (through their corporate social responsibility (CSR) expenditure budgets). The company also expects to target quasi-government clients like public sector units (PSU; eg, ONGC) and autonomous organizations like the Military, as payment cycles here are at par with private firms.

SINTEX expects FY18E prefab/infra revenues of ~Rs16bn (~20% yoy decline), which is expected to further shrink to ~Rs9bn in FY19E (where it will bottom out). However, the contribution of government revenue in prefab/infra is expected to fall from 55-60% in FY17 to ~10% in FY19E. Margins are expected to improve from 14-15% in this segment (FY18E) to 18-19%, as rising proportion of private orders imply reduction in provision expenses.

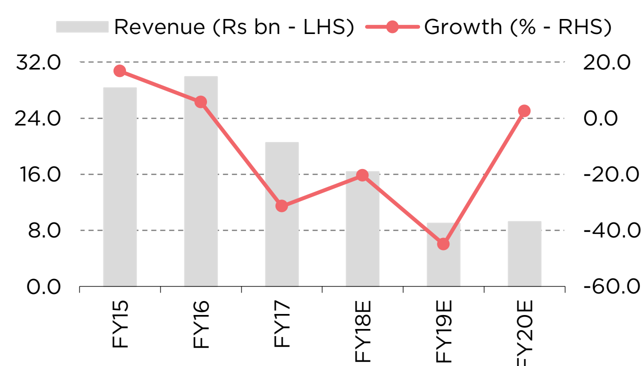
Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

What does this mean for our estimates?

❑ Strategy change drives a cut in our prefab revenues…

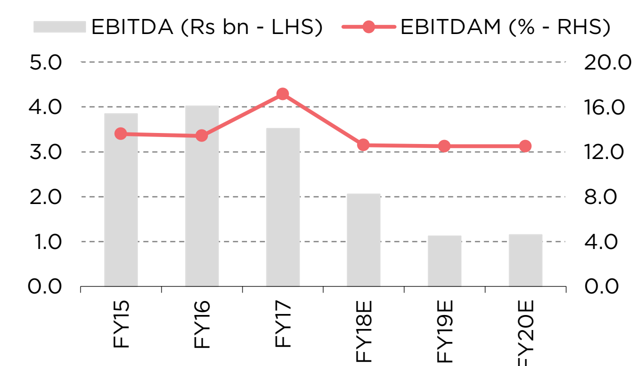
With clarity emerging on SINTEX's new strategy of shifting business away from government departments over the long term, we have cut our prefab/infra revenue estimates in sync with the new expected normal. We believe the pain in this segment will continue across H1FY19E due to the base effect. Although management expects rapid growth in private spending on prefab from FY20E, we would like to see some early signs pointing in this direction before incorporating this in our model. As a result, we have built in ~25% Compound Annual Decline Rate (CADR) in SINTEX's prefab/infra revenue over FY18E-20E. We expect ~2.5% yoy growth in this segment in FY20E, largely due to a weak base. Sharp cuts in revenue pull down our segment EBITDA margins by almost half to ~12.5% for FY18E-20E (versus 22.8% in FY17).

