Q3FY16 Earnings: Muted expectations

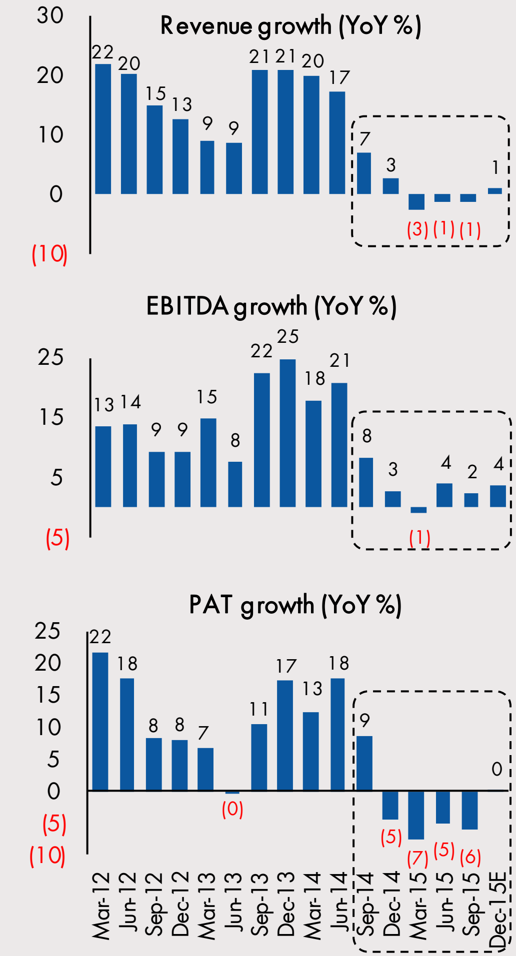
- Continuing Chinese tremors, fragile global growth and tepid domestic recovery form an obnoxious backdrop to the Dec-15 quarter earnings season. **We expect zero growth in earnings along with just 1% topline growth and flattish margins for our coverage (163 cos ex-OMCs) – the sixth consecutive poor earnings quarter**

- The previous four quarters (ie Dec-14 to Sep-15) saw earnings decline by an average 6% YoY. However, excluding Tata Motors and Resources companies, earnings are expected to grow at 11% YoY (vs 2% in both Q1 & Q2FY16) – the highest in the last 4 quarters. Key sectors driving this growth are Oil (High cyclical margin aiding RIL; absence of subsidy burden YoY benefitting Upstream companies despite weak crude) and Pharma (largely Sun Pharma - high growth led by one-off tax expenses in Q3FY15 due to Ranbaxy integration). While global cyclical (Resources) and Telecom remain a drag on earnings

- Revenue growth in most sectors to remain subdued, however Pvt Banks, NBFCs, IT, Media and Pharma to see double digit growth. EBITDA margin expansion is likely in Services oriented sectors. Exports and manufacturing segments are likely to see a YoY decline

- **Expectations from Sensex companies: Earnings to grow at 4% YoY**
  - Sun Pharma, Maruti, Cipla, RIL, M&M, Hero Motocorp and Asian Paints likely to report the fastest growth in YoY earnings, while Tata Steel, Bharti Airtel, BHEL, Tata Motors, GAIL and Lupin may see the sharpest YoY decline
  - **Largest positive contributors to earnings growth:** Reliance Inds, HDFC Bank, Sun Pharma, Maruti, M&M; **Negative contributors:** Tata Steel, Tata Motors, Bharti Airtel

Trends in Revenue, EBITDA & PAT growth



Source: Axis Capital

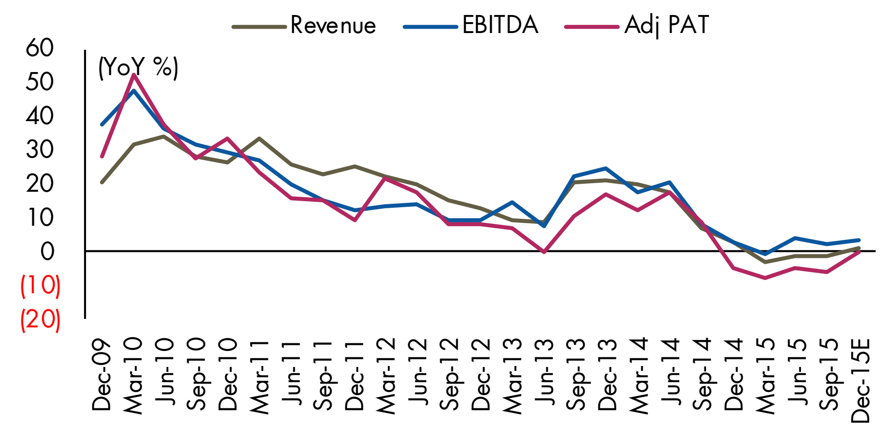
Key charts and tables

Axiscap sector-wise Q3FY16 earning expectation

Sector	No of cos	Growth YoY (%)		
		Revenue	EBITDA	Adj PAT
Autos	14	6	5	4
Banks - PSU #	7	3	(2)	5
Banks - Pvt #	6	16	14	13
NBFC #	12	15	15	14
Cement	13	5	22	32
Engg	14	6	(5)	(1)
FMCG	14	7	11	10
Infra	4	1	15	(20)
IT	10	12	5	3
Media	5	16	27	42
Resources	8	(16)	(48)	(66)
Midcap	12	13	6	0
Oil *	10	(13)	10	11
Pharma	13	10	12	38
Power	6	5	13	19
Realty	6	3	27	36
Retail	6	14	18	17
Telecom	3	6	8	(27)
Axis Capital (ex OMC)	163	1	4	0
Sensex - FF adj	30	0	(0)	4
Exports	23	12	7	10
Manufacturing	73	(26)	(30)	(38)
Services	45	8	12	7

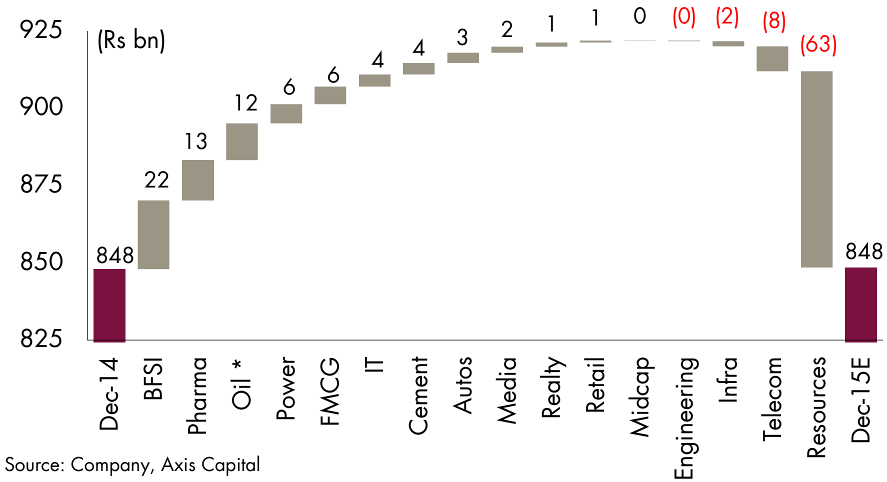
Source: Company, Axis Capital #For Banks, Sales = Net Income and EBITDA = Operating Profit *Oil excludes OMCs due to volatility in subsidies; Exports: IT, Pharma; Manufacturing: Auto, Cement, Cap goods, FMCG, Infra, Resources, Power; Services: BFSI, Media, Realty, Retail, Telecom

Growth trend in Revenue, EBITDA and PAT (ex Oil)



Source: Company, Axis Capital

PAT contribution (ex Oil): BFSI (Pvt Banks & NBFCs), Pharma, Oil drive earnings; Resources, Telecom to disappoint



Source: Company, Axis Capital

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Sectoral snapshot – Q3FY16 key highlights…

Sector	Dec-15 (YoY)	Key highlights	Dispersion in YoY earnings gwth: High (>30 %), Medium (15-30 %), Low (0-15 %), Negative (<0 %)
Autos			
Sales (%)	6	Aggregate sales growth for sector primarily driven by Ashok Leyland, and Eicher Motors but restricted by decline in Bharat Forge and Bajaj Auto	**High:** Ashok Leyland, Suprajit, Eicher, Maruti, TVS, M&M, Hero Motocorp **Medium:** Exide, Amara Raja, Balkrishna **Low:** Bajaj Auto **Negative:** Motherson Sumi, Bharat Forge, Tata Motors
EBITDA Margin (bps)	(20)	Margin expansion for most companies due to positive operating leverage and benefits on commodities. Tata Motors, Bharat Forge and Motherson to witness margin decline due to high base	
Adj PAT (%)	4	Aggregate PAT growth largely due to Maruti, Ashok partially ofset by decline in Tata Motors (over high base of last year) and Bharat Forge	
Banking - Public			
Net Income (%)	3	Inability to deploy liquidity (credit growth at sub 10%) and base rate reduction to put pressure on NIMs	**High:** Union Bk, **Low:** SBI **Negative:** BOI, Canara Bk, BOB, PNB
Operating Profit (%)	(2)	Other income to remain muted due to poor business volumes & flat G-Sec yields	
Adj PAT (%)	5	Asset quality challenges persist; uncertainity on fresh stressed assets will lead to higher provisions	
Banking - Private			
Net Income (%)	16	Margins to face downward pressure due to reduction in base rates	**Medium:** IndusInd Bk, HDFC Bk, Kotak, Yes Bk **Low:** ICICI Bk
Operating Profit (%)	14		
Adj PAT (%)	13	Lack of clarity on classifcation of certain accounts to force higher provisioning expenses; retail lenders to be better placed	
Banking - NBFCs			
Net Income (%)	15	NIMs to remain stable with benefit from reduction in borrowing costs	**High:** Capital First, Repco, Bajaj Fin **Medium:** LICHF, Cholamandalam, Dewan Hsg **Low:** Magma, SCUF, Shriram Transport, HDFC
Operating Profit (%)	15		
Adj PAT (%)	14	Decent business volumes, stable margins and limited asset quality challenges to help retain bottom line growth.	

