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Market snapshot



Equities - India	Close	Chg .%	YTD.%
Sensex	32,238	-0.7	21.1
Nifty-50	10,014	-0.7	22.3
Nifty-M 100	18,318	-1.1	27.6
Equities-Global	Close	Chg .%	YTD.%
S&P 500	2,472	-0.2	10.4
Nasdaq	6,340	-0.4	17.8
FTSE 100	7,475	0.9	4.6
DAX	12,155	-0.2	5.9
Hang Seng	11,002	-0.5	17.1
Nikkei 225	20,029	-0.3	4.8
Commodities	Close	Chg .%	YTD.%
Brent (US\$/Bbl)	51	-0.8	-7.2
Gold (\$/OZ)	1,262	-0.4	8.9
Cu (US\$/MT)	6,326	0.1	14.5
Almn (US\$/MT)	1,894	-0.4	11.2
Currency	Close	Chg .%	YTD.%
USD/INR	63.7	0.1	-6.2
USD/EUR	1.2	0.0	12.2
USD/JPY	110.7	-0.1	-5.5
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.4	0.0	-0.1
10 Yrs AAA Corp	7.4	0.0	-0.2
Flows (USD b)	3-Aug	MTD	YTD
FII	0.0	-0.1	8.8
DII	-0.1	0.1	4.1
Volumes (INRb)	3-Aug	MTD*	YTD*
Cash	317	293	288
F&O	11,077	6,667	5,074

Note: YTD is calendar year, *Avg

Today's top research idea

IOC: Adj. EBITDA marginally above est.; Core GRM at USD7.6/bbl

- ❖ IOC reported marginally better core GRM of USD7.7/bbl v/s 3.6/bbl in 1QFY17 and USD6.9/bbl in 4QFY17. It reported inventory loss of INR28b in refining and INR12b in marketing. The company also wrote back INR28b of earlier provision for entry tax issue in the state of Haryana.
- ❖ Adjusting for all this, EBITDA at INR91b was marginally above our estimate of INR87b. Forex gain stood at INR6b v/s loss of INR3.3b in 1QFY17 and gain of INR15b in 4QFY17. Reported PAT stood at INR45b, while adjusted PAT was INR27b. We had downgraded the stock last quarter.
- ❖ Even after the recent rally, the stock is down 12%. Considering this, we **upgrade our rating to Buy**, but maintain target price of INR458.

Research covered

Cos/Sector	Key Highlights
Fuel or Engines	(Economy) How is unorganized manufacturing doing?
Bulls & Bears	India Valuations Handbook — Markets continue upward momentum
Technology	BFSI: Size leaders turn growth laggards
IOCL	Adj. EBITDA marginally above est.; Core GRM at USD7.6/bbl
Lupin	Recovery expected only from 2H
Titan Company	Consecutive quarter of sharp Jewellery growth, advancement in buying seen
Colgate-Palmolive	Volumes miss, but performance better than peers due to high rural salience
Hexaware Tech	Aggressive cannibalization; supported by a clean slate in IMS and BPO
Emami	1QFY18 performance below estimates; outlook robust
Ramco Cement	In-line result; capacity expansion to drive growth
ENIL	Prioritizing pricing over volumes
Results Flash	KKC CEAT JYL JKLC
Results Expectation	ARVND DABUR FORH HPCL MM

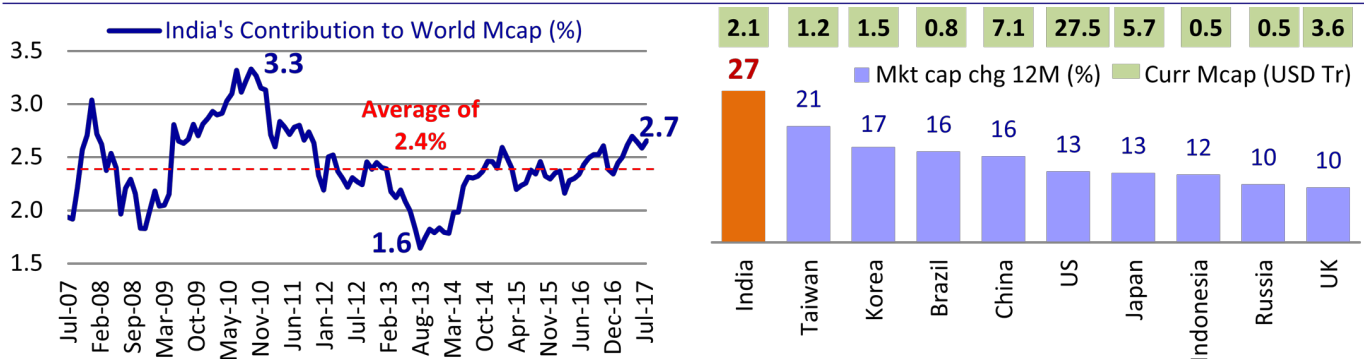
Piping hot news

GST impact: Services PMI plunges to 45.9 in July

- ❖ Service sector activity in July fell to its lowest level in nearly four years, evidently under the impact of the introduction of the Goods and Services Tax (GST), according to a private monthly survey.

Chart of the Day: India's share in world market cap at six year high

Over last 12 months, world market cap has increased 19.6% (USD12.8t), India's market cap has increased 27.4%.



Source: RBI

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.



Kindly click on textbox for the detailed news link

1

SBI-led banks order forensic audit of Videocon's accounts as a precursor to debt recast

A SBI-led consortium of lenders has ordered a forensic audit of Videocon Industries BSE 4.87 %' accounts to find out whether the company foundered because of adverse business conditions or financial mismanagement, said two people with knowledge of ...

2

Rupee hits a fresh two-year high against dollar

The rupee on Thursday closed at a fresh two-year high of 63.69 against the dollar, Bloomberg data showed, having breached the crucial 64 mark on Wednesday. The Indian currency has been buoyed by strong portfolio inflows into the country's bond and stock markets as also foreign direct investments...

3

NR Narayana Murthy wants Infosys Board to make report on key acquisitions public

Infosys founder NR Narayana Murthy has asked the company's Board to make public, the contents of the report that probed into alleged irregularities involving certain key acquisitions...

4

Cognizant sees 16% sequential drop in June quarter profit

Cognizant, the Nasdaq listed IT services company with a major presence in India, has reported a 16% sequential drop in net profit for the three months ending June, impacted by the voluntary separation plan...

5

Bharti Enterprises disconnects call on mega telecom alliance with Tata Group

Bharti Enterprises have dropped its plans of pursuing a mega alliance with the Tata Group's telecom, overseas cable and enterprise services, and direct-to-home TV businesses, multiple sources familiar with the matter said...

6

Govt plans Rs45,000 crore investment in north-east states

India on Thursday sought Japan's assistance in a slew of areas—tourism, skill development, food processing, infrastructure development as well as making buildings resistant to earthquake damage—in a bid to fast-track development in its north-east region...

7

Sebi finds no violation of norms at Tata companies

The Securities and Exchange Board of India (Sebi) has closed its investigation into allegations raised by Cyrus Mistry about violations at various Tata companies, two people with direct knowledge of the matter said...

How is unorganized manufacturing doing?

Unorganized segment outperforms organized segment during slowdown

- The recent quinquennial survey released by National Statistical Survey Office (NSSO) indicates that the number of hired workers in unorganized manufacturing declined for the first time in two decades; however, self-employment grew after a decade of decline. Overall, employment in the manufacturing sector (organized + unorganized) during the last five years grew at the fastest pace in a decade.
- Further, like in the previous slowdown of the late 1990s, real GVA in unorganized manufacturing has grown faster than real GVA growth in the organized segment. This is primarily because productivity in the unorganized segment grew strongly, while it slowed in the organized segment.
- Though all details of this survey are not yet published, the outstanding loan per enterprise in the unorganized segment - as per the 2010-11 survey - was only 0.02% of that in the organized segment. If this is due to institutional financiers' unwillingness to support the unorganized segment, the economy may be losing out on entrepreneurial talent. If so, policy makers need to be more sensitive about the lack of institutional financing to the unorganized segment.

In the last couple of [reports](#), we discussed employment generation and [other characteristics](#) of the organized manufacturing sector in India, represented by the factories covered under Annual Survey of Industries (ASI). In this note, we discuss the key characteristics of the unincorporated/unorganized manufacturing [sector](#)¹, published under the quinquennial [survey](#)² released by NSSO in late June 2017.

While the unorganized manufacturing sector accounts for ~17% of total manufacturing GVA, it accounts for more than 70% of total manufacturing employment

As per the new data available for 2015-16, while the unorganized manufacturing sector accounts for ~17% of total manufacturing GVA (gross value added), it accounts for more than 70% of total manufacturing [employment](#)³. Over the past two [decades](#)⁴, while the importance of the unorganized sector has maintained itself in terms of GVA, it has fallen in terms of employment. In terms of GVA, the unorganized sector accounted for 17.3% of total manufacturing GVA in 2015-16, higher than 16.5% in mid-1990s and 15.8% in 2010-11 (*Exhibit 1*). In terms of [employment](#)⁵ though, while the unorganized sector still accounts for more than 70%, the share has fallen consistently over the past many surveys (*Exhibit 2*).

Exhibit 1: Unorganized manufacturing sector's GVA less than 20% of total manufacturing GVA...

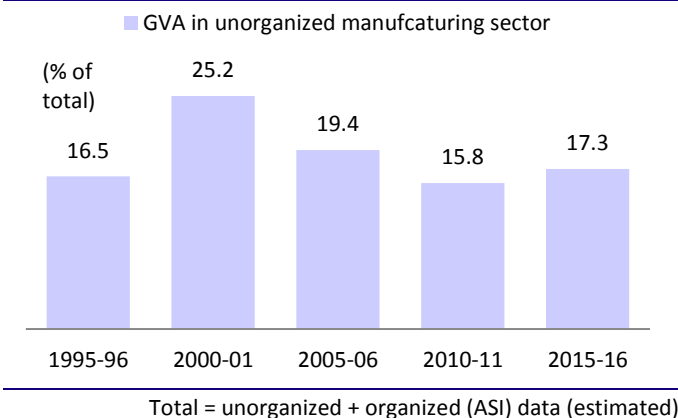
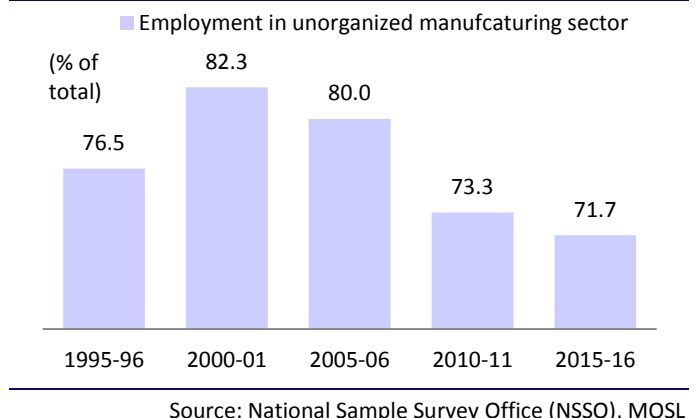


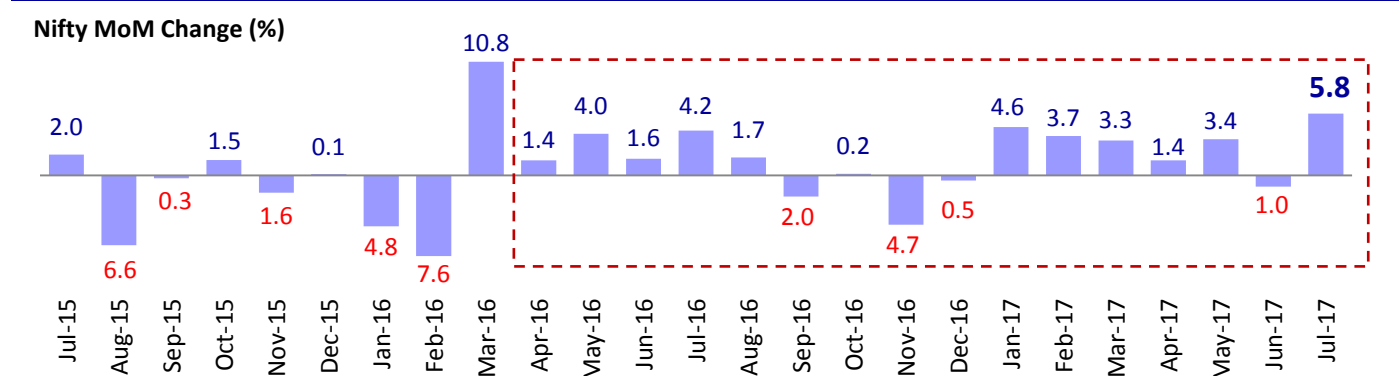
Exhibit 2: ...but the unorganized sector accounts for more than 70% of manufacturing employment



Strategy: Markets continue upward momentum

- Highest monthly rise in 16 months:** The Nifty rallied 5.8% in July, the highest monthly return in 16 months. The key drivers were: good progress of the monsoon, smooth GST implementation, and continued liquidity inflow. Midcaps (+4.4% in July) underperformed the Nifty, but the valuation premium v/s large caps remained stable at 14% (7% in May). July witnessed inflow of USD0.4b from FIIs and USD1.8b from domestic MFs. In YTD CY17, India has received MF inflows of USD8.1b, more than full year inflows of CY16 (USD7.1b). FII inflows for YTD CY17 stand at USD8.7b, more than the cumulative CY15 and CY16 inflows of USD6.3b. Currency remains stable at INR63-65/USD, benefiting from strong flows and stronger macros. RBI has announced a 25bp repo rate cut in its meeting yesterday (August 02, 2017), acknowledging the muted inflation trends and normal monsoons. Politically, NDA got a major boost in July, with Bihar Chief Minister, Mr Nitish Kumar breaking alliance with RJD and forming a new government in alliance with BJP. This augurs well from the Rajya Sabha arithmetic perspective, as it bolsters the government's numbers in the Upper House.
- No big surprises in 1QFY18 results yet; GST implementation creates some volatility:** The government has implemented GST from July 01, 2017, and so far, it has been a smooth exercise, barring minor hiccups. The de-stocking ahead of GST has impacted volumes in sectors like Consumer Staples/Durables/Autos/NBFCs, but this was anticipated. The 1QFY18 earnings season has been in line so far, with 101 MOSL coverage companies having declared their results. Sales, EBITDA and PAT have grown at 8.7%, 4.7% and 0.7% against expectations of 7.5%, 6.2% and 4.3%, respectively. However, earnings downgrades continue, with 11/33 companies seeing earnings upgrade/downgrade of 5%+, so far. Nonetheless, our Nifty FY18 EPS forecast remains unchanged at INR496.
- India among the best-performing markets in YTD CY17:** For CY17 YTD, MSCI EM (+24%), India-Sensex (+22%), Korea (+19%), Taiwan (+13%) and US (+10%) were the best performers among the key global markets in local currency terms. On the other hand, Russia (-15%) delivered negative returns. Over the last 12 months, MSCI EM (+22%) has outperformed MSCI India (+13%). However, in the last five years, MSCI India has outperformed MSCI EM by 93%.
- Sectoral performance trends; Consumer underperforms:** PSU Banks (+13%), Telecom (+10%), Metals (+9%) and Cement (+9%) were the top outperformers. Consumer (-3%) is the only sector to deliver negative returns for July. In this edition of 'Bulls & Bears', we take a deep dive into valuation metrics of the Metals sector.
- Waiting for micros to converge with macros:** The Nifty has delivered 23% returns in YTD CY17 and is among the best performers. GST implementation has been smooth and RBI has delivered another rate cut, adding to the overall buoyant sentiment. While India's macros are as strong as ever, these have not yet converted into healthy micros (consistent and sustainable earnings growth). Meanwhile, valuations have re-rated, thanks to strong macros and consistent decline in cost of equity, coupled with incessant inflows from DIIs and FIIs. At the current trailing P/E of 23x and forward P/E of 19x, we see limited triggers for further re-rating, unless accompanied by earnings revival. Management commentaries in 1QFY18 so far have been mixed, with B2C companies talking about pick-up, as the trade re-stocks. Meanwhile, provisions remain elevated in BFSI, with no meaningful improvement in asset quality. Our [Contrarian Investing Thematic Study](#) highlights a few frameworks on stock selection in a market characterized by rich valuations and deluge of liquidity, and offers several Contrarian Buy ideas across sectors.

Exhibit 1: Nifty MoM change (%) — highest MoM rise in last 16 months



Sector valuations: PSU Banks, Telecom top outperformers; Consumer underperforms

- PSU Banks are trading at 10% discount to historical avg P/B. The sector was best-performing in July (+13%MoM). Stress additions are expected to come down significantly in the ensuing quarters, while recoveries in large accounts could be significant trigger points. Trading gains are expected to moderate significantly in FY18 vs FY17.
- Telecom, on EV/EBITDA basis, trades at 7.5x (7% discount to historical average). Over the last one month, the sector witnessed few major developments that have resurrected the outlook of the sector. We believe the sector is likely to bottom out by the end of FY18 in terms of both competitive and capex intensity. This should drive ARPU-led value accretion and healthy FCF generation for the sector.
- Technology trades at a P/E of 16.2x, 2% above its historical average of 15.9x. The sector has started on a soft note, with 1QFY18 results failing to surprise. Revenue growth has been in line with already subdued expectations, led by slower pick-up in BFS, and weakness in verticals like Retail and Communication.
- Consumer trades above its historical average valuations. At a P/E of 39.8x, it is at a 34% premium to its historical average, and at a P/B of 11.5x, it is at a 22% premium. In 1QFY18, most companies saw GST-led destocking. A recovery is likely by the end of 2QFY18. We continue to like rural recovery plays owing to their robust earnings prospects, and also companies that have demonstrated strong resilience in difficult times and offer higher power of compounding earnings.