Exhibit 15: Prefab/infra revenue trend



Source: Company, IDFC Securities Research

Exhibit 16: Prefab/infra EBITDA trend

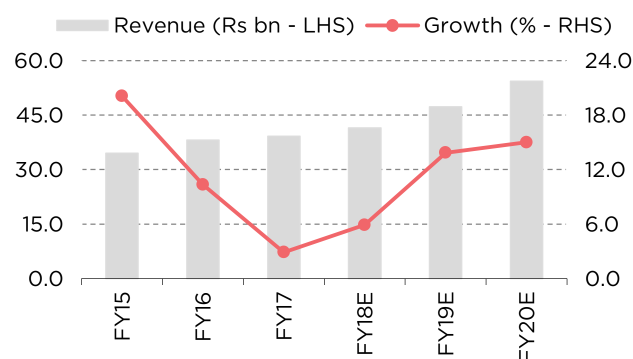


Source: Company, IDFC Securities Research

❑ …while CM numbers are largely unchanged

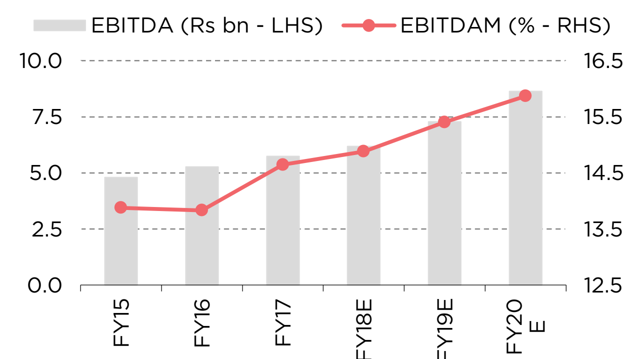
Our international CM numbers are largely unchanged and we estimate ~14% revenue CAGR over FY18E-20E. Based on the strong performance in FY18E so far, we have increased our international CM margin estimate to 11.9% for FY20E (+40bps increase versus FY18E). Our domestic CM revenue estimate of ~14% CAGR is underpinned by the expected strength in the retail CM business. We have built in ~100bps improvement in EBITDA margin over FY18E-20E (FY20E at 19.5%) in India CM, largely due to improving mix of high-margin products within the B2B portion and growing share of B2C business revenue.

Exhibit 17: CM revenue trend



Source: Company, IDFC Securities Research

Exhibit 18: CM EBITDA trend



Source: Company, IDFC Securities Research

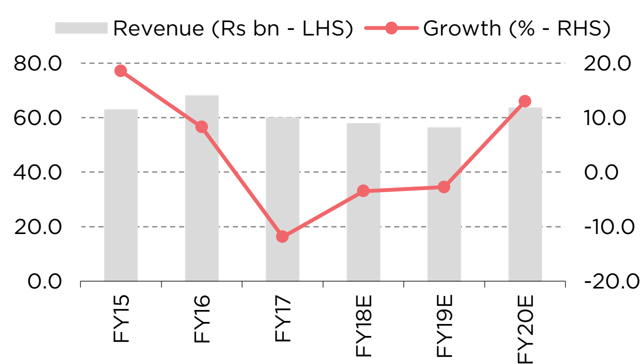
Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

We estimate SINTEX to post 4.8% revenue CAGR over FY18E-20E

❑ We have cut revenue/profitability estimates by ~11%/~14%

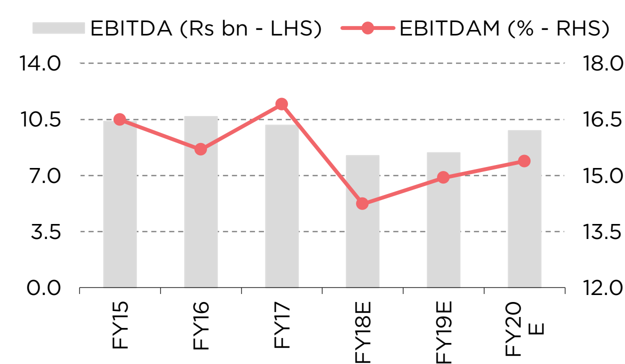
Due to cuts taken in the government portion of the prefab business, we have lowered our FY19E/20E revenue estimates by 11% each year. Given the cuts expected in prefab EBITDA, our overall EBITDA estimates have been lowered by ~14%/~15% in FY19E/20E, respectively. Our FY18E estimates remain largely unchanged, as we had already toned down our expectations post Q3FY18 result. We now estimate SINTEX to post 4.8% revenue CAGR over FY18E-20E while EBITDA is expected to post ~9.0% CAGR over the same period.

Exhibit 19: Revenue dip to bottom out in FY18E



Source: Company, IDFC Securities Research

Exhibit 20: EBITDA to trend alongside Revenue



Source: Company, IDFC Securities Research

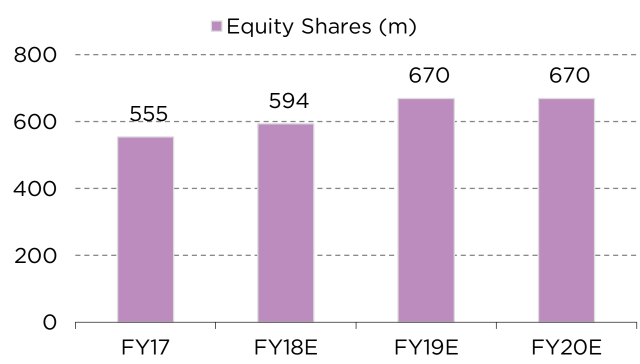
Note: FY15/16 proforma revenue/EBITDA are the summation of Prefab, Infra, EPC, CM, and Water Tanks

