

Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	29,910	0.0	12.3
Nifty-50	9,238	0.0	12.9
Nifty-M 100	17,333	0.0	20.8
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,360	0.1	5.4
Nasdaq	5,899	0.1	9.6
FTSE 100	7,322	0.5	2.5
DAX	12,282	0.2	7.0
Hang Seng	10,315	0.0	9.8
Nikkei 225	18,810	-0.9	-1.6
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	52	0.0	-5.6
Gold (\$/OZ)	1,246	0.0	8.1
Cu (US\$/MT)	5,729	0.0	3.7
Almn (US\$/MT)	1,940	0.0	13.9
Currency	Close	Chg. %	YTD.%
USD/INR	65.0	0.0	-4.2
USD/EUR	1.1	0.0	1.3
USD/JPY	111.4	0.0	-4.8
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.7	0.0	0.1
10 Yrs AAA Corp	7.8	0.0	0.2
Flows (USD b)	3-Apr	MTD	YTD
FII	0.1	0.1	6.8
DII	0.0	0.0	0.2
Volumes (INRb)	3-Apr	MTD*	YTD*
Cash	258	258	276
F&O	2,552	2,552	4,425

Note: YTD is calendar year, *Avg

Quote of the day

The way to make money is to buy when blood is running in the streets.



Today's top research theme

Technology 4QFY17 preview: Can growth recover next fiscal?

Amid some H-1B reprieve and BFSI hopes, INR appreciates

- ❖ The usual seasonality of the fourth quarter, compounded with (a) sporadic citation of concerns around budget and decision-making delays, and (b) problems in some key accounts, keeps us from building any recovery in growth momentum in 4Q or in the immediate future.
- ❖ Yet, there are a few potential positives to note - overall positive messaging especially by tier-I IT, likely postponement of any developments around H-1B visas, and traction in change-the-business side of the business. These may aid gradual improvement in growth through the course of FY18 rather than a sudden pick-up in growth.
- ❖ We are modeling (on organic basis) 0-2% QoQ CC growth across our coverage universe. Contribution from acquisitions should help HCLT inch this to 3.4% QoQ CC. Among tier-I, last quarter, TCS cited expectation of sustained momentum in 4Q, driving our estimate of 2% QoQ CC; for INFO, we expect growth to be at the midpoint of its guided band (1% QoQ CC).



Research covered

Cos/Sector	Key Highlights
Technology (4QFY17 Preview)	Can growth recover next fiscal?
Capital Goods	Capex tracker: Private capex still far from peak



Piping hot news

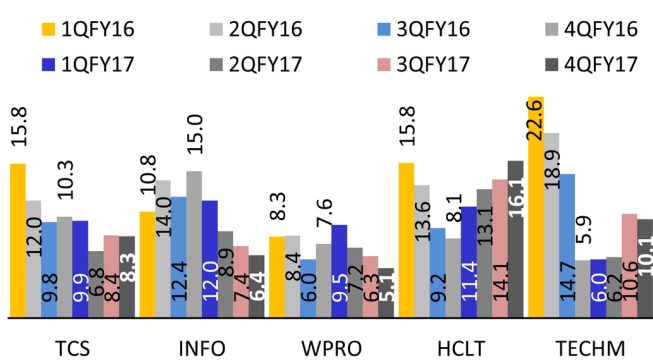
Yogi cabinet waives off crop loans worth Rs 36,000 crore

- ❖ Within a fortnight of taking office, the Yogi Adityanath-led Bharatiya Janata Party (BJP) government in Uttar Pradesh (UP) on Tuesday fulfilled its key poll promise, writing off crop loans of up to Rs 1 lakh for about 21.5 million small and marginal farmers.



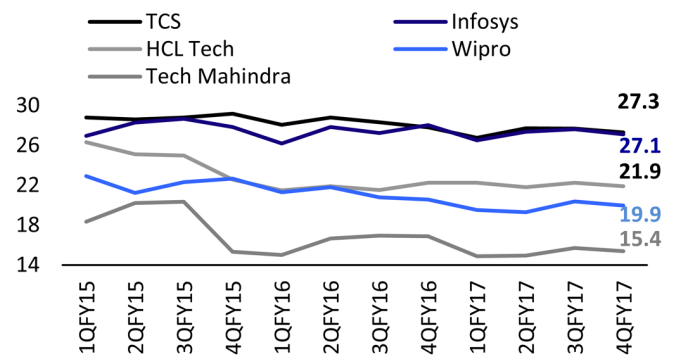
Chart of the Day: TECHNOLOGY 4QFY17 PREVIEW - Can growth recover next fiscal?

YoY traction seen picking up only at HCLT, led by Volvo IT acquisition and IBM partnerships (YoY, CC, %)



Source: MOSL, Company

Margins lower across the board in YoY terms (EBITDA margin, %)



Source: MOSL, Company

Research Team (Gautam.Duggad@MotilalOswal.com)

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 numbers for the detailed news link

1

No Problem with Reclassification of Highways by States: Road Min

Following the Supreme Court's ban on selling alcohol along highways, states are free to reclassify highways passing through cities as major district roads, top government officials said, adding that the road ministry has no plan, as of now...