…Sectoral snapshot – Q3FY16 key highlights…

Sector	Dec-15 (YoY)	Key highlights	Dispersion in YoY earnings gwth: High (>30 %), Medium (15-30 %), Low (0-15 %), Negative (<0 %)
Cement			
Sales (%)	5	Pan-India players to see a volume growth of 4% YoY. Volume decline for South players, however, continues (10% YoY) due to (a) continued poor demand and (b) players focusing on sustaining price increases while forgoing volumes	**High:** Heidelberg (LP), India Cement (LP), Dalmia, Ramco, Shree Cement, Birla Corp, Grasim **Medium:** Ultratech Cement **Negative:** ACC, Ambuja, JK Cement, JK Lakshmi (PL), Prism (Loss)
EBITDA margin (bps)	242	Average EBITDA/ton to be ~Rs 820/t, up 18% YoY and down 10% QoQ. YoY improvement is mainly led by price increases in South sustaining, while QoQ decline is due to weak prices in North India during the quarter	
Adj PAT (%)	32		
Engineering			
Sales (%)	6	Revenue growth driven by pick-up in Infra segment (especially roads) and T&D	**High:** Alstom A&D, Carborandum, ABB **Medium:** Seimens, Inox Wind **Low:** VA Tech, Sadbhav, Cummins, Bharat Electronics **Negative:** Voltas, L&T, Termax, AIA Eng, BHEL
EBITDA margin (bps)	(119)	EBITDA margin decline due to higher losses in L&T Hydrocarbon and BHEL	
Adj PAT (%)	(1)		
FMCG			
Sales (%)	7	FMCG growth is expected to remain weak, impacted by one-off factors like chennai flood, delayed onset of winter season and further deterioration in rural demand trends	**High:** Britannia, GCPL **Medium:** Asian Paints, Berger Paints, Zydus, Glaxo Consumer **Low:** Colgate, HUL, Marico, ITC, Dabur, United Breweries, Emami **Negative:** Nestle
EBITDA margin (bps)	105	Expect gross margin improvement for most companies due to benign input cost leading to EBITDA margin expansion	
Adj PAT (%)	10		
Infrastructure			
Sales (%)	1		**High:** Ashoka Buildcon **Negative:** Adani Port, Gujarat Pipavav, ITNL
EBITDA margin (bps)	558	To be driven by volumes in ports (Adani Ports and Gujarat Pipavav) and steady growth in both verticals (EPC/BOT) of Ashoka Buildcon	
Adj PAT (%)	(20)		

…Sectoral snapshot – Q3FY16 key highlights…

Sector	Dec-15 (YoY)	Key highlights	Dispersion in YoY earnings gwth: High (>30 %), Medium (15-30 %), Low (0-15 %), Negative (<0 %)
IT Services	Q-o-Q		Divergence in QoQ earnings gwth: High (>5 %), Medium (3-5 %), Low (0-3 %), Negative (<0 %)
Sales (%)	2	Q3 is seasonally a weak quarter with lower working days due to holidays and year-end closures (furloughs). Additionally, extreme weather conditions in Chennai will impact (0.2-1% QoQ) players like TCS, HCLT and Hexaware. Cross currency will adversely impact USD revenue growth by 30-60 bps QoQ.We expect top 5 players to report USD revenue growth of 0.8-1.6% QoQ with HCLT leading the pack.	**Medium:** Wipro, Persistent Systems **Negative:** HCL Tech, TCS, Mphasis, Tech Mahindra, Infosys, Hexaware, eClerx, Just Dial
EBITDA margin (bps)	(70)	Margin will be impacted (50-125 bps QoQ) due to weak revenue momentum, costs related to chennai floods and salary impact (for few players)	
Adj PAT (%)	(3)		
Media			
Sales (%)	16	Ad revenue growth to remain healthy for Broadcasters; Distribution companies to gain on higher sub additions, Hindi print/ Exhibitors revenue growth to be	**High:** Dish TV, Siti Cable, Jagran **Low:** DB Corp, Zee Ent
EBITDA margin (bps)	253	Margin expansion across Hindi print given operating leverage benefits/ lower newsprint; Higher sub additions to aid Distributors' margins as well. Exhibitors' operating performance to be under pressure due to limited growth in footfalls	
Adj PAT (%)	42		
Resources			
Sales (%)	(16)		**Low:** Coal India **Negative:** Hindustan Zinc, NMDC, Nalco, Hindalco (PL), SAIL (PL), Tata Steel (PL), Vedanta (PL)
EBITDA margin (bps)	(773)	Impacted by weak commodity prices (LME aluminium and zinc down 25% YoY and domestic steel realization down 15% YoY)	
Adj PAT (%)	(66)		

…Sectoral snapshot – Q3FY16 key highlights…

Sector	Dec-15 (YoY)	Key highlights	Dispersion in YoY earnings gwth: High (>30 %), Medium (15-30 %), Low (0-15 %), Negative (<0 %)
Oil: Upstream			
Sales (%)	(15)		**High:** Gulf Oil, Reliance Ind **Medium:** Oil India, ONGC **Negative:** Aban Offshore, Cairn
EBITDA margin (bps)	563		
Adj PAT (%)	12	Despite 43% YoY decline in crude prices, absence of subsidies will benefit upstream profitability YoY. However, sequentially profits will be muted	
Oil: Gas Utilities			
Sales (%)	(6)		**High:** Petronet LNG **Medium:** GSPL **Negative:** IGL, GAIL
EBITDA margin (bps)	65		
Adj PAT (%)	(3)	Sharp YoY contraction in profitability of trading and LPG production segments of GAIL. However, the profits will recover in Q4FY16 given the revision in RasGas	
Pharmaceuticals			
Sales (%)	10	Improvement in approval cycle in US to benefit few companies. India business is likely to witness healthy growth due to acute growth improving. Currency volatility in EM to constrain growth	**High:** Alembic Pharma, Sun Pharma, Cipla, Cadila **Medium:** Aurobindo, Syngene, Glaxo Pharma, Divi's, Biocon **Low:** IPCA, Dr Reddy's **Negative:** Glenmark, Lupin
EBITDA margin (bps)	36		
Adj PAT (%)	38	Growth ex SUN/ALPM expected to be at 19% YoY	
Power Utilities			
Sales (%)	5	Revenue growth on higher volumes/commissioning led by PGCIL, KSK, and Adani.	**High:** Tata Power (LP) **Medium:** NHPC, Power Grid **Negative:** NTPC, Adani Power (Loss), KSK Energy (Loss)
EBITDA margin (bps)	258		
Adj PAT (%)	19	Profit driven by PGCIL (higher commissioning), TPWR (lower losses at UMPP), and Adani (lower losses).	

…Sectoral snapshot – Q3FY16 key highlights

Sector	Dec-15 (YoY)	Key highlights	Dispersion in YoY earnings gwth: High (>30 %), Medium (15-30 %), Low (0-15 %), Negative (<0 %)
Real Estate			
Sales (%)	3	Impacted by muted sales especially in ongoing projects (which are contributing to revenues)	**High:** Oberoi **Medium:** GPL, DLF **Negative:** Phoenix Mills, Sobha, Puravankara
EBITDA margin (bps)	807	Skewed by DLF due to revenue contribution from high margin Phase V projects	
Adj PAT (%)	36		
Retail			
Sales (%)	14	Same-Store-Sales growth to witness improvement on the back of shift in festive season in Q3	**High:** Shopper Stop **Medium:** Page, Jubilant, Titan **Low:** Bata **Negative:** Westlife (Loss)
EBITDA margin (bps)	33	Margins to improve for most retail stocks led by better mix and operating leverage	
Adj PAT (%)	17		
Telecom	**Q-o-Q**		Divergence in QoQ earnings gwth: High (>5 %), Medium (3-5 %), Low (0-3 %), Negative (<0 %)
Sales (%)	2	Intensified competitoin in the voice segment expected to lead to muted growth in what is historically a strong quarter. Data revenues will continue to deliver strong	**High:** Bharti Airtel **Negative:** Bharti Infratel, IDEA
EBITDA margin (bps)	(36)	Accelerated data rollouts will lead to higher network operating costs while revenue growth to be muted impacting wireless margin by ~100 bps QoQ	
Adj PAT (%)	2		

Source: Company, Axis Capital

Sector-wise Q3FY16 estimates and key highlights

Note: *Across all sector tables, change in YoY EBITDA Margin is in bps, LP: Loss to Profit, PL: Profit to Loss, NM: Not meaningful

Source: Company, Axis Capital

Autos…

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Amara Raja Batteries - (Parent)				
Sales (Rs bn)	10.7	11.7	10	Robust growth in auto replacement/telecom batteries offsetting moderate auto OE/UPS growth. YoY lead price remains weak and that will impact value growth
EBITDA (Rs bn)	1.8	2.1	16	
EBITDA Margin (%) *	16.9	17.8	94	Margin to remain flattish as lead prices are flat QoQ (down 11% YoY) coupled with similar product mix
Adj PAT (Rs bn)	1.0	1.2	19	EBITDA growth trickles to profit growth
Ashok Leyland - (Parent)				
Sales (Rs bn)	33.6	41.2	23	Volume growth (22%) coupled with higher share of MHCVs and lower net discounts to drive revenue growth
EBITDA (Rs bn)	2.4	4.1	72	
EBITDA Margin (%) *	7.1	10.0	287	Improving product mix, lower discounts and operating leverage benefits to drive EBITDA margin
Adj PAT (Rs bn)	0.3	1.7	428	Strong EBITDA generation to drive APAT growth
Bajaj Auto - (Parent)				
Sales (Rs bn)	57.0	55.8	(2)	Revenue growth remains subdued driven by 3% volume decline (exports down 16%)
EBITDA (Rs bn)	11.9	12.0	1	
EBITDA Margin (%) *	20.8	21.5	71	Margin to be lower YoY due to inferior product mix and lower currency gains
Adj PAT (Rs bn)	8.1	8.1	1	
Balkrishna Industries - (Parent)				
Sales (Rs bn)	10.2	8.9	(12)	Expect ~5% volume de-growth; currency gains to drive sales growth
EBITDA (Rs bn)	2.6	2.9	10	
EBITDA Margin (%) *	25.9	32.5	664	Expect margins to expand further driven by commodity and currency gains
Adj PAT (Rs bn)	1.3	1.5	16	
Bharat Forge - (Parent)				
Sales (Rs bn)	12.0	11.2	(7)	Expect revenue to see 7% decline led by sharp deceleration in exports growth
EBITDA (Rs bn)	3.6	3.1	(14)	
EBITDA Margin (%) *	30.2	28.0	(224)	Margin to be lower YoY due to inferior product mix and negative impact of operating leverage
Adj PAT (Rs bn)	2.0	1.7	(13)	PAT decline in line with EBITDA decline

…Autos…

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Eicher Motors - (Consol)				
Sales (Rs bn)	22.9	33.3	45	Revenue growth driven by volume growth of +53% YoY in RE and +34% YoY in VECV
EBITDA (Rs bn)	3.0	5.2	72	
EBITDA Margin (%) *	13.2	15.6	243	EBITDA margin to see expansion driven by operating leverage benefits and commodity gains
Adj PAT (Rs bn)	1.5	2.7	77	
Exide Industries - (Parent)				
Sales (Rs bn)	15.6	15.6	0	Growth in Auto replacement to offset weak industrial sales; sales growth to lag Amara Raja
EBITDA (Rs bn)	1.8	2.2	21	
EBITDA Margin (%) *	11.6	14.0	247	EBITDA margin to expand on low base but should be flattish QoQ
Adj PAT (Rs bn)	1.0	1.2	27	
Hero Motocorp - (Parent)				
Sales (Rs bn)	68.4	73.7	8	Revenue growth YoY driven by 3% volumes growth
EBITDA (Rs bn)	8.2	11.0	34	
EBITDA Margin (%) *	12.0	15.0	296	Expect margins to increase >300 bps YoY due to superior product mix and currency benefits on indirect imports
Adj PAT (Rs bn)	5.8	7.8	35	
Mah & Mah - (including MVML) #				
Sales (Rs bn)	92.6	106.9	15	Revenue growth over low base driven by 12% volume growth; tractors share (in vols) at 33% of sales vs. 35% YoY/29% QoQ
EBITDA (Rs bn)	10.8	14.8	37	
EBITDA Margin (%) *	11.7	13.9	222	Margin to see 170 bps expansion YoY driven by operating leverage and commodity cost benefits
Adj PAT (Rs bn)	6.7	9.0	35	PAT decline due to very low tax rate last year
Maruti Suzuki - (Parent)				
Sales (Rs bn)	125.8	149.3	19	Sales growth upbeat on strong volume growth and increasing share of premium models
EBITDA (Rs bn)	16.1	23.9	49	
EBITDA Margin (%) *	12.8	16.0	321	EBITDA margin to be slighlty lower QoQ as forex and higher discount impacts
Adj PAT (Rs bn)	8.2	13.2	62	