❑ EPS cuts higher as we factor in warrant conversions

Our net income estimates are revised lower by ~22%/14% for FY19E/20E, respectively. We expect PAT CAGR to touch ~30% over FY18E-20E, as savings on interest post debt repayment in FY19E/20E would aid bottom-line growth. Our EPS cuts at ~30%/~23% for FY19E/20E are higher than our net income cuts because of equity dilution.

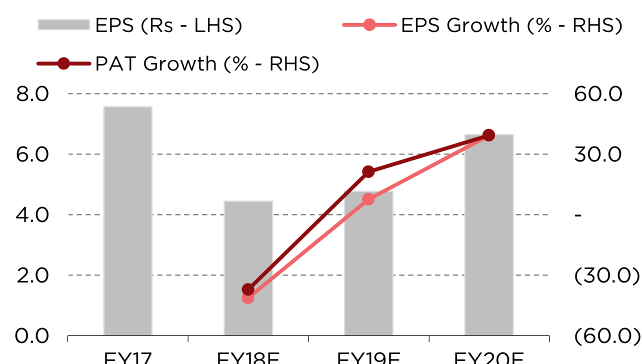
We have factored in the conversion of the recently issued warrants to the promoter during FY19E (~67mn shares) and the balance conversion of FCCBs (issued in FY16; ~9mn shares to be added in FY19E). As a result, SINTEX's total share base increases to ~670mn in FY19E (versus ~594mn in FY18E; ~555mn in FY17). Given the dilution, we estimate SINTEX's EPS CADR of ~4.2% over FY17-20E (22.4% CAGR over FY18E-20E).

Exhibit 21: Equity share base trend



Source: Company, IDFC Securities Research

Exhibit 22: EPS growth versus PAT growth



Source: Company, IDFC Securities Research

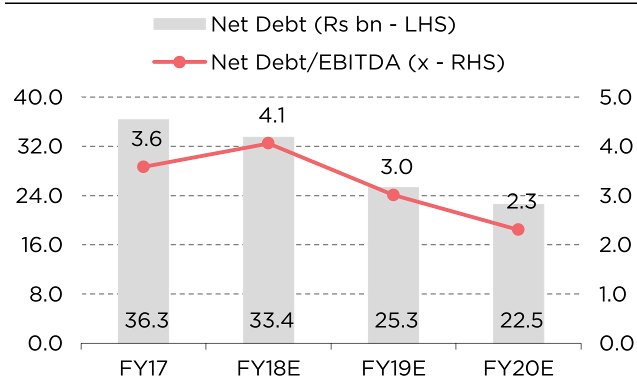
Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

We expect Net Debt/EBITDA to touch ~2.3x by FY20E

❑ Net debt to touch ~Rs22.5bn by FY20E

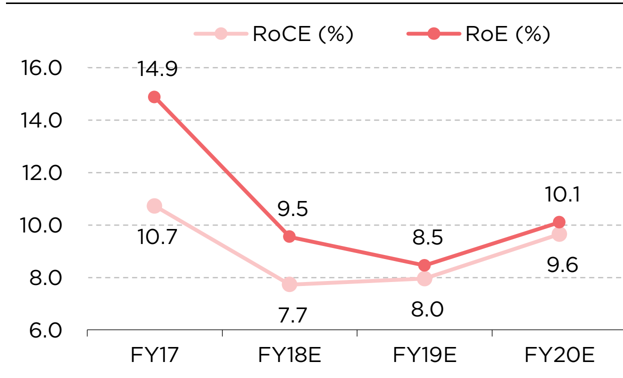
We believe debt repayments are on track post demerger. The additional fund inflow through promoter warrant conversion and the release of bank guarantees over FY18E/19E would aid in faster debt repayment compared to the company's original plan of ~Rs2.5-3bn repayment per year. We estimate SINTEX's total debt to reduce by ~Rs10.5bn over FY17-20E (~Rs8.5bn in FY19E alone). SINTEX's net debt is expected to touch ~Rs22.5bn by FY20E). We expect Net Debt/EBITDA to touch ~2.3x by FY20E (close to SINTEX's target of 2.0x) after peaking at ~4.1x in FY18E.

