

EDUCATIONAL EQUITY RESEARCH REPORT : JUNE

BHARTI AIRTEL LTD.

(BSE : 532454 , NSE : BHARTIARTL)

DATE : 1/6/24

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.

PROS :

- Company has been maintaining a healthy dividend pay-out of 42.8%

CONS :

- Stock is trading at 9.04 times its book value
- Company has low interest coverage ratio.
- Company has a low return on equity of 11.3% over last 3 years.
- Promoter holding has decreased over last quarter - 1.08%.

PREVIOUS MONTH FOLLOWUP

AS MENTIONED IN THE PREVIOUS REPORT, THE SHARE PRICE BROKE 1335 ON THE UPPER SIDE. THE STOCK PRICE WENT UPTO 1407 AFTER BREAKING THE RESISTANCE 1321.

RESEARCH ANALYST :

P.SUNANDINI @ AS RESEARCH TECHNIC



FINANCIAL SNAP SHOT :

MARKET CAP	₹ 8,00,433 Cr.
STOCK P/E	67.2
ROE	14.9 %
CURRENT PRICE	₹ 1,343
BOOK VALUE	₹ 145
ROCE	13.1 %
HIGH	₹ 1,407
LOW	819
DIVIDEND YIELD	0.29 %
FACE VALUE	₹ 5.00

SHARE HOLDING PATTERN:

PROMOTERS	53.48%
DIIS	24.35%
PUBLIC	19.20%
GOVERNMENT	2.80%
OTHERS :	0.12%
NO.OF	0
SHAREHOLDERS	694297

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	1343	67.2	800433.44	0.29	37599.1	13.13
2	Vodafone Idea	15.23		101254.39	0	10606.8	-3.56
3	Tata Comm	1769.9	46.67	50442.21	1.19	5691.7	17.63
4	Bharti Hexacom	989.55	77.5	49477.5	0	1868	14.3
5	Tata Tele. Mah.	73.89		14444.97	0	323.29	23.19
6	Railtel Corpn.	409.4	49.56	13139.07	0.62	832.7	20.3
7	Hathway Cable	20.39	36.27	3609.24	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 unparalleled 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 catalysed the fibre 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 post-paid 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 broadband 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 fibre 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 (ICOS).
- FY 2022-23 was a milestone year in the Indian telecom industry with the launch of 5G services.

• THE SHARE PRICE CAN GO UPTO 1447.43 IF IT BREAKS 1417.71 ON THE UPPER SIDE.

• THE SHARE PRICE CAN GO UPTO 1297.43 IF IT BREAKS 1318 ON THE LOWER SIDE.

PIVOT TABLE :

	SUPPORT				RESISTANCE				
DATE	WEEK CLOSE	S3	S2	S1	PIVOT	R1	R2	R3	PRV CLOSE
31-05-2024	1372.75	1297.4	1317.7	1347.4	1367.7	1397.4	1417.7	1447.4	1377.15
30-05-2024	1372.75	1342	1352.7	1364.9	1375.7	1387.9	1398.6	1410.8	1377.1
29-05-2024	1372.75	1319.5	1337.5	1354.3	1372.3	1389	1407	1423.8	1371.05
28-05-2024	1372.75	1351.8	1359.4	1371.9	1379.4	1391.9	1399.5	1412	1384.35
27-05-2024	1372.75	1346.3	1362.2	1375.3	1391.2	1404.3	1420.2	1433.3	1388.5
24-05-2024	1388.5	1342.5	1358.3	1366.2	1382	1389.9	1405.7	1413.6	1374.05

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