Sector valuations: Defensives lag Cyclical

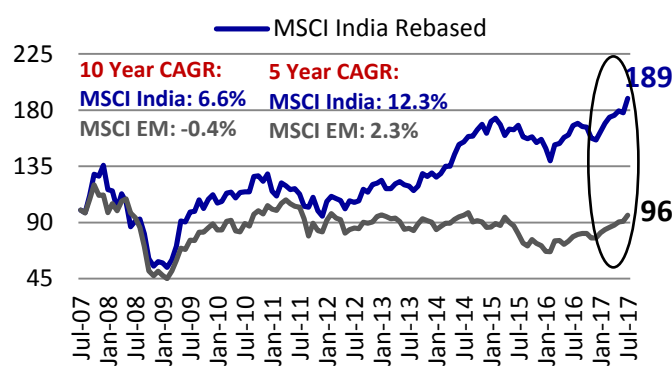
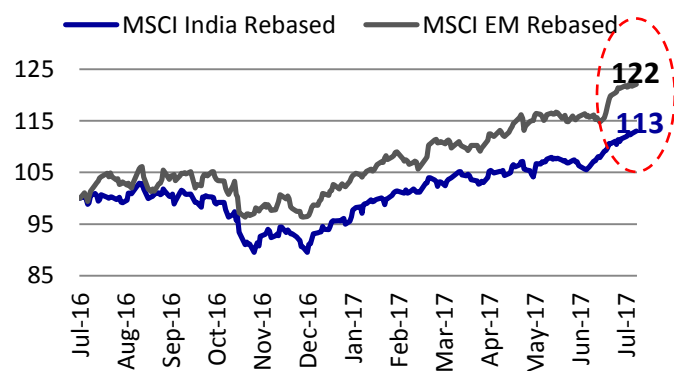
Sector	PE (x)			Relative to Sensex P/E (%)		PB (x)			Relative to Sensex P/B (%)	
	Current	10 Yr Avg	Prem/Disc. %	Current	10 Yr Avg	Current	10 Yr Avg	Prem/Disc.%	Current	10 Yr Avg
Auto	19.5	15.0	30.0	-1	-15	4.0	3.1	27.6	40	18
Banks - Private	22.6	16.7	35.3	15	-5	3.0	2.2	36.8	8	-16
Banks - PSU	12.7	2.7	375.9	-36	-77	0.9	1.0	-9.6	-67	-62
NBFC	23.9	17.4	37.1	21	0	4.2	3.0	40.7	49	13
Capital Goods	31.9	26.7	19.5	62	50	3.3	4.0	-18.2	15	46
Cement	29.7	18.1	63.9	51	3	3.2	2.3	41.4	15	-13
Consumer	39.8	29.7	34.1	102	73	11.5	9.4	22.4	307	264
Healthcare	21.0	22.1	-5.1	6	27	3.5	4.0	-13.3	22	52
Media	28.0	23.0	21.7	42	32	5.5	4.3	28.2	94	62
Metals	13.2	12.3	7.0	-33	-29	1.5	1.6	-4.2	-47	-42
Oil & Gas	12.1	11.9	2.1	-38	-31	1.5	1.6	-6.3	-47	-39
Retail	52.8	33.7	56.7	168	93	9.9	9.2	7.3	248	250
Technology	16.2	15.9	1.5	-18	-8	3.6	4.2	-12.9	28	58
Telecom	Loss	-	-	-	-	2.4	2.6	-8.6	-15	0
Utilities	11.9	15.2	-21.9	-40	-10	1.6	2.0	-21.9	-45	-24

Global equities: MSCI EM outperforms MSCI India in last 12 months

- Over the last 12 months, MSCI EM (+22%) has outperformed MSCI India (+13%). However, over the last five years, MSCI India has outperformed MSCI EM by 93%.
- MSCI India P/E is at a premium of 40% to MSCI EM P/E, marginally below its historical average premium.

MSCI EM performance at par with MSCI India over 12 months

MSCI India outperformed MSCI EM by 93% in last five years



Technology

BFSI: Size leaders turn growth laggards

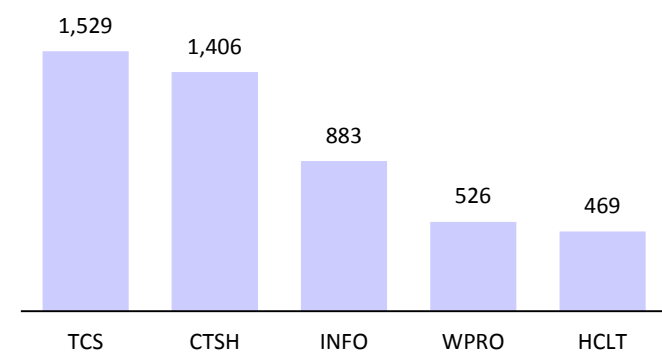
Appended below is the performance of BFSI in the June quarter for the five biggies:

- Interestingly, the size of operations contrasts the YoY growth in constant currency. Note that BFSI was the fastest/second fastest growing vertical for the three smaller players (INFO, WPRO and HCLT), and was the key drag at CTSH and the worst with the exception of Retail for TCS.

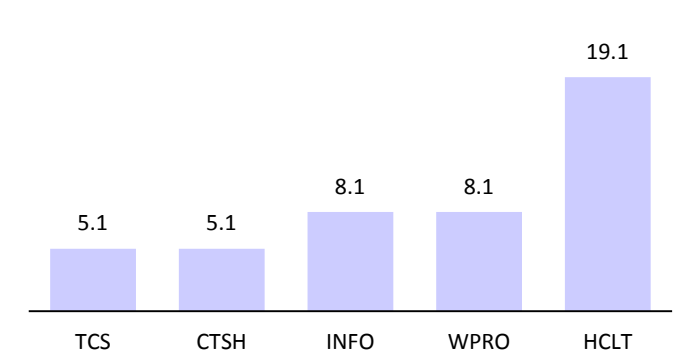
What they said?

- In its quarterly earnings commentary, **CTSH** noted that YoY growth was driven mostly by Insurance. Large money-centered clients are still taking a conservative approach and focused on cost take-out. This is being partly offset by medium-sized banks.
- **TCS** cited that while it is winning deals, the trend is not homogenous enough to give confidence around change in fortunes. It needs to see more in the pipeline before expressing greater confidence. While hawkish as CTSH on BFS, it was also in sync with the latter w.r.t positive commentary around Insurance.
- **INFO** shared that revenue growth in the BFSI vertical is expected to bounce back 2HFY18 onward because of a lag between an improving macroeconomic situation in the US and that translating into higher spend. It expects to disproportionately benefit from this trend.
- **HCLT's** commentary – expectedly bullish, citing significant new account wins in BFSI in North America. At **WPRO**, momentum in BFSI is particularly seen in Digital, and is reaping the benefits of large deal wins on the back of its Digital proposition.

QE Jun 17 BFSI YoY CC (USD m)



QE Jun 17 BFSI YoY CC (%)





BSE SENSEX	S&P CNX
32,238	10,014
Bloomberg	IOCL IN
Equity Shares (m)	4,856
M.Cap.(INRb)/(USD\$)	2130.3 / 31.6
52-Week Range (INR)	451 / 266
1, 6, 12 Rel. Per (%)	-3/-14/24
Avg Val, INRm	1866
Free float (%)	42.7

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Sales	3,553	3,811	4,361
EBITDA	340.1	320.5	368.4
Adj. PAT	203.9	174.0	191.7
Adj. EPS (INR)	43.0	36.7	40.4
EPS Gr. (%)	106.9	(14.7)	10.2
BV/Sh.(INR)	215.4	242.4	269.1
RoE (%)	21.2	16.0	15.8
RoCE (%)	15.0	11.7	12.5
P/E (x)	9.0	10.5	9.6
P/BV (x)	1.8	1.6	1.4

Estimate change	↔
TP change	↔
Rating change	↑

CMP: INR387 TP: INR458 (+18%) Upgrade to Buy

Adj. EBITDA marginally above est.; Core GRM at USD7.6/bbl

IOCL's adj. EBITDA increased 38% YoY (+9% QoQ) to INR91.2b, marginally above our estimate of INR87.7b, primarily due to higher-than-expected core GRM of USD7.6/bbl (est. of USD7.1/bbl). Reported GRM of USD4.32/bbl was below our estimate of USD4.6, led by crude inventory loss of INR28b. Marketing inventory loss stood at INR12.4b. The company recorded forex gain of INR6b in the quarter, as against loss of INR3.3b in 1QFY17 and gain of INR15b in 4QFY17. Adj. PAT rose 68% YoY (-28% QoQ) to INR26.7b, below our estimate of INR32.b. Management has written back INR28.1b on account of reversal of earlier provisioning for entry tax liability in the state of Haryana.

- **Core GRM at USD7.6/bbl:** IOCL reported GRM of USD4.32/bbl (est. of USD4.6), lower than USD8.9/bbl in 4QFY17 and USD10/bbl in 1QFY17 due to inventory loss of USD3.3/bbl. Core GRM stood at USD7.6/bbl, as against USD6.9/bbl in 4QFY17 and USD3.6/bbl in 1QFY17.
- **Refining throughput at 17.5mmt:** Refining throughput rose 9% YoY (+3% QoQ) to 17.5mmt, led by ramp-up of Paradip refinery. Domestic direct sales grew 2% YoY (+6% QoQ) to 20.7mmt in 1QFY18.
- **Valuation and view:** IOCL is expected to benefit from free cash flow generation over the next 2-3 years. Paradip refinery should help the company in a declining benchmark refining margin scenario. The stock trades at 9.6x FY19E EPS of INR40.4 and 1.4x FY19E BV. Despite its recent run-up, the stock price still is down ~12% since the last quarterly result. We value IOCL at 5x for refining and 7.5x for marketing to arrive at a fair value of INR458 (incl. investment value of INR49 post 20% discount), implying 18% upside, which appears attractive at current price level of INR387. We thus upgrade the stock to **Buy**, purely on the basis of attractive valuation.

Standalone - Quarterly Earning Model

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E	FY18	Var. vs est.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	856,553	800,435	931,019	1,003,375	1,054,342	925,967	938,389	943,193	3,591,382	3,861,891	899,810	17%
YoY Change (%)	-15.3	-5.1	13.0	28.0	23.1	15.7	0.8	-6.0	3.7	7.5	5.1	
Total Expenditure	720,652	748,519	848,541	959,289	1,002,427	841,627	852,209	857,078	3,277,001	3,553,342	832,142	20%
EBITDA	135,901	51,916	82,478	44,086	51,915	84,340	86,180	86,115	314,381	308,549	67,668	-23%
Margins (%)	15.9	6.5	8.9	4.4	4.9	9.1	9.2	9.1	8.8	8.0	7.5	
EBITDA adj. for inventory and one-offs	61,586	58,778	71,745	83,756	63,086	84,340	86,180	86,115	275,865	319,720	67,668	
Depreciation	14,350	15,048	15,541	17,290	17,213	17,649	17,649	17,649	62,230	70,159	17,649	-2%
Interest	6,800	6,147	9,967	11,541	7,180	6,899	6,899	6,899	34,454	27,878	6,899	4%
Other Income	5,637	14,347	4,938	20,593	12,276	5,602	5,602	5,602	45,515	29,081	5,602	119%
PBT	120,388	45,069	61,907	35,849	67,878	65,394	67,234	67,169	263,212	267,675	48,722	39%
Tax	37,698	13,850	21,958	-1,358	22,393	21,796	22,409	22,387	72,148	88,985	16,239	38%
Rate (%)	31.3	30.7	35.5	-3.8	33.0	33.3	33.3	33.3	27.4	33.2	33.3	
Reported PAT	82,690	31,219	39,949	37,206	45,485	43,598	44,825	44,782	191,064	178,689	32,483	40%
Adj PAT	82,690	31,219	39,949	37,206	26,767	43,598	44,825	44,782	191,064	159,944	32,483	-18%
YoY Change (%)	35.2	-456.2	52.3	85.5	-67.6	39.7	12.2	20.4	84.9	-16.3	-60.7	
Margins (%)	9.7	3.9	4.3	3.7	2.5	4.7	4.8	4.7	5.3	4.1	3.6	
Key Assumptions												
Refining throughput (mmt)	16.1	15.6	16.4	17.1	17.5	17.9	17.9	17.9	65.2	71.3	17.9	-2%
GRM (USD/bbl)	10.0	4.3	7.7	8.9	4.3	5.8	5.8	5.8	7.7	5.5	4.6	-6%
Domestic sale of refined products (mmt)	19.3	17.3	19.0	18.5	20.1	18.0	19.7	19.3	74.1	77.1	20.1	0%

E: MOSL Estimates



BSE SENSEX	S&P CNX
32,238	10,014
Bloomberg	LPC IN
Equity Shares (m)	452
M.Cap.(INRb)/(USD\$)	554.5 / 8.6
52-Week Range (INR)	1734 / 986
1, 6, 12 Rel. Per (%)	-9/-47/-57
Avg Val, INRm	1749
Free float (%)	53.3

CMP: INR995 TP: INR1,125(+13%)

Buy

Recovery expected only from 2H

- Lupin's (LPC) 1QFY18 revenue declined ~13% YoY to INR38.7b (12% miss), primarily due to weak US business (-27% YoY to USD238m) on the back of lower Glumetza sales. EBITDA declined 41% YoY to INR7.7b, with margins coming in lowest in 16 quarters at 20%.
- **Guidance lowered for FY18:** LPC guided for revenue decline of low-single-digit in FY18 v/s earlier guidance of 7-8% growth. EBITDA margin guidance was lowered from 25-26% to 21-23% due to INR appreciation, competition in the Metformin portfolio and high-single-digit price erosion in the US.
- **US business – bottom is still a quarter away:** Large part of the decline in US sales (USD238m from USD276m in 4Q) was because of lower Glumetza sales. US business grew 9% QoQ without Glumetza, and 11% QoQ without Fortamet and Glumetza. The company expects US business to bottom in 2Q (as Glumetza sales are expected to come down further). Few key approvals expected in FY18 are Tamiflu, Lanthanum, Levothyroxine, Hydrocodone APAP (2Q), Potassium Chloride (2Q) and Oxycodone APAP. Bigger approvals like Toprol EL, Renexa and Renvela are expected in FY19.
- **Domestic business – expect recovery in coming quarters:** India business (down ~2% YoY to INR9.3b) performed relatively better than peers. Without GST impact, EBITDA margin would have improved by ~200bp. LPC expects industry to grow at ~8% YoY. The company is expected to outperform industry growth by 20-30%.
- **Recovery expected only from 2H; stock already factors most of the concerns:** Although pricing pressure in base business and new competition in Metformin portfolio will keep exerting pressure on the US business, we believe that sales will bottom by 2QFY18. Recent fall in the stock price already factors in these concerns. Resolution of Goa and Indore plant inspection in the next two months, coupled with key upcoming launches, will help drive growth from 2H. We maintain **Buy** with TP of INR1,125 @ 20x FY19E PER (v/s INR1,450 @ 20x FY19E PER). We cut FY18E/19E EPS by 29%/22% as we build in the impact of competition in key products in the US.

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	174.9	169.1	198.6
EBITDA	44.9	36.2	46.5
PAT	25.2	18.7	25.4
EPS (INR)	55.8	41.4	56.3
Gr. (%)	10.8	-25.8	36.0
BV/Sh (INR)	298.9	329.8	375.5
RoE (%)	20.6	13.2	16.0
RoCE (%)	13.3	8.8	10.8
P/E (x)	17.8	24.0	17.7
P/BV (x)	3.3	3.0	2.6

Estimate change



TP change



Rating change



Quarterly Performance (Consolidated)

(INR Million)

Y/E March	FY17				FY18E				FY17	FY18E	% Var	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	44,677	42,905	44,828	42,533	38,696	41,366	43,212	45,835	174,943	169,110	44,036	-12.1
YoY Change (%)	41.6	28.9	26.1	2.0	-13.4	-3.6	-3.6	7.8	23.1	-3.3	-1.4	
Total Expenditure	31,596	32,624	32,670	31,481	31,012	32,473	33,706	35,730	130,012	132,920	33,335	
EBITDA	13,080	10,281	12,158	11,052	7,684	8,894	9,507	10,105	44,931	36,190	10,701	-28.2
Margins (%)	29.3	24.0	27.1	26.0	19.9	21.5	22.0	22.0	25.7	21.4	24.3	
Depreciation	2,027	2,112	2,309	2,674	2,605	2,610	2,610	2,626	9,122	10,451	2,600	
Interest	320	263	459	406	439	410	425	415	1,525	1,689	350	
Other Income	826	271	1,036	453	320	400	350	430	1,065	1,500	400	
PBT	11,560	8,177	10,426	8,425	4,959	6,274	6,822	7,495	35,349	25,550	8,151	-39.2
Tax	2,734	1,589	4,095	1,367	1,368	1,663	1,808	1,932	9,785	6,771	2,160	
Rate (%)	23.7	19.4	39.3	16.2	27.6	26.5	26.5	25.8	27.7	26.5	26.5	
Minority Interest	6	8	24	-16	-12	20	20	57	72	85	20	
Recurring PAT	8,820	6,622	6,331	6,069	3,581	4,591	4,994	5,505	25,492	18,694	5,971	-40.0
YoY Change (%)	55.1	58.0	19.5	-18.9	-59.4	-30.2	-21.1	-9.3	12.3	-26.7	-32.3	
Margins (%)	19.7	15.4	14.1	14.3	9.3	11.1	11.6	12.0	14.6	11.1	13.6	

E: MOSL estimates; Quarterly nos will not add up to full year nos due to restatement of past quarters



Titan Company

BSE SENSEX	S&P CNX
32,477	10,082
Bloomberg	TTAN IN
Equity Shares (m)	887.8
M.Cap.(INRb)/(USDb)	495.0 / 7.8
52-Week Range (INR)	567 / 296
1, 6, 12 Rel. Per (%)	2/33/18
Avg Val, INRm	751
Free float (%)	47.0

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	129.8	151.4	178.1
EBITDA	11.6	13.6	16.2
PAT	7.0	9.4	11.1
EPS (INR)	9.0	10.6	12.6
Gr. (%)	18.5	17.6	18.2
BV/Sh (INR)	47.7	52.2	60.8
RoE (%)	20.6	21.3	22.2
RoCE (%)	21.1	21.9	22.7
P/E (x)	61.7	52.5	44.4
P/BV (x)	11.7	10.7	9.2

Estimate change

TP change

Rating change

CMP: INR558

TP: INR565(+1%)

Neutral

Consecutive quarter of sharp Jewellery growth, advancement in buying seen

- **Titan's 1QFY18 revenue rose 42.2% YoY (est. of +25%) to INR39.9b.** EBITDA grew by 27.2% YoY to INR3.6b and recurring PAT by 13.9% YoY to INR2.5b (est. of INR2.3b).
- **Gross margin shrunk 460bp YoY to 24.9%**, with EBITDA margin contracting 110bp YoY (est. of -100bp) to 9.2% in 1QFY18. Staff cost declined by 170bp YoY to 5.3% of sales, adspend by 70bp YoY to 3% of sales and other expenses by 110bp YoY to 7.5% of sales, partially offsetting gross margin contraction.
- **Jewelry sales were up 56% YoY to INR33.5b** (51% LTL growth), with segment margin expanding 20bp YoY to 9.6%. Gold tonnage increased 49% YoY in 1QFY18. Exceptional jewelry growth in the quarter was led by good Akshaya Tritiya period, successful gold exchange program, advancement of sales due to GST implementation, and favorable base due to a strike by federation on excise imposition. Watches sales grew 2% YoY (5% volume growth) to INR5.1b, with 700bp EBIT margin expansion to 7.8%. Eyewear sales were flat at INR1.1b. In 1QFY18, the company added 31 stores with retail space of 31k sq. ft.
- **Concall highlights:** 1) There has been advancement of sales into June from July. Many high-value customers preponed sales from July and part of August to the last 10 days of June. Management reckons that this advancement of sales was ~INR2.5b (contributing 900bp to sales growth). This move was because of ~2% lower duties before GST implementation. Sales in July have thus been depressed. 2) On the ground, no significant shift was seen from unorganized to organized trade in July post GST implementation.
- **Valuation and view:** As a result of the good results, we increase our FY18E/FY19E EPS by ~3.3% each. While we expect a continued revival in revenue growth prospects, valuations at 44.4x FY19E do not leave much upside for a business growing earnings at 18% CAGR and having RoCE less than peers at ~23%. Maintain **Neutral** with a revised target price of INR565 (valued at 43x June 2019E EPS, in line with three-year average multiple).