Exhibit 23: Debt repayments on track



Source: Company, IDFC Securities Research

Exhibit 24: Return ratios to improve from FY18E



Source: Company, IDFC Securities Research

Exhibit 25: Summary of revised estimates

	FY18E			FY19E			FY20E		
	Old	New	% Chg	Old	New	% Chg	Old	New	% Chg
Revenue	57,974	57,865	(0.2)	63,108	56,275	(10.8)	71,233	63,597	(10.7)
EBITDA	8,285	8,239	(0.6)	9,821	8,408	(14.4)	11,472	9,782	(14.7)
Margin (%)	14.3	14.2		15.6	14.9		16.1	15.4	
PAT	2,696	2,637	(2.2)	4,089	3,196	(21.8)	5,182	4,451	(14.1)
Dil. EPS (Rs)	4.5	4.4	(2.2)	6.8	4.8	(29.7)	8.6	6.6	(22.7)

Source: IDFC Securities Research

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

Outlook

We initiated coverage on SINTEX in August 2017 and our core thesis was that the company was already a cash-generating business (unlike the textiles entity). The cash the company generated would be sufficient not only for near-term capex needs, but would also be used to pare down debt by Rs2.5-3bn/year. While debt repayment is on track since then, SINTEX's P&L has been completely disrupted due to change in its strategy to extinguish government revenues in the prefab/infra segment. As a result, we expect volatile transition in FY18E/19E as the company withdraws from the government business space. In addition, increasing focus on an old and inactive business (retail CM, ~10% of consolidated revenue) could mean that EBITDA margins could be volatile in the rebuilding phase (distribution network set-up, brand building, etc.). We now expect SINTEX to post revenue/EBITDA/EPS CAGR of ~5%/~9%/~22%, respectively, over FY18E-20E. Although the company expects a sharp revival for prefab and retail CM in FY20E, given that these are coming on weak/low bases, we remain measured in our expectations for the company going forward.

We roll forward our valuation to FY20E EPS and cut our target multiple to 13.5x

We appreciate the company and its promoters remain focused on achieving their debt repayment targets. In fact the promoters have stepped up to infuse Rs6bn cash in the company (through warrants) so that the debt reduction targets are more than met. The on-going negotiations with KKR for a debt refinance could lead to KKR getting 1 or 2 seats on the BAPL board (BAPL would contribute ~85% of SINTEX's revenue by FY20E) and this should materially improve the street's perception of corporate governance at SINTEX.

On our revised estimates, SINTEX should post ~30% PAT and ~22% EPS a CAGR over FY18-20E. Consolidated growth should be visible from H2FY19E onwards, which is when the market will start looking at SINTEX favourably again, in our view. We roll forward our valuation to FY20E EPS and cut our target multiple to 13.5x (versus 15x earlier). We believe the sharp correction in the stock since listing factors in the recent change in its strategy, and thus expect stock returns to improve H2FY19E onwards, once growth revives. We retain our Outperformer rating on the stock with a revised target price of Rs90.

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

Income statement

Year to 31 Mar (Rs m)	FY17	FY18E	FY19E	FY20E
Net sales	59,947	57,866	56,276	63,597
% growth	(22.5)	(3.5)	(2.7)	13.0
Operating expenses	49,815	49,627	47,868	53,815
EBITDA	10,132	8,239	8,408	9,783
% change	(21.9)	(18.7)	2.1	16.3
Other income	350	425	550	650
Net interest cost	2,633	2,871	2,093	1,675
Depreciation	2,303	2,426	2,515	2,618
Pre-tax profit	5,546	3,816	4,349	6,139
Deferred tax	0	0	0	0
Current tax	1,350	730	1,153	1,688
Profit after tax	4,196	3,087	3,197	4,451
Preference dividend	0	0	0	0
Minorities	(1)	(1)	(1)	0
Adjusted net profit	4,195	3,086	3,196	4,451
Non-recurring items	0	0	0	0
Reported net profit	4,195	3,086	3,196	4,451
% change	(33.8)	(26.4)	3.6	39.3