2

RBI policy review: Amid focus on cash control, rate to remain unchanged

There is near unanimity that the six-member monetary policy committee of the Reserve Bank of India (RBI) would keep policy rates unchanged, but this being an annual policy, the event promises to discuss many issues that would set the stage for the next one year, including bad-debt resolution and liquidity management. The repo rate is at 6.25 per cent now, while the RBI has changed its stance to 'neutral' from 'accommodative', indicating pause in a rate-cutting cycle....

3

Dr Reddy's Srikakulam unit receives Form 483 with 2 observations

Dr Reddy's Laboratories Limited in a disclosure on Tuesday said it has received a Form 483 with 2 observations from the US Food and Drug Administration (US FDA) for its active pharmaceutical ingredients (API) plant at Srikakulam in Andhra Pradesh....

4

GST laws set to become a reality as Rajya Sabha takes up the Bills today

GST laws are set to become a reality as the Rajya Sabha takes up the Bills today. Business Standard evaluates the preparedness of India Inc and states, and the possible implication of the new unified tax regime. After the passage of four crucial Bills related to the goods and services tax (GST) in the Lok Sabha last week...

5

Tax collection beats expectation, up 18%

Tax collections at Rs 17.1 lakh crore for 2016-17 exceeded the Revised Estimates (RE) of Rs 16.97 lakh crore by 0.8 per cent, official figures showed on Tuesday. Corporate tax and excise duty collections fell short of RE, which implies that industrial recovery could be prolonged. The tax collection figures in 2016-17 were 18 per cent higher than the previous fiscal year's figures and the highest growth in the past six years, according to Revenue Secretary Hasmukh Adhia...

6

Bajaj Fin Slashes Base Deposit by Two-thirds to Rs 25,000

Bajaj Finance, a top name among non-bank lenders, has slashed the minimum investment criteria by more than two thirds to `25,000 from `75,000 to position itself as mass market player. With this new strategy, the company is looking to double its outstanding deposit base to about `8,000 crore a year from `4,100 crore at the end of March....

7

Free trade pact with UK only after Brexit: Jaitley

India has indicated to the UK that a free trade agreement (FTA) between the two countries can only happen only after Britain's formal exit from the European Union (EU). Finance Minister Arun Jaitley said that India is keen on investing in the UK and also welcomed....



Technology

Results Preview



Can growth recover next fiscal?

Amid some H-1B reprieve and BFSI hopes, INR appreciates

Keeping 4Q expectations in check amid limited signs of momentum pick-up

The usual seasonality of the fourth quarter, compounded with (a) sporadic citation of concerns around budget and decision-making delays, and (b) problems in some key accounts, keeps us from building any recovery in growth momentum in 4Q or in the immediate future. Yet, there are a few potential positives to note:

- n Overall positive messaging in terms of deal wins, BFSI environment and client conversations, especially by tier-I IT.
- n Likely postponement of any developments around H-1B visas, with fresh applications being accepted for the next year, starting early April. That said, recent overrule of programming jobs' automatic qualification under "specialty occupation" may not have a substantive impact, but does call for more scrutiny going forward.
- n Traction in change-the-business side of the business, which has been the key additive factor for revenue growth, though not enough on current base.
- n These may aid gradual improvement in growth through the course of FY18 rather than a sudden pick-up in growth.

Building 0-2% CC sequential organic growth; expect higher revenue growth to be aided by acquisitions

- n We are modeling (on organic basis) 0-2% QoQ CC growth across our coverage universe. Contribution from acquisitions should help HCLT inch this to 3.4% QoQ CC. Among tier-I, last quarter, TCS cited expectation of sustained momentum in 4Q, driving our estimate of 2% QoQ CC; for INFO, we expect growth to be at the midpoint of its guided band (1% QoQ CC). Recovery in Communications witnessed in the past couple of quarters has taken a pause, driving our assumption of marginal growth at TECHM. WPRO should be helped by full-quarter revenue from Appirio acquisition.
- n Among tier-II, we expect steady growth for LTI, ZENT and CYL. For MTCL (1.5% QoQ CC) and HEXW (0.5% QoQ CC), growth is likely to remain relatively soft. Revenue would be flat for PSYS due to seasonal weakness in its IBM IoT deal.
- n Margins are likely to remain steady across the board, with some hit for the sector coming from currency movement, and from acquisition in the case of WPRO. Note that TECHM has deferred its wage hike – earlier a January 1 cycle – to the next fiscal.

Will INFO announce a buyback? Will top-end of guidance be in double digits?

- n We expect INFO to guide 7-9% CC growth for FY18, on the back of a relatively weak exit in 2H. That implies a CQGR of 2.2-3%. INFO is the only remaining company among the top-tier that is yet to reward its shareholders with a buyback, dispensing some of the idly-lying cash (apart from WPRO, which cannot announce a buyback before June). That could be likely on April 13, 2017.