Quarterly Performance

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E	FY18	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	28,026	26,364	38,372	34,297	39,851	30,319	45,278	35,972	129,789	151,420	34,781	14.6
YoY Change (%)	4.3	-0.7	12.9	43.4	42.2	15.0	18.0	4.9	16.6	16.7	25.0	
Total Exp	25,157	23,760	34,703	31,576	36,202	27,628	40,950	33,013	118,234	137,793	31,681	
EBITDA	2,869	2,604	3,668	2,721	3,649	2,692	4,328	2,959	11,555	13,628	3,100	17.7
EBITDA Growth %	43.8	42.3	30.5	30.3	27.2	3.4	18.0	8.7	32.4	17.9	12.4	
Margins (%)	10.2	9.9	9.6	7.9	9.2	8.9	9.6	8.2	8.9	9.0	8.9	
Depreciation	263	260	238	224	295	273	250	378	1,105	1,196	274	
Interest	88	117	84	82	108	129	101	112	377	449	97	
Other Income	134	277	127	273	282	277	127	125	705	811	326	
PBT	2,652	2,504	3,472	2,687	3,528	2,567	4,104	2,594	10,777	12,793	3,056	15.5
Tax	468	667	936	658	1,038	675	1,079	575	2,760	3,367	804	
Rate (%)	17.7	26.6	26.9	24.5	29.4	26.3	26.3	22.2	25.6	26.3	26.3	
Adjusted PAT	2,184	1,837	2,537	2,029	2,491	1,892	3,025	2,019	8,017	9,426	2,252	10.6
YoY Change (%)	44.1	25.5	12.2	8.6	14.1	3.0	19.2	-0.5	12.8	17.6	0.7	

E: MOSL Estimates



BSE SENSEX	S&P CNX
32,477	10,082
Bloomberg	CLGT IN
Equity Shares (m)	272.0
M.Cap.(INRb)/(USDb)	294.6 / 4.6
52-Week Range (INR)	1133 / 862
1, 6, 12 Rel. Per (%)	-12/0/-9
12M Avg Val (INR M)	368
Free float (%)	49.0

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	39.5	42.8	49.4
EBITDA	9.4	10.9	13.0
PAT	5.8	6.7	8.1
EPS (INR)	21.2	24.4	29.8
Gr. (%)	-5.7	15.2	21.7
BV/Sh (INR)	46.8	49.4	52.9
RoE (%)	50.4	50.8	58.2
RoCE (%)	49.3	49.8	57.1
P/E (x)	51.0	44.3	36.4
P/BV (x)	23.1	21.9	20.5

Estimate change



TP change



Rating change



CMP: INR1083 TP: INR1,285(+19%)

Buy

Volumes miss, but performance better than peers despite high rural salience

- Colgate (CLGT) posted volumes decline of 5% YoY (est. of flat volumes).**
Realization was lower than expected, possibly because of mix, and thus, sales declined by 3.6% (est. of +7%) to INR9.7b in 1QFY18. EBITDA rose 5.0% YoY (est. of +12.9%) to INR2.2b. PAT grew 8.5% YoY (est. of +15.8%) to INR1.4b. CLGT passed on the benefits of lower GST rates July onward by reducing MRP by 8-9% under its key categories of Toothpaste and Toothbrush.
- Market share in Toothpaste/Toothbrush declined 160bp/180bp YoY to 54.3%/45% in 1QFY18.** High rural salience (40%) compared to peers would have been a factor.
- Gross margin continued its uptrend (+100bp YoY to 63.0%; est. of flat margin).** Lower adspend (-70bp YoY to 14.7%) and other expenses (-20bp YoY to 18.6%) were slightly offset by a 10bp increase in staff cost to 7.4%. Thus, EBITDA margin expanded 180bp YoY to 22.7% (est. of 22.0%).
- Valuation and view:** Oral care category has high growth potential, and CLGT has strong moats in the form of distribution, category development efforts, brand strength, R&D and advantages of its concentrated focus on oral care. It also has a remarkable track record in warding off competition because of these moats. New campaigns focusing on enhancing brushing habits (twice a day) from current abysmally low numbers, as well as likely enhanced herbal focus, also boost prospects. Long-term earnings growth potential is strong and balance sheet is best-of-breed. CLGT will also be a significant beneficiary of rural revival, given its disproportionately high rural market share v/s urban. We maintain **Buy** with a revised target price of INR1,285 (INR1,335 earlier) based on 41x June 2018E EPS, in line with average multiple for the past three years.

Quarterly Performance

Y/E March	FY17				FY18				FY17	FY18E	(INR Million)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			FY18	FY18
Toothpaste Volume Gr %	5.0	4.0	-12.0	-3.0	-5.0	7.0	10.0	6.0	-1.5	4.5	0.0	
Net Sales	10,056	10,483	8,650	10,326	9,694	11,689	9,947	11,453	39,515	42,784	10,760	-9.9%
YoY Change (%)	8.9	9.4	-8.8	2.5	-3.6	11.5	15.0	10.9	3.0	8.3	7.0	
COGS	3,822	3,910	3,159	3,877	3,584	4,301	3,533	4,361	14,768	15,779	4,085	
Gross Profit	6,234	6,574	5,491	6,449	6,110	7,388	6,414	7,092	24,747	27,005	6,675	-8.5%
Gross Margin (%)	62.0	62.7	63.5	62.5	63.0	63.2	64.5	61.9	62.6	63.1	62.0	
Other operating Expenses	4,197	3,909	3,446	4,055	3,979	4,276	3,943	4,416	15,606	16,615	4,383	
% to sales	41.7	37.3	39.8	39.3	41.0	36.6	39.6	38.6	39.5	38.8	40.7	
Other operating Income	76	83	96	49	87	107	125	146	304	465	98	
EBITDA	2,113	2,748	2,141	2,443	2,218	3,219	2,595	2,822	9,444	10,854	2,390	-7.2%
Margins (%)	20.9	26.0	24.5	23.5	22.7	27.3	25.8	24.3	23.7	25.1	22.0	
YoY Growth (%)	3.7	8.1	-10.3	1.2	5.0	17.2	21.2	15.5	0.7	14.9	12.9	
Depreciation	316	333	342	341	373	333	342	348	1,332	1,395	332	
Interest	0	0	0	0	0	0	0	0	0	0	0	
Financial other Income	101	113	109	80	125	135	131	76	403	467	115	
PBT	1,897	2,527	1,908	2,182	1,970	3,021	2,385	2,550	8,514	9,926	2,174	-9.4%
Tax	640	714	630	756	606	1,012	799	859	2,740	3,276	717	
Rate (%)	33.7	28.3	33.0	34.6	30.8	33.5	33.5	33.7	32.2	33.0	33.0	
Adj PAT	1,257	1,813	1,278	1,426	1,364	2,009	1,586	1,692	5,774	6,650	1,456	-6.4%
YoY Change (%)	1.3	15.6	-12.8	-0.5	8.5	10.8	24.1	18.6	1.2	15.2	15.8	

E: MOSL Estimates



Hexaware Technologies

BSE SENSEX
32,477

S&P CNX
10,082

CMP: INR250

TP: INR250(0%)

Neutral



Stock Info

	HEXW IN
Bloomberg	HEXW IN
Equity Shares (m)	302
52-Week Range (INR)	268 / 178
1, 6, 12 Rel. Per (%)	0/12/-3
M.Cap. (INR b)	79.1
M.Cap. (USD b)	1.2
Avg Val, INRm	242
Free float (%)	28.8

Financials Snapshot (INR b)

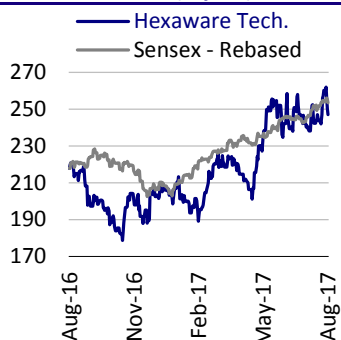
Y/E Dec	2016	2017E	2018E
Net Sales	35.3	39.5	44.2
EBITDA	5.7	6.4	6.9
PAT	4.2	4.7	5.0
EPS (INR)	13.7	15.7	16.5
Gr. (%)	5.8	14.8	4.8
BV/Sh (INR)	56.3	65.0	77.2
RoE (%)	26.5	25.7	23.1
RoCE (%)	24.2	24.0	22.5
P/E (x)	19.1	16.7	15.9
P/BV (x)	4.7	4.0	3.4

Shareholding pattern (%)

As On	Jun-17	Mar-17	Jun-16
Promoter	71.2	71.3	71.3
DII	8.7	9.7	6.2
FII	11.2	9.0	11.6
Others	8.9	10.0	10.9

FII Includes depository receipts

Stock Performance (1-year)



Aggressive cannibalization...

...supported by a clean slate in IMS and BPO

We attended Hexaware Technologies' (HEXW) analyst meet, where the company provided details of the progress on its strategy execution so far, and outlined its roadmap to capitalize on opportunities and scale up. Key takeaways:

- **Outperforming peers:** Over the past three years, HEXW's revenue growth has outperformed that of peers on an organic basis, led by its 'Shrink IT, Grow Digital' strategy, which makes up for 80% of its work. The proof point lies in the CAGR for BPO and IMS, which stands at 28.8% and 24.7%, respectively, as against the company average of 10.7%. Apart from its positioning, it has been able to stand on the winning side of a large number of deals because of its focus on customers that are beyond the top 50/100 of larger peers.
- **Shrink IT, Grow Digital:** The approach toward automation-led savings in traditional IT has been adopted with an idea to pass on the benefits to customers, and thus, gain share. It has aligned its strategy, offerings and culture to aggressively take on renewal deals and first-time outsourcers with its Shrink IT proposition. On the other hand, larger players take a more calibrated approach with an intention to protect legacy. Digital too offers a multi-year opportunity, and HEXW's participation is toward helping its customers transform the way they communicate with end-customers while also digitizing back-ends.
- **Growth acceleration imperatives:** HEXW's formula to continue accelerating growth encompasses three focus areas:
 - **Sustain growth in current areas:** Maintain high-growth in areas like BPO and IMS, which have contributed 30% of incremental dollars over the last three years.
 - **Fix problem pockets:** Over the last three years, Enterprise Application Services revenue has declined at 15% CAGR. Over the next 18 months, the company intends to correct its course by aligning services with market trends, restructuring its go-to-market strategy and strengthening leadership.
 - **Build new engines for growth:** The company aims to set up two service lines each year which will have the potential to exhibit high double-digit growth. It would organically and/or inorganically drive hyper growth in targeted areas like cloud, banking ops digitization, platform-based solutions, salesforce solutions, CMO offerings, analytics and integrated automation.
- **Key growth drivers in BPO and IMS:** BPO and IMS have been contributing to a major chunk of incremental growth over the last many quarters. HEXW's size, coupled with the fact that it did not historically have a presence in these areas, has been putting it at an advantage compared to peers. A healthy increase in average ACV of annuity deals, demand pipeline and TCW bookings in both IMS and BPO have been encouraging signs of prowess and continued traction in these areas.
- **Outperformance despite near-term headwinds:** Despite issues in a few top customers, HEXW has maintained its growth guidance of 14-15%, which will make it grow faster than industry in the current year. Its long-term focus is on scaling up via market share gains, which will emerge from aggressively pushing automation and passing of these benefits to customers, and continual tapping of new areas.

Cummins

BSE SENSEX 32,477 S&P CNX 10,082

CMP: INR970

TP: INR1200

Buy

We will revisit our estimates post earnings call/management interaction.

Conference Call Details



Date: 4th August 2017
Time: 11:00am IST
Dial-in details:
+91-22-6000 5900

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	50.8	56.6	65.5
EBITDA	8.0	9.1	11.4
NP	7.3	8.1	10.0
EPS (INR)	26.5	29.2	35.0
EPS Gr. (%)	-2.6	10.1	20.0
BV/Sh. (INR)	135.0	146.2	160.1
RoE (%)	21.2	20.7	23.5
RoCE (%)	20.0	19.8	22.5
P/E (x)	37.0	33.6	28.0
P/BV (x)	7.3	6.7	6.1

Results in line with expectations

- Sales of INR13.4b (+7% YoY) were in line with our estimate of INR13.2b and consensus of INR13.3b.
- Gross margin contracted 130bp (flat QoQ) to 34.9%.
- EBITDA stood at INR1.95b (-5% YoY), with the margin of 14.6% coming in line with our estimate of 14.8% and consensus of 14.9%.
- Other income of INR0.6b was higher than our estimate of INR0.45b. Tax rate increased to 28% (est. of 20%).
- Adj. PAT declined 8% YoY to INR1.7b, in line with our estimate of INR1.7b and consensus of INR1.9b. There was exceptional gain of INR0.6b on sale of assets.

Valuation and view: We will revisit our estimates post the earnings call. We maintain our **Buy** rating with TP of INR1,200 @32x FY19 EPS.

KKC: Quarterly Performance (Standalone)

(INR Million)

Y/E March	FY17				FY18				FY17	FY18	Vs Est. 1Q	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Sales	12,590	12,790	13,550	11,844	13,408	14,550	15,450	13,392	50,773	56,558	13,150	2.0%
Change (%)	-3.9	7.1	19.0	11.1	6.5	13.8	14.0	13.1	7.8	11.4	4.4	
EBITDA	2,063	1,990	2,265	1,700	1,953	2,300	2,550	2,525	8,018	9,086	1,950	0.1%
Change (%)	-6.9	-1.4	31.1	-4.9	-5.4	15.6	12.6	48.5	14.6	8.8	-5.5	
As of % Sales	16.4	15.6	16.7	14.4	14.6	15.8	16.5	18.9	15.8	16.1	14.8	
Depreciation	206	209	225	208	208	250	250	272	848	981	250	
Interest	21	43	55	49	42	40	40	46	168	168	40	
Other Income	416	692	461	511	583	550	550	502	2,080	2,185	450	
PBT	2,252	2,430	2,446	1,954	2,286	2,560	2,810	2,709	9,082	10,123	2,110	8.3%
Tax	440	461	466	369	625	570	620	221	1,736	2,036	430	
Effective Tax Rate (%)	19.5	19.0	19.0	18.9	27.4	22.3	22.1	8.2	19.1	20.1	20.4	
Adjusted PAT	1,812	1,969	1,981	1,585	1,660	1,990	2,190	2,488	7,346	8,087	1,680	-1.2%
Change (%)	(14.3)	(0.5)	11.3	(5.1)	(8.4)	1.1	10.6	57.0	(2.8)	10.1	(7.3)	
Reported PAT	1,812	1,969	1,981	1,585	2,222	1,990	2,190	2,488	7,346	8,087	1,680	32.2%
Change (%)	(14.3)	(0.5)	11.3	(5.1)	22.6	1.1	10.6	57.0	(2.8)	10.1	(7.3)	

E: MOSL Estimates



BSE SENSEX	S&P CNX
32,238	10,014
Bloomberg	HMN IN
Equity Shares (m)	227.0
M.Cap.(INRb)/(USDb)	257.6 / 4.0
52-Week Range (INR)	1261 / 937
1, 6, 12 Rel. Per (%)	2/-17/-18
Avg Val, INRm/ Vol m	185
Free float (%)	27.3

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	24.9	27.6	32.3
EBITDA	7.6	8.0	9.6
PAT	6.0	6.1	7.5
EPS (INR)	26.5	26.9	33.1
Gr. (%)	4.5	1.4	23.1
BV/Sh (INR)	77.3	90.7	105.0
RoE (%)	35.8	32.0	33.9
RoCE (%)	31.0	32.5	38.2
P/E (x)	42.9	42.3	34.3
P/BV (x)	14.7	12.5	10.8

Estimate change

TP change

Rating change

CMP: INR1,135 TP: INR1,310(+15%)

Buy

1QFY18 performance below estimates; outlook robust

- **1QFY18 sales declined 16.2% YoY (est. of -5%) to INR5.4b.** Revenues were impacted by significant destocking in the domestic business ahead of GST implementation and inventory correction in the international business. Domestic volumes declined ~18% YoY. CSD (4% salience) declined by 20% YoY.
- **Gross margin shrunk 90bp YoY (est. of -200bp) to 63.6%.** A&P spend declined 6.9% YoY on absolute basis, but as % of sales, was up 260bp YoY to 26.4%, led by aggressive spends on promotion of new launches. Sharp increase in other expenses (+200bp YoY to 10.6%) and higher employee expense (+240bp YoY to 11.9%) led to EBITDA margin contraction of 800bp YoY (est. -300bp YoY) to 14.8%. EBITDA thus declined 45.6% YoY (est. -17.5%) to INR802m. Adj. PAT before amortization fell 48.5% YoY (est. -23.1%) to INR605m.
- **International (11% salience) sales declined 19% YoY,** impacted by slowdown in the Middle-East market.
- **Concall highlights:** 1) Restocking has started in all geographies. Management expects 17-18% growth for the remaining nine months in the domestic business, with 14-15% volume growth. 2) Wholesale recovered in the last 10 days of July.
- **Valuation and view:** As highlighted in our [FY17 annual report analysis](#), HMN remains a credible long-term play due to (a) likely healthy growth in existing product categories, where it has dominant market share, (b) best-of-breed R&D and A&P spend resulting in innovative products, as well as ability to back-up innovation with strong marketing, and (c) much-needed efforts on improving direct distribution reach. Valuations at 33.1x FY19E EPS are inexpensive relative to peers, particularly given healthy long-term earnings growth opportunity and return ratios in the mid-30s. We maintain **Buy** rating with a target price of INR1,310 (38x June 2019E EPS, in line with three-year average).

Y/E MARCH	(INR Million)											
	FY17				FY18				FY17	FY18E	FY18	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		
Domestic volume Growth (%)	18.0	11.0	0.2	-1.5	-18.0	10.0	14.0	18.0	6.9	6.0		-5.0
Net Sales	6,454	5,846	7,260	5,777	5,411	6,606	8,530	7,041	25,337	27,587	6,122	-11.6%
YoY Change (%)	20.1	10.2	0.2	-4.4	-16.2	13.0	17.5	21.9	5.7	8.9		-5.0
COGS	2,287	1,929	2,331	2,184	1,967	2,147	2,739	2,614	8,731	9,468	2,295	
Gross Profit	4,167	3,916	4,928	3,594	3,444	4,459	5,791	4,427	16,605	18,119	3,827	-10.0%
Gross margin (%)	64.6	67.0	67.9	62.2	63.6	67.5	67.9	62.9	65.5	65.7		62.5
EBITDA	1,473	1,752	2,585	1,781	802	1,881	3,038	2,237	7,591	7,957	1,215	-34.0%
Margins (%)	22.8	30.0	35.6	30.8	14.8	28.5	35.6	31.8	30.0	28.8		19.9
YoY Change	49.2	15.1	3.7	-4.7	-45.6	7.3	17.5	25.6	10.5	4.8		-17.5
Depreciation	106	111	112	140	153	122	123	122	469	519		117
Interest	125	160	127	168	79	50	30	25	580	185		25
Other Income	51	87	82	92	65	95	90	81	311	331		56
PBT	1,292	1,568	2,428	1,565	635	1,804	2,975	2,171	6,853	7,585	1,130	-43.8%
Tax	117	230	381	108	28	415	684	350	836	1,477		226
Rate (%)	9.1	14.7	15.7	6.9	4.4	23.0	23.0	16.1	12.2	19.5		20.0
PAT before Amortization	1,175	1,336	2,046	1,456	605	1,389	2,291	1,821	6,013	6,108	904	-33.0%
YoY Change (%)	18.0	9.6	4.8	-6.6	-48.5	4.0	11.9	25.1	5.0	1.6		-23.1
Amortization	609	680	705	623	598	612	634	556	2,617	2,400		579
Reported PAT	567	661	1,343	833	10	778	1,656	1,265	3,404	3,708	325	

E: MOSL Estimates



The Ramco Cements

BSE SENSEX	S&P CNX
32,477	10,014
Bloomberg	TRCL IN
Equity Shares (m)	238
M.Cap.(INRb)/(USD\$b)	162.6 / 2.4
52-Week Range (INR)	750 / 479
1, 6, 12 Rel. Per (%)	-4/-16/12
Avg Val, INRm	151
Free float (%)	57.3

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	39.3	42.6	49.0
EBITDA	11.6	11.3	13.4
PAT	6.5	6.5	8.1
EPS (INR)	27.3	27.4	34.4
Gr. (%)	24.0	0.4	25.5
BV/Sh (INR)	157.1	181.3	211.0
RoE (%)	19.0	16.1	17.5
RoCE (%)	14.0	13.0	15.0
P/E (x)	25.3	25.2	20.1
EV/EBITDA (x)	14.8	14.8	12.2

Estimate change

TP change

Rating change



CMP: INR689

TP: INR806(+17%)

Buy

In-line result; capacity expansion to drive growth

- **East continues to gain momentum:** TRCL's volumes grew 4% YoY (-6% QoQ) to 2.15mt (est. of 2.16mt) in 1QFY18, driven by increased sales to the east markets. Volumes for the southern operations declined due to weak demand in Tamil Nadu on account of sand shortage.
- **Sequential growth in realization:** Cement realization increased 4% QoQ (+1% YoY) to INR4,607/tonne (est. of INR4,600) due to pricing improvement in both the south and east markets. Net sales grew 5% YoY (flat QoQ) to INR10.16b (est. of INR10.12b).
- **EBITDA/t below expectations due to cost push:** Blended EBITDA/tonne stood at INR1,293 (-11% YoY, +21% QoQ). Windmill EBITDA came in higher than expected at INR219.1m due to improved evacuation by Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO). Cement EBITDA/tonne stood at INR1,192 (-16% YoY, +11% QoQ; est. of INR1,221). TRCL margins stood at 27.4% (-3.5pp YoY, +3.5pp QoQ) v/s estimate of 26.7% due to increase in P&F cost on account of liquidation of low-cost petcoke inventory. Employee cost increased due to pay revision.
- **Management commentary:** 1) Total capacity addition of 3.1mt in east at capex of INR10.95b (EV of USD54/t), with likely commissioning in 18 months from the date of obtaining necessary statutory clearances. 2) Gross debt at INR14b (flat QoQ). 3) Capex at INR1.2b for 1QFY18.
- **Best-placed southern play:** With ~12% market share in south, strong brand/dealer network, superior pricing and industry-leading RoE (~16% in FY18), TRCL is best placed for upcycle in south market. TRCL is likely to generate strong operating cash flow, which would be utilized to raise grinding capacity by ~16% over FY17-FY20E. We estimate 9%/14% EBITDA/PBT CAGR over FY17-20. The stock trades at EV of 10.4x FY20E EBITDA, and USD146/ton (FY20E). Maintain **Buy** with a TP of INR806 (valuing at 12x FY20E EBITDA), implying 17% upside.

