

EDUCATIONAL EQUITY RESEARCH REPORT :

BHARTI AIRTEL LTD.

(BSE : 532454 , NSE : BHARTIARTL)

DATE : 20/4/24

WE AT AS RESEARCH TECHNIC ,INITIATE OUR COVERAGE ON BHARTI AIRTEL LTD.Bharti Airtel Limited is a leading telecommunication company globally. Headquartered in New Delhi, are the most trusted provider of ICT services with a global network across the USA, Europe, Africa, Middle East, Asia-Pacific, India, and SAARC regions. Airtel Telecommunications ranks amongst the top 3 mobile service providers.

ABOUT THE BUSINESS :

Bharti Airtel Limited, commonly known as Airtel, is an Indian multinational telecommunications services company based in New Delhi. It operates in 18 countries across South Asia and Africa, as well as the Channel Islands. Currently, Airtel provides 5G, 4G and LTE Advanced services throughout India. Currently offered services include fixed-line broadband, and voice services depending upon the country of operation. Airtel had also rolled out its Voice over LTE (VoLTE) technology across all Indian telecom circles. It is the second largest mobile network operator in India and the second largest mobile network operator in the world.Airtel was named India's 2nd most valuable brand in the first ever Brandz ranking by Millward Brown and WPP plc.

PROS :

- Company has been maintaining a healthy dividend payout of 22.2%

CONS :

- Stock is trading at 8.83 times its book value
- Company has low interest coverage ratio.
- Company has a low return on equity of 12.3% over last 3 years.

RESEARCH ANALYST :

P.SUNANDINI @ AS RESEARCH TECHNIC



FINANCIAL SNAP SHOT :

MARKET CAP	₹ 7,27,884 Cr.
STOCK P/E	63.8
ROE	12.0 %
CURRENT PRICE	1204.7
BOOK VALUE	₹ 138
ROCE	12.3 %
HIGH	₹ 1,245
LOW	756
DIVIDEND YIELD	0.33 %
FACE VALUE	₹ 5.00

SHARE HOLDING PATTERN:

PROMOTERS	54.57%
DIIS	19.51%
PUBLIC	3.07%
GOVERNMENT	0.12%
OTHERS :	0.06%
NO.OF SHAREHOLDERS	6,77,690

PEER COMPARISON :

SECTOR: TELECOMM-SERVICE

INDUSTRY: TELECOMMUNICATIONS - SERVICE PROVIDER

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	Sales Qtr Rs.Cr.	ROCE %
1	Bharti Airtel	1230.5	64.05	730585.4	0.33	37899.5	12.3
2	Vodafone Idea	13.28		64646.81	0	10673.1	-3.82
3	Tata Comm	1897	49.94	54064.51	1.11	5691.7	17.63
4	Bharti Hexacom	1006.95	95.4	50347.5	0	1800.6	10.28
5	Tata Tele. Mah.	77.1		15072.44	0	296.03	39.83
6	Railtel Corpn.	367.3	54.22	11788.09	0.68	668.36	16.03
7	Hathway Cable	22.52	40.17	3986.27	0	493.37	3.36

KEY POINTS :

- AIRTEL HAS A VISION FOR A CONNECTED, SHARED FUTURE LIES AT THE CONVERGENCE OF THEIR UNBRIDLED CUSTOMER OBSESSION AND THEIR RELENTLESS PURSUIT OF TECHNOLOGICAL INNOVATION. IT CREATES A SYMPHONY OF UNPARALLED CONNECTIVITY, CONVENIENCE AND EXPERIENCE WHILE ENHANCING THEIR COMPETITIVE EDGE IN A DYNAMIC WORLD.
- BE IT THROUGH THEIR CUTTING EDGE DIGITAL SERVICES AND SOLUTIONS, PREMIUMISATION STRATEGY OR EXTENSIVE NETWORK INFRASTRUCTURE, THEY ARE WINNING TOGETHER WITH THEIR CUSTOMERS.
- AIRTEL IS COMMITTED TO BUILDING A ROBUST AND EXTENSIVE NETWORK INFRASTRUCTURE THAT SUPPORTS SEAMLESS CONNECTIVITY.
- THE COMPANY'S 'ONE AIRTEL' TRANSPORT STRATEGY HAS CATALYZED THE FIBER ROLLOUT PLANNING AND IS BRINGING IMMENSE EFFICIENCIES.
- IN FY 2022-23, AIRTEL HAS RECORDED THE HIGHEST EVER NETWORK SITE ADDITIONS, EXPONENTIAL FIBRE ROLLOUT AND CONTINUED BROADBAND BTS ADDITIONS.
- AIRTEL ENDED YET ANOTHER YEAR ON A STRONG NOTE WITH INDUSTRY- LEADING REVENUE AND EBITDA GROWTH.
- THEY CONTINUED TO FOCUS ON ATTRACTING HIGH VALUE CUSTOMERS WITH BUNDLED OFFERINGS AND SUPERIOR EXPERIENCE YIELDED STRONG RESULTS, WITH MORE THAN 23 MILLION 4G AND 1.8 MILLION POSTPAID CUSTOMER ADDITIONS DURING THE YEAR.
- THERE ARE ALREADY MORE THAN 31 MILLION 5G- ENABLED SMARTPHONES ON AIRTEL'S NETWORK, AND THIS FIGURE IS GROWING.