- n Watch out for the performance in top clients at INFO following a shocker in 3Q, over which the management alleviated investor concerns by terming it as a one-off without any significant concerns on the same.
- n Watch out for guidance from HCLT and outlook from TCS too. Double-digit growth at HCLT looks more-or-less in the bag, given healthy traction in IMS and contribution from acquisitions. At TCS, while the commentary has remained very positive, it remains to be seen in revenue growth. Our estimate of 9.5% CC growth in FY18 implies a CC CQGR of 2.5% in FY18.
- n Healthcare exposure will hurt WPRO and we expect guidance of 1.5% to 2.5% QoQ CC for 1QFY18.

Recent trend in INR may spell a fresh challenge for the industry

- n The INR has marched since the turn of the year to close below INR65/USD, compared to last quarter's close at ~INR68/USD. Were this to sustain, expect another round of moderation in earnings estimates, this time led by currency. Top-tier IT has seen stock returns over last five years being led by earnings growth rather than P/E multiple expansion (ex-HCL Tech), and that has in turn been boosted by INR depreciation. The impact of INR64.5-65/USD on earnings is not yet factored in estimates, in our view. Various industry participants have already shared expectations of moderate wage hikes next year, which was before the recent trend in INR.
- n The range of margin movements QoQ is -30bp to -65bp across tier-I and -80bp to +80bp across tier-II. PSYS could suffer from seasonal revenue decline in its Alliance segment, most of which should flow to EBITDA.

Currency and lack of growth visibility keeps valuations on edge

- n Revenue growth for the industry still remains a challenge, with little, if any, clear signs of acceleration after a tepid 2016. There is hope from deregulation in the US and a new taxation regime, but there remain counterbalancing forces on the other hand, mainly from potential moves on Trump tax / H-1B immigration.
- n Add to that, we see a gradual uptick in costs, impacting earnings in varying degrees across tier-I and tier-II IT for a couple of years (150-200bp potential negative impact on profitability that would need to be offset), as the model of operating at onsite changes. The business model changes at onsite have been underway for a while, and the higher costs have more-or-less been absorbed so far. But the recent direction of the INR v/s the USD might just end up being an additional headwind to thwart any assumptions of sanguine performance around profitability.
- n We believe tier-I companies (INFO, TCS, WPRO, HCLT) would be better placed to adapt to these changes, given their brand to attract talent, wider reach and war-chest to absorb shocks on a higher margin base. Absolute numbers in the US are a single-digit percentage of the overall workforce. Our pecking order in the group is INFO and HCLT, followed by TCS and WPRO. Notwithstanding the regulatory developments, we see greater comfort in the earnings performance at TECHM, with gradual recovery in Telecom and levers to improve margins. In tier-II, we prefer CYL, ZENT and LTI. We see gradual recovery at MTCL, but current valuations factor more than that, in our view.

Exhibit 1: Double-digit organic USD revenue growth (YoY) seen only in HCLT amongst tier-I

Company	Revenue (USD m)					Revenue (INR b)				
	4QFY17E	4QFY16	YoY (%)	3QFY17	QoQ (%)	4QFY17E	4QFY16	YoY (%)	3QFY17	QoQ (%)
TCS	4,504	4,207	7.0	4,387	2.7	300	284	5.4	297	0.9
Infosys	2,590	2,446	5.9	2,551	1.5	172	166	4.2	173	(0.1)
Wipro	1,944	1,882	3.3	1,903	2.2	136	136	(0.1)	137	(0.5)
HCLT	1,810	1,587	14.0	1,745	3.7	121	107	12.7	118	2.0
TECHM	1,132	1,023	10.7	1,116	1.4	75	69	9.5	76	(0.2)
Aggregate	11,979	11,145	7.5	11,702	2.4	804	762	5.6	801	0.5

Company	EBITDA Margin (%)					PAT (INR b)				
	4QFY17E	4QFY16	YoY (bp)	3QFY17	QoQ (bp)	4QFY17E	4QFY16	YoY (%)	3QFY17	QoQ (%)
TCS	27.3	27.8	(50)	27.7	(40)	62	63	(2.3)	68	(8.6)
Infosys	27.1	28.0	(90)	27.6	(50)	34	36	(4.9)	37	(7.7)
Wipro	19.9	20.6	(60)	20.4	(40)	19	22	(15.1)	21	(10.0)
HCLT	21.9	22.2	(30)	22.2	(40)	20	19	2.4	21	(4.8)
TECHM	15.4	16.9	(150)	15.7	(31)	7	9	(18.6)	9	(14.7)
Aggregate	24.1	24.8	(70)	24.5	(39)	142	150	(5.2)	155	(8.4)