Quarterly Performance

Y/E March	FY17				FY18				(INR Million)			Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY17	FY18E	FY18 1QE	
Sales Dispatches (m ton)	2.07	2.03	1.99	2.28	2.15	2.18	2.19	2.42	8.35	8.93	2.16	0
YoY Change (%)	14.0	18.9	22.3	9.8	4.1	7.0	10.0	6.2	16.0	7.0	4.0	
Realization (INR/ton)	4,563	4,769	4,682	4,450	4,607	4,457	4,557	5,090	4,664	4,689	4,600	0
YoY Change (%)	-11.9	-2.2	-5.7	-12.4	1.0	-6.5	-2.7	14.4	-7.6	0.5	1.3	
QoQ Change (%)	-10.2	4.5	-1.8	-5.0	3.5	-3.3	2.2	11.7			3.4	
Net Sales	9,667	10,124	9,374	10,166	10,165	10,420	10,308	11,751	39,292	42,644	10,121	0
YoY Change (%)	6.9	15.5	15.3	5.7	5.1	2.9	10.0	15.6	10.7	8.5	4.7	
EBITDA	2,988	3,493	2,690	2,429	2,781	2,762	2,750	3,053	11,561	11,346	2,705	3
Margins (%)	30.9	34.5	28.7	23.9	27.4	26.5	26.7	26.0	29.4	26.6	26.7	
Depreciation	663	667	661	664	720	700	700	736	2,655	2,856	671	
Interest	291	282	261	201	155	150	150	166	1,035	621	186	
Other Income	73	93	273	154	176	216	216	254	632	862	150	
PBT	2,106	2,637	2,040	1,718	2,082	2,128	2,116	2,405	8,502	8,731	1,998	4
Tax	547	567	542	373	524	532	550	664	2,009	2,270	499	
Rate (%)	26.0	21.5	26.6	21.7	25.2	25.0	26.0	27.6	23.6	26.0	25.0	
Adj PAT	1,559	2,070	1,498	1,345	1,558	1,596	1,565	1,741	6,493	6,461	1,498	4
YoY Change (%)	57.1	45.6	26.6	-26.3	-0.1	-22.9	4.5	29.5	25.3	-0.5	-3.9	
Margins (%)	16.1	20.4	16.0	13.2	15.3	15.3	15.2	14.8	16.5	15.2	14.8	

E: MOSL Estimates

BSE SENSEX 32,477
S&P CNX 10,014

CMP: INR1,902 TP: INR2,100 (10%)

Buy

We will revisit our estimates post earnings call/management interaction.

Conference Call Details



Date: 4th Aug 2017
Time: 4:00pm IST
Dial-in details:
+91 22 3960 0611

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Sales	64.4	71.5	77.5
EBITDA	6.6	7.4	9.3
NP	3.8	3.9	5.3
Adj EPS (INR)	93.3	96.2	131.3
EPS Gr. (%)	-16.9	3.0	36.5
BV/Sh (INR)	597.0	680.4	794.3
RoE (%)	16.9	15.1	17.8
RoCE (%)	13.5	12.4	15.1

Valuations

P/E (x)	20.4	19.8	14.5
P/BV (x)	3.2	2.8	2.4
EV/EBITDA (x)	13.0	11.3	8.8

In-line revenue, significant miss on EBITDA and PAT

- CEAT reported 1QFY18 numbers, with revenue of INR16,286m (est. of INR15,474m) v/s INR16,462m in 1QFY17, marking a decline of 1.1%.
- EBITDA stood at INR547m (est. of INR1,486m) in 1QFY18, as against INR1,854m in 1QFY17.
- EBITDA margin shrunk to 3.4% (est. 9.6%) in 1QFY18 from 11.3% in 1QFY17 due to a significant rise in raw material cost (59% of net sales v/s est. of 51.5% and 50.8% in 1QFY17) and destocking by channel partners ahead of GST roll-out.
- The exceptional item of INR4m was on account of VRS to employees. Consequently, adj. PAT for 1QFY18 stood at INR11m (est. INR679m) v/s INR1,039m in 1QFY17, marking a decline of 99%.

Key questions for management

- Expected trend of raw material cost going forward
- Outlook for 2QFY18, considering that channel partners should restock post GST transitional phase

Valuation and view: We will revisit our estimates post the earnings call. Based on our current estimates, at CMP of INR1,902, the stock trades at 20x/15x P/E on FY18/FY19E EPS. Currently, we have a Buy rating on the stock.

Consolidated - Quarterly Earning Model

Y/E March	(INR Million)											
	FY17				FY18				FY17	FY18E	FY18	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	%
Net Sales	16,462	15,966	15,572	16,413	16,286	18,361	18,297	19,367	64,413	72,312	15,474	5
YoY Change (%)	4.2	5.1	1.1	5.0	-1.1	15.0	17.5	18.0	3.9	12.3	-6.0	
Total Expenditure	14,608	14,113	14,037	15,088	15,740	16,011	16,413	17,740	57,845	65,904	13,988	
EBITDA	1,854	1,854	1,535	1,325	547	2,350	1,885	1,627	6,568	6,408	1,486	-63
Margins (%)	11.3	11.6	9.9	8.1	3.4	12.8	10.3	8.4	10.2	8.9	9.6	
Depreciation	302	317	351	460	396	377	368	371	1,431	1,512	382	
Interest	252	162	191	212	226	252	233	210	817	921	278	
Other Income	57	37	57	36	103	52	58	61	186	274	48	
PBT before EO expense	1,356	1,411	1,050	689	28	1,773	1,342	1,107	4,506	4,250	874	-97
Extra-Ord expense	9	0	0	125	4	0	0	0	133	4	0	
PBT	1,347	1,411	1,050	564	25	1,773	1,342	1,107	4,373	4,246	874	-97
Tax	417	430	262	-45	48	589	429	288	1,064	1,353	297	
Rate (%)	30.9	30.5	25.0	-7.9	192.3	33.2	32.0	26.0	24.3	31.9	34.0	
Minority Interest & Profit/Loss of Asso.	-102	-88	-50	-55	-37	-78	-80	-90	-295	-285	-102	
Reported PAT	1,033	1,069	838	663	14	1,263	992	909	3,603	3,178	679	-98
Adj PAT	1,039	1,069	838	798	11	1,263	992	909	3,704	3,180	679	-98
YoY Change (%)	-14.7	0.9	-26.1	-24.8	-99.0	18.1	18.4	13.9	-17.0	-14.2	-35.2	
Margins (%)	6.3	6.7	5.4	4.9	0.1	6.9	5.4	4.7	5.8	4.4	4.4	

E: MOSL Estimates

BSE SENSEX	S&P CNX
32,477	10,014

CMP: INR390

TP: INR405

Neutral

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	16.8	19.2	22.1
EBITDA	2.5	2.9	3.4
NP	2.0	1.6	2.0
EPS (INR)	11.2	8.9	11.0
EPS Gr. (%)	175.7	-20.4	22.4
BV/Sh. (INR)	59.9	58.6	60.4
RoE (%)	21.1	15.1	18.4
RoCE (%)	17.3	12.8	15.1
P/E (x)	34.7	43.6	35.6
P/BV (x)	6.5	6.7	6.5

Disappointment on all fronts

- Consolidated net sales declined 16.1% YoY (est. of +4% YoY) to INR3.56b.
- Consolidated gross margin expanded 330bp YoY to 51.6%, better than our expectation of a 190bp decline. However, with a massive 16% sales decline, operating costs increased sharply as % of sales. Staff costs (+220bp YoY), A&P (+470 bp) and other expenses (+320bp) were all up sharply, which meant that consolidated EBITDA margin contraction was 680bp YoY to 12.2% (est. of 16.2%).
- EBITDA was down 45.9% YoY (est. of -7.5%) to INR437m.
- PAT declined 53.6% YoY (est. of -11%) to INR206m. This was despite a lower-than-expected tax rate.
- **Segmental:** Fabric care declined by 15.0% YoY, Dishwashing by 14.2% YoY, Personal care by 18% YoY and Household insecticides by 19.3% YoY.
- **Concall highlights:** 1) Kerala (17% of total sales) saw a 31% decline in sales in 1QFY18. The company was not able to sell anything in Kerala in June. Rest of India saw a 7% decline in sales in 1QFY18, in line with peers. 2) July saw 18% YoY growth in General trade, with Kerala growing by 12%. CSD and Modern trade still saw a 25% decline, which meant that July sales were up 6%. 3) From Sept quarter, 8-10% volume growth likely and 10-12% going forward. 4) Gross margin will expand 200bp YoY in FY18. EBITDA margin range 15-16% for the year.

Quarterly Performance

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E	FY18 1QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	4,244	4,148	3,834	4,457	3,559	4,894	4,486	6,253	16,683	19,192	4,548	-21.7
YoY Change (%)	5.1	6.5	3.3	4.1	-16.1	18.0	17.0	40.3	4.7	15.0	4.0	
Other Operating Income	3.9	4.2	5.2	5.0	8.0	4.6	5.7	1.8	18.3	20.1	4.3	
Total Sales	4,248	4,152	3,839	4,462	3,567	4,899	4,492	6,255	16,701	19,212	4,552	-21.6
COGS	2,199	2,132	2,089	2,502	1,728	2,517	2,402	3,648	8,922	10,295	2,446	
Gross Profit	2,049	2,020	1,750	1,960	1,840	2,381	2,090	2,607	7,779	8,917	2,106	-12.7
Margins (%)	48.2	48.7	45.6	43.9	51.6	48.6	46.5	41.7	46.6	46.5	46.3	
Total Exp	1,243	1,383	1,243	1,354	1,403	1,605	1,497	1,540	5,223	6,046	1,371	
EBITDA	807	637	507	606	437	776	593	1,066	2,557	2,872	736	-40.6
EBITDA Growth %	38.8	28.0	-1.3	-3.5	-45.9	21.8	17.0	75.8	15.1	12.3	-7.5	
Margins (%)	19.0	15.3	13.2	13.6	12.2	15.8	13.2	17.0	15.3	15.0	16.2	
Depreciation	133	73	73	83	141	81	81	41	363	343	78	
Interest	143	164	144	99	86	181	159	167	551	593	173	
Other Income	25	31	26	21	18	34	28	43	103	123	32	
PBT	555	430	314	446	228	549	381	900	1,746	2,058	517	-55.9
Tax	120	119	108	-629	22	115	80	215	-281	432	109	
Rate (%)	21.6	27.7	34.3	-141.1	9.5	21.0	21.0	23.9	-16.1	21.0	21.0	
Adjusted PAT	445	320	215	1,087	206	433	301	685	2,067	1,626	408	-49.5
YoY Change (%)	72.6	61.2	6.6	778.6	-53.6	35.4	40.1	-37.0	164.4	-21.3	-11.1	

E: MOSL Estimates

JK Lakshmi Cement

BSE SENSEX 32,477
S&P CNX 10,014

CMP: INR453

TP: INR 526(16%)

BUY

We will revisit our estimates post earnings call/management interaction.

Conference Call Details



Date: 4th Aug 2017

Time: 04:00pm IST

Dial-in details:

+91 22 3938 1073

+91-22 3940 3977

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Sales	29.1	32.9	37.2
EBITDA	3.7	5.0	6.4
NP	0.8	1.3	2.3
Adj EPS (INR)	7.0	11.4	19.2
BV/Sh (INR)	119.4	129.6	147.6
RoE (%)	6.0	9.2	13.8
RoCE (%)	8.7	8.1	10.1
Payout (%)	12.6	10.3	6.1
Valuations			
P/BV (x)	3.8	3.5	3.1
EV/EBITDA (x)	18.2	13.4	9.7
EV/Ton (USD)	106	95	78

EBITDA miss led by higher-than-estimated cost

- Sales volume increased 8% YoY to 2.29mt (in-line) in 1QFY18, led by ramp-up of its eastern unit.
- Revenue rose 16% YoY to INR9.01b (est. of INR8.8b) due to better realization.
- Realizations were up 7.4% YoY (+12% QoQ) at INR3,943/ton (est. of INR3,831) due to strong pricing improvement in Gujarat.
- EBITDA grew 2% YoY to INR1.2b (est. of INR1.3b), with margin at 13.4% (+4.5pp QoQ, -1.7pp YoY).
- EBITDA/t stood at INR527/t (-5% YoY/+68% QoQ) due to better realization.
- Tax rate was 24.4% in 1QFY18 v/s 29.1% in 1QFY17.
- Thus, PAT declined 1% YoY to INR283m v/s est. of INR471m.

Key questions for management

- Volume guidance for FY18, both for the industry and JKLC
- Expectation of pricing trend over the next few quarters
- Likely impact of higher power & fuel and freight cost
- Profitability guidance for eastern operations

Valuation and view: We will revisit our estimates post the earnings call. Based on our current estimates, it trades at 13.4x/9.7x FY18/FY19E EBITDA. Maintain **Buy** with a target price of INR526 (11x FY19 EBITDA).

Quarterly performance

Y/E March	FY17				FY18				FY17	FY18E	(INR Million)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var (%)
Sales Dispatches (m ton)	2.12	1.73	1.84	2.28	2.29	1.90	2.02	2.40	7.97	8.61	2.30	-1
YoY Change (%)	27.9	-1.1	4.0	6.0	8.0	10.0	10.0	4.9	8.7	8.0	8.0	
Realization (INR/ton)	3,673	3,791	3,645	3,531	3,943	3,843	3,943	3,602	3,651	3,826	3,831	3
YoY Change (%)	2.9	2.6	-0.5	3.5	7.4	1.4	8.2	2.0	2.2	4.8	5.0	
QoQ Change (%)	7.7	3.2	-3.9	-3.1	11.7	-2.5	2.6	-8.7			8.5	
Net Sales	7,772	6,556	6,709	8,067	9,011	7,311	7,985	8,632	29,104	32,939	8,814	2
YoY Change (%)	31.6	1.5	3.5	9.7	15.9	11.5	19.0	7.0	11.1	13.2	13.4	
EBITDA	1,175	937	826	716	1,203	983	1,403	1,381	3,654	4,970	1,292	-7
Margins (%)	15.1	14.3	12.3	8.9	13.4	13.4	17.6	16.0	12.6	15.1	14.7	
Depreciation	412	412	443	457	439	412	460	520	1,724	1,830	412	
Interest	463	471	486	466	492	471	450	434	1,887	1,847	463	
Other Income	104	179	152	263	102	179	85	62	698	428	104	
PBT before EO expense	404	233	49	55	374	279	578	489	742	1,720	521	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	404	233	49	55	374	279	578	489	742	1,720	521	-28
Tax	118	-16	-27	-152	91	-16	116	187	(77)	378	50	
Rate (%)	29.1	-6.8	-54.5	-274.5	24.4	-5.7	20.0	38.3	-10.4	22.0	9.6	
Adj PAT	286	249	76	207	283	295	462	302	819	1,342	471	
YoY Change (%)	-244.1	-545.5	-1,433.3	-19.8	-1.2	18.5	508.2	45.3	-1,694.8	63.9	64.3	
Margins (%)	3.7	3.8	1.1	2.6	3.1	4.0	5.8	3.5	2.8	4.1	5.3	

E: MOSL Estimates



Entertainment Network (India)

BSE SENSEX	S&P CNX
32,238	10,014
Bloomberg	ENIL IN
Equity Shares (m)	47.7
M.Cap.(INRb)/(USDb)	41.9 / 0.7
52-Week Range (INR)	1008 / 667
1, 6, 12 Rel. Per (%)	-7/-5/5
Avg Val, INRm	15
Free float (%)	28.9

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	5.6	6.2	7.5
EBITDA	1.3	1.6	2.1
Adj PAT	0.5	0.6	1.0
Adj EPS (INR)	11.4	13.4	21.7
Gr. (%)	-45.5	16.9	62.1
BV/Sh (INR)	179.3	192.1	212.6
RoE (%)	6.7	7.2	10.7
RoCE (%)	5.0	6.3	9.1
P/E (x)	77.3	66.1	40.8
P/BV (x)	4.9	4.6	4.2
EV/EBITDA (x)	34.3	26.8	19.2

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR883 TP: INR928 (+5%)

Neutral

Prioritizing pricing over volumes

- **Revenues muted, in-line:** Revenue declined 6% YoY (-27% QoQ) to INR1,044m (bucking the industry trend, with peers reporting higher revenue) due to pullback in adspend by government (-70% YoY; 17-19% revenue contributor), M&E (-44% YoY) and real estate (-41% YoY) segments on the back of reforms like RERA, GST and demonetization. Further, management's strategy to prioritize pricing over volume in both legacy and new stations hurt ad volumes.
- **EBITDA on a free fall:** EBITDA declined 43% YoY (-53% QoQ) to INR167m (14% miss) led by inherent fixed cost, with the margin shrinking by a steep 10.6pp YoY (-5.3pp QoQ) to 16% (270bp miss). Despite being aided by exceptional items of INR42m (write-back of previous quarter provisions), PAT plunged 73% YoY (-68% QoQ) to INR44m.
- **Expect recovery from 2HFY18:** Typically, gains from price-over-volumes strategy are realized with a 1-2 quarter lag as advertisers benefit from superior platforms. The upcoming festive season (ad volumes during festive periods in previous fiscals had declined 5-10% due to inventory constraints), should drive volumes growth, in our view. Also, a lower base (demonetization effect) should support growth. We largely maintain revenue/EBITDA estimates, building 16%/31% CAGR over FY17-20E.
- **Maintain Neutral with TP of INR928:** ENIL is valued at 19x EV/EBITDA on FY19E (significant premium of 45-50% to MBL), largely capturing expected growth over the next 2-3 years. We maintain **Neutral**, assigning 20x EV/EBITDA on FY19E, arriving at a target price of INR928.