YoY nos are not comparable due to merger of truck business last year

…Autos

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Motherson Sumi - (Consol)				
Sales (Rs bn)	91.5	90.9	(1)	Revenue growth driven by inorganic growth, partially offset by slowdown in India and translation loss due to INR appreciation vs. EUR
EBITDA (Rs bn)	8.5	8.0	(7)	
EBITDA Margin (%) *	9.3	8.8	(55)	Margin improvement driven by improvement across operations
Adj PAT (Rs bn)	2.7	2.6	(4)	Strong EBITDA growth to trickle down to PAT
Suprajit Engg - (Consol)				
Sales (Rs bn)	1.6	2.7	66	Growth driven by strong standalone sales growth and acquisition of Phoenix Lamp
EBITDA (Rs bn)	0.3	0.4	72	
EBITDA Margin (%) *	15.5	16.0	52	EBITDA margin to recover from low base driven by operating leverage benefits
Adj PAT (Rs bn)	0.1	0.3	125	
Tata Motors - (Consol)				
Sales (Rs bn)	699.7	715.2	2	Revenue decline driven by JLR (-3% YoY, lower volumes due to start of China JV); standalone (+18% YoY)
EBITDA (Rs bn)	103.6	92.4	(11)	
EBITDA Margin (%) *	14.8	12.9	(189)	Expect JLR margin at 17.0% (-330 bps YoY), standalone margin at +1.0% (+480 bps YoY)
Adj PAT (Rs bn)	39.0	29.4	(25)	Assume standalone loss at Rs 8.6 bn
TVS Motor - (Parent)				
Sales (Rs bn)	26.5	29.9	13	Volume growth moderates sharply (8% YoY)
EBITDA (Rs bn)	1.6	2.3	43	
EBITDA Margin (%) *	6.0	7.6	161	Better mix, lower promotional expenses and positive operating leverage to aid margin (+85 bps YoY)
Adj PAT (Rs bn)	0.9	1.3	42	

PSU Banks

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Bank of India - (Parent)				
Net income (Rs bn)	38.6	37.9	(2)	Asset quality remains the key challenge; business volumes to remain muted
Operating profit (Rs bn)	18.7	15.4	(18)	
Adj PAT (Rs bn)	1.7	1.5	(14)	
Bank of Baroda - (Parent)				
Net income (Rs bn)	43.8	42.6	(3)	Higher share of international book will limit the impact of base rate cut but business growth to remain weak and asset quality challenges persist (further pain likely in coming quarters due to uncertainity, lower oil prices in middle east)
Operating profit (Rs bn)	23.4	20.8	(11)	
Adj PAT (Rs bn)	3.3	2.1	(37)	
Canara Bank - (Parent)				
Net income (Rs bn)	35.6	38.2	7	Larger share of corporate loans will lead to further pain in credit cost and weak business volumes
Operating profit (Rs bn)	18.0	18.6	4	
Adj PAT (Rs bn)	6.6	5.0	(24)	
Punjab National Bank - (Parent)				
Net income (Rs bn)	55.2	56.2	2	Impaired assets to remain high, business volumes to remain weak
Operating profit (Rs bn)	27.5	27.7	1	
Adj PAT (Rs bn)	7.7	4.4	(43)	
State Bank - (Parent)				
Net income (Rs bn)	190.1	199.4	5	NIM to be down due to base rate reduction and excess liquidity; business volumes to be ~10%; asset quality uncertainity remains
Operating profit (Rs bn)	92.9	94.9	2	
Adj PAT (Rs bn)	29.1	32.7	12	
Union Bank - (Parent)				
Net income (Rs bn)	30.0	29.9	(0)	Business growth to be at industry average; NIM to face some pressure but credit costs will remain elevated
Operating profit (Rs bn)	14.7	14.0	(5)	
Adj PAT (Rs bn)	3.0	5.7	87	

Private Banks

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
HDFC Bank - (Parent)				
Net Inc (Rs bn)	82.3	98.0	19	Retail business to report strong volumes, NIM to decrease due to 35 bps base rate reduction; no significant deterioration in asset quality expected
Operating Profit (Rs bn)	47.8	55.7	17	
Adj PAT (Rs bn)	27.9	33.6	20	
ICICI Bank - (Parent)				
Net Inc (Rs bn)	79.0	82.6	5	NIM to decrease due to base rate reduction; higher corporate exposure may lead to increased provisioning; business volumes to be above industry average; profit from sale of stake of insurance business likely to be booked in Q4
Operating Profit (Rs bn)	50.4	51.3	2	
Adj PAT (Rs bn)	28.9	30.1	4	
IndusInd Bank - (Parent)				
Net Inc (Rs bn)	14.7	19.2	30	Business growth to be strong due to acquistion of retail assets (RBS); NIM to face some pressure due to base rate cut but unlikely to see any significant pain on the asset quality front
Operating Profit (Rs bn)	7.7	10.4	35	
Adj PAT (Rs bn)	4.5	5.7	27	
Kotak Mahindra Bank - (Parent)				
Net Inc (Rs bn)	15.5	23.9	54	Retail business will continue to outperform; credit cost to stabilize
Operating Profit (Rs bn)	7.4	10.8	47	
Adj PAT (Rs bn)	4.6	6.1	32	
Yes Bank - (Parent)				
Net Inc (Rs bn)	14.5	17.8	23	Do not expect any significant increase in credit costs; business volumes to be strong
Operating Profit (Rs bn)	8.6	10.5	22	
Adj PAT (Rs bn)	5.4	6.4	18	

NBFCs…

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Bajaj Finance - (Parent)				
Net Inc (Rs bn)	8.9	11.5	29	Q3 is generally the best quarter due to festive sales; higher share of fixed rate book will help in margin expansion; no significant deterioration in asset quality expected (reducing growth in loan against property segment)
Operating Profit (Rs bn)	5.0	6.5	30	
Adj PAT (Rs bn)	2.6	3.4	32	
Capital First - (Consol)				
Net Inc (Rs bn)	1.8	2.3	33	Healthy volume pick up is expected during Q3; cost to income to continue its downward trend due to operating leverage and earnings growth to be stong with limted asset quality pain
Operating Profit (Rs bn)	0.8	1.1	48	
Adj PAT (Rs bn)	0.3	0.5	54	
Cholamandalam Invst - (Consol)				
Net Inc (Rs bn)	4.6	5.4	17	NIM may witness some improvement due to base rate reductions but volumes to remain weak; chennai floods may have some impact
Operating Profit (Rs bn)	2.7	3.2	20	
Adj PAT (Rs bn)	1.1	1.3	21	
Dewan Housing Fin - (Parent)				
Net Inc (Rs bn)	3.9	4.6	18	High share of bank borrowing will help in margin expansion in a decreasing rate scenario
Operating Profit (Rs bn)	2.7	3.2	21	
Adj PAT (Rs bn)	1.6	1.9	19	
HDFC - (Parent)				
Net Inc (Rs bn)	22.9	24.5	7	Other income was weak in Q3 with profit from sale of investments; on book loan growth to remain weak due to sale of assets to HDFC Bank
Operating Profit (Rs bn)	21.1	22.4	6	
Adj PAT (Rs bn)	14.3	15.3	8	
LIC Housing Fin - (Parent)				
Net Inc (Rs bn)	6.2	7.9	28	NIM likely to witness further improvement along with 18-20% loan growth; we do not expect any significant deterioration in asset quality
Operating Profit (Rs bn)	5.3	6.7	27	
Adj PAT (Rs bn)	3.4	4.2	22	

…NBFCs

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Magma Fincorp - (Parent)				
Net Inc (Rs bn)	3.1	3.3	8	Asset quality challenges to persist along with weak growth rates; however focus on high yielding products to help in margin expansion
Operating Profit (Rs bn)	1.3	1.6	22	
Adj PAT (Rs bn)	0.4	0.5	15	
Repco Home Finance - (Parent)				
Net Inc (Rs bn)	0.6	0.9	35	Asset quality needs to be watched as it has decent exposure to Chennai (floods); however NIM to witness expansion due to higher share of bank borrowings
Operating Profit (Rs bn)	0.5	0.7	36	
Adj PAT (Rs bn)	0.3	0.4	35	
Shriram City Union Fin - (Parent)				
Net Inc (Rs bn)	5.7	6.3	10	Chennai floods may have an impact on business volumes and asset qulaity in Q3; moving towards the RBI required NPA recognition norms will force a significant increase in GNPA numbers
Operating Profit (Rs bn)	3.4	3.7	9	
Adj PAT (Rs bn)	1.4	1.6	15	
Shriram Transport Fin - (Parent)				
Net Inc (Rs bn)	10.7	12.3	16	Weak monsoons may have a negative bearing on volumes; margin likely to be stable with benefits from lower base rates; asset quality of equipment finance business and shifting to the required RBI NPA recognition norms to have a negative bearing on asset quality numbers
Operating Profit (Rs bn)	8.0	9.2	15	
Adj PAT (Rs bn)	3.1	3.4	10	

Cement...