Source: Company, MOSL

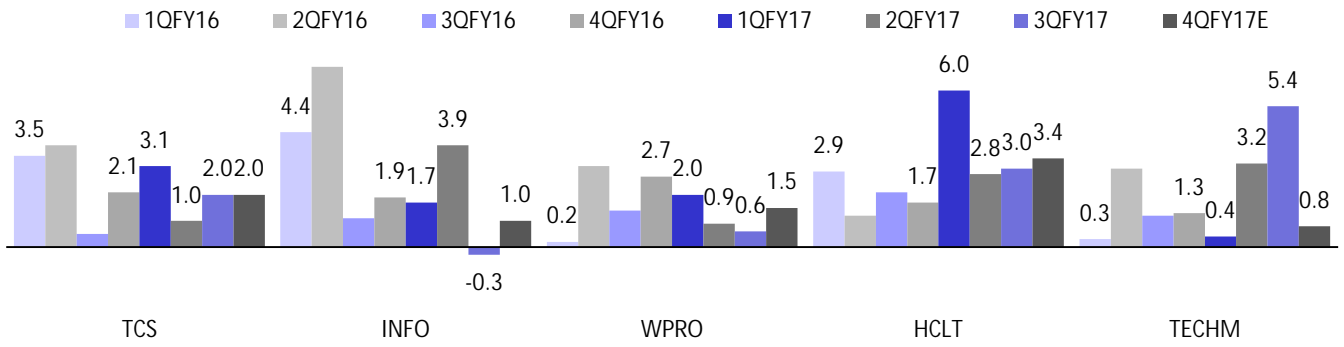
Exhibit 2: PAT decline across the sector can be attributed to translation losses

Company	Revenue (USD m)					Revenue (INR b)				
	4QFY17E	4QFY16	YoY (%)	3QFY17	QoQ (%)	4QFY17E	4QFY16	YoY (%)	3QFY17	QoQ (%)
Persistent Systems	111	100	10.1	110	0.5	7.4	6.8	8.7	7.5	(1.3)
Hexaware	144	122	18.1	139	3.5	9.3	8.2	13.7	9.4	(0.9)
KPIT Tech.	124	124	0.2	123	1.2	8.3	8.4	(1.5)	8.3	(0.3)
Mindtree	194	196	(0.7)	192	1.1	12.9	13.2	(2.3)	13.0	(0.1)
Mphasis	227	225	0.8	225	1.1	15.1	15.2	(0.7)	15.4	(1.9)
Cyient	140	121	16.0	136	3.3	9.3	8.2	14.5	9.2	1.9
NIIT Tech	105	102	3.2	103	2.2	7.0	6.8	2.0	6.9	0.9
Zensar	121	111	9.2	118	2.7	8.0	7.5	7.7	7.9	1.5
LTI	249	230	8.5	245	1.7	16.6	15.9	4.2	16.7	(0.4)
Aggregate	1,415	1,330	6.4	1,390	1.8	93.9	90.2	4.1	94.2	(0.2)

Company	EBITDA margin (%)					PAT (INR b)				
	4QFY17E	4QFY16	YoY (bp)	3QFY17	QoQ (bp)	4QFY17E	4QFY16	YoY (%)	3QFY17	QoQ (%)
Persistent Systems	15.2	15.9	(70)	15.9	(80)	0.7	0.8	(12.6)	0.8	(13.8)
Hexaware	16.5	14.6	200	17.3	(70)	1.1	0.8	29.0	1.2	(10.7)
KPIT Tech.	10.0	15.7	(570)	10.2	(20)	0.1	0.1	(0.5)	0.1	(5.0)
Mindtree	13.4	17.1	(370)	13.4	-	1.0	1.6	(37.7)	1.0	(5.8)
Mphasis	15.4	15.4	(10)	15.6	(20)	2.0	1.9	5.8	2.0	(3.5)
Cyient	12.8	13.0	(20)	13.4	(50)	0.8	0.8	(3.3)	0.9	(13.2)
NIIT Tech	17.5	18.4	(100)	16.9	60	0.7	0.8	(15.6)	0.7	2.1
Zensar	14.6	12.4	230	13.8	90	0.7	0.7	(2.7)	0.8	(15.7)
LTI	18.3	20.1	(180)	18.1	20	2.2	2.6	(16.1)	2.5	(10.5)
Aggregate	15.2	16.4	(130)	15.4	(20)	9.3	10.2	(9.2)	10.1	(8.7)

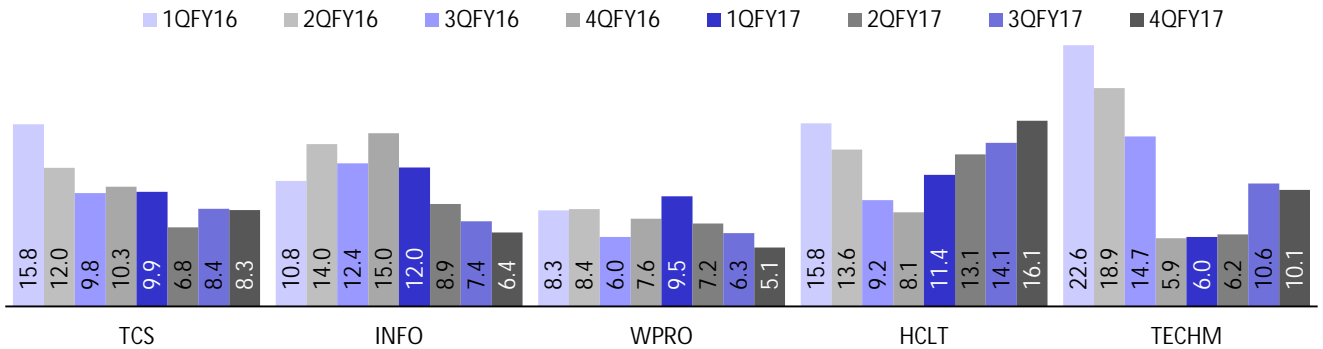
Source: Company, MOSL

Exhibit 3: Seasonal weakness dampens revenue growth (QoQ, CC %)