Quarterly Performance (INR m)

Y/E March	FY17				FY18				FY17	FY18E	1QFY18E	Variance (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	1,107	1,296	1,506	1,655	1,044	1,548	1,732	1,910	5,565	6,233	1,033	1
YoY Change (%)	9.0	11.5	4.9	12.4	-5.8	19.4	15.0	15.4	9.4	12.0	-6.7	
Total Expenditure	813	1,065	1,125	1,303	877	1,169	1,226	1,384	4,306	4,654	840	4
EBITDA	294	231	381	352	167	380	506	526	1,259	1,579	193	-13
Margins (%)	26.6	17.8	25.3	21.3	16.0	24.5	29.2	27.5	22.6	25.3	18.7	-268bps
Depreciation	85	140	147	164	156	171	171	171	536	670	167	-7
Net Interest cost	-33	-22	-4	-1	-15	-1	-1	9	-60	-7	-1	2,840
PBT before EO expense	243	114	239	188	25	209	336	346	783	916	26	-3
Extra-Ord expense	0	0	0	0	42	0	0	0	0	42	0	
PBT	243	114	239	188	68	209	336	346	783	958	26	160
Tax	78	35	76	50	23	64	102	105	238	292	8	192
Rate (%)	32.0	30.5	31.7	26.7	34.2	30.4	30.4	30.4	30.4	30.4	30.4	12
Reported PAT	165	79	163	138	44	145	233	241	545	666	18	145
Adj PAT	165	79	163	138	17	145	233	241	545	637	18	-8
YoY Change (%)	-36.3	-70.7	-43.3	-31.6	-89.9	84.1	43.3	74.5	-46.5	16.9	-89.0	
Margins (%)	14.9	6.1	10.8	8.3	1.6	9.4	13.5	12.6	9.8	10.2	1.8	-16bps

Source: MOSL, Company



Arvind

Bloomberg	ARVND IN
Equity Shares (m)	258.2
M. Cap. (INR b)/(USD b)	95 / 1
52-Week Range (INR)	427 / 287
1,6,12 Rel Perf. (%)	-3 / -15 / -6

Financial Snapshot (INR Billion)

Y/E March	2017	2018E	2019E	2020E
Sales	92.4	104.8	119.5	134.7
EBITDA	9.4	10.0	12.3	14.8
NP	3.2	3.2	4.7	6.2
EPS (INR)	12.4	12.5	18.1	24.2
EPS Gr. (%)	1.2	1.1	44.3	33.7
BV/Sh. (INR)	138.1	147.0	160.3	178.4
RoE (%)	10.3	8.8	11.8	14.3
RoCE (%)	8.8	7.6	9.4	11.0
Div Payout (%)	23.5	29.0	26.8	25.0

Valuations

P/E (x)	29.7	29.3	20.3	15.2
P/BV (x)	2.7	2.5	2.3	2.1
EV/EBITDA (x)	13.0	12.4	10.1	8.3
Div Yield (%)	0.7	0.8	1.1	1.4

CMP: INR367 TP: INR359 (-2%) Neutral

- We expect continued pressure on Textile margins during the transitional phase of GST and because of steady increase in cotton prices. Additionally, exports could be impacted due to appreciation of the INR against the USD.
- We expect ARVND's revenue to grow 9.5% YoY to INR23b in 1QFY18, driven by the Brand and Retail segments.
- We expect EBITDA margin to contract 190bp YoY (expand 20bp QoQ) to 9.6%, and EBITDA to decline 8% YoY to INR2.21b. Adjusted PAT is likely to decline 13% YoY to INR639m. **Neutral.**

Key things to watch for

- Impact of cotton price movement on the Textile business.
- Performance of Specialty Retail.

Quarterly Performance

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	21,041	23,311	23,355	24,648	23,043	26,109	27,234	28,395	92,355	104,781
YoY Change (%)	17.8	19.1	14.8	10.4	9.5	12.0	16.6	15.2	15.3	13.5
Total Expenditure	18,627	20,988	20,984	22,342	20,831	23,994	24,293	25,711	82,922	94,827
EBITDA	2,415	2,323	2,370	2,306	2,212	2,115	2,941	2,683	9,433	9,954
Margins (%)	11.5	10.0	10.1	9.4	9.6	8.1	10.8	9.5	10.2	9.5
Depreciation	691	719	734	827	842	855	863	906	2,971	3,466
Interest	891	731	676	585	653	672	638	632	2,884	2,595
Other Income	196	221	109	284	216	243	120	258	780	837
PBT before EO expense	1,029	1,094	1,070	1,178	933	831	1,560	1,403	4,358	4,730
Extra-Ord expense	-2	-63	-38	89	0	0	0	0	181	0
PBT	1,027	1,031	1,032	1,089	933	831	1,560	1,403	4,178	4,730
Tax	317	270	280	131	294	263	506	457	997	1,514
Rate (%)	30.9	26.1	27.1	12.0	31.5	31.7	32.4	32.6	23.9	32.0
MI & Profit/Loss of Asso. Cos.	-24	45	4	-11	0	0	0	0	19	19
Reported PAT	734	717	748	969	639	567	1,055	946	3,200	3,236
Adj PAT	735	763	776	1,048	639	567	1,055	946	3,338	3,236
YoY Change (%)	28.5	13.9	-15.7	7.8	-13.0	-25.7	36.0	-9.7	5.9	-3.1
Margins (%)	3.5	3.1	3.2	3.9	2.8	2.2	3.9	3.3	3.5	3.1

E: MOSL Estimates



Dabur

Bloomberg	DABUR IN
Equity Shares (m)	1761.5
M. Cap. (INR b)/(USD b)	520 / 8
52-Week Range (INR)	320 / 259
1,6,12 Rel Perf. (%)	4 / -10 / -19

Financial Snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
Sales	77.0	82.6	93.5	106.0
EBITDA	15.1	15.7	18.3	21.2
Adj. PAT	12.8	13.6	16.1	18.9
Adj. EPS (INR)	7.2	7.7	9.1	10.7
EPS Gr. (%)	1.9	6.7	18.3	17.3
BV/Sh.(INR)	27.5	32.1	37.5	43.8
RoE (%)	28.4	26.0	26.3	26.4
RoCE (%)	24.6	22.6	23.3	23.9
Payout (%)	35.0	35.0	35.0	35.0

Valuations

P/E (x)	40.7	38.2	32.3	27.5
P/BV (x)	10.7	9.2	7.9	6.7
EV/EBITDA (x)	32.7	31.2	26.2	22.1
Div. Yield (%)	0.9	0.9	1.1	1.3

CMP: INR295 TP: INR315 (+7%) Neutral

- We expect sales to decline by 6% YoY to INR18.1b, led by ~5% domestic organic volume decline.
- We expect EBITDA margin to contract 150bp YoY to 16.4% in 1QFY18.
- Hence, we have modeled EBITDA decline of 13.9% YoY, with PAT down 12.3% in the quarter.
- The stock trades at 32.3x FY19E EPS of INR9.1; maintain Neutral.

Key issues to watch for:

- Domestic volume growth and outlook for rural demand.
- Roadmap for science-based Ayurveda product launch.
- Recovery in wholesale channel.
- Margin performance in international business.
- Competitive intensity, especially from Patanjali.

Quarterly Performance (Consolidated)

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Domestic Vol Growth (%)	4.1	4.5	-5.0	2.4	-5.0	10.0	18.0	14.0	2.0	9.5
Net Sales	19,239	19,757	18,477	19,147	18,085	21,338	21,433	21,752	77,014	82,608
YoY Change (%)	1.2	1.0	-6.1	-4.7	-6.0	8.0	16.0	13.6	-2.1	7.3
Total Exp	15,796	15,730	15,190	14,971	15,120	17,095	17,514	17,222	61,925	66,950
EBITDA	3,443	4,028	3,286	4,176	2,965	4,243	3,919	4,530	15,089	15,658
Margins (%)	17.9	20.4	17.8	21.8	16.4	19.9	18.3	20.8	19.6	19.0
YoY Growth (%)	9.1	0.7	-12.0	0.6	-13.9	5.4	19.3	8.5	-0.6	3.8
Depreciation	343	357	333	395	360	375	349	454	1,429	1,539
Interest	118	166	139	117	112	158	132	123	540	526
Other Income	655	952	883	650	721	1,047	971	692	2,984	3,431
PBT	3,637	4,456	3,697	4,314	3,213	4,757	4,409	4,645	16,104	17,024
Tax	701	873	753	977	636	942	873	920	3,303	3,371
Rate (%)	19.3	19.6	20.4	22.6	19.8	19.8	19.8	19.8	20.5	19.8
Minority Interest	8	11	7	6	8	11	7	4	31	30
Adjusted PAT	2,927	3,572	2,938	3,331	2,569	3,804	3,529	3,722	12,769	13,623
YoY Change (%)	12.0	6.2	-7.5	0.5	-12.3	6.5	20.1	11.7	2.1	6.7

E: MOSL Estimates



Fortis Healthcare

Bloomberg	FORH IN
Equity Shares (m)	518.0
M. Cap. (INR b)/(USD b)	81 / 1
52-Week Range (INR)	231 / 143
1,6,12 Rel Perf. (%)	-19 / -35 / -18

CMP: INR156 TP:INR240 (+54%) Buy

- We expect Fortis to deliver high-single-digit revenue growth of 9% to INR12.2b on the back of steady growth in the core businesses (Hospitals & Diagnostics), partially impacted by demonetization.
- EBITDA margin will continue to expand sequentially, despite seasonality impact, on the back of better efficiency and fading impact of demonetization.
- We expect hospital EBITDA to grow more than 10x by FY19E (from FY16 base) on the back of lower base, coupled with strong high-teen growth in EBITDAC, relatively flattish BT cost (at normalized level) and FHTL transaction.
- We expect EBITDA margin for the diagnostics business to improve by ~200bp by FY19E on the back of deeper penetration in existing markets, rationalization of low-margin centers, growth in samples tested and higher share from the O&M model.
- We argue for a multiple re-rating in the stock on the back of a multifold increase in the hospital business EBITDA, SRL demerger, asset light expansion strategy and FHTL transaction. FORH remains our top pick in the healthcare delivery space with TP of INR240. Buy.

Financial Snapshot (INR Billion)

y/e march	2017	2018E	2019E	2020E
Sales	45.7	52.0	59.1	67.9
EBITDA	3.5	5.8	7.8	9.9
NP	4.8	1.0	2.8	4.1
EPS (INR)	10.3	2.1	6.1	8.8
EPS Gro. (%)	-638.2	-79.6	187.9	45.5
BV/Sh. (INR)	96.8	110.9	117.0	125.7
RoE (%)	11.3	2.0	5.3	7.3
RoCE (%)	3.5	3.0	4.8	6.2

Valuations

P/E (x)	15.1	73.8	25.6	17.6
P/BV (x)	1.6	1.4	1.3	1.2
EV/EBITDA (x)	30.8	17.0	12.3	9.4
EV/Sales (x)	2.4	1.9	1.6	1.4

Key issues to watch out

- SRL demerger.
- Possibility of capital infusion and usage of capital.
- PAT breakeven of hospitals business.

Quarterly performance

Y/E March	(INR million)									
	FY17				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	11,212	11,957	11,334	11,234	12,221	13,512	13,034	13,223	45,737	51,989
YoY Change (%)	8.4	10.9	8.9	3.2	9.0	13.0	15.0	17.7	7.8	13.7
Total Expenditure	10,585	10,968	10,211	10,444	11,280	12,012	11,587	11,314	42,208	46,193
EBITDA	626	990	1,123	790	941	1,500	1,447	1,909	3,529	5,796
Margins (%)	5.6	8.3	9.9	7.0	7.7	11.1	11.1	14.4	7.7	11.1
Depreciation	476	517	599	630	675	750	780	795	2,222	3,000
Interest	420	461	748	666	550	500	500	450	2,294	2,000
Other Income	330	380	589	361	75	75	75	75	1,660	300
PBT before EO expense	61	393	365	-146	-209	325	242	739	673	1,096
Extra-Ord expense	0	-9	-4,194	8	0	0	0	0	16	0
PBT	61	402	4,559	-153	-209	325	242	739	657	1,096
Tax	29	242	190	263	-69	107	80	244	724	362
Rate (%)	47.3	60.2	4.2	-171.7	33.0	33.0	33.0	33.0	110.3	33.0
Minority Interest & P&L of Asso. Cos.	-130	-154	-165	-41	-61	-61	-61	-61	-4,861	-243
Reported PAT	162	314	4,533	-375	-79	278	223	556	4,793	978
Adj. PAT	162	310	514	-354	-79	278	223	556	4,791	978
YoY Change (%)	-82.6	-62.6	-193.1	-61.0	-149.0	-10.2	-56.7	-256.9	460.3	-79.6
Margins (%)	1.4	2.6	4.5	-3.2	-0.6	2.1	1.7	4.2	10.5	1.9



HPCL

Bloomberg	HPCL IN
Equity Shares (m)	1017.0
M. Cap. (INR b)/(USD b)	520 / 8
52-Week Range (INR)	584 / 331
1,6,12 Rel Perf. (%)	-5 / -6 / 34

Financial snapshot (INR b)

y/e march	2017	2018E	2019E	2020E
Sales	1,870	1,855	2,085	2,116
EBITDA	105.8	91.4	100.6	103.9
Adj. PAT	62.1	45.0	49.7	49.8
Adj. EPS (INR)	61.0	44.3	48.9	49.0
EPS Gr. (%)	66.6	(27.5)	10.4	0.3
BV/Sh.(INR)	200.1	228.8	260.5	292.2
RoE (%)	32.4	20.6	20.0	17.7
RoCE (%)	18.8	12.3	12.0	10.3
Payout (%)	57.5	35.2	35.2	35.2

Valuations

P/E (x)	8.4	11.6	10.5	10.4
P/BV (x)	2.6	2.2	2.0	1.8
EV/EBITDA (x)	6.5	7.7	7.3	7.8
Div. Yield (%)	5.9	2.6	2.9	2.9

CMP: INR512 TP: INR630 (+23%) Buy

- We expect OMCs' (IOCL, BPCL and HPCL) core earnings to decline YoY/QoQ, led by inventory losses in 1QFY18.
- We model nil subsidy sharing for OMCs; subsidy in 1QFY18 would be entirely borne by the government.
- We peg HPCL's refinery throughput at 4.4mmt for 1QFY18 v/s 4.5mmt in 1QFY17 and 4.6mmt in 4QFY17.
- We model GRM of USD4.9/bbl (including inventory loss) for HPCL in 1QFY18.
- We expect HPCL to report EBITDA of INR18.1b (-35% QoQ, -50% YoY) in 1QFY18.
- We estimate PAT at INR8.7b (-52% QoQ, -59% YoY) for 1QFY18.
- HPCL trades at 10.5x FY19E EPS of INR48.9 and 2x FY19E BV (adjusted for investments), with ~5% dividend yield. Maintain Buy.

Key issues to watch for

- GRM.
- Impact of forex and inventory change.

Standalone - Quarterly Earning Model

Y/E March									(INR Million)	
	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	447,793	420,306	484,856	514,142	452,439	463,030	466,184	469,338	1,867,097	1,850,990
YoY Change (%)	-13.4	0.1	12.9	25.3	1.0	10.2	-3.9	-8.7	5.1	-0.9
Total Expenditure	411,389	408,416	455,903	486,388	434,320	439,823	442,939	446,055	1,762,097	1,763,137
EBITDA	36,403	11,890	28,953	27,754	18,119	23,206	23,245	23,283	105,000	87,853
Margins (%)	8.1	2.8	6.0	5.4	4.0	5.0	5.0	5.0	5.6	4.7
Depreciation	6,108	6,160	6,336	6,749	7,272	7,272	7,272	7,272	25,353	29,087
Interest	1,395	1,164	530	2,268	1,319	1,319	1,319	1,319	5,357	5,276
Other Income	2,618	6,188	1,959	5,153	3,507	3,507	3,507	3,507	15,918	14,028
PBT	31,518	10,755	24,046	23,890	13,035	18,123	18,161	18,200	90,208	67,518
Tax	10,534	3,741	8,143	5,702	4,345	6,040	6,053	6,066	28,120	22,504
Rate (%)	33	35	34	24	33	33	33	33	31	33
Reported PAT	20,984	7,013	15,903	18,188	8,690	12,082	12,108	12,134	62,088	45,015
YoY Change (%)	32.1	-318.8	52.7	31.0	-58.6	72.3	-23.9	-33.3	68.0	-27.5
Margins (%)	4.7	1.7	3.3	3.5	1.9	2.6	2.6	2.6	3.3	2.4
Key Assumptions										
Refining throughput (mmt)	4.5	4.0	4.7	4.6	4.4	4.4	4.4	4.4	17.8	17.5
GRM (USD/bbl)	6.8	3.2	6.4	8.0	4.9	5.1	5.1	5.0	6.1	5.0
Marketing sales volume incl. exports (mmt)	8.9	8.0	9.3	8.9	9.2	9.2	9.2	9.2	35.1	36.8
Marketing GM per liter (INR/liter)	4.7	3.5	3.9	4.0	3.4	3.8	3.8	3.8	4.0	3.7

E: MOSL Estimates



Mahindra & Mahindra

Bloomberg	MM IN
Equity Shares (m)	621.1
M. Cap. (INR b)/(USD b)	801 / 12
52-Week Range (INR)	1509 / 1142
1,6,12 Rel Perf. (%)	-6 / -14 / -14

Financial Snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
Sales	437.9	490.5	561.0	631.4
EBITDA	47.7	55.0	64.1	73.3
NP (incl. MVML)	37.4	40.4	47.2	53.0
Adj. EPS (INR) *	62.5	67.4	78.9	88.6
EPS Gr. (%)	12.1	7.8	17.0	12.3
Cons. EPS (INR)	54.3	66.7	79.9	87.3
BV/Share (INR)	432.4	476.3	529.4	592.2
RoE (%)	14.2	14.1	14.6	14.8
RoCE (%)	13.3	13.1	13.6	13.9
Payout (%)	22.7	36.4	31.8	28.1

Valuations

P/E (x)	21.7	20.1	17.2	15.3
Cons. P/E (x)	24.9	20.3	17.0	15.5
P/BV (x)	3.1	2.8	2.6	2.3
EV/EBITDA (x)	16.3	14.2	12.0	8.8
Div. Yield (%)	1.0	1.5	1.5	1.5

* incl. MVML

CMP: INR1,355 TP:INR1,625 (+20%) Buy

- Overall volumes grew ~3% YoY (declined 5% QoQ), as a 13% YoY growth in tractors was offset by 4% YoY decline in the automotive segment. UVs (including pick-ups) declined by 2% due to competition and GST transition.
- MM (including MVML)'s realization is expected to increase by ~1% YoY (and 5% QoQ), led by better product mix due to increase in share of tractors. As a result, revenue is likely to increase 4% YoY (and 3% QoQ) to ~INR109.1b.
- We are assuming an impact of INR3.3k per unit due to GST input tax credit loss to dealers in 2QFY18.
- EBITDA margin should expand 20bp YoY (and 260bp QoQ) to 14.3%.
- PAT is projected to increase ~9% YoY (and 22% QoQ) to INR9.8b.
- The stock trades at 20.1x FY18E and 17.2x FY19E EPS; maintain **Buy**.