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
ACC - (Consol)				
Sales (Rs bn)	28.4	28.3	(0)	Volumes to see 2% growth to 5.9 mnt
EBITDA (Rs bn)	2.6	3.0	19	EBITDA/ton of Rs 520 vs. Rs 600 in Q3CY15 and Rs 440 in Q4CY14. QoQ decline mainly due to weak pricing environment in North India, while YoY improvement led by better pricing in South
EBITDA margin (%) *	9.1	10.8	170	
Adj PAT (Rs bn)	1.1	1.1	(5)	
Ambuja Cements - (Parent)				
Sales (Rs bn)	24.0	23.5	(2)	Volumes to see 4% growth to 5.7 mnt
EBITDA (Rs bn)	3.6	3.5	(3)	EBITDA/ton of Rs 610 vs. Rs 690 in Q3CY15 and Rs 660 in Q4CY14. QoQ decline mainly due to weak pricing environment in North India
EBITDA margin (%) *	14.9	14.7	(16)	
Adj PAT (Rs bn)	2.4	1.9	(21)	
Birla Corp - (Parent)				
Sales (Rs bn)	7.6	8.1	7	Expect volumes to be 2 mnt (up 10% YoY)
EBITDA (Rs bn)	0.4	0.6	44	EBITDA/ton of Rs 250 vs. Rs 225 in Q3FY15 and Rs 300 in Q2FY16
EBITDA margin (%) *	5.2	7.0	180	
Adj PAT (Rs bn)	0.2	0.3	71	
Dalmia Bharat - (Parent)				Numbers not comparable YoY as the company has begun consolidating OCL's financials Q1FY16 onwards post increase in stake to 75%
Sales (Rs bn)	7.9	14.1	78	Expect volumes to be 2.8 mnt (down 2% QoQ)
EBITDA (Rs bn)	1.2	3.2	158	EBITDA/ton of Rs 1,150 vs. Rs 1,180 in Q2FY16
EBITDA margin (%) *	15.7	22.8	708	
Adj PAT (Rs bn)	0.0	0.3	27,490	
Grasim Inds - (Consol)				
Sales (Rs bn)	80.4	79.7	(1)	
EBITDA (Rs bn)	12.0	15.3	28	Standalone profitability to benefit from (a) better VSF profitability (volumes up 24% YoY and realization up 3% YoY) and (b) profitability of Aditya Birla Chemicals to be included current quarter
EBITDA margin (%) *	15.0	19.3	429	
Adj PAT (Rs bn)	3.3	5.5	64	

…Cement…

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
HeidelbergCement - (Parent)				
Sales (Rs bn)	4.2	4.1	(2)	Expect volumes to be 1.1 mnt (flat YoY)
EBITDA (Rs bn)	0.6	0.5	(24)	EBITDA/ton of Rs 425 vs. Rs 550 in Q3FY15 and Rs 475 in Q2FY16
EBITDA margin (%) *	14.6	11.4	(324)	
Adj PAT (Rs bn)	(0.1)	0.0	LP	
India Cement - (Parent)				
Sales (Rs bn)	10.4	9.4	(10)	Expect volumes to be 1.9 mnt (down 10% YoY)
EBITDA (Rs bn)	1.6	1.6	(3)	EBITDA/ton of Rs 825 vs. Rs 775 in Q3FY15 and Rs 975 in Q2FY16
EBITDA margin (%) *	15.7	16.8	116	
Adj PAT (Rs bn)	(0.1)	0.1	LP	
JK Cement - (Parent)				
Sales (Rs bn)	8.0	9.1	14	Grey cement volumes to improve 17% YoY to 1.8 mnt led by ramp-up at its recent Rajasthan
EBITDA (Rs bn)	1.0	1.0	3	Grey cement EBITDA/ton of Rs 220 vs. Rs 250 in Q3FY15 and Rs 270 in Q2FY16. White cement EBITDA to remain steady at Rs 650 mn
EBITDA margin (%) *	12.6	11.4	(125)	
Adj PAT (Rs bn)	0.2	0.1	(45)	
JK Lakshmi Cement - (Parent)				
Sales (Rs bn)	5.6	6.6	18	Expect volumes to be 1.9 mnt (up 23% YoY) led by ramp up at its Chhattisgarh expansion
EBITDA (Rs bn)	0.7	0.7	(11)	EBITDA/ton of Rs 350 vs. Rs 490 in Q3FY15 and Rs 400 in Q2FY16
EBITDA margin (%) *	13.2	10.0	(324)	
Adj PAT (Rs bn)	0.3	(0.1)	PL	
Prism Cement - (Consol)				
Sales (Rs bn)	13.4	14.0	4	Expect volumes to be 1.4 mnt (up 4% YoY)
EBITDA (Rs bn)	0.4	0.6	76	EBITDA/ton of Rs 400 vs. Rs 200 in Q3FY15 and Rs 400 in Q2FY16
EBITDA margin (%) *	2.8	4.6	188	
Adj PAT (Rs bn)	(0.4)	(0.2)	NA	

…Cement

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Ramco Cement - (Parent)				
Sales (Rs bn)	8.2	7.7	(5)	Expect volumes to be 1.6 mnt (down 9% YoY)
EBITDA (Rs bn)	1.3	2.1	59	EBITDA/ton of Rs 1,300 vs. Rs 725 in Q3FY15 and Rs 1,450 in Q2FY16. YoY improvement led by strong pricing in South
EBITDA margin (%) *	15.9	26.7	1,074	
Adj PAT (Rs bn)	0.2	0.7	192	
Shree Cement - (Parent)				
Sales (Rs bn)	15.4	18.1	17	Expect volumes to be 4.7 mnt (up 23% YoY) led by ramp up at its Chhattisgarh expansion
EBITDA (Rs bn)	3.1	4.3	41	EBITDA/ton of Rs 780 vs. Rs 725 in Q3FY15 and Rs 850 in Q2FY16
EBITDA margin (%) *	19.8	23.8	398	
Adj PAT (Rs bn)	0.8	1.5	92	
Ultratech Cement - (Parent)				
Sales (Rs bn)	56.0	58.9	5	Volume growth of 5% YoY to 11.5 mnt
EBITDA (Rs bn)	9.6	10.3	7	Blended EBITDA/ton of Rs 890 vs. Rs 870 in Q3FY15 and Rs 920 in Q2FY16
EBITDA margin (%) *	17.1	17.4	34	
Adj PAT (Rs bn)	3.6	4.2	17	

Engineering…

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
ABB - (Parent)				
Sales (Rs bn)	22.4	24.0	7	Revenue growth to be driven by Automation, Low Voltage and Power Products
EBITDA (Rs bn)	1.8	2.2	22	
EBITDA margin (%) *	8.0	9.1	110	EBITDA margin expansion on rising share of renewables, indeginization
Adj PAT (Rs bn)	0.8	1.1	45	
AIA Engineering - (Consol)				
Sales (Rs bn)	5.1	5.7	11	Expect volume headwinds to continue
EBITDA (Rs bn)	1.5	1.4	(10)	
EBITDA margin (%) *	29.6	24.0	(560)	Sustainable long term margin
Adj PAT (Rs bn)	1.2	0.9	(19)	
Alstom T&D - (Parent)				
Sales (Rs bn)	7.7	10.0	30	Revenue growth led by execution of HVDC order
EBITDA (Rs bn)	0.4	1.2	194	
EBITDA margin (%) *	5.3	12.0	668	Lower material costs expected to continue
Adj PAT (Rs bn)	0.0	0.6	2,061	
Bharat Electronics - (Parent)				
Sales (Rs bn)	16.1	18.0	12	Revenue growth driven by execution of strong order book
EBITDA (Rs bn)	2.8	2.6	(5)	
EBITDA margin (%) *	17.3	14.7	(262)	EBITDA margin impacted by increased personnel costs
Adj PAT (Rs bn)	2.7	2.7	0	
BHEL - (Parent)				
Sales (Rs bn)	62.0	60.1	(3)	Revenue decline due to lower order inflow in recent quarters
EBITDA (Rs bn)	2.9	(0.4)	PL	
EBITDA margin (%) *	4.7	(0.6)	PL	Higher material costs (due to imported content) expected to continue
Adj PAT (Rs bn)	2.1	1.1	(47)	

...Engineering...

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Carborandum Universal - (Consol)				
Sales (Rs bn)	5.0	5.1	2	Low demand for abrasives
EBITDA (Rs bn)	0.6	0.8	35	
EBITDA margin (%) *	11.4	15.0	363	Losses at FZI and TRI to reduce as electro-mineral division completes its restructuring
Adj PAT (Rs bn)	0.2	0.3	47	
Cummins - (Parent)				
Sales (Rs bn)	10.8	12.1	12	Revenue growth driven by spares, services and exports
EBITDA (Rs bn)	1.9	2.1	11	
EBITDA margin (%) *	17.5	17.4	(13)	Broadly flat EBITDA margin
Adj PAT (Rs bn)	1.7	1.8	6	
Inox Wind - (Consol)				
Sales (Rs bn)	9.3	11.4	22	Revenue growth driven by higher volumes
EBITDA (Rs bn)	1.5	1.8	18	
EBITDA margin (%) *	16.4	15.8	(63)	EBITDA margin decline on higher overheads
Adj PAT (Rs bn)	1.0	1.2	16	
Larsen & Toubro - (Consol)				
Sales (Rs bn)	238.5	257.6	8	Revenue growth to be muted on decline in Power, MMH and Heavy Engineering
EBITDA (Rs bn)	28.9	28.0	(3)	
EBITDA margin (%) *	12.1	10.9	(126)	EBITDA margin decline due to lower margin in Power, MMH and higher losses in Hydrocarbon
Adj PAT (Rs bn)	8.7	8.3	(4)	
Sadbhav Engg - (Parent)				
Sales (Rs bn)	7.2	7.9	9	Revenue growth on execution of strong order book
EBITDA (Rs bn)	0.7	0.9	28	
EBITDA margin (%) *	10.2	12.0	184	Margin expansion on favorable mix and lower material costs
Adj PAT (Rs bn)	0.4	0.4	14	

...Engineering

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Siemens - (Parent)				
Sales (Rs bn)	21.9	21.2	(3)	Revenue decline due to weak order inflow
EBITDA (Rs bn)	1.9	2.1	9	
EBITDA margin (%) *	8.6	9.7	107	EBITDA margin expansion on higher indigenization and reduced project-specific losses
Adj PAT (Rs bn)	1.1	1.3	19	
Thermax - (Parent)				
Sales (Rs bn)	11.5	10.4	(9)	Revenue decline due to weak order inflow
EBITDA (Rs bn)	1.3	1.0	(21)	
EBITDA margin (%) *	11.5	10.0	(150)	Margin decline due to lower revenue
Adj PAT (Rs bn)	0.8	0.7	(12)	
VA Tech Wabag - (Consol)				
Sales (Rs bn)	6.2	6.9	11	Revenue growth driven by execution of strong order book
EBITDA (Rs bn)	0.4	0.4	10	
EBITDA margin (%) *	6.2	6.2	(1)	Broadly flat EBITDA margin on change in revenue mix
Adj PAT (Rs bn)	0.1	0.2	14	
Voltas - (Consol)				
Sales (Rs bn)	9.5	10.6	12	Higher execution in MEP division
EBITDA (Rs bn)	0.6	0.7	17	
EBITDA margin (%) *	6.0	6.3	28	Better margin as high value projects get executed
Adj PAT (Rs bn)	0.6	0.6	(4)	

FMCG...

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Asian Paints - (Consol)				
Sales (Rs bn)	36.0	40.2	12	Sales growth largely led by volume growth of ~14%. Expect price-led growth to be muted due to recent product price cuts
EBITDA (Rs bn)	5.8	7.4	28	
EBITDA margin (%) *	16.2	18.5	233	Sharp correction in crude and crude-based derivative prices will drive strong gross and EBITDA margin expansion
Adj PAT (Rs bn)	3.7	4.7	28	
Berger Paints - (Parent)				
Sales (Rs bn)	9.7	10.8	11	Sales growth largely led by volume growth of ~10.5%. Price-led growth to be muted due to product price cuts
EBITDA (Rs bn)	1.3	1.6	21	
EBITDA margin (%) *	13.6	14.8	124	Premiumization and correction in crude and crude-based derivative prices to drive EBITDA margin expansion
Adj PAT (Rs bn)	0.7	0.9	23	
Britannia Inds - (Consol)				
Sales (Rs bn)	20.2	22.5	12	Mix and market share improvements to aid double digit growth
EBITDA (Rs bn)	2.2	3.3	50	
EBITDA margin (%) *	10.9	14.6	373	Soft input cost and premiumization to aid gross margin expansion of ~250 bps. Better GM and cost efficiencies to drive strong margin expansion
Adj PAT (Rs bn)	1.46	2.18	50	
Colgate Palmolive - (Parent)				
Sales (Rs bn)	9.9	10.5	6	We expect muted topline growth driven from weak volume (~2-3%) and increased excise.
EBITDA (Rs bn)	1.9	2.3	19	Soft commodity costs to absorb the higher excise incidence (post cessation of tax concessions) and aid gross margin expansion of ~60 bps YoY
EBITDA margin (%) *	19.7	22.1	245	Lower A&P spend (~135 bps decline YoY) and staff costs to aid EBITDA margin expansion
Adj PAT (Rs bn)	1.3	1.5	11	

...FMCG...