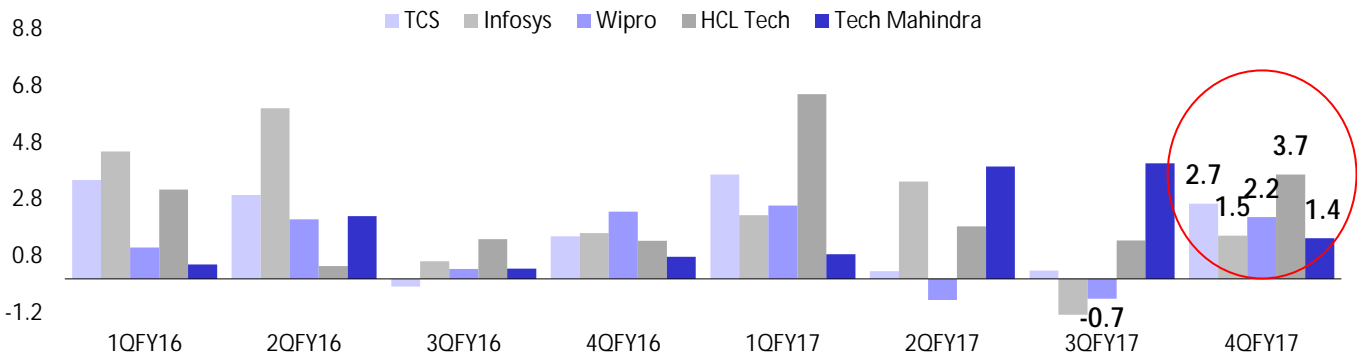
Source: Company, MOSL

Exhibit 4: YoY traction seen picking up only at HCLT, led by Volvo IT acquisition and IBM partnerships (YoY, CC, %)



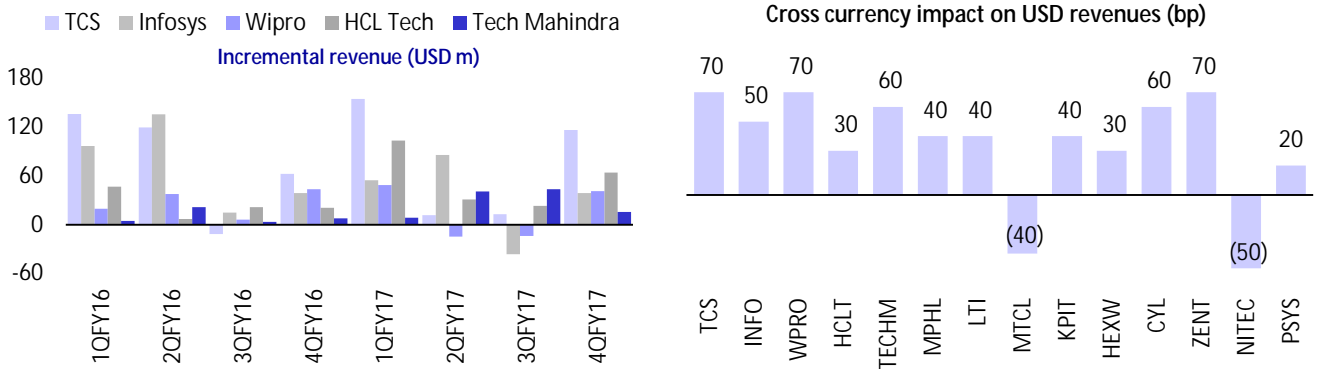
Source: Company, MOSL

Exhibit 5: HCLT to outperform peers organically in 4Q (Revenue growth, QoQ, USD, %)



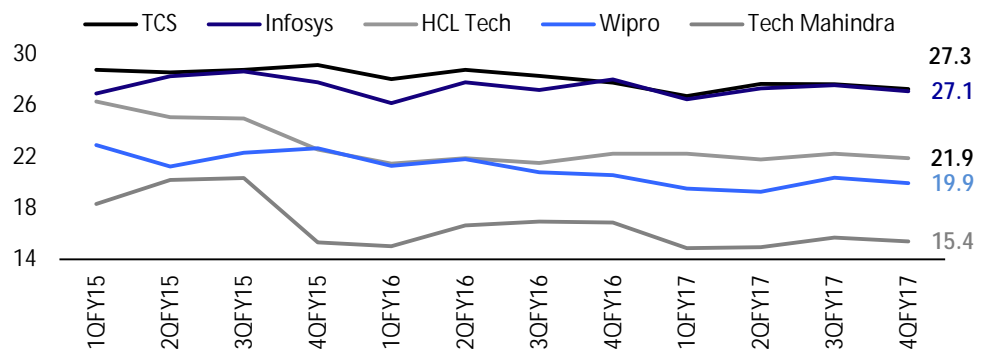
Source: Company, MOSL

Exhibit 6: Incremental revenue higher for all other than TECHM; cross-currency tailwinds this quarter