Balance sheet

As on 31 Mar (Rs m)	FY17	FY18E	FY19E	FY20E
Paid-up capital	555	594	670	670
Preference capital	0	0	0	0
Reserves & surplus	30,587	32,867	41,433	45,322
Shareholders' equity	31,157	33,477	42,118	46,007
Total current liabilities	14,041	14,170	13,975	15,761
Total debt	40,057	37,057	26,381	24,381
Deferred tax liabilities	1,944	1,944	1,944	1,944
Other non-current liabilities	2,251	2,476	2,724	2,996
Total liabilities	58,294	55,647	45,025	45,083
Total equity & liabilities	89,451	89,124	87,143	91,090
Net fixed assets	56,861	56,935	56,919	56,801
Investments	581	581	581	581
Cash	3,773	3,616	1,098	1,843
Other current assets	21,333	20,861	21,174	24,242
Deferred tax assets	62	62	62	62
Other non-current assets	6,842	7,070	7,309	7,561
Net working capital	11,064	10,307	8,297	10,324
Total assets	89,451	89,124	87,143	91,090

Cash flow

Year to 31 Mar (Rs m)	FY18E	FY19E	FY20E
Pre-tax profit	3,816	4,349	6,139
Depreciation	2,426	2,515	2,618
Chg in Working capital	373	(748)	(1,534)
Total tax paid	(730)	(1,153)	(1,688)
Net Interest	2,871	2,093	1,675
Others	225	248	272
Operating cash flow	8,981	7,306	7,483
Capital expenditure	(2,500)	(2,500)	(2,500)
Free cash flow (a+b)	6,481	4,806	4,983
Chg in investments	0	0	0
Debt raised/(repaid)	(3,000)	(10,675)	(2,000)
Net interest	(2,871)	(2,093)	(1,675)
Capital raised/(repaid)	39	6,008	0
Dividend (incl. tax)	(356)	(563)	(563)
Other items	(449)	0	0
Net chg in cash	(157)	(2,518)	745

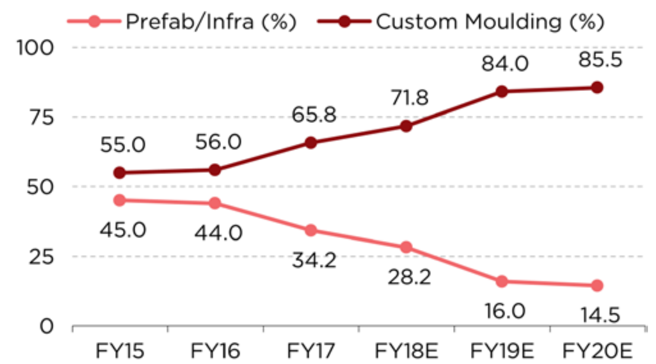
Key ratios

Year to 31 Mar	FY17	FY18E	FY19E	FY20E
EBITDA margin (%)	16.9	14.2	14.9	15.4
EBIT margin (%)	13.1	10.0	10.5	11.3
PAT margin (%)	7.0	5.3	5.7	7.0
RoE (%)	14.9	9.5	8.5	10.1
RoCE (%)	10.7	7.7	8.0	9.6
Gearing (x)	1.2	1.0	0.6	0.5
Net debt/ EBITDA (x)	3.6	4.1	3.0	2.3
FCF yield (%)	14.7	18.2	12.0	12.4
Dividend yield (%)	1.3	1.0	1.4	1.4