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Dabur India - (Consol)				
Sales (Rs bn)	20.7	22.0	6	Food business is expected to report ~13% YoY decline, driven from supply disruption from Nepal.
EBITDA (Rs bn)	3.5	3.7	4	Inventory demurrage and write-off related to stocks in/from Nepal of Rs 300 mn to absorb soft commodity cost benefits.
EBITDA margin (%) *	17.0	16.7	(28)	
Adj PAT (Rs bn)	2.8	3.0	6	
Emami - (Consol)				
Sales (Rs bn)	6.9	7.9	14	Delayed winter to have a bearing on performance of winter centric portfolio. Kesh King expected sales of ~Rs 530 mn
EBITDA (Rs bn)	2.1	2.5	20	Sustained soft commodity prices to aid 300 bps expansion in gross margin
EBITDA margin (%) *	30.6	32.1	154	
Adj PAT (Rs bn)	1.8	1.8	0	Flat net profit growth given lower other income and higher interest costs (to fund KeshKing acquisition)
GlaxoSmithKline Consumer - (Parent)				
Sales (Rs bn)	9.8	10.1	4	We expect muted topline growth on weak south (floods in Chennai) and increased excise
EBITDA (Rs bn)	1.1	1.3	25	
EBITDA margin (%) *	10.9	13.0	218	Lower input costs to aid ~330bp expansion in the gross margin.
Adj PAT (Rs bn)	1.0	1.1	16	
Godrej Consumer - (Consol)				
Sales (Rs bn)	22.3	24.6	11	Domestic busienss is expected to grow 9.5%. International business to grow 11.5%.
EBITDA (Rs bn)	4.0	4.9	23	
EBITDA margin (%) *	18.0	20.0	203	Lower input costs to aid ~390bp expansion in the gross margin.
Adj PAT (Rs bn)	2.6	3.6	36	
Hindustan Unilever - (Parent)				
Sales (Rs bn)	75.8	80.3	6	Volume growth to remain subdued at 4% YoY. Soaps and detergents expected to grow 3%
EBITDA (Rs bn)	13.7	15.2	11	
EBITDA margin (%) *	18	19	81	Commodity cost softness to aid gross margin expansion of 225 bps YoY to 48.5%
Adj PAT (Rs bn)	9.8	10.6	7	

...FMCG

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
ITC - (Parent)				
Sales (Rs bn)	88.0	93.3	6	Cigarettes volumes decline (expected to be ~8%) will continue, but base effect to aid
EBITDA (Rs bn)	34.6	37.3	8	Cigarette EBIT expected to expand 185 bps YoY, aided from price hikes
EBITDA margin (%) *	39.4	40.0	63	
Adj PAT (Rs bn)	26.4	27.9	6	
Marico - (Consol)				
Sales (Rs bn)	14.5	15.1	4	Price cut of 3-8% taken for the Parachute portfolio in Nov, followed with price off of 5-6% for select SKUs
EBITDA (Rs bn)	2.4	2.6	9	
EBITDA margin (%) *	16.4	17.0	67	Gross margin is expected to see expansion of ~485 bps YoY on the back of soft input costs
Adj PAT (Rs bn)	1.6	1.7	7	
Nestle - (Parent)				
Sales (Rs bn)	25.2	24.2	(4)	With the resumption of Maggi noodle sales effective 9th Nov, we expect pipeline filling across levels to have limited the sales decline at ~4% in Q4FY15
EBITDA (Rs bn)	5.6	5.2	(6)	
EBITDA margin (%) *	22	22	(57)	While lower input costs to aid ~180 bps YoY improvement in gross margin, driven from lower topline and higher media spend, we expect EBITDA margin to contract 55 bps YoY
Adj PAT (Rs bn)	3.3	3.2	(4)	
United Breweries - (Parent)				
Sales (Rs bn)	10.0	10.4	4	Volumes expected to be lacklustre
EBITDA (Rs bn)	1.2	1.2	3	
EBITDA margin (%) *	12.1	12.0	(14)	Stable margin
Adj PAT (Rs bn)	0.4	0.4	1	
Zydus Wellness - (Consol)				
Sales (Rs bn)	1.1	1.2	6	Delayed realization of distribution gains
EBITDA (Rs bn)	0.3	0.3	14	
EBITDA margin (%) *	25.9	28.0	209	Favorable raw material prices and mix to drive margin
Adj PAT (Rs bn)	0.3	0.4	17	

Infrastructure

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Adani Enterprise - (Consol)				
Sales (Rs bn)	-	101.0	NA	
EBITDA (Rs bn)	-	7.0	NA	This quarter's numbers are not comparable YoY as Ports /Power have been demerged. We expect steady coal trading volumes and subdued profitability similar to last few quarters
EBITDA Margin (%) *	-	7.0	NA	
Adj PAT (Rs bn)	-	3.7	NA	
Adani Port - (Parent)				
Sales (Rs bn)	9.6	10.0	4	
EBITDA (Rs bn)	6.5	7.2	11	Steady volumes to drive result for port business (ex SEZ)
EBITDA Margin (%) *	68.0	72.0	399	
Adj PAT (Rs bn)	6.0	4.8	(19)	
Ashoka Buildcon - (Consol)				
Sales (Rs bn)	4.6	6.2	35	
EBITDA (Rs bn)	1.1	1.7	65	Steady upick in both verticals of construction and BOT to drive numbers
EBITDA Margin (%) *	23.1	28.2	511	
Adj PAT (Rs bn)	0.0	0.3	2,065	
Gujarat Pipavav Port - (Parent)				
Sales (Rs bn)	1.8	1.9	0	
EBITDA (Rs bn)	1.0	1.1	6	Volumes to recover post one-off disruption in last quarter. Key overhang is new JNPT terminal and 2 liners discontinuing operations at Pipavav in last few months
EBITDA Margin (%) *	54.5	57.5	300	
Adj PAT (Rs bn)	0.9	0.6	(29)	
ITNL - (Consol)				
Sales (Rs bn)	19.5	17.7	(9)	
EBITDA (Rs bn)	5.3	5.9	12	Steady results expected driven by toll collections
EBITDA Margin (%) *	27	34	641	
Adj PAT (Rs bn)	1.3	0.8	(39)	

IT Services...

Company	Sep-15	Dec-15E	QoQ (%)	Key highlights
eClerx Services - (Consol)				
Sales (Rs bn)	3.3	3.3	2	Growth is likely to be muted as short term projects roll off. H2 will see margin decline due to lack of revenue momentum
EBITDA (Rs bn)	1.2	1.2	(4)	
EBITDA margin (%) *	37.2	35.1	(204)	Margin likely to decline by 200 bps owing to lower revenue momentum and higher SG&A
Adj PAT (Rs bn)	0.9	0.9	(8)	
HCL Technologies - (Consol)				
Sales (Rs bn)	101.0	103.4	2	Expect USD revenue growth of ~2%, as growth will be led by IMS and Engg. Services. Management expects revenue momentum to pick up in H2FY16 on strong deal signings
EBITDA (Rs bn)	22.1	22.2	1	
EBITDA margin (%) *	21.9	21.5	(41)	Margin will be impacted by salary hikes and chennai floods
Adj PAT (Rs bn)	18.2	17.8	(2)	
Hexaware Technologies - (Consol)				
Sales (Rs bn)	8.2	8.3	2	Growth likely to be impacted due to furloughs and chennai floods (loss of 7 days). Chennai contributes ~23.5% of global revenue and ~44% of global strength operates out of Chennai
EBITDA (Rs bn)	1.5	1.4	(3)	Margin to be impacted due to wage hikes and costs related to chennai floods
EBITDA margin (%) *	17.8	17.0	(80)	
Adj PAT (Rs bn)	1.1	1.0	(6)	
Infosys Technologies - (Consol)				
Sales (Rs bn)	156.4	156.4	0	Expect USD revenue growth of -1% QoQ owing to weak seasonality, business disruption due to Chennai floods and lack of one-time revenue (USD 23 mn in Q2)
EBITDA (Rs bn)	43.5	41.1	(5)	
EBITDA margin (%) *	27.8	26.3	(154)	Margin to decline by 150 bps due to accelerated business investments and Chennai (20 bps)
Adj PAT (Rs bn)	34.0	32.0	(6)	
Just Dial - (Consol)				
Sales (Rs bn)	1.7	1.8	5	Expect 16% YoY growth as revenue traction from the new hires in Q1 should impact revenue only from Q4
EBITDA (Rs bn)	0.4	0.4	8	
EBITDA margin (%) *	23.2	24.0	81	
Adj PAT (Rs bn)	0.5	0.3	(28)	Lower other income due to lower redemptions

...IT Services...

Company	Sep-15	Dec-15E	QoQ (%)	Key highlights
Mphasis - (Consol)				
Sales (Rs bn)	15.6	15.3	(2)	Expect USD revenue to delcine by 2% QoQ; impact of Chennai operations at 30-50 bps on revenue
EBITDA (Rs bn)	2.2	2.0	(8)	
EBITDA margin (%) *	13.9	13.0	(94)	Chennai floods is likely to impact margin by 70-80 bps
Adj PAT (Rs bn)	1.9	1.8	(3)	
Persistent Systems - (Consol)				
Sales (Rs bn)	5.4	5.8	6	Expect growth to be driven momentum in IP and Enterprise accounts. Aepona should add USD 2.5 - 3 mn to revenue
EBITDA (Rs bn)	1.0	1.0	1	
EBITDA margin (%) *	18.7	17.8	(95)	Margin will be impacted by 100 bps with acquisition related costs accounting for 35-40 bps
Adj PAT (Rs bn)	0.7	0.7	2	
Tata Consultancy - (Consol)				
Sales (Rs bn)	271.7	275.2	1	Expect USD revenue growth to be 0.4% (cc: 0.8%) due to weak seasonality and Chennai floods. Chennai is largest delivery centre with 65K employee base (~19% of total workforce) and ~10 working days were affected
EBITDA (Rs bn)	73.5	72.8	(1)	
EBITDA margin (%) *	27.1	26.5	(61)	Expect margin to decline by 60 bps owing to lower revenue growth momentum and one-time costs related to Chennai floods
Adj PAT (Rs bn)	60.6	59.1	(2)	
Tech Mahindra - (Consol)				
Sales (Rs bn)	66.2	67.1	1	Expect USD revenue growth of ~1% due to weakness in Telecom, decline in BT account and impact of Chennai floods (20 bps). LCC acquisition will grow at 4-5% QoQ.
EBITDA (Rs bn)	11.0	11.5	4	
EBITDA margin (%) *	16.6	17.1	48	Margin should improve by 50 bps as levers like utilization play out and LCC margin should be in 6 to 8% range
Adj PAT (Rs bn)	7.9	7.5	(4)	