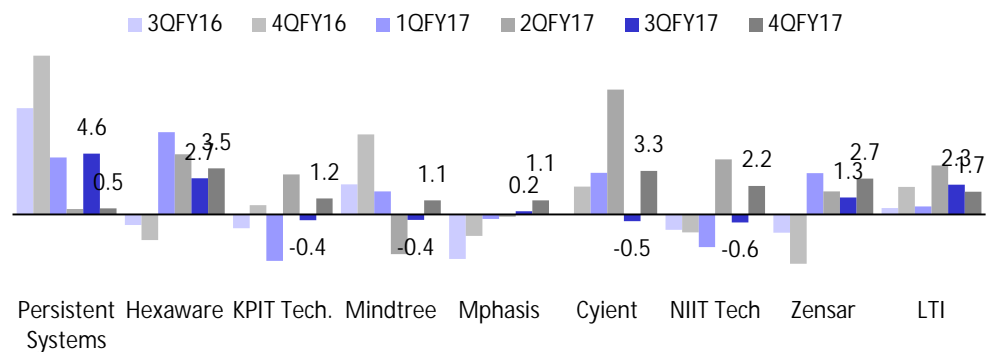
Source: Company, MOSL

Exhibit 7: Margins lower across the board in YoY terms (EBITDA margin, %)



Source: Company, MOSL

Exhibit 8: Sequential improvement seen in some mid-caps due to company-specific dynamics (Revenue growth, QoQ, USD, %)



Source: Company, MOSL

Exhibit 9: 4QFY17 currency highlights (INR)

	Rates (INR)				Change (QoQ)			
	USD	EUR	GBP	AUD	USD	EUR	GBP	AUD
Average	67.00	71.3	82.9	50.7	-0.7%	-1.9%	-1.0%	0.4%
Closing	64.84	69.3	80.9	49.6	-4.5%	-3.4%	-3.2%	1.0%

Source: Company, MOSL

Exhibit 10: 4QFY17 currency highlights (in USD)

	Rates (USD)			Change (QoQ)		
	EUR	GBP	AUD	EUR	GBP	AUD
Average	1.07	1.24	0.76	-1.2%	-0.2%	1.2%
Closing	1.07	1.25	0.76	1.6%	1.1%	6.1%

Source: Company, MOSL

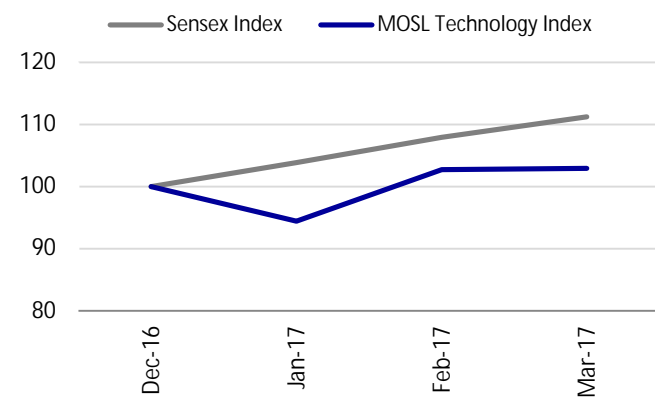
Exhibit 11: Cross currencies: Assumed rates v/s actual

Guided at	EUR	GBP	AUD	INR/USD
Infosys	1.10	1.51	0.73	nm
Wipro	1.04	1.23	0.74	67.73
Actual (Average)	1.07	1.24	0.76	67.00

Change (%)	EUR	GBP	AUD	INR/USD
Infosys	-3.1%	-17.9%	3.9%	nm
Wipro	2.4%	0.7%	2.4%	-1.1%

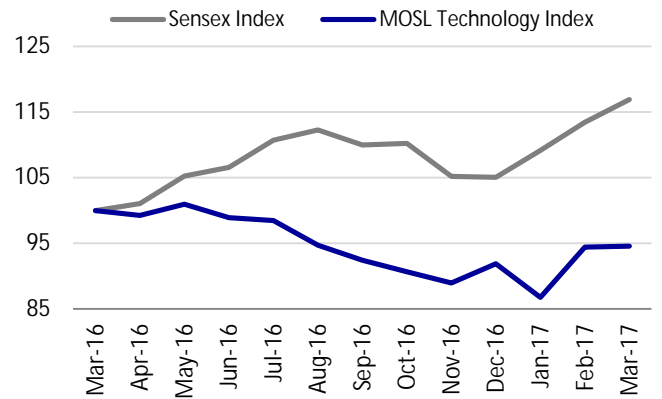
Source: Company, MOSL

Exhibit 12: Relative performance—3m (%)