Key issues to watch

- Outlook for UV and tractor businesses for FY18.
- Product pipeline for FY18.
- GST impact on demand.
- Update on smaller businesses like two-wheelers, commercial vehicles, Ssangyong, etc.

Quarterly Performance (incl MVML)

Y/E March	FY17				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Total Volumes (nos)	196,125	187,837	197,356	188,301	201,501	198,850	237,000	213,777	769,617	853,709
Growth YoY (%)	14.1	18.4	1.9	3.4	2.7	5.9	20.1	13.5	8.8	10.9
Net Realization	536,630	541,522	536,432	563,572	541,451	547,304	548,115	561,032	544,367	547,931
Growth YoY (%)	-2.3	-2.4	-0.7	0.9	0.9	1.1	2.2	-0.5	-0.9	0.7
Net Op. Income	105,247	101,718	105,868	106,121	109,103	108,831	129,903	119,936	418,954	467,773
Growth YoY (%)	11.4	15.6	1.2	4.3	3.7	7.0	22.7	13.0	7.7	11.7
RM Cost (% of sales)	68.4	67.1	68.6	68.4	68.0	68.6	68.4	68.6	68.1	68.4
Staff (% of sales)	6.8	7.1	7.2	6.4	6.9	7.3	7.0	7.1	6.9	7.1
Oth. Exp. (% of Sales)	10.7	11.3	10.6	12.9	10.8	11.0	10.5	11.9	11.6	11.2
Total Cost	90,361	87,036	91,374	93,754	93,523	94,580	111,544	105,740	362,398	405,386
EBITDA	14,885	14,682	14,495	12,368	15,580	14,252	18,360	14,196	56,556	62,387
EBITDA Margins (%)	14.1	14.4	13.7	11.7	14.3	13.1	14.1	11.8	13.5	13.3
Change (%)	10.7	28.3	-0.1	-4.4	4.7	-2.9	26.7	14.8	7.8	10.3
Other income	1,296	6,879	921	2,940	2,100	6,200	1,050	1,993	12,035	11,343
Interest	428	464	591	673	625	650	650	642	2,285	2,567
Depreciation	3,484	3,701	3,753	3,782	3,900	4,000	4,250	4,816	14,721	16,966
PBT	13,179	17,397	11,236	11,790	13,155	15,802	14,510	10,731	53,597	54,197
Effective Tax Rate (%)	27.0	28.0	28.7	25.9	25.5	25.5	25.5	25.5	27.4	25.5
Reported PAT	9,616	12,529	8,011	8,737	9,795	11,766	10,804	7,990	38,889	40,355
Change (%)	15.9	28.8	-5.7	26.3	1.9	-6.1	34.9	-8.6	16.3	3.8
Adj PAT	8,952	12,529	7,893	8,043	9,795	11,766	10,804	7,990	37,429	40,355
Change (%)	7.9	28.8	-7.1	17.0	9.4	-6.1	36.9	-0.7	12.1	7.8

E: MOSL Estimates



1. Will see strong comeback in august & september; expect margins to grow: BATA; Rajeev Gopalakrishnan, President-Asia South

- SSSG 10% Q1 vs 3 percent in FY17
- Focused on the premiumisation in the top 30 stores.
- Higher SSSG and premium products aided margins
- Opened close to 40 stores in the last quarter and it is now targeting 120 stores in FY18.
- Wholesale saw some glitch in terms of GST but retail grew 15% percent in the last quarter.
- End of season sale was preponed to June, so the company witnessed a dull period in July, the footfalls was down by 15-20 percent.
- Expect August-September to be strong months as have taken steps to make best stock available in the next six months
- Shoes priced below 500 will have an edge under the GST regime
- Premium portfolio growing faster for company as consumer pattern is changing. Expects margin to grow in the coming years.

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2. Expect 20% growth in EPC business in FY18: Bajaj Electricals; Shekhar Bajaj, CMD

- Grew 7.3 percent in Q1 FY18 but for consumer product segment, lost 14.3 percent negative growth and engineering, procurement and construction (EPC) has grown by 36 percent
- EPC business did not face any issues due to GST
- Expects sales to pick up in Q2 especially from August and Q3 and Q4 should be strong
- Volume growth for consumer products is expected at 10 percent.
- Because of GST being 28 percent, original billing price will be reduced by about 7-8 percent average so that the consumer price remains same. So the revenue growth in consumer products growth limited to 2-3 percent
- Expects 20 percent growth in EPC business in FY18 because EPC orderbook currently is at Rs 3,300 crore.

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3. Expect biz to bounce back from september; will do revenue of rs 600cr in FY18: ENIL; Prashant Panday, MD & CEO

- Core station growth for radio companies has de-grown.
- On business front, expansion has led to increase in employee costs.
- Took a 10-12 percent increase in pricing in Q1FY18.
- Expects to do revenue of Rs 600 crore in FY18.
- Expects business to bounce back from September.

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1. Cost of funds not binding constraint

- The markets yawned and shed a few points on the day the Monetary Policy Committee (MPC) announced a 25-basis-point reduction in the central bank's policy rate to 6 per cent. The markets had already priced in the development; further, State Bank of India had lowered its savings bank interest rate by 50 basis points the previous day. Too much money with the banks is chasing too little demand for credit and bank lending rates would have been in free fall, had it not been for the bad loan problem that hobbles them.

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2. Not really a green and sustainable tax

- The Indian economy has entered the Goods and Services Tax (GST) regime from July 1. Hailed as the biggest fiscal reform in the post-liberalisation era, GST signifies a single tax across the value-chain on the supply of goods and services. The plethora of taxes at various stages of the commodity value chain is eliminated, bringing about three important benefits: better understanding of the oft-not-understood commodity value chain (largely true for agri-commodities), rationalisation of the commodity value-chain including the services, and market integration. The harmonisation of the tax base will bring in transparency, raise compliance, and will boost growth figures. Across the value chain, it is hypothesised to have a positive impact by increasing consumer surplus, easy compliance and enhanced competitiveness for producers, gain to manufacturers and exporters, and ease of tax collection for the government complying with an important canon of taxation

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3. The weak legitimacy of Indian capitalism

- Way back in 1959, when Rajaji and I founded the Swatantra Party and pleaded for a market economy for India, it was considered politically foolhardy, if not downright foolish, for us to go against the then prevailing dogma of socialism. Nevertheless, we persisted because it was already apparent to some of us that the economic policies being followed by Pandit Nehru and his party based on the socialistic pattern of society would lead the country to bankruptcy. Our worst fears came true, for the socialistic pattern of society did lead to economic disaster and moral degradation." Thus wrote the liberal politician Minoo Masani a few years before his death. The Swatantra Party he led used to argue not just against the economic inefficiencies of Indian socialism but also its debilitating effect on human values such as honesty. The web of discretionary controls that were needed to ensure state control over the economy fed corruption. The focus of business activity was gaming the system rather than building globally competitive enterprises.

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4. TRAI and CCI: no turf wars, please

- A recent letter by the chairman of the Competition Commission of India (CCI), D.K. Sikri, to his counterpart at the Telecom Regulatory Authority of India (Trai), R.S. Sharma, has once again sparked a debate on turf wars between the competition regulator and sector-specific regulators in India. Sikri in his letter argued that the CCI is better placed to look into matters related to predatory pricing than Trai. This letter comes against the backdrop of a consultation paper floated by Trai in February, where the telecom sector regulator sought to deal with predatory pricing issues in the telecom sector. Hitherto, the understanding was that ex-ante competition matters fell in the domain of Trai, and ex-post matters such as predatory pricing were the turf of the CCI.

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International

5. Tesla's first billion (burned in a quarter) the hardest

- I don't mean the 30 Model 3 cars delivered at last weekend's handover party. I also don't mean second-quarter earnings that beat expectations in the sense that the loss was smaller than anticipated. Not only do earnings not really matter for Tesla Inc.'s investors, the beat can be attributed almost entirely to the company selling a slug of Zero Emission Vehicle credits. I mean Tesla reported late on Wednesday its first quarter where it burned through more than \$1 billion of cash. Consequently, Tesla's cash on hand fell by roughly \$1 billion in the second quarter and ended June at about \$3 billion, meaning the company effectively burned through most of the money it raised in March via selling new equity and convertible debt.

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Automobiles														
Amara Raja	Buy	820	1,095	34	28.0	35.3	42.1	29.3	23.2	5.4	4.5	20.3	21.2	21.3
Ashok Ley.	Buy	109	118	8	4.6	5.2	7.0	23.9	21.0	5.2	4.6	23.1	23.2	27.0
Bajaj Auto	Buy	2,835	3,281	16	132.3	137.2	163.6	21.4	20.7	4.8	4.4	25.3	22.2	24.0
Bharat Forge	Buy	1,164	1,330	14	26.2	37.7	49.7	44.5	30.9	6.6	5.7	16.2	19.8	22.3
Bosch	Neutral	24,793	23,738	-4	473.1	649.9	766.2	52.4	38.2	8.6	7.6	15.8	21.1	21.9
CEAT	Buy	1,902	2,100	10	93.3	96.2	131.3	20.4	19.8	3.2	2.8	16.9	15.1	17.8
Eicher Mot.	Buy	30,703	31,326	2	613.8	861.2	1,102.9	50.0	35.7	17.4	12.5	40.3	40.8	38.0
Endurance Tech.	Buy	916	1,025	12	23.5	30.5	38.8	39.0	30.0	7.5	6.1	20.8	22.4	23.6
Escorts	Neutral	678	732	8	20.0	37.1	45.8	34.0	18.3	3.4	2.9	10.6	17.3	18.3
Exide Ind	Buy	222	269	21	8.1	9.2	11.0	27.3	24.1	3.8	3.4	13.9	14.1	15.0
Hero Moto	Neutral	3,839	3,818	-1	169.1	189.3	199.1	22.7	20.3	7.6	6.5	35.7	34.6	31.5
M&M	Buy	1,417	1,619	14	54.3	66.7	79.9	26.1	21.2	3.3	3.0	14.2	14.1	14.6
Mahindra CIE	Not Rated	242	-		5.4	9.9	11.8	45.1	24.5	2.8	2.5	6.4	10.8	11.5
Maruti Suzuki	Buy	7,739	8,863	15	248.6	281.0	375.3	31.1	27.5	6.5	5.6	20.3	20.1	22.8
Tata Motors	Buy	432	666	54	19.8	30.9	64.3	21.8	14.0	2.5	2.1	9.8	16.5	27.3
TVS Motor	Buy	587	606	3	11.7	16.3	25.9	49.9	36.0	11.6	9.3	25.6	28.6	35.2
Aggregate								29.3	23.2	5.0	4.3	17.1	18.7	22.6
Banks - Private														
Axis Bank	Neutral	506	545	8	15.4	21.8	38.1	32.9	23.2	2.2	2.1	6.9	9.3	14.7
DCB Bank	Neutral	195	192	-1	7.0	8.4	10.4	27.8	23.3	2.9	2.3	10.8	11.4	11.8
Equitas Hold.	Buy	161	201	25	5.0	1.7	6.1	32.0	93.2	2.4	2.4	9.5	2.6	8.7
Federal Bank	Buy	113	139	23	4.8	5.4	6.8	23.5	21.1	2.2	1.8	9.9	10.0	10.5
HDFC Bank	Buy	1,780	2,000	12	56.8	68.2	82.1	31.4	26.1	5.3	4.6	18.3	18.8	19.6
ICICI Bank	Buy	296	366	24	15.3	14.9	17.0	19.3	19.9	2.2	2.0	10.2	8.9	9.5
IDFC Bank	Neutral	58	62	7	2.3	2.8	3.2	24.8	20.9	1.3	1.3	5.6	6.3	6.9
IndusInd	Buy	1,645	1,800	9	47.9	61.9	76.8	34.3	26.6	5.0	4.3	15.4	17.3	18.5
J&K Bank	Neutral	81	91	13	-31.3	3.8	8.2	NM	21.0	0.7	0.7	-27.0	3.5	7.2
Kotak Mah. Bk	Buy	997	1,153	16	26.8	32.4	41.0	37.1	30.7	4.8	4.3	13.8	15.0	16.3
RBL Bank	Under Review	517	-		11.9	18.0	23.7	43.5	28.7	4.6	3.2	12.3	13.6	13.9
South Indian	Buy	29	34	17	2.2	2.9	3.7	13.3	10.1	1.1	1.0	9.5	10.8	12.7
Yes Bank	Buy	1,785	2,133	19	73.0	92.3	114.5	24.5	19.3	3.8	3.3	18.9	18.3	19.5
Aggregate								30.3	24.4	3.5	3.1	11.5	12.5	14.2
Banks - PSU														
BOB	Buy	158	212	34	6.0	18.4	22.5	26.4	8.6	1.1	1.0	4.1	11.9	13.2
BOI	Neutral	155	147	-5	-14.8	13.7	22.0	NM	11.3	0.7	0.7	-6.7	6.1	9.0
Canara	Neutral	348	360	4	18.8	30.1	47.0	18.5	11.6	0.7	0.7	4.2	6.2	9.1
IDBI Bk	Neutral	57	49	-13	1.5	6.4	8.6	37.0	8.8	0.5	0.5	1.4	5.8	7.3
Indian Bk	Buy	299	382	28	29.3	34.4	38.3	10.2	8.7	1.0	0.9	10.1	10.9	11.2
OBC	Neutral	138	150	9	-31.6	17.1	21.4	NM	8.1	0.4	0.4	-8.4	4.6	5.4
PNB	Buy	149	184	23	6.2	5.8	11.0	24.0	25.6	0.8	0.8	3.6	3.2	5.9
SBI	Buy	301	362	20	0.3	17.9	23.3	1,011.1	16.8	1.4	1.3	-0.2	8.7	10.0
Union Bk	Neutral	144	162	13	7.6	24.6	34.5	18.8	5.8	0.5	0.5	2.7	8.1	10.5
Aggregate								111.9	14.0	1.0	0.9	0.9	6.5	8.1
NBFCs														
Bajaj Fin.	Buy	1,703	1,800	6	33.6	47.6	62.9	50.7	35.7	9.7	7.9	21.7	24.3	25.9
Bharat Fin.	Neutral	822	820	0	21.0	31.8	68.7	39.1	25.8	4.6	3.8	15.1	16.1	28.0
Capital First	Buy	763	925	21	24.6	33.3	44.3	31.0	22.9	3.3	2.9	12.0	13.3	15.6
Cholaman.Inv.&Fn	Buy	1,161	1,400	21	46.0	56.0	67.3	25.3	20.7	4.2	3.6	18.0	18.6	19.0
Dewan Hsg.	Buy	451	630	40	29.6	37.7	47.1	15.2	12.0	1.8	1.6	14.4	14.1	15.6
GRUH Fin.	Neutral	502	450	-10	8.1	9.9	12.1	61.7	50.5	18.5	15.2	32.5	33.0	32.8
HDFC	Buy	1,738	1,900	9	46.8	52.9	59.0	37.1	32.9	6.9	6.2	18.9	19.3	18.4
Indiabulls Hsg	Buy	1,200	1,350	13	69.0	86.3	108.4	17.4	13.9	4.2	3.7	25.5	28.2	31.3

Company	Reco	CMP	TP	% Upside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
		(INR)	(INR)	Downside	FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
L&T Fin Holdings	Buy	171	200	17	5.2	7.3	10.6	32.6	23.3	3.9	3.4	12.4	15.6	19.1
LIC Hsg Fin	Neutral	681	708	4	38.2	41.6	48.9	17.8	16.4	3.2	2.8	19.4	18.2	18.5
Manappuram	Not Rated	103	-		8.6	10.8	12.5	11.9	9.6	2.6	2.3	24.0	25.9	26.9
M&M Fin.	Buy	395	459	16	7.1	13.9	17.8	55.8	28.5	3.5	3.3	6.5	12.0	14.2
Muthoot Fin	Buy	454	550	21	29.5	41.0	43.3	15.4	11.1	2.8	2.4	19.4	23.2	21.4
PFC	Neutral	126	117	-7	25.7	27.2	30.2	4.9	4.6	0.8	0.7	17.9	17.0	16.8
Repco Home	Buy	736	936	27	29.1	35.8	42.5	25.3	20.5	4.1	3.4	17.4	18.1	18.2
REC	Neutral	174	134	-23	31.4	35.0	40.4	5.5	5.0	1.0	0.9	19.9	19.1	19.1
Shriram City Union	Buy	2,247	2,800	25	84.3	121.7	164.1	26.6	18.5	2.9	2.6	11.7	15.0	17.6
STF	Buy	996	1,330	34	55.6	80.0	102.4	17.9	12.5	2.0	1.8	11.7	15.0	16.9
Aggregate								20.7	17.4	3.5	3.1	16.8	17.7	18.1
Capital Goods														
ABB	Sell	1,411	1,200	-15	19.7	22.4	31.6	71.6	63.0	9.1	8.0	12.7	12.6	15.8
Bharat Elec.	Buy	180	210	17	6.9	7.4	8.3	26.0	24.2	5.4	4.1	20.6	17.0	16.9
BHEL	Sell	139	100	-28	2.1	3.6	4.7	64.5	38.9	1.1	1.0	1.6	2.7	3.4
Blue Star	Neutral	677	610	-10	12.9	17.8	26.6	52.6	38.1	8.5	8.0	18.0	21.7	30.1
CG Cons. Elec.	Buy	214	240	12	4.7	5.0	6.4	45.8	42.6	24.9	18.4	76.4	49.7	49.7
CG Power & Indu.	Sell	82	65	-20	4.1	2.3	4.5	19.9	35.7	1.2	1.2	6.2	3.4	4.2
Cummins	Buy	950	1,200	26	26.5	29.2	36.0	35.9	32.6	7.0	6.5	21.2	20.7	23.5
GE T&D	Neutral	383	395	3	5.7	9.3	11.3	66.8	41.2	9.5	8.3	12.4	21.5	22.7
Havells	Neutral	487	455	-7	9.6	10.9	13.8	51.0	44.5	9.3	8.3	18.2	18.6	20.7
K E C Intl	Neutral	304	295	-3	11.9	13.1	16.4	25.6	23.2	4.9	4.2	21.2	19.5	20.9
L&T	Buy	1,174	1,345	15	42.3	44.8	51.7	27.8	26.2	3.3	3.1	12.2	12.1	12.9
Pennar Eng.	Not Rated	122	-		7.1	9.1	11.2	17.3	13.5	1.8	1.6	10.2	11.6	12.6
Siemens	Neutral	1,379	1,355	-2	17.8	22.7	33.0	77.4	60.7	7.2	6.3	9.3	10.3	13.7
Solar Ind	Neutral	884	900	2	20.6	24.2	30.0	42.9	36.5	7.9	6.7	19.8	19.8	20.9
Suzlon Energy	Not Rated	18	-		0.6	0.9	1.0	28.0	20.1	-1.6	-1.8	NM	-8.8	-11.0
Thermax	Sell	902	850	-6	30.8	32.7	34.0	29.3	27.6	4.0	3.6	14.3	13.7	12.9
Va Tech Wab.	Buy	621	800	29	28.9	34.9	39.8	21.4	17.8	3.4	2.9	16.3	17.7	17.5
Voltas	Sell	537	400	-25	15.5	16.1	18.3	34.7	33.4	5.4	4.8	18.0	15.2	15.4
Aggregate								35.7	31.9	4.0	3.7	11.2	11.5	12.6
Cement														
Ambuja Cem.	Buy	272	308	13	4.9	7.0	8.2	55.7	39.1	2.8	2.7	5.1	7.0	7.9
ACC	Neutral	1,810	1,622	-10	36.1	49.8	65.0	50.1	36.4	3.9	3.8	7.9	10.6	13.1
Birla Corp.	Buy	951	1,205	27	29.4	40.9	58.9	32.4	23.2	2.2	2.1	7.5	9.2	12.2
Dalmia Bharat	Buy	2,612	3,162	21	38.8	66.7	87.1	67.4	39.2	4.7	4.2	7.2	11.3	13.1
Grasim Inds.	Neutral	1,126	1,384	23	67.9	71.2	102.6	16.6	15.8	1.8	1.6	11.5	10.9	13.9
India Cem	Neutral	193	201	4	5.6	8.0	11.8	34.3	24.1	1.2	1.1	3.4	4.7	6.6
J K Cements	Buy	1,011	1,287	27	33.7	40.4	53.5	30.0	25.0	4.0	3.5	14.4	15.0	17.2
JK Lakshmi Ce	Buy	453	553	22	7.0	11.4	19.2	65.1	39.7	3.8	3.5	6.0	9.2	13.8
Ramco Cem	Buy	689	823	20	27.3	31.1	37.5	25.3	22.2	4.5	3.8	19.2	18.6	19.1
Orient Cem	Buy	154	185	20	-1.6	4.4	7.1	NM	34.9	3.2	3.0	-3.2	8.8	12.8
Prism Cem	Buy	117	145	24	0.3	3.7	5.6	336.2	31.5	5.9	5.1	1.8	17.2	22.0
Shree Cem	Buy	18,119	22,360	23	384.4	460.4	547.8	47.1	39.4	8.2	6.9	18.4	19.1	19.1
Ultratech	Buy	4,085	4,936	21	96.1	91.5	138.8	42.5	44.6	4.7	4.3	11.6	10.1	14.0
Aggregate								37.1	31.5	3.6	3.3	9.6	10.4	12.8
Consumer														
Asian Paints	Neutral	1,146	1,200	5	21.0	22.2	26.5	54.5	51.7	14.5	13.2	28.5	26.7	28.1
Britannia	Buy	3,871	4,450	15	73.7	85.4	105.5	52.5	45.3	17.2	14.2	36.9	34.4	34.7
Colgate	Buy	1,083	1,335	23	21.2	25.7	31.1	51.0	42.2	23.1	21.8	50.4	53.2	60.3
Dabur	Neutral	306	315	3	7.2	7.7	9.1	42.2	39.5	11.1	9.5	28.4	26.0	26.3
Emami	Buy	1,135	1,265	11	26.5	28.3	33.9	42.8	40.2	14.7	12.3	35.8	33.4	34.1
Godrej Cons.	Neutral	970	995	3	18.9	21.5	24.7	51.3	45.0	12.5	9.7	24.6	24.2	22.8
GSK Cons.	Sell	5,403	4,500	-17	156.1	166.3	181.9	34.6	32.5	7.3	7.1	22.2	22.1	22.4