...IT Services

Company	Sep-15	Dec-15E	QoQ (%)	Key highlights
Wipro - (Consol)				
Sales (Rs bn)	125.1	129.8	4	Expect USD revenue growth to record a muted performance (lower end of guidance as indicated by management) owing to ~13% of employee base being affected by the chennai floods. Telecom OEMs, Insurance and volatility in Oil & Gas verticals remain key headwinds. Margin decline will be due to lower revenue momentum and costs related to chennai floods. Expect 1-3% QoQ revenue growth guidance for Q4 (before Cellent AG acquisition)
EBITDA (Rs bn)	23.8	24.0	1	
EBITDA margin (%) *	19.0	18.5	(49)	Margin decline will be due to lower revenue momentum and costs related to chennai floods
Adj PAT (Rs bn)	22.4	23.0	2	

Media

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
DB Corp - (Consol)				
Sales (Rs bn)	5.5	5.8	5	Marginal revival in Ad growth (vs. YoY decline earlier) given festive spends, despite higher base (election-led revenue)
EBITDA (Rs bn)	1.8	1.9	4	
EBITDA Margin (%) *	33.3	33.0	(31)	Lower newsprint prices to benefit operating margin
Adj PAT (Rs bn)	1.1	1.1	7	
Dish TV - (Parent)				
Sales (Rs bn)	7.1	7.9	11	Subscriber addition to remain healthy; ARPU growth to moderate
EBITDA (Rs bn)	1.9	2.7	41	Operating leverage benefits to drive profitability
EBITDA Margin (%) *	26.8	34.2	742	
Adj PAT (Rs bn)	(0.0)	1.0	LP	
Jagran Prakashan - (Consol)				
Sales (Rs bn)	4.7	5.6	19	Healthy ad growth across Print and Radio given uptick in festive spends
EBITDA (Rs bn)	1.3	1.6	24	
EBITDA Margin (%) *	28.2	29.5	134	Lower newsprint prices/ operating leverage to aid margin expansion
Adj PAT (Rs bn)	0.7	0.9	35	
Siti Cable Network - (Consol)				
Sales (Rs bn)	2.2	3.1	40	Higher sub additions in Phase III cities; Net realization in phase I/ II cities to be stable
EBITDA (Rs bn)	0.5	1.0	103	
EBITDA Margin (%) *	21.8	31.7	992	Activation revenue to drive operating performance
Adj PAT (Rs bn)	(0.2)	0.1	LP	
Zee Entertainment - (Consol)				
Sales (Rs bn)	13.6	16.2	19	Ad growth to remain healthy on festive spends; Subs revenue to improve QoQ
EBITDA (Rs bn)	3.5	4.3	22	
EBITDA Margin (%) *	25.9	26.5	59	Operating leverage benefits to aid margin expansion
Adj PAT (Rs bn)	3.1	3.3	7	

Midcap...

Company	Dec-15	Dec-15E	YoY (%)	Key highlights
Arvind - (Consol)				
Sales (Rs bn)	20.7	22.8	10	Growth in Brands and Retail coupled with higher sale of garments to drive growth
EBITDA (Rs bn)	2.9	3.0	5	
EBITDA Margin (%) *	13.9	13.3	(64)	Lower profitability in retail segment
Adj PAT (Rs bn)	1.1	1.1	2	
Container Corp - (Parent)				
Sales (Rs bn)	14.5	15.0	3	Volume growth to remain muted given adverse macro
EBITDA (Rs bn)	3.7	3.1	(14)	
EBITDA Margin (%) *	25.3	20.9	(434)	Continued mismatch in export-import cargo to lead to higher empty running losses and keep operating performance under pressure
Adj PAT (Rs bn)	3.0	2.3	(22)	
Coromandel Intl - (Consol)				
Sales (Rs bn)	29.6	39.2	32	
EBITDA (Rs bn)	2.3	2.2	(1)	Despite 13% YoY decline in volumes (and higher proportion of low margin trading products), higher EBITDA margin of Rs 2,500/te on self-manufactured volumes (vs. Rs 1,700/te in Q3FY15) will support profitability
EBITDA Margin (%) *	7.6	5.7	(194)	
Adj PAT (Rs bn)	1.2	1.1	(14)	
Cox & Kings - (Consol)				
Sales (Rs bn)	4.7	5.1	9	Stable growth across segments
EBITDA (Rs bn)	1.5	1.7	11	
EBITDA Margin (%) *	32.7	33.1	40	Better margin in HBR
Adj PAT (Rs bn)	0.5	0.4	(22)	
Gateway Distriparks - (Consol)				
Sales (Rs bn)	2.7	2.5	(9)	Volume growth to remain muted given adverse macro; Chennai floods to impact CFS volumes
EBITDA (Rs bn)	0.9	0.6	(30)	
EBITDA Margin (%) *	31.6	24.5	(704)	Rail profitability to remain stable QoQ, CFS profitability to decline due to limited volume growth and competitive intensity
Adj PAT (Rs bn)	0.5	0.3	(49)	

...Midcap...

Company	Dec-15	Dec-15E	YoY (%)	Key highlights
Havells India - (Parent)				
Sales (Rs bn)	12.5	13.7	10	Sales growth subdued, expect a gradual recovery
EBITDA (Rs bn)	1.8	2.0	10	
EBITDA Margin (%) *	14.5	14.5	4	Stable margin
Adj PAT (Rs bn)	1.2	1.3	11	
Kajaria Ceramics - (Consol)				
Sales (Rs bn)	5.6	6.4	15	Driven by volume growth of ~14% YoY
EBITDA (Rs bn)	0.9	1.2	39	
EBITDA Margin (%) *	15.7	19.0	328	OPM to improve due to lower input costs and improvement in utilization levels at its newly operational capacities
Adj PAT (Rs bn)	0.5	0.6	31	
Navkar Corp - (Consol)				
Sales (Rs bn)	-	0.8	NA	Market share gain at JNPT will drive volume growth despite macro slowdown
EBITDA (Rs bn)	-	0.3	NA	
EBITDA Margin (%) *	-	41.1	NA	Operating performance to remain stable QoQ
Adj PAT (Rs bn)	-	0.3	NA	
TTK Prestige - (Parent)				
Sales (Rs bn)	3.8	4.4	15	Expect better growth in H2 on gradual demand recovery and low base effect
EBITDA (Rs bn)	0.5	0.6	21	
EBITDA Margin (%) *	11.9	12.5	64	Margin has room to grow on raw material price benefits, and a better sales mix
Adj PAT (Rs bn)	0.3	0.4	27	
Tube Investments - (Parent)				
Sales (Rs bn)	9.4	9.4	(0)	Stable volume across divisions
EBITDA (Rs bn)	0.7	0.9	26	
EBITDA Margin (%) *	7.6	9.7	202	Commissioning of the new tube mill facility to drive margin
Adj PAT (Rs bn)	0.1	0.2	79	
UPL - (Consol)				
Sales (Rs bn)	30.5	33.5	10	Robust volume growth to be offset by currency headwinds
EBITDA (Rs bn)	5.7	6.4	11	
EBITDA Margin (%) *	18.9	19.0	14	Stable margin
Adj PAT (Rs bn)	2.8	3.3	18	

...Midcap

Company	Dec-15	Dec-15E	YoY (%)	Key highlights
V-Guard Ind - (Parent)				
Sales (Rs bn)	4.0	4.2	6	Sales growth to remain subdued on continued sluggish demand environment
EBITDA (Rs bn)	0.2	0.4	64	
EBITDA Margin (%) *	5.5	8.5	302	Margin improvement on track
Adj PAT (Rs bn)	0.1	0.2	132	
Whirlpool India - (Parent)				
Sales (Rs bn)	8.6	9.3	8	Soft demand environment for consumer discretionary spends, expect delayed recovery
EBITDA (Rs bn)	0.5	0.7	37	
EBITDA Margin (%) *	6.3	8.0	171	Lower raw material expense and sales mix to drive margin
Adj PAT (Rs bn)	0.3	0.5	52	

Oil & Gas...

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Aban Offshore - (Consol)				
Sales (Rs bn)	10.0	8.5	(15)	
EBITDA (Rs bn)	5.8	4.4	(24)	
EBITDA Margin (%) *	58.3	51.9	(642)	
Adj PAT (Rs bn)	1.3	0.6	(56)	10 of Aban's total 18 rigs will be off-contract by Dec '15. Also, continued higher interest costs to impact earnings
BPCL - (Parent)				
Sales (Rs bn)	579.1	628.1	8	
EBITDA (Rs bn)	11.7	16.1	38	
EBITDA Margin (%) *	2.0	2.6	54	
Adj PAT (Rs bn)	5.5	10.1	83	Q3FY15 was one-off quarter as huge inventory losses impacted both refining and marketing segments. Q3FY16 will also have inventory losses, albeit to a lower extent
Cairn - (Consol)				
Sales (Rs bn)	35.0	18.5	(47)	
EBITDA (Rs bn)	21.8	5.7	(74)	
EBITDA Margin (%) *	62.3	30.6	(3,170)	
Adj PAT (Rs bn)	13.5	0.2	(99)	Sharp decline in crude prices (down 43% YoY) along with expanding discount to Brent (~14% vs. ~10% last year) and flat production impacting profitability
GAIL - (Parent)				
Sales (Rs bn)	149.7	152.6	2	
EBITDA (Rs bn)	9.9	9.1	(8)	
EBITDA Margin (%) *	6.6	5.9	(64)	
Adj PAT (Rs bn)	5.6	4.3	(24)	Sharp YoY contraction in profitability of trading and LPG production segments of GAIL. However, the profits will recover in Q4FY16 given the revision in RasGas contract
Gujarat State Petronet - (Parent)				
Sales (Rs bn)	2.4	2.5	3	
EBITDA (Rs bn)	2.0	2.2	9	
EBITDA Margin (%) *	83.6	88.6	497	
Adj PAT (Rs bn)	0.9	1.1	22	

...Oil & Gas...