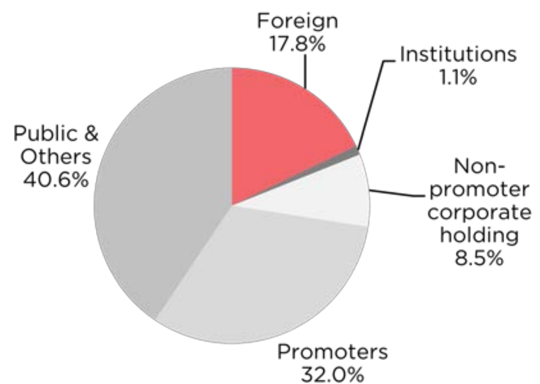
Valuations

Year to 31 Mar	FY17	FY18E	FY19E	FY20E
Reported EPS (Rs)	7.6	5.2	4.8	6.6
Adj. EPS (Rs)	7.6	5.2	4.8	6.6
PE (x)	7.9	11.4	12.4	8.9
Price/ Book (x)	1.1	1.0	0.9	0.9
EV/ Net sales (x)	1.2	1.2	1.2	1.0
EV/ EBITDA (x)	6.9	8.3	7.7	6.3
EV/ CE (x)	0.9	0.9	0.9	0.8

Prefab/Infra revenue to shrink in the overall pie by FY20E



Shareholding pattern



As of Dec 17

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

Disclaimer

This document has been prepared by IDFC Securities Ltd (IDFC SEC). IDFC SEC is a full-service, integrated investment banking, and institutional broking group. There are no material disciplinary actions taken against IDFC SEC.

This document does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction.

The information contained herein is from publicly available data or other sources believed to be reliable. While we would endeavour to update the information herein on reasonable basis, the opinions and information in this report are subject to change without notice and IDFC SEC, its subsidiaries and associated companies, their directors and employees ("IDFC SEC and associates") are under no obligation to update or keep the information current. Also, there may be regulatory, compliance, or other reasons that may prevent IDFC SEC and its associates from doing so. Thus, the opinions expressed / information provided herein should be considered those of IDFC SEC as of the date on this document only. We do not make any representation either express or implied that information contained herein is accurate or complete and it should not be relied upon as such.

The information contained in this document has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The investment discussed or views expressed in the document may not be suitable for all investors. Investors should make their own investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and investment decisions based upon their own financial objectives and financial resources. Investors assume the entire risk of any use made of the information contained in the document. Investments in general involve some degree of risk, including the risk of capital loss. Past performance is not necessarily a guide to future performance and an investor may not get back the amount originally invested.

Foreign currency-denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or the price of, or income derived from, the investment. In addition, investors in securities, the values of which are influenced by foreign currencies, effectively assume currency risk.

Associates of IDFC SEC may have issued other reports that are inconsistent with and reach different conclusions from, the information presented in this report.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IDFC SEC and its associates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this document may come are required to inform themselves of, and to observe, such applicable restrictions.

Reports based on technical analysis centers on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals.

IDFC SEC and its associates, their directors, officers, and employees may from time to time have positions in, purchase or sell, or be materially interested in any of the securities mentioned or related securities. IDFC SEC and associates may from time to time solicit from, or perform investment banking, or other services for, any company mentioned herein. Without limiting any of the foregoing, in no event shall IDFC SEC, any of its associates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind including but not limited to any direct or consequential loss or damage, however arising, from the use of this document. Any comments or statements made herein are those of the analyst and do not necessarily reflect those of IDFC SEC and associates.

This document is subject to changes without prior notice and is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material and is not for any type of circulation. Any review, retransmission, or any other use is prohibited.

Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. IDFC SEC will not treat recipients as customers by virtue of their receiving this report.

The analyst certifies that all of the views expressed in this research report accurately reflect his/her personal views about any and all of the subject issuer(s) or securities. The analyst certifies that no part of his / her compensation was, is, or will be directly or indirectly related to the specific recommendation(s) and/or views expressed in this report.

Additional Disclosures of interest:

1. The Research Analyst(s), IDFC Sec, does not have any financial interest in the company(ies)/ entities covered in this report. The associate of Research Analyst or his relative, might have financial interest (e.g. as investor, etc.) in the company(ies)/ entities covered in this report. Please read this in conjunction with other disclosures herein.
2. The Research Analyst, IDFC SEC or relatives of the Research Analyst collectively do not hold more than 1% of the securities of the company (ies) covered in this report as of the end of the month immediately preceding the date of distribution of the research report.
3. Associates of IDFC SEC are engaged in different businesses and may collectively hold more than 1% of the securities of the company (ies) covered in this report as of the end of the month immediately preceding the date or distribution of the research report.
4. The Research Analyst, his associate, his relative and IDFC SEC do not have any material conflict of interest at the time of publication of this research report.
5. IDFC SEC and its associates might have received compensation including for investment banking or merchant banking or brokerage services or banking services or for any other products or services from the company(ies) covered in this report, in the past twelve months. IDFC SEC and its Research Analysts did not receive any compensation or other benefits from the companies/entities mentioned in the report or third party in connection with preparation of the research report.
6. IDFC SEC or its associates might have managed or co-managed in the previous twelve months, a private or public offering of securities for the company (ies)/ entities covered in this report or might have been mandated by the company (ies)/ entities covered in this report for any other assignment in the previous twelve months.
7. The Research Analyst might have served as an Officer, Director or employee of the company (ies) covered in the Research report.
8. The Research Analyst and IDFC SEC has not been engaged in market making activity for the company(ies) covered in the Research report.

Explanation of Ratings:

1. Outperformer : More than 5% to Index
2. Neutral : Within 0-5% (upside or downside) to Index
3. Underperformer : Less than 5% to Index

Copyright in this document vests exclusively with IDFC Securities Ltd.

	SEBI Registration Nos. of IDFC Securities Limited
Research Analyst	**INH 000000 131**
Stock Broker	
NSE Capital Markets	INB 23 12914 37
NSE Futures & Options	INF 23 12914 37
BSE Capital Markets	INB 01 12914 33
BSE Futures & Options	INF01 12914 33
Merchant Banker	**INM000011336**

US Disclaimer:

This report is distributed in the US, by IDFC Securities (Parent of IDFC Capital (USA) Inc.) only to major U.S institutional investors (as defined in Rule 15a-6 under the U.S Securities Exchange Act of 1934 (the "Exchange Act")) pursuant to the exemption (a)(2) of the Rule and any transaction effected by a U.S customer in the securities described in this report must be effected through IDFC USA as defined in the Rule.

Neither the report nor any analyst who prepared or approved the report is subject to U.S legal requirements or Financial Industry Regulatory Authority, Inc. ("FINRA") or other regulatory requirements pertaining to research reports or research analysts.

This communication is produced by an analyst/strategist of IDFC Securities Ltd.

This material was produced by IDFC Securities solely for information purposes and for the use of the recipient, It is not to be reproduced under any circumstances and is not be copied or made available to any person other that the recipient, it is distributed in the United States of America by IDFC Securities under 15a-6(a)(2). And elsewhere in the world by IDFC Securities or any authorised associate of IDFC Securities.

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.