- IN THE HOME BROADBRAND AND AIRTEL BUSINESS SEGMENTS, THE COMPANY ACHIEVED YET ANOTHER NEW MILESTONE WITH THE HIGHEST-EVER REVENUE EBITDA.
- AT AIRTEL, THEY HAVE MADE THE BOLD CHOICE OF GOING WITH NON-STANDALONE TECHNOLOGY FOR 5G (vs STANDALONE).
- THEY CONTINUED TO ADD 23.3 MILLION 4G CUSTOMERS TO THEIR NETWORK.
- B2B IS THE JEWEL IN THEIR PORTFOLIO.
- IN FY 2022-23, THEY DROVE MARKET SHARE GROWTH AND CONTINUED TO BE THE TRUSTED PARTNER OF CHOICE FOR BOTH LARGE ENTERPRISES AS WELL AS EMERGING BUSINESSES.
- IMPORTANTLY, THE NEW DIGITAL PRODUCTS THEY HAVE BET ON-CLOUD, IOT, CPaaS, SECURITY ETC SAW SIGNIFICANT GROWTH.
- THEY EXPANDED THEIR NETWORK COVERAGE AND CAPACITY BY ADDING 37,492 SITES AND 7.9 MILLION FIBER HOME PASSES TO ELEVATE THE CUSTOMER EXPERIENCE.
- THEY DELIVERED FIXED-LINE TELEPHONE AND BROADBAND SERVICES TO HOUSEHOLDS ACROSS 1,199 CITIES THROUGHOUT INDIA, INCLUDING THEIR PARTNERSHIP WITH LOCAL CABLE OPERATIONS (LCOs).
- FY 2022-23 WAS A MILESTONE YEAR IN THE INDIAN TELECOM INDUSTRY WITH THE LAUNCH OF 5G SERVICES
- THE SHARE PRICE CAN GO UPTO 1326.05 IF IT BREAKS 1303.95 ON THE UPPER SIDE.
- THE SHARE PRICE CAN GO UPTO 1127.90 IF IT BREAKS 1172 ON THE LOWER SIDE.

PIVOT TABLE :

	SUPPORT				RESISTANCE				
DATE	WEEK CLOSE	S3	S2	S1	PIVOT	R1	R2	R3	PRV CLOSE
18-04-2024	1289	1127.9	1172	1194	1237.9	1260	1303.95	1326.05	1216.05
16-04-2024	1289	1191.18	1202	1213.1	1223.52	1234.98	1245.42	1256.88	1224.55
15-04-2024	1289	1187.62	1199	1212.3	1223.63	1236.92	1248.28	1261.57	1225.55
12-04-2024	1225.55	1209.72	1215	1222	1226.93	1234.32	1239.23	1246.62	1229.4
10-04-2024	1225.55	1176.62	1193	1198.6	1214.63	1220.52	1236.58	1242.47	1204.45
09-04-2024	1225.55	1180.37	1189	1197	1205.98	1213.67	1222.63	1230.32	1204.7

DISCLAIMER: INVESTMENT/TRADING IN SECURITIES MARKET IS SUBJECT TO MARKET RISK, PAST PERFORMANCE IS NOT A GUARENTEE OF FUTURE PERFORMANCE.THE RISK OF LOSS IN TRADING AND INVESTMENT IN SECURITIES MARKETS INCLUDING EQUITIES AND DERIVATIVES CAN BE SUBSTANTIAL.