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Gulf Oil Lubricants - (Parent)				
Sales (Rs bn)	2.4	2.4	1	
EBITDA (Rs bn)	0.3	0.4	23	
EBITDA Margin (%) *	13.2	15.9	277	
Adj PAT (Rs bn)	0.2	0.3	39	Volume growth to moderate. However, we are expecting expansion in margin given weak base oil prices
HPCL - (Parent)				
Sales (Rs bn)	511.1	504.2	(1)	
EBITDA (Rs bn)	(0.4)	6.3	LP	
EBITDA Margin (%) *	(0.1)	1.2	LP	
Adj PAT (Rs bn)	(3.3)	1.4	LP	Q3FY15 was one-off quarter as huge inventory losses impacted both refining and marketing segments. Q3FY16 will also have inventory losses, albeit to a lower extent
Indian Oil - (Parent)				
Sales (Rs bn)	1,070.7	1,157.3	8	
EBITDA (Rs bn)	(24.8)	38.6	LP	
EBITDA Margin (%) *	(2.3)	3.3	LP	
Adj PAT (Rs bn)	(29.8)	16.4	LP	Q3FY15 was one-off quarter as huge inventory losses impacted both refining and marketing segments. Q3FY16 will also have inventory losses, albeit to a lower extent
Indraprastha Gas - (Parent)				
Sales (Rs bn)	9.4	9.5	1	
EBITDA (Rs bn)	1.9	1.9	(0)	
EBITDA Margin (%) *	20.3	20.0	(30)	
Adj PAT (Rs bn)	1.1	1.0	(5)	
Oil India - (Parent)				
Sales (Rs bn)	21.9	25.0	14	
EBITDA (Rs bn)	6.5	8.7	33	
EBITDA Margin (%) *	29.7	34.7	498	
Adj PAT (Rs bn)	5.0	6.4	29	Despite 43% YoY decline in crude prices, absence of subsidies will benefit upstream profitability YoY

...Oil & Gas

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
ONGC - (Parent)				
Sales (Rs bn)	189.2	200.1	6	
EBITDA (Rs bn)	96.1	99.9	4	
EBITDA Margin (%) *	51	50	(81)	
Adj PAT (Rs bn)	33.1	38.9	17	Despite 43% YoY decline in crude prices, absence of subsidies will benefit upstream profitability YoY
Petronet LNG - (Parent)				
Sales (Rs bn)	112.0	92.8	(17)	
EBITDA (Rs bn)	3.4	4.7	37	
EBITDA Margin (%) *	3.0	5.0	197	
Adj PAT (Rs bn)	1.6	2.5	56	Volumes flat QoQ. However, expansion in marketing margins at Rs 20/mnbtu vs. loss of Rs 6.5/mnbtu in Q2FY16 will aid profitability
Reliance Inds - (Parent)				
Sales (Rs bn)	802.0	648.3	(19)	
EBITDA (Rs bn)	72.1	104.2	45	
EBITDA Margin (%) *	9.0	16.1	709	
Adj PAT (Rs bn)	50.9	69.9	37	PAT to grow 6% QoQ as strong uptick in GRM at USD 11.5/bl will more than offset ~5% QoQ decline in petchem EBIT. Other income up to Rs 18 bn (vs. Rs 16 bn in Q2FY16)

Pharmaceuticals...

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Alembic Pharma - (Consol)				
Sales (Rs bn)	5.1	9.0	75	We expect US business to benefit from profit share for gAbilify, while domestic formulations business is expected to improve 16% YoY due to growth in acute portfolio returning
EBITDA (Rs bn)	1.0	2.9	183	
EBITDA Margin (%) *	19.9	32.2	1,226	EBITDA margin to benefit from one-off gAbilify
Adj PAT (Rs bn)	0.7	2.2	213	
Aurobindo Pharma - (Consol)				
Sales (Rs bn)	31.7	36.4	15	We expect US business to grow 26% YoY/ 7% QoQ to USD 245 mn, while EU business is expected to grow at 8% YoY
EBITDA (Rs bn)	6.1	8.6	41	
EBITDA Margin (%) *	19.3	23.7	436	Improvement in EBITDA margin to be led by US portfolio
Adj PAT (Rs bn)	4.0	5.2	30	
Biocon - (Consol)				
Sales (Rs bn)	7.6	8.6	13	We expect biopharmaceuticals business to grow at 9% YoY, while research services segment (Syngene) growth expected at 23% YoY
EBITDA (Rs bn)	1.5	1.9	23	
EBITDA Margin (%) *	19.9	21.7	179	
Adj PAT (Rs bn)	0.9	1.1	16	
Cadila Healthcare - (Consol)				
Sales (Rs bn)	22.0	24.8	13	We expect US business to improve 6% YoY/ flat QoQ to USD 155 mn with continuing contribution from HCQS and increasing market share in AG products. Domestic formulations is expected to grow at 14% YoY
EBITDA (Rs bn)	4.6	5.7	23	
EBITDA Margin (%) *	21.0	22.8	186	
Adj PAT (Rs bn)	2.9	3.8	32	

...Pharmaceuticals...

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Cipla - (Consol)				
Sales (Rs bn)	27.7	33.7	22	We expect India business to grow 8% YoY as growth to be impacted due to lower generics business. Export formulations expected to grow at 42% YoY led by gNexium and gPulmicort
EBITDA (Rs bn)	5.5	7.7	39	
EBITDA Margin (%) *	20.0	22.9	287	
Adj PAT (Rs bn)	3.3	4.7	43	
Divi's Labs - (Parent)				
Sales (Rs bn)	7.9	9.5	21	We expect steady growth to continue led by generics and CS business
EBITDA (Rs bn)	2.8	3.5	23	
EBITDA Margin (%) *	36.0	36.7	62	
Adj PAT (Rs bn)	2.2	2.7	23	
Dr Reddys - (Consol)				
Sales (Rs bn)	38.4	40.7	6	We expect US business to improve 11% YoY/ 5% QoQ to USD 296 mn, driven by steady market share in key products and incremental contribution from gNexium. Domestic formulations is expected to grow at 29% due to delayed despatches from Q2'15 and UCB portfolio acquisition
EBITDA (Rs bn)	9.5	10.0	6	
EBITDA Margin (%) *	24.6	24.6	(1)	
Adj PAT (Rs bn)	6.2	6.5	6	
Glaxo Pharma - (Parent)				
Sales (Rs bn)	6.5	7.0	8	We expect 8% YoY growth in the pharmaceutical business as recovery witnessed in acute portfolio products
EBITDA (Rs bn)	0.9	1.2	25	
EBITDA Margin (%) *	14.7	17.0	237	
Adj PAT (Rs bn)	0.9	1.1	24	

...Pharmaceuticals

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Glenmark Pharma - (Consol)				
Sales (Rs bn)	17.0	18.7	10	We expect US business to improve 17% YoY/ 4% QoQ to USD 96 mn on price increase taken in Muipirocin during Nov'15 and new launches. Domestic formulation is expected to grow at 15%
EBITDA (Rs bn)	2.7	4.0	49	
EBITDA Margin (%) *	15.6	21.2	557	We expect revenue/ margin impact due to Venezuela issues
Adj PAT (Rs bn)	2.2	2.1	(4)	
IPCA - (Parent)				
Sales (Rs bn)	7.4	8.0	8	We expect domestic formulations business to improve 12% YoY due to improved sales across therapies. Institutional malaria business is expected to decline 27% YoY as Global Fund business expected to restart from Q4FY16
EBITDA (Rs bn)	1.2	1.2	1	
EBITDA Margin (%) *	16.4	15.3	(108)	
Adj PAT (Rs bn)	0.5	0.5	11	
Lupin - (Consol)				
Sales (Rs bn)	31.8	33.6	6	We expect US business to decline 15% YoY led by 10% YoY decline in generics business to USD 175 mn due to lack of meaningful approvals along with price erosion in base portfolio (gTricor). Domestic formulations is expected to grow at 15% YoY
EBITDA (Rs bn)	8.8	7.4	(16)	
EBITDA Margin (%) *	27.8	22.1	(571)	
Adj PAT (Rs bn)	6.0	4.6	(24)	
Sun Pharma - (Consol)				
Sales (Rs bn)	69.3	70.2	1	We expect US business to decline 10% YoY/4% QoQ to USD 490 mn with flat YoY growth in Taro at USD 235 mn. Domestic formulationis expected to grow at 7% YoY
EBITDA (Rs bn)	21.6	20.2	(7)	
EBITDA Margin (%) *	31.2	28.8	(244)	
Adj PAT (Rs bn)	4.0	12.0	204	
Syngene Intl - (Parent)				
Sales (Rs bn)	2.3	2.7	20	
EBITDA (Rs bn)	0.8	0.9	18	
EBITDA Margin (%) *	33.9	33.2	(68)	
Adj PAT (Rs bn)	0.4	0.6	27	

Power…

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Adani Power - (Consol)				
Sales (Rs bn)	55.0	62.1	13	Volume up 13% YoY on increase in generation capacity (Udupi acqusition); PLFs flat YoY
EBITDA (Rs bn)	17.6	19.4	10	EBITDA growth in line with growth in sales, and slightly lower fuel costs
EBITDA Margin (%) *	32.0	31.2	(74)	
Adj PAT (Rs bn)	(2.9)	(0.8)	NA	High coal cost, unremunerative tariff and high interest costs leading to losses; have factored in compensatory tariff for Mundra, Tiroda (including change in law of Rs 0.35/kWh) and Kawai plants. Have also factored in 1% interest rate saving on refinancing of rupee loans
KSK Energy Ventures - (Consol)				
Sales (Rs bn)	6.6	12.7	92	Revenue growth led by higher generation capacity (1,200 MW vs. 600 MW YoY) and improved PLFs at Mahanadi (86% vs. 69% YoY) on easing of transmission constraints for supply to Tamil Nadu
EBITDA (Rs bn)	1.9	4.4	130	EBITDA improvement led by higher generation and lower fuel costs at Wardha
EBITDA Margin (%) *	28.8	34.5	572	
Adj PAT (Rs bn)	(1.0)	(1.1)	NA	High interest costs, offseting the benefit of lower fuel costs and higher generation, leading to losses
NHPC - (Parent)				
Sales (Rs bn)	11.8	12.4	5	
EBITDA (Rs bn)	6.0	6.6	10	
EBITDA Margin (%) *	50.6	53.0	234	
Adj PAT (Rs bn)	2.1	2.6	25	Profits higher YoY on better recovery of fixed costs
NTPC - (Parent)				
Sales (Rs bn)	187.5	186.8	(0)	Overall generation flat YoY on lower PLFs
EBITDA (Rs bn)	45.5	46.5	2	
EBITDA Margin (%) *	24.3	24.9	64	YoY decline in earnings as Q3FY15 benefited from recovery of fixed charges of H1FY15 on higher plant availability plant in Q3FY15. Such income will not be available in Q3FY16. Expect core RoE of 18.9% vs. 21.2% YoY
Adj PAT (Rs bn)	23.0	20.9	(9)	

…Power

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Power Grid Corp - (Parent)				
Sales (Rs bn)	43.5	50.7	16	22% YoY rise in regulated equity; Q3FY16 capitalization assumed at Rs 100 bn (Rs 80 bn on commissioning of large HVDC project).
EBITDA (Rs bn)	37.7	44.5	18	
EBITDA Margin (%) *	86.6	87.9	129	
Adj PAT (Rs bn)	12.6	14.9	19	Factored slight underrecovery in fixed charges as seen in previous quarters. Expect core RoE of 15.0% vs. 14.7% YoY
Tata Power - (Consol)				
Sales (Rs bn)	87.4	85.9	(2)	PLF at Mundra 74% in Q3FY16 vs. 83% YoY. Coal volumes of 20 mtpa (-4% YoY), and assume realization at USD 44/ton (-4% QoQ)
EBITDA (Rs bn)	16.5	20.3	23	Compensatory tariff hike at Mundra UMPP not factored in as the company will not book revenue for the same till litigation is resolved
EBITDA Margin (%) *	18.9	23.7	478	
Adj PAT (Rs bn)	(0.3)	3.2	LP	Higher profits on lower losses at Mundra on lower fuel costs, improved profitability at coal business YoY on reduction in expenses, and higher profits at the standalone power business