Source: Bloomberg, MOSL

Exhibit 13: Relative performance—1Yr (%)



Source: Bloomberg, MOSL

Exhibit 14: Comparative valuation

Company	MCap USD b	Rating	TP (INR)	Upside (%)	EPS (INR)			P/E (x)			RoE (%)			FY17-19E CAGR (%)	
					FY17E	FY18E	FY19E	FY17E	FY18E	FY19E	FY17E	FY18E	FY19E	USD rev.	EPS
TCS	71.5	Neutral	2,550	4.9	131.3	144.7	154.7	18.5	16.8	15.7	33.0	33.4	33.0	9.1	8.5
Infosys	34.8	Buy	1,250	22.4	62.0	66.6	73.3	16.5	15.3	13.9	23.0	22.1	22.1	8.5	8.7
Wipro	18.9	Neutral	540	4.9	33.0	37.5	42.9	15.6	13.7	12.0	16.8	17.2	17.8	7.2	14.0
HCL Tech	18.4	Buy	1,000	14.5	57.2	64.3	70.3	15.3	13.6	12.4	27.0	27.8	28.1	10.6	10.8
TechM	6.8	Buy	550	19.6	32.5	35.7	40.2	14.2	12.9	11.4	20.1	19.5	19.2	9.6	11.2
Mphasis	1.8	Neutral	550	-4.8	42.7	43.0	44.9	13.5	13.4	12.9	14.1	14.9	14.7	8.4	2.6
L&T Infotech	1.9	Buy	800	12.5	53.6	58.0	60.8	13.3	12.3	11.7	41.4	36.6	32.1	8.3	6.5
Mindtree	0.6	Neutral	530	17.3	24.9	34.6	39.4	18.2	13.1	11.5	17.0	21.5	21.7	9.3	25.9
KPIT Tech	0.4	Neutral	150	15.4	11.5	13.8	15.0	11.3	9.4	8.6	13.7	15.9	14.9	6.8	14.4
Cyient	0.8	Buy	600	27.9	30.9	37.6	43.1	15.2	12.5	10.9	14.8	16.0	16.3	12.0	18.0
Hexaware	1.0	Neutral	220	2.3	13.7	14.9	16.3	15.7	14.4	13.2	26.5	24.4	22.7	10.1	9.0
NIIT Tech	0.4	Neutral	470	7.8	36.2	46.8	52.9	12.0	9.3	8.2	13.5	15.9	16.0	8.1	20.9
Persistent	0.7	Neutral	730	22.5	37.4	43.4	50.5	15.9	13.7	11.8	16.9	17.9	20.1	11.0	16.2
Zensar	0.6	Buy	1,200	29.7	65.3	81.4	92.0	14.2	11.4	10.0	19.1	20.4	19.7	12.7	18.7

Source: MOSL



Capital Goods

Capex tracker: Private capex still far from peak

New project announcements decline sharply

Growth in projects under execution stable QoQ at 5%

Growth in projects under execution stood at 5% YoY to INR97.9t. Of this, 57% (INR55.3t) was contributed by government projects and 43% (INR42.6t) by private projects. Capex in the private sector, which at peak contributes ~60% of overall capex, continues to be muted, given the uncertain demand environment and low capacity utilization. Sector-wise, growth was primarily driven by metals and metals products (INR4.9t, +5% YoY), mining (INR4.0t, +16% YoY) and services (INR38.6t, +14% YoY). Construction and real estate, however, witnessed de-growth of 8% to INR10.2t.

New project announcements down 22% YoY

New project announcements declined 22% YoY (INR2.6t) in 4QFY17, led by a drop in fresh project announcements in the manufacturing and electricity segments. The decline can be ascribed to a sharp fall in government project announcements (INR529b, -44% YoY). Announcements in the manufacturing sector declined 58% YoY (INR654b), led by weakness in sub-segments like chemicals, consumer goods, metals, machinery and transport equipment, while those in the electricity segment fell 40% YoY to INR326b. The service sector, however, registered strong growth of 36% YoY (INR1.4t) in project announcements, led by 69% YoY growth in transport services (INR1.1t), mainly on account of the large announcement being made by Spice Jet for Boeing planes for INR731b and by Dhruv for 32 helicopters for INR80b.

Aggregate stalled projects at multi-year high, but quarterly trend improves

The aggregate amount of stalled projects in the system stood at INR12t – a multi-year high. Although growth in stalled projects has slowed down to 2% YoY, we note that stalled projects as % of projects under implementation stand at 12.3%. The manufacturing sector has started witnessing improvement, with stalled projects down 20% YoY in 4QFY17. However, the construction and real estate segment continues to be problem area (stalled projects up 59% YoY). On the positive side, the quarterly trend is encouraging, given that only 24 projects (INR257b) under implementation were stalled – the lowest since December 2008. A few large projects were stalled during the quarter, e.g., INR97b Jiribam-Tupul-Imphal railway line and INR27b Pune Municipal Corporation water supply project.

Completed projects down 50% YoY

Projects completed were down 50% YoY (INR1.2t) in 4QFY17, led by a declining trend across sectors (manufacturing down by 29% YoY to INR492b, mining by 39% to INR31b, electricity by 65% to INR358b and services by 66% to INR163b).