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
HUL	Buy	1,170	1,285	10	19.6	22.9	27.3	59.6	51.0	38.0	36.6	65.6	73.1	82.8
ITC	Neutral	281	280	0	8.4	9.3	10.3	33.5	30.4	7.6	7.5	23.5	24.8	26.3
Jyothy Lab	Neutral	390	405	4	11.2	8.9	11.0	34.7	43.6	6.5	6.7	21.1	15.1	18.4
Marico	Neutral	328	355	8	6.3	6.8	8.2	52.2	48.1	18.2	15.6	36.7	34.9	37.7
Nestle	Sell	6,735	5,740	-15	118.0	115.1	133.6	57.1	58.5	21.5	20.0	39.0	35.5	38.1
Page Inds	Buy	16,364	20,195	23	238.7	317.0	400.0	68.5	51.6	27.4	21.7	40.0	42.0	42.8
Parag Milk	Neutral	253	240	-5	3.6	7.4	12.3	70.1	34.0	3.2	3.0	5.9	9.1	13.4
Pidilite Ind.	Neutral	805	810	1	16.7	18.1	20.6	48.1	44.6	12.5	10.2	28.2	25.2	23.5
P&G Hygiene	Buy	8,019	9,082	13	144.9	155.8	181.6	55.3	51.5	45.7	36.5	45.3	78.9	74.0
Prabhat Dairy	Not Rated	134	-		3.5	3.5	6.4	38.0	38.5	1.9	1.8	5.2	4.9	8.5
United Brew	Neutral	801	850	6	8.7	9.7	14.7	92.2	82.6	9.2	8.4	10.4	10.7	14.6
United Spirits	Neutral	2,612	2,525	-3	26.7	34.5	51.5	97.7	75.7	19.6	13.6	21.3	18.0	20.3
Aggregate								46.2	41.6	12.7	11.8	27.6	28.3	29.3
Healthcare														
Alembic Phar	Neutral	529	510	-4	21.6	20.5	25.5	24.5	25.8	5.2	4.6	23.0	19.0	20.4
Alkem Lab	Neutral	1,794	1,900	6	75.7	79.7	95.0	23.7	22.5	5.1	4.3	23.4	20.7	21.0
Ajanta Pharma	Buy	1,336	2,028	52	58.4	66.1	79.6	22.9	20.2	7.5	5.7	37.7	32.2	29.9
Aurobindo	Buy	741	850	15	39.3	45.7	50.0	18.9	16.2	4.7	3.7	28.3	25.5	22.3
Biocon	Sell	375	330	-12	10.2	9.7	14.2	36.8	38.6	4.7	4.3	12.3	11.1	14.5
Cadila	Buy	546	510	-7	14.2	17.8	23.2	38.5	30.7	8.7	7.2	24.8	25.7	27.2
Cipla	Neutral	557	500	-10	15.9	20.0	25.0	35.0	27.9	3.6	3.2	10.2	11.5	12.8
Divis Lab	Neutral	670	680	1	39.7	33.6	40.0	16.9	20.0	3.8	3.4	23.5	18.1	19.4
Dr Reddy's	Neutral	2,332	2,500	7	72.6	85.1	125.2	32.1	27.4	3.2	2.9	9.6	11.3	14.8
Fortis Health	Buy	164	240	47	10.3	2.1	6.1	15.8	77.5	1.7	1.5	11.3	2.0	5.3
Glenmark	Neutral	702	775	10	39.3	42.9	51.7	17.9	16.4	4.4	3.5	24.7	21.6	20.9
Granules	Buy	132	200	51	7.2	8.2	11.5	18.3	16.2	3.4	2.3	21.1	17.7	18.8
GSK Pharma	Neutral	2,348	2,500	6	34.4	46.8	54.9	68.3	50.2	9.9	11.6	14.5	23.0	30.9
IPCA Labs	Neutral	467	480	3	16.1	21.3	28.5	29.0	21.9	2.4	2.2	8.6	10.5	12.7
Jubilant Life	Buy	715	905	27	37.0	47.1	56.7	19.3	15.2	3.2	2.7	18.1	19.5	19.6
Lupin	Buy	995	1,475	48	59.1	54.9	70.1	16.8	18.1	3.3	2.9	21.8	17.1	18.8
Sanofi India	Buy	4,216	4,820	14	129.1	133.6	160.6	32.6	31.5	5.6	5.2	17.1	16.6	18.1
Shilpa Medicare	Buy	651	805	24	14.0	21.1	30.4	46.4	30.9	5.7	4.8	14.4	17.0	20.4
Sun Pharma	Buy	516	650	26	26.1	25.2	30.8	19.7	20.5	3.4	3.2	18.5	16.1	17.9
Syngene Intl	Not Rated	472	-		13.0	16.1	18.0	36.2	29.2	7.3	6.0	22.2	22.5	20.7
Torrent Pharma	Neutral	1,252	1,350	8	55.2	53.4	67.3	22.7	23.4	4.9	4.3	23.8	19.5	21.5
Aggregate								24.0	23.0	4.1	3.7	17.3	16.0	17.2
Logistics														
Allcargo Logistics	Buy	170	228	34	9.8	12.2	14.3	17.3	14.0	2.6	2.3	12.6	17.2	17.8
Blue Dart	Not Rated	4,190	-		102.5	129.9	163.2	40.9	32.3	18.1	13.8	50.5	48.6	46.8
Concor	Neutral	1,180	1,214	3	38.0	42.1	48.6	31.1	28.0	3.3	3.1	10.8	11.3	12.4
Gateway Distriparks	Buy	270	313	16	6.8	10.7	13.6	39.7	25.2	2.3	2.3	5.9	9.1	11.1
Gati	Not Rated	116	-		8.4	15.9	23.9	13.9	7.3	1.9	1.7	12.4	19.4	25.4
Transport Corp.	Not Rated	302	-		16.9	21.0	25.9	17.8	14.3	2.8	2.4	16.7	17.8	18.6
Aggregate								29.0	23.8	3.5	3.3	12.2	13.8	15.3
Media														
Dish TV	Buy	79	105	32	1.0	1.4	4.0	80.4	55.8	17.2	13.2	24.1	26.8	327.5
D B Corp	Buy	380	450	19	20.4	23.7	27.6	18.6	16.0	4.4	3.9	25.5	25.8	26.6
Den Net.	Neutral	82	90	9	-8.6	-2.7	0.3	NM	NM	1.5	1.7	-12.0	-5.3	0.7
Ent.Network	Neutral	883	928	5	11.4	14.1	21.7	77.3	62.7	4.9	4.6	6.7	7.6	10.7
Hind. Media	Buy	273	350	28	25.9	28.3	33.6	10.6	9.6	1.8	1.5	19.0	17.3	17.3
HT Media	Neutral	87	90	4	7.4	7.9	8.1	11.7	10.9	0.8	0.7	7.1	6.9	6.4
Jagran Prak.	Buy	177	225	27	10.8	12.3	14.0	16.4	14.4	2.4	2.4	17.6	16.4	17.2
Music Broadcast	Buy	352	469	33	6.4	9.3	14.0	54.8	37.8	3.7	3.3	11.2	9.3	12.4
PVR	Buy	1,374	1,628	18	20.5	30.9	46.9	67.0	44.5	6.7	5.8	10.4	14.0	18.2

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Siti Net.	Neutral	25	32	26	-1.8	-0.1	0.5	NM	NM	3.5	3.6	-23.5	-2.0	6.9
Sun TV	Neutral	797	860	8	24.9	28.5	35.9	32.1	28.0	8.0	7.4	25.0	26.3	30.2
Zee Ent.	Buy	540	630	17	23.1	14.7	18.9	23.3	36.6	8.9	7.7	24.7	22.6	24.5
Aggregate								40.9	31.2	5.8	5.3	14.2	17.0	22.2
Metals														
Hindalco	Buy	221	308	39	16.2	21.8	26.1	13.7	10.1	1.7	1.4	14.0	15.2	15.4
Hind. Zinc	Sell	282	246	-13	19.7	22.6	26.9	14.3	12.5	3.9	4.2	24.4	32.0	35.1
JSPL	Buy	142	190	34	-20.9	-17.2	2.4	NM	NM	0.4	0.5	-7.9	-5.4	0.8
JSW Steel	Buy	224	297	33	14.8	21.9	25.7	15.1	10.2	2.4	2.0	17.3	21.3	20.8
Nalco	Neutral	67	70	5	3.7	3.8	4.2	18.1	17.7	1.3	1.2	7.2	7.0	7.5
NMDC	Buy	121	180	48	10.0	12.1	12.2	12.2	10.0	1.7	1.6	12.4	15.0	15.5
SAIL	Sell	61	37	-39	-6.2	-10.6	-4.2	NM	NM	0.7	0.8	-6.7	-12.6	-5.5
Vedanta	Buy	280	316	13	15.1	24.8	33.1	18.5	11.3	1.7	1.6	9.7	14.8	18.4
Tata Steel	Neutral	560	583	4	37.9	49.6	65.6	14.8	11.3	1.7	1.5	15.7	14.3	16.8
Aggregate								19.7	14.7	1.6	1.6	8.2	10.6	13.5
Oil & Gas														
BPCL	Neutral	490	511	4	48.3	36.7	43.5	10.1	13.4	3.1	2.7	32.4	21.7	22.3
GAIL	Sell	370	340	-8	22.6	26.3	29.8	16.4	14.0	1.6	1.5	9.6	11.3	11.8
Gujarat Gas	Sell	746	697	-7	20.4	33.7	46.5	36.5	22.2	6.2	5.1	17.8	25.3	28.0
Gujarat St. Pet.	Neutral	188	168	-10	8.8	11.0	13.1	21.3	17.0	2.4	2.1	11.6	13.1	14.0
HPCL	Buy	397	427	7	40.7	29.5	32.6	9.8	13.5	3.0	2.6	32.4	20.6	20.0
IOC	Neutral	387	459	19	43.0	36.0	40.0	9.0	10.7	1.8	1.6	21.2	15.8	15.8
IGL	Neutral	1,184	1,070	-10	42.5	46.8	51.9	27.8	25.3	5.7	4.8	21.0	20.6	19.6
MRPL	Sell	128	113	-12	14.8	9.4	11.7	8.6	13.5	2.2	2.0	31.4	15.5	17.0
Oil India	Buy	285	305	7	19.3	27.9	30.1	14.7	10.2	0.8	0.8	5.7	7.5	7.8
ONGC	Buy	166	195	18	16.4	16.5	19.7	10.1	10.1	1.0	0.9	10.1	9.4	10.9
PLNG	Buy	209	259	24	11.4	8.6	17.6	18.3	24.3	3.9	3.5	23.2	15.1	26.4
Reliance Ind.	Neutral	1,652	1,499	-9	96.7	115.5	128.1	17.1	14.3	1.7	1.5	11.6	12.3	12.3
Aggregate								12.4	12.7	1.7	1.5	13.3	12.0	12.7
Retail														
Jubilant Food	Sell	1,255	850	-32	10.0	14.8	20.7	125.4	84.7	10.3	9.4	8.2	11.1	14.0
Titan Co.	Neutral	558	545	-2	9.0	10.3	12.1	61.7	54.3	11.7	10.7	20.6	20.6	21.6
Aggregate								66.3	56.9	11.4	10.5	17.2	18.4	19.2
Technology														
Cyient	Buy	526	600	14	30.6	35.4	41.9	17.2	14.8	2.8	2.5	16.2	16.6	17.3
HCL Tech.	Neutral	876	950	8	59.8	61.8	65.9	14.6	14.2	3.7	3.2	27.5	24.9	23.8
Hexaware	Neutral	247	250	1	13.7	15.7	16.5	18.0	15.7	4.4	3.8	26.5	25.7	23.1
Infosys	Buy	984	1,200	22	62.9	63.7	69.5	15.6	15.4	3.3	2.9	22.0	20.0	19.8
KPIT Tech	Neutral	126	140	11	11.9	10.6	13.1	10.6	11.9	1.6	1.5	14.3	13.0	14.2
L&T Infotech	Buy	779	880	13	55.5	60.2	68.0	14.0	12.9	4.9	3.8	40.4	33.0	29.4
Mindtree	Sell	467	450	-4	24.9	28.7	32.9	18.8	16.3	3.1	3.0	16.8	17.3	20.1
Mphasis	Neutral	601	610	2	38.9	40.3	43.0	15.4	14.9	2.1	2.2	13.2	14.5	16.2
NIIT Tech	Neutral	502	540	8	38.0	42.3	48.7	13.2	11.9	1.8	1.7	13.7	14.4	15.4
Persistent Sys	Buy	633	750	19	37.7	43.3	52.0	16.8	14.6	2.6	2.5	17.0	17.9	20.7
Tata Elxsi	Buy	1,697	1,848	9	56.3	68.0	80.4	30.1	25.0	9.5	7.6	37.1	33.7	32.3
TCS	Neutral	2,490	2,350	-6	133.4	133.6	147.7	18.7	18.6	5.6	5.9	32.6	31.1	33.5
Tech Mah	Buy	407	490	20	30.9	34.0	36.8	13.2	12.0	2.2	2.0	18.4	17.4	16.9
Wipro	Neutral	290	270	-7	16.9	18.1	19.1	17.1	16.0	2.7	2.7	16.9	16.1	16.1
Zensar Tech	Buy	792	950	20	52.1	51.9	70.0	15.2	15.3	2.4	2.2	17.2	15.0	17.9
Aggregate								16.9	16.7	3.9	3.8	22.9	22.8	22.1
Telecom														
Bharti Airtel	Buy	424	490	15	11.1	4.3	6.6	38.2	97.7	2.5	2.5	6.7	2.5	3.8
Bharti Infratel	Buy	404	480	19	14.9	17.9	20.4	27.2	22.5	4.8	4.2	16.2	19.8	19.4
Idea Cellular	Buy	93	110	18	-1.1	-10.9	-11.3	NM	NM	1.4	1.6	-1.6	-17.3	-21.7
Tata Comm	Buy	639	775	21	27.2	8.7	26.1	23.4	73.3	11.4	9.9	132.2	14.5	33.6