Real Estate…

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
DLF - (Consol)				
Sales (Rs bn)	19.6	20.5	5	Slowdown in sales across all micro markets ex-Gurgaon
EBITDA (Rs bn)	8.0	9.7	21	
EBITDA Margin (%) *	40.6	47.1	644	Due to revenue contribution from high margin Gurgaon Phase V projects
Adj PAT (Rs bn)	1.3	1.5	17	
Godrej Properties - (Consol)				
Sales (Rs bn)	5.2	2.8	(47)	No new project expected to cross revenue threshold (Q3FY15 saw BKC project and Summit cross revenue threshold)
EBITDA (Rs bn)	0.6	0.7	2	
EBITDA Margin (%) *	12.3	23.5	1,120	Q3FY15 saw revenue contribution from low margin BKC project
Adj PAT (Rs bn)	0.5	0.6	23	
Oberoi Realty - (Consol)				
Sales (Rs bn)	2.2	5.6	157	Project Esquire to cross revenue recognition threshold
EBITDA (Rs bn)	1.3	3.2	151	
EBITDA Margin (%) *	58.3	57.1	(123)	Initial sales of project Esquire (done at lower realizations) to marginally impact margin
Adj PAT (Rs bn)	0.8	2.1	164	
Phoenix Mills - (Consol)				
Sales (Rs bn)	4.6	5.0	8	Driven by slowdown in consumption growth
EBITDA (Rs bn)	2.1	2.2	4	
EBITDA Margin (%) *	46	45	(169)	Mainly on account of higher overheads at some of its malls
Adj PAT (Rs bn)	0.5	0.4	(6)	
Prestige Estates - (Consol)				
Sales (Rs bn)	-	12.8	-	No major project expected to cross revenue recognition threshold
EBITDA (Rs bn)	-	3.1	-	
EBITDA Margin (%) *	-	24.5	-	Cost escalations to continue in some near complete projects
Adj PAT (Rs bn)	-	1.3	-	

...Real Estate

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Puravankara Projects - (Consol)				
Sales (Rs bn)	3.8	4.5	18	
EBITDA (Rs bn)	0.7	1.0	45	
EBITDA Margin (%) *	18.5	22.6	417	Margin to remain muted on account of cost escalations
Adj PAT (Rs bn)	0.4	0.2	(32)	
Sobha Developers - (Consol)				
Sales (Rs bn)	6.8	4.9	(28)	No major project expected to cross revenue recognition threshold
EBITDA (Rs bn)	1.5	1.4	(12)	
EBITDA Margin (%) *	22.5	27.5	498	Q3FY15 had seen significant one-time cost escalation
Adj PAT (Rs bn)	0.6	0.5	(12)	

Resources…

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Coal India - (Consol)				
Sales (Rs bn)	185.6	199.3	7	Strong volume growth of 11% YoY to 138 mnt
EBITDA (Rs bn)	42.8	45.7	7	EBITDA/ton of Rs 330 vs. Rs 345 in Q3FY15 and Rs 250 in Q2FY16
EBITDA Margin (%) *	23.1	22.9	(12)	
Adj PAT (Rs bn)	32.8	35.8	9	
Hindalco Inds - (Parent)				
Sales (Rs bn)	86.0	82.0	(5)	Aluminium volumes to improve 34% YoY to 290 kt led by ramp-up at recent expansions
EBITDA (Rs bn)	9.2	5.1	(45)	Profitability to be impacted by lower LME prices and physical premiums
EBITDA Margin (%) *	10.7	6.2	(453)	
Adj PAT (Rs bn)	3.6	(0.5)	PL	
Hindustan Zinc - (Parent)				
Sales (Rs bn)	38.5	32.8	(15)	Zinc+lead volumes at 230 kt (up 6% YoY)
EBITDA (Rs bn)	20.9	13.1	(37)	Profitability to be impacted by lower LME prices
EBITDA Margin (%) *	54.2	39.8	(1,441)	
Adj PAT (Rs bn)	23.8	14.5	(39)	
Nalco - (Parent)				
Sales (Rs bn)	19.1	14.3	(25)	
EBITDA (Rs bn)	5.3	2.3	(56)	Profitability to be impacted by lower LME prices and alumina realizations
EBITDA Margin (%) *	27.7	16.2	(1,150)	
Adj PAT (Rs bn)	3.5	1.7	(52)	
NMDC - (Parent)				
Sales (Rs bn)	29.5	16.3	(45)	Iron ore volumes of 7.2 mnt (up 3% YoY)
EBITDA (Rs bn)	19.5	8.7	(55)	Profitability to be impacted by the sharp fall in realizations (down 46% YoY to Rs 2,250/ton)
EBITDA Margin (%) *	66.1	53.6	(1,253)	
Adj PAT (Rs bn)	15.9	8.3	(48)	

...Resources

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
SAIL - (Parent)				
Sales (Rs bn)	111.1	89.8	(19)	
EBITDA (Rs bn)	12.1	(9.2)	PL	EBITDA/ton loss of Rs 3,300 led by weak domestic steel prices
EBITDA Margin (%) *	10.9	(10.3)	PL	
Adj PAT (Rs bn)	3.6	(10.3)	PL	
Vedanta - (Consol)				
Sales (Rs bn)	192.2	128.9	(33)	
EBITDA (Rs bn)	61.5	28.2	(54)	Overall profitability to be impacted by the sharp fall in oil profitability (Cairn EBITDA down 75% YoY to Rs 5 bn)
EBITDA Margin (%) *	32	21.9	(1,010)	
Adj PAT (Rs bn)	11.9	(2.1)	PL	
Tata Steel - (Consol)				
Sales (Rs bn)	336.3	276.0	(18)	Domestic volumes to improve 10% YoY to 2.3 mnt. Average realization to decline by Rs 1,700/ton QoQ due to weak pricing environment
EBITDA (Rs bn)	30.8	11.0	(64)	Domestic EBITDA/ton of Rs 5,500 vs. Rs 9,500 in Q3FY15 and Rs 6,500 in Q2FY16. European profitability to be impacted by decline in steel spreads
EBITDA Margin (%) *	9.1	4.0	(515)	
Adj PAT (Rs bn)	1.6	(14.1)	PL	

Retail...

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Bata India - (Parent)				
Sales (Rs bn)	5.4	6.0	12	Same-store-sales growth to marginally pick-up on the back of festive sales. Revenue growth to be led by price hikes and improving realizations
EBITDA (Rs bn)	0.6	0.7	13	
EBITDA Margin (%) *	11.4	11.5	5	Gross margin to expand with better mix but higher rent and other costs to pull down EBITDA margin
Adj PAT (Rs bn)	0.3	0.4	10	
Jubilant Foodworks - (Parent)				
Sales (Rs bn)	5.5	6.7	20	Same-store-sales growth to improve to 5.5% vs.3.2% QoQ on the back of price increases (3% in Nov & 3.8% in Sep). Sales growth to be led by strong store expansion
EBITDA (Rs bn)	0.7	0.9	23	
EBITDA Margin (%) *	13.1	13.4	32	Gross margin to expand on the back of price increases; however higher employee cost to curtail EBITDA margin expansion
Adj PAT (Rs bn)	0.4	0.4	17	
Page Industries - (Parent)				
Sales (Rs bn)	3.8	4.4	17	Sales growth to moderate from historical levels (~25%) on the back of weak macro environment and lower offtake from distributors due to liquidity crunch
EBITDA (Rs bn)	0.8	0.9	11	
EBITDA Margin (%) *	20.7	19.6	(103)	Gross margin to expand due to benign cotton yarn prices; however higher employee cost to A&P cost to pull down EBITDA margin
Adj PAT (Rs bn)	0.4	0.5	22	
Shopper Stop - (Parent)				
Sales (Rs bn)	8.0	9.5	18	Shift in festive season to Q3 to drive strong 14% same-store-sales growth
EBITDA (Rs bn)	0.5	0.7	29	
EBITDA Margin (%) *	6.7	7.3	64	Operating leverage to drive EBITDA margin expansion
Adj PAT (Rs bn)	0.1	0.2	41	

...Retail

Company	Dec-14	Dec-15E	YoY (%)	Key highlights
Titan Inds - (Parent)				
Sales (Rs bn)	29.2	32.7	12	Expect Jewellery sales growth of 15%, lower than what management highlighted earlier (~20%). Watches sales growth to remain weak with 2% sales growth
EBITDA (Rs bn)	2.8	3.2	15	
EBITDA Margin (%) *	9.4	9.7	25	Jewellery margin to improve YoY with better mix and international hedging. Watch margins to contract due to negative operating leverage
Adj PAT (Rs bn)	1.9	2.2	16	
Westlife Devlp - (Parent)				
Sales (Rs bn)	2.0	2.1	8	Same-store-sales growth to marginally inch up to 2%; however is still tepid as weakness persists in QSR
EBITDA (Rs bn)	0.1	0.1	112	
EBITDA Margin (%) *	3	5.5	271	Lower food and paper cost to drive gross margin expansion
Adj PAT (Rs bn)	(0.0)	(0.0)	NA	Higher depriciation and interest cost to lead to loss

Telecom

Company	Sep-15	Dec-15E	QoQ (%)	Key highlights
Bharti Airtel - (Consol)				
Sales (Rs bn)	238.5	242.1	1	**India wireless:** Expect muted ~2% voice volume growth but increased competitve intensity will drag down pricing in a seasonally strong quarter. Voice revenue would thus be flat. Data revenue growth will be strong. But accelerated data roll-outs will impact margin to be lower by ~100 bps. For Enterprise business, margin will decline QoQ as Q2 is seasonally strong **Africa:** Expect voice revenue growth of ~2.5% QoQ and data revenue growth of ~7% QoQ. EBITDA margin to remain steady at ~20% **Consolidated:** Revenue growth to be ~1.5% QoQ
EBITDA (Rs bn)	82.5	83.1	1	
EBITDA Margin (%) *	34.6	34.3	(24)	Consolidated margin contraction of ~30 bps, largely due to higher network operating costs
Adj PAT (Rs bn)	7.6	8.7	15	
Bharti Infratel - (Consol)				
Sales (Rs bn)	30.4	31.1	3	We build in ~3% QoQ growth in net revenue. Tenancies to grow ~2% QoQ led by co-loading
EBITDA (Rs bn)	13.1	13.7	4	
EBITDA Margin (%) *	43.1	43.8	76	
Adj PAT (Rs bn)	5.8	5.7	(2)	Lower other income due to (1) cash outflow on dividend payout and (2) lower redemptions on investments
IDEA - (Consol)				
Sales (Rs bn)	86.9	89.7	3	Voice segment volume growth of ~4% QoQ offset by a reduction in pricing owing to intensified competition. Data revenue growth of ~12% QoQ driven by ~15% QoQ growth in volumes. We build in aggregate revenue growth of ~3% QoQ
EBITDA (Rs bn)	30.6	30.6	0	
EBITDA Margin (%) *	35.2	34.1	(108)	
Adj PAT (Rs bn)	8.1	7.5	(7)	Depreciation and interest impact of spectrum acquisitions

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