

28th December 2012

BUY | Rs. 1070

Stock Data

Market Cap (Rs. Cr):	12,000
52-week high/low(Rs.):	1143/726
EPS (Rs.):	87.9
P/E:	11.2
Book Value (Rs.):	662.1
P/BV:	1.62
Avg Daily Vol.(Qtr):	42,746

Shareholding Pattern

Promoters:	51.04%
FIs:	25.44%
DIs:	5.07%
Non Institutions:	18.45%

Aditya Birla Nuvo is the flagship company of USD 40bn Aditya Birla Group. It is a diversified blue-chip conglomerate with presence across financials, insurance, asset management, fertilizers, carbon black, chemicals, fashion & lifestyle, insulators, textiles, IT-ITES and Telecom. Aditya Birla is a well-known and respected brand in India. Major subsidiaries and AB Nuvo's holding in them are given below.

Subsidiaries or Segments	AB Nuvo's Stake	Estimated Value (Rs. Cr)
Telecom (Idea Cellular)	25%	10,000
Birla Sunlife Insurance	74%	7,000
Madura/Fashion	100%	2300
Fertilizer	100%	1600
Textiles	100%	1,500
Birla Sunlife Mutual Fund	50%	1,200
Carbon Black	100%	800
Rayon	100%	750
Aditya Birla Minacs (IT-ITeS)	100%	600
Aditya Birla Finance	50%	400
Insulators	100%	250
Total Estimated Value		26,400

Aditya Birla Financial Services is among the top fund managers in India with AUM of Rs. 86,750 cr. Idea Cellular is the 3rd largest cellular operator in India with 113mn subscribers. Madura Fashion & Lifestyle is the country's largest premium apparel player with marquee brands Louis Philippe, Van Heusen, Allen Solly and Peter England. The group is also world's largest carbon black player, one of the two largest Viscose Filament Yarn manufacturers in India, and 8th largest Urea manufacturer in India.

The estimated value of ABNL's subsidiaries is Rs. 26,400 cr. With strong backing from AB Group and market leading positions in their respective industries, these subsidiaries have great potential for growth. In 2011-12 ABNL reported revenue of Rs. 22,200 cr and net profit of Rs. 1010 cr. At the current market cap of Rs. 12,000 cr, the stock offers decent value to long term investors.