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Aggregate								38.8	215.2	2.7	2.7	6.9	1.2	2.8
Utilities														
Coal India	Buy	242	315	30	14.9	17.6	18.6	16.2	13.7	6.1	6.1	37.8	44.5	47.0
CESC	Buy	962	1,360	41	51.9	88.9	99.3	18.5	10.8	1.2	1.1	6.5	10.6	10.8
JSW Energy	Buy	67	85	27	3.9	3.2	3.1	17.4	21.3	1.1	1.0	6.3	4.9	4.8
NTPC	Buy	172	198	15	13.0	13.4	16.2	13.3	12.9	1.5	1.4	11.5	10.9	12.3
Power Grid	Buy	222	262	18	14.2	17.4	20.6	15.6	12.8	2.4	2.1	16.2	17.3	17.8
Tata Power	Sell	83	68	-18	5.2	6.4	6.7	16.0	13.0	1.9	1.7	11.2	13.9	12.1
Aggregate								15.2	13.3	2.3	2.1	14.9	15.8	16.6
Others														
Arvind	Neutral	363	359	-1	12.4	12.5	18.1	29.3	28.9	2.6	2.5	10.3	8.8	11.8
Avenue Supermarts	Neutral	898	882	-2	7.7	12.7	17.6	117.0	70.6	14.6	12.7	17.9	19.3	23.0
Bata India	Under Review	622	-		13.5	15.7	19.4	46.0	39.6	6.0	5.4	13.9	14.4	15.8
Castrol India	Buy	392	527	34	13.6	14.4	15.0	28.7	27.1	32.5	29.1	115.2	113.3	106.1
Century Ply.	Neutral	275	323	17	8.7	9.8	12.9	31.7	28.0	8.6	7.1	31.1	27.7	29.6
Coromandel Intl	Buy	457	523	14	16.6	24.1	29.0	27.5	19.0	4.6	4.0	17.5	22.5	23.4
Delta Corp	Buy	167	237	42	3.1	5.8	7.9	54.7	28.9	4.2	2.8	8.1	12.3	12.6
Dynatomic Tech	Buy	2,373	3,334	40	67.6	112.9	166.7	35.1	21.0	4.8	3.9	15.1	20.7	24.3
Eveready Inds.	Buy	306	368	20	12.9	14.4	17.5	23.8	21.2	7.7	6.2	37.7	32.3	31.6
Interglobe	Neutral	1,275	1,312	3	46.0	63.9	93.7	27.7	19.9	22.8	20.3	86.2	107.5	137.7
Indo Count	Buy	143	200	40	13.0	13.2	15.4	11.0	10.8	3.3	2.5	34.8	26.4	23.5
Info Edge	Buy	997	1,130	13	15.7	21.8	24.7	63.6	45.8	6.1	5.5	10.2	12.7	13.1
Inox Leisure	Sell	251	240	-4	3.3	8.0	12.0	75.2	31.2	4.4	3.9	5.9	12.5	16.2
Jain Irrigation	Under Review	102	-		5.5	7.6	10.0	18.3	13.4	1.6	1.5	8.6	11.7	14.8
Just Dial	Neutral	357	465	30	17.5	18.5	21.1	20.5	19.3	2.7	2.5	14.8	13.4	13.7
Kaveri Seed	Buy	694	755	9	19.1	31.3	37.7	36.4	22.2	4.7	5.1	13.6	21.6	26.0
Kitex Garm.	Buy	256	394	54	18.6	22.1	26.2	13.8	11.6	3.7	3.0	29.8	28.6	27.6
Manpasand	Buy	790	927	17	12.7	20.3	30.9	62.2	39.0	3.9	3.6	7.3	8.5	13.5
MCX	Buy	1,105	1,300	18	24.8	28.0	42.2	44.5	39.4	4.1	3.9	10.2	10.2	14.5
Monsanto	Buy	2,686	3,295	23	86.2	105.1	126.7	31.2	25.6	8.8	7.9	31.6	32.5	34.5
Navneet Education	Buy	163	226	38	7.8	9.4	11.3	21.1	17.3	5.3	4.4	26.8	27.8	28.2
PI Inds.	Buy	729	952	31	33.4	33.4	38.1	21.8	21.8	6.2	5.0	32.8	25.4	23.8
Piramal Enterp.	Buy	2,904	3,044	5	72.6	104.1	144.6	40.0	27.9	3.8	3.5	9.8	13.0	16.4
SRF	Buy	1,511	1,816	20	85.9	86.3	109.2	17.6	17.5	2.8	2.5	16.6	14.7	16.7
S H Kelkar	Buy	266	287	8	7.2	8.6	10.3	36.7	31.0	4.7	4.3	13.7	14.5	15.6
Symphony	Sell	1,376	1,288	-6	23.7	35.1	42.9	58.2	39.2	21.6	19.0	43.3	51.6	54.5
TTK Prestige	Neutral	6,118	5,281	-14	132.1	137.8	176.1	46.3	44.4	8.4	7.6	19.5	18.0	20.7
V-Guard	Neutral	181	167	-8	3.6	4.5	6.0	50.6	40.3	12.1	9.8	27.4	26.9	28.8
Wonderla	Buy	350	393	12	7.0	11.9	16.0	50.0	29.3	4.6	4.1	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	-2.4	-2.7	-10.3
Ashok Ley.	-0.2	8.6	26.9
Bajaj Auto	1.2	1.6	4.4
Bharat Forge	0.8	5.1	60.6
Bosch	-0.8	5.4	0.0
CEAT	-1.2	2.1	124.3
Eicher Mot.	-1.5	10.6	43.6
Endurance Tech.	0.1	4.9	
Escorts	-2.2	0.1	156.0
Exide Ind	0.0	-0.9	27.4
Hero Moto	1.0	1.6	18.6
M&M	0.1	3.9	-2.1
Mahindra CIE	-2.2	-0.3	33.1
Maruti Suzuki	-1.0	5.2	58.7
Tata Motors	-1.7	0.3	-9.9
TVS Motor	-0.7	6.2	97.2
Banks - Private			
Axis Bank	-2.0	-2.3	-7.8
DCB Bank	-2.2	0.8	77.3
Equitas Hold.	-1.2	7.6	-8.6
Federal Bank	-1.5	1.0	82.6
HDFC Bank	-0.8	7.3	43.5
ICICI Bank	-2.0	1.9	34.4
IDFC Bank	-0.6	5.7	19.9
IndusInd	-0.9	10.7	39.8
J&K Bank	-2.8	-5.3	21.6
Kotak Mah. Bk	-1.3	5.1	31.9
RBL Bank	-2.0	-0.1	
South Indian	-2.9	4.1	51.6
Yes Bank	-2.4	19.5	44.6
Banks - PSU			
BOB	-3.2	-2.3	6.2
BOI	-4.3	10.7	42.1
Canara	-3.3	5.0	42.4
IDBI Bk	-4.2	5.0	-17.0
Indian Bk	-4.0	4.5	66.2
OBC	-4.1	-3.3	20.7
PNB	-6.0	7.4	22.9
SBI	-2.2	9.5	32.8
Union Bk	-4.2	-4.2	12.8
NBFCs			
Bajaj Fin.	-0.2	22.8	70.1
Bharat Fin.	-2.4	14.4	2.4
Capital First	-2.3	11.7	11.1
Cholaman.Inv.&Fn	-1.1	4.8	3.4
Dewan Hsg.	-2.1	1.9	101.2
GRUH Fin.	0.2	13.8	71.5
HDFC	-1.6	7.1	31.1
Indiabulls Hsg	0.1	11.6	52.2
L&T Fin.Holdings	-2.5	18.4	95.4
LIC Hsg Fin	-1.6	-9.3	36.4
Manappuram	-3.2	4.6	23.2
M&M Fin.	-1.0	13.0	22.2
Muthoot Fin	-2.4	-0.5	30.4
PFC	3.5	1.4	16.9
Repco Home	-3.3	-9.2	-12.6
REC	0.8	0.7	62.7
STF	-2.2	-3.0	-19.6
Shriram City Union	-3.6	-8.4	14.7

Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	-0.1	-2.6	17.3
Bharat Elec.	-1.0	10.8	45.6
BHEL	-1.9	2.2	4.1
Blue Star	-0.8	12.2	45.0
CG Cons. Elec.	-0.1	-5.8	32.9
CG Power & Inds Sol.	-2.5	-1.3	8.5
Cummins	-4.1	4.0	15.0
GE T&D	-2.8	13.1	11.9
Havells	3.2	4.8	24.9
K E C Intl	1.6	15.4	110.3
L&T	-0.2	4.3	19.2
Pennar Eng.	0.8	-7.2	-35.7
Siemens	0.8	2.7	12.9
Solar Ind	-1.3	8.2	37.5
Suzlon Energy	-3.8	-6.3	7.6
Thermax	3.1	-3.5	5.9
Va Tech Wab.	1.4	-10.6	8.2
Voltas	-0.6	14.4	55.0
Cement			
Ambuja Cem.	2.4	10.0	3.5
ACC	2.3	13.7	8.8
Birla Corp.	0.8	8.7	73.5
Dalmia Bharat	-0.5	3.4	83.2
Grasim Inds.	2.1	5.2	35.6
India Cem	-4.0	-5.4	66.2
J K Cements	0.6	6.4	38.6
JK Lakshmi Ce	-0.5	-5.7	6.3
Ramco Cem	-1.6	-1.1	28.5
Orient Cem	1.6	4.6	-7.2
Prism Cem	-2.1	-2.4	13.7
Shree Cem	-1.4	3.0	9.0
Ultratech	-0.1	2.3	11.2
Consumer			
Asian Paints	0.2	2.5	0.4
Britannia	0.2	4.3	36.9
Colgate	4.2	-4.0	15.4
Dabur	1.7	3.8	3.1
Emami	2.6	5.5	-1.4
Godrej Cons.	4.8	-1.6	23.8
GSK Cons.	-0.4	0.7	-13.0
HUL	0.1	6.8	27.8
ITC	-1.3	-17.8	11.3
Jyothy Lab	4.6	10.7	36.1
Marico	0.4	1.4	10.3
Nestle	0.4	0.1	-1.1
Page Inds	-3.0	-6.1	17.3
Parag Milk	-0.6	15.7	-20.3
Pidilite Ind.	0.8	-1.5	12.1
P&G Hygiene	-0.2	0.1	31.0
Prabhat Dairy	-1.7	1.6	48.4
United Brew	-0.9	2.3	3.5
United Spirits	0.4	7.7	12.7
Healthcare			
Alembic Phar	-1.4	2.7	-15.0
Alkem Lab	0.2	-2.9	17.6
Ajanta Pharma	-2.5	-12.6	-26.6
Aurobindo	1.4	8.2	-1.0
Biocon	-2.2	13.6	37.5
Cadila	1.2	4.1	57.4

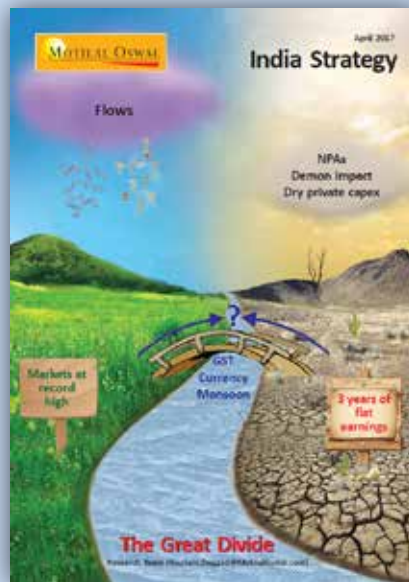
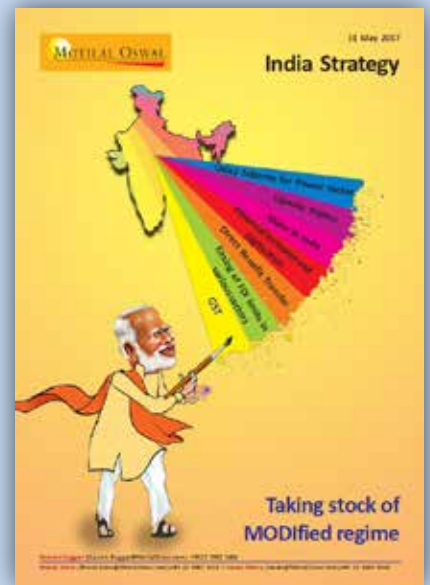


Company	1 Day (%)	1M (%)	12M (%)
Cipla	-1.6	1.1	5.2
Divis Lab	0.3	0.1	-42.8
Dr Reddy's	-2.0	-13.0	-20.7
Fortis Health	7.0	0.3	-13.8
Glenmark	-0.1	9.8	-14.8
Granules	-3.0	-5.1	-5.4
GSK Pharma	-0.5	-7.5	-25.2
IPCA Labs	-2.2	-5.0	-8.2
Jubilant Life	0.4	3.8	123.2
Lupin	-3.8	-5.7	-40.8
Sanofi India	-2.7	1.3	-7.2
Shilpa Medicare	-0.8	-0.5	16.4
Sun Pharma	-1.5	-6.4	-38.4
Syngene Intl	-2.1	-0.1	16.0
Torrent Pharma	-1.9	2.5	-14.7
Logistics			
Allcargo Logistics	-0.8	-0.9	-13.2
Blue Dart	-0.8	-13.2	-26.3
Concor	0.6	2.2	-0.8
Gateway Distriparks	-0.4	3.6	1.4
Gati	-1.7	-11.2	-34.5
Transport Corp.	-0.9	-7.9	40.0
Media			
Dish TV	-2.4	-0.2	-21.8
D B Corp	0.3	-1.0	-8.0
Den Net.	-3.3	4.9	-4.4
Ent.Network	-4.5	-3.8	20.5
Hind. Media	-0.2	-1.6	-0.8
HT Media	-2.2	7.0	6.9
Jagran Prak.	0.7	-3.8	-2.5
Music Broadcast	-1.4	-2.1	
PVR	-0.2	-4.6	25.0
Siti Net.	-1.0	-8.3	-32.8
Sun TV	0.1	-3.5	77.2
Zee Ent.	-0.1	10.0	9.5
Metals			
Hindalco	-3.1	12.6	63.4
Hind. Zinc	-0.6	6.5	49.1
JSPL	-10.1	10.6	76.6
JSW Steel	1.9	9.2	32.9
Nalco	-4.3	2.8	41.3
NMDC	-2.3	7.2	21.0
SAIL	-4.0	3.1	32.0
Vedanta	-0.2	10.2	78.0
Tata Steel	-1.5	1.8	56.5
Oil & Gas			
BPCL	0.9	13.2	31.4
GAIL	0.2	1.0	32.5
Gujarat Gas	-1.4	0.0	23.4
Gujarat St. Pet.	1.3	5.5	40.3
HPCL	3.4	15.3	46.7
IOC	4.6	0.1	40.2
IGL	0.5	12.5	81.5
MRPL	-0.1	6.6	67.6
Oil India	0.9	9.3	3.9
ONGC	0.2	4.3	13.7
PLNG	-2.3	-2.6	36.5
Reliance Ind.	1.4	19.3	66.1
Retail			
Jubilant Food	-2.0	25.5	4.1
Titan Co.	0.8	4.8	34.5

Company	1 Day (%)	1M (%)	12M (%)
Technology			
Cyient	0.0	2.9	2.1
HCL Tech.	-0.9	4.6	6.1
Hexaware	-1.3	2.8	13.4
Infosys	-0.9	3.4	-9.3
KPIT Tech	-1.6	-1.0	-1.1
L&T Infotech	0.7	-1.4	14.5
Mindtree	-1.1	-11.9	-21.9
Mphasis	0.1	1.6	14.5
NIIT Tech	-1.7	-11.2	18.7
Persistent Sys	-1.9	-5.6	-6.2
Tata Elxsi	-1.1	5.0	4.5
TCS	0.9	4.9	-6.3
Tech Mah	1.3	6.5	-18.1
Wipro	-1.6	11.7	5.7
Zensar Tech	0.2	-1.6	-28.3
Telecom			
Bharti Airtel	2.0	11.1	18.7
Bharti Infratel	1.4	1.5	2.2
Idea Cellular	1.1	9.1	-10.8
Tata Comm	-3.3	-11.1	41.5
Utilities			
Coal India	-3.4	-2.9	-25.9
CESC	1.3	9.9	60.2
JSW Energy	-3.9	3.3	-15.7
NTPC	0.5	10.1	9.7
Power Grid	0.2	5.0	26.2
Tata Power	0.0	2.8	15.5
Others			
Arvind	-1.0	-1.8	23.6
Avenue Super.	-1.0	6.9	
Bata India	6.6	13.2	12.4
Castrol India	-1.2	-2.4	-8.0
Century Ply.	-2.7	-6.3	25.1
Coromandel Intl	1.4	6.0	87.5
Delta Corp	-1.3	8.3	54.3
Dynamatic Tech	0.0	-6.7	-5.9
Eveready Inds.	3.1	-11.5	24.2
Interglobe	-0.4	7.0	47.7
Indo Count	-1.0	-14.6	-18.5
Info Edge	0.4	-4.0	21.1
Inox Leisure	-1.2	-8.0	0.6
Jain Irrigation	-2.8	-1.0	39.3
Just Dial	-2.3	-6.4	-25.2
Kaveri Seed	0.7	6.9	86.5
Kitex Garm.	-3.0	-5.8	-25.1
Manpasand	0.2	1.9	16.8
MCX	-0.7	1.9	8.1
Monsanto	-1.1	-2.2	20.3
Navneet Educat.	-2.2	-10.1	71.7
PI Inds.	-3.6	-11.7	-6.1
Piramal Enterp.	-0.2	1.1	83.1
SRF	-1.6	-4.1	2.6
S H Kelkar	-0.1	1.3	6.4
Symphony	-1.5	0.1	18.6
TTK Prestige	-2.7	-5.3	18.6
V-Guard	-0.6	3.9	48.3
Wonderla	-1.0	-2.9	-11.4

NOTES

THEMATIC/STRATEGY RESEARCH GALLERY



REPORT GALLERY

RECENT INITIATING COVERAGE REPORTS

MOTILAL OSWAL Initiating Coverage | 21 April 2017
Sector: Retail

Avenue Supermarts

Delivering Value

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MOTILAL OSWAL Initiating Coverage | 21 April 2017
Sector: Insurance

Cholamandalam Finance

Prepared, Equipped and Armed

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Tata Power

Struggling for RoE

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Long road ahead

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Sector: Publishing

Navneet Education

Steadfast; growth gaining momentum

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Sector: Automobiles

Delta Corp

Favorable odds

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MOTILAL OSWAL Initiating Coverage | 27 March 2017
Sector: Pharmaceuticals

Ajanta Pharma

Promising growth trajectory

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Sector: Pharmaceuticals

Piramal Enterprises

Winner's Edge

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MOTILAL OSWAL Initiating Coverage | 28 February 2017
Sector: Automobiles

CEAT

Well balanced

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DIFFERENTIATED PRODUCT GALLERY

MOTILAL OSWAL 27 March 2017

Annual Report Threadbare

JC LAKSHMI CEMENT

Strong performance in FY17

After a year of strong performance, JC Lakshmi Cement (JCL) has posted a strong performance, with revenue growing 10% to ₹1,100 crore and EBITDA growing 12% to ₹200 crore. The company's strong performance is primarily due to its focus on high quality and innovation in its products, which has led to a steady increase in demand. The company's revenue growth is supported by its strong operational performance, which has led to a steady increase in production and sales. The company's EBITDA growth is supported by its strong operational performance, which has led to a steady increase in production and sales. The company's revenue growth is supported by its strong operational performance, which has led to a steady increase in production and sales. The company's EBITDA growth is supported by its strong operational performance, which has led to a steady increase in production and sales.

The ART of annual report analysis

ART is a unique tool for analyzing annual reports. It is a simple, easy-to-use tool that can be used by anyone. ART is a unique tool for analyzing annual reports. It is a simple, easy-to-use tool that can be used by anyone. ART is a unique tool for analyzing annual reports. It is a simple, easy-to-use tool that can be used by anyone.

Key highlights

- Revenue growth of 10% to ₹1,100 crore
- EBITDA growth of 12% to ₹200 crore
- Strong operational performance
- Focus on high quality and innovation

Key figures

Particulars	2017	2016
Revenue	1,100	1,000
EBITDA	200	180
Net Profit	100	90
EPS	10	9

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MOTILAL OSWAL 28 June 2017

The Corner Office

Deliberations with the CEO

Slow of new launches encouraging

Highway toll and GST paper operations face challenges

Key highlights

- United Business (UB) has started a new line of new launches in FY17, which is encouraging after the overall launch of previous years. The company is planning to launch more products in the coming months. The company is planning to launch more products in the coming months. The company is planning to launch more products in the coming months.
- Highway toll and GST paper operations face challenges. The company is planning to launch more products in the coming months. The company is planning to launch more products in the coming months. The company is planning to launch more products in the coming months.

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MOTILAL OSWAL 19 July 2017

VOICES

India Inc on Call

India Inc is a quarterly publication that provides a clear view of the post monsoon growth outlook for the Indian economy. It is a quarterly publication that provides a clear view of the post monsoon growth outlook for the Indian economy. It is a quarterly publication that provides a clear view of the post monsoon growth outlook for the Indian economy.

Key highlights

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MOTILAL OSWAL 17 March 2017

EcoKnowledge

Diving into Trending Themes

Only two states implement 17th Pay Commission in FY18

17th Pay Commission (17th PC) is a significant step towards the growth of the Indian economy. It is a significant step towards the growth of the Indian economy. It is a significant step towards the growth of the Indian economy.

Key highlights

- Only two states (Kerala and Karnataka) have implemented the 17th PC in FY18. The other states are still in the process of implementing it. The other states are still in the process of implementing it. The other states are still in the process of implementing it.

Key figures

Particulars	2017	2016
Revenue	1,100	1,000
EBITDA	200	180
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- Focus on high quality and innovation

MOTILAL OSWAL

BULLS & BEARS

INDIA VALUATIONS HANDBOOK

Highlights of June edition

- Nifty down 1% in June after three months of positive returns.
- Real Estate, Healthcare, Consumer, and Telecom top performers.
- Healthcare and Technology only sectors delivering negative returns in CY17 YTD.

Key figures

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- Strong operational performance
- Focus on high quality and innovation

MOTILAL OSWAL

FUND FOLIO

Indian Mutual Fund Tracker

Key highlights

- Equity AUM of ₹1.5 lakh crore, up 12% in 12 months.
- IRRS-2t
- IRRS-1025

Key figures

Particulars	2017	2016
Revenue	1,100	1,000
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Key facts

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