Anish Damania	CEO, Strategy	anish.damania@idfc.com	91-22-4202 2522
Research Analyst	**Sector/Industry/Coverage**	**E-mail**	**Tel.+91-22-4202 2500**
Shirish Rane	HoR; Construction, Power, Infrastructure Developers	shirish.rane@idfc.com	91-22-4202 2575
Nitin Agarwal	Pharmaceuticals, Agri-inputs, Midcaps	nitin.agarwal@idfc.com	91-22-4202 2568
Mahrukh Adajania	Financials	mahrukh.adajania@idfc.com	91-22-4202 2574
Bhoomika Nair	Engineering, Cement, Power Equipment, Logistics	bhoomika.nair@idfc.com	91-22-4202 2561
Ashish Shah	Construction, Infrastructure Developers, Power, Airlines	ashish.shah@idfc.com	91-22-4202 2560
Deepak Jain	Automobiles, Auto ancillaries	deepak.jain1@idfc.com	91-22-4202 2562
Rohit Dokania	Media & Entertainment, Midcaps	rohit.dokania@idfc.com	91-22-4202 2567
Mohit Kumar, CFA	Construction, Power, Real Estate	mohit.kumar@idfc.com	91-22-4202 2573
Ashish Kejriwal	Metals, Mining	ashish.kejriwal@idfc.com	91-22-4202 2594
Probal Sen	Oil & Gas	probal.sen@idfc.com	91-22-4202 2569
Harit Kapoor	FMCG, Retail, Alcoholic Beverages	harit.kapoor@idfc.com	91-22-4202 2649
Rumit Dugar	IT services, Telecom	rumit.dugar@idfc.com	91-22-4202 2552
Jiten Rushi	Construction, Infrastructure Developers, Airlines	jiten.rushi@idfc.com	91-22-4202 2615
Mehul Desai	FMCG, Retail, Alcoholic Beverages	mehul.desai@idfc.com	91-22-4202 2640
Ankit Shah, CFA	Engineering, Cement, Power Equipment, Logistics	ankit.shah@idfc.com	91-22-4202 2655
Sumit Singhania	Pharmaceuticals	sumit.singhania@idfc.com	91-22-4202 2628
Miloni Bagadia	Agri-inputs, Midcaps	miloni.bagadia@idfc.com	91-22-4202 2663
Aditya Vora	Automobiles, Auto ancillaries	aditya.vora@idfc.com	91-22-4202 2564
Sanket Chheda	Financials	sanket.chheda@idfc.com	91-22-4202 2565
Aasim Bharde, CFA	Media & Entertainment, Midcaps	aasim.bharde@idfc.com	91-22-4202 2576
Aniket Pande	IT services, Telecom	aniket.pande@idfc.com	91-22-4202 2631
Bhawana Chhabra	Strategy	bhawana.chhabra@idfc.com	91-22-4202 2629
Neeraj Agarwal	Alternative Research	neeraj.agarwal@idfc.com	91-22-4202 2625
Dharmendra Sahu	Database Analyst	dharmendra.sahu@idfc.com	91-22-4202 2580
Equity Sales	**Designation**	**E-mail**	**Tel.+91-22-4202 2500**
Rajesh Makharia	Director, Sales	rajesh.makharia@idfc.com	91-22-4202 2528
Nilisha Barbora	Director, Head Asia Sales	nilisha.barbora@idfc.com	91-22-4202 2595
Hemal Ghia	Director, Sales	hemal.ghia@idfc.com	91-22-4202 2533
Vijayaraghavan G	SVP, Sales	vijayaraghavan.g@idfc.com	91-22-4202 2690
Pranav Verma	SVP, Sales	pranav.verma@idfc.com	91-22-4202 2597
Abhinav Rathee	SVP, Sales	abhinav.rathee@idfc.com	91-22-4202 2586
Saira Ansari	VP, Sales	saira.ansari@idfc.com	91-22-4202 2696
Chandan Asrani	AVP, Sales	chandan.asrani@idfc.com	91-22-4202 2540
Sneha Baxi	AVP, Sales	sneha.baxi@idfc.com	91-22-4202 2537
Yohann Carvalho	AVP, Sales	yohann.carvalho@idfc.com	91-22-4202 2513
Equity Sales Dealing	**Designation**	**E-mail**	**Tel.+91-22-4202 2500**
Suryakant Bhatt	Director & Head - Sales trading	suryakant.bhatt@idfc.com	91-22-4202 2693
Mukesh Chaturvedi	Director, Sales trading	mukesh.chaturvedi@idfc.com	91-22-4202 2512
Viren Sompura	SVP, Sales trading	viren.sompura@idfc.com	91-22-4202 2527
Rajashekhar Hiremath	SVP, Sales trading	rajashekhar.hiremath@idfc.com	91-22-4202 2516
Suketu Parekh	VP, Sales trading	suketu.parekh@idfc.com	91-22-4202 2674
Sailesh Jain	SVP, Head derivatives	sailesh.jain@idfc.com	91-22-4202 2653

IDFC Securities
6th Floor, One Indiabulls Centre, Tower 1C,
841 Jupiter Mills Compound, Senapati Bapat Marg,
Elphinstone, Mumbai 400 013.
INDIA

Board: +91 22 4202 2500
Fax: +91 22 4202 2504

IDFC Capital (USA) Inc,
Regus Business Centre
600 Third Avenue,
2nd Floor,
New York, 10016

Tel: +1 646 571 2303
Fax: +1 646 571 2301

Our research is also available on Bloomberg and Thomson Reuters

For any assistance in access, please contact research@idfc.com

Downloaded from https://www.researchpool.com by Jayaprakash Gopal on 23/04/18. All rights reserved to the document author.
You may not reproduce, retransmit, distribute, disseminate, sell, publish, broadcast or circulate to anyone without the express written consent of ResearchPool and the research provider.