Valuation and View

We believe that the capex activity over the next 18-24 months would be driven by government projects, post which we believe private capex activity to pick up given

better demand scenario and better utilization of installed capacities. Our top pick in the sector are L&T (BUY, SoTP TP INR1660), BHE (BUY TP INR178, 21x FY19E EPS of INR8.5) and Crompton consumer (BUY, INR205 30x FY19EPS of INR6.7)

Exhibit 15: Projects under implementation up 5% YoY in 4QFY17

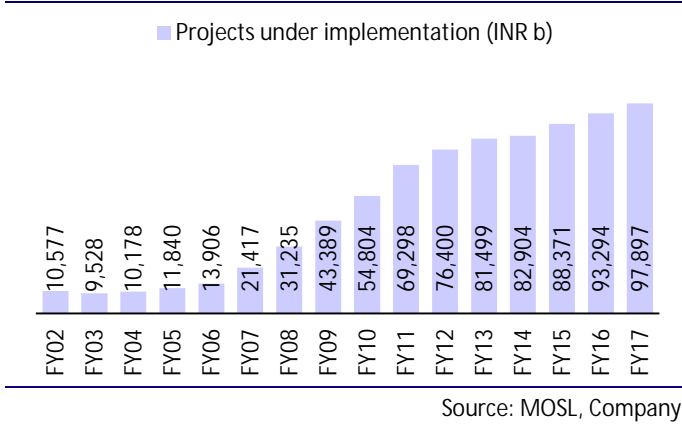


Exhibit 16: Project completion declines 50% YoY

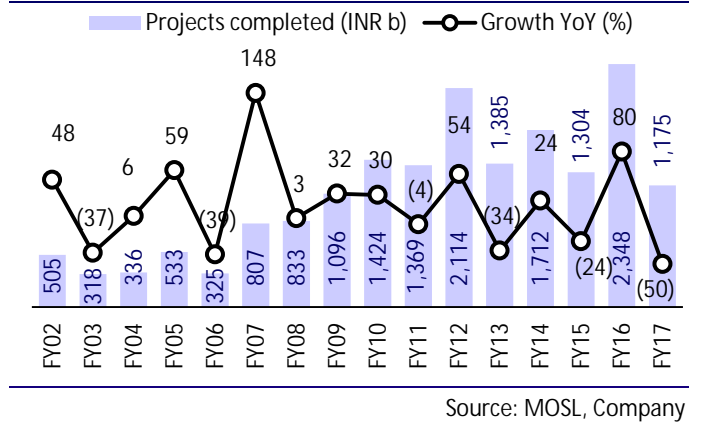


Exhibit 17: New project announcements down 22% YoY led by weakness in manufacturing segment

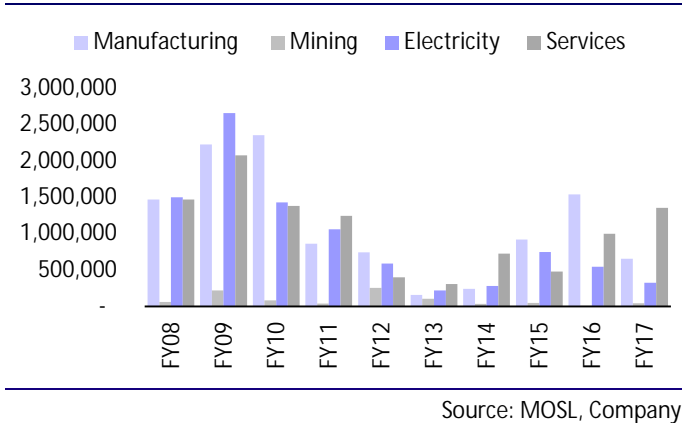
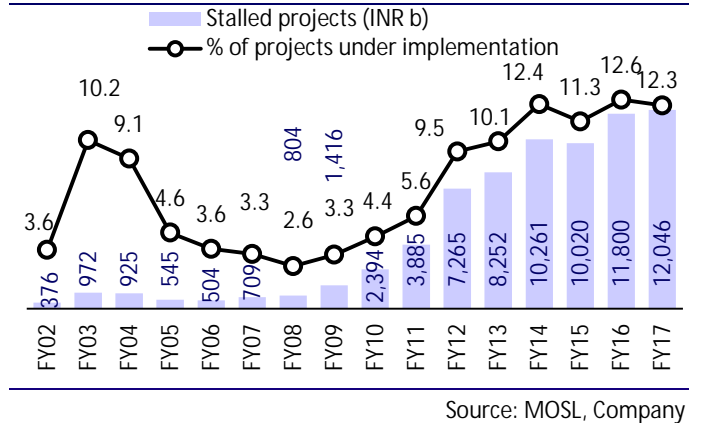


Exhibit 18: Stalled project levels at multi-year high





1. Bajaj Auto: Domestic demand for 2-wheeler in April may dip but upbeat on exports; Rajiv Bajaj, MD

- n The impact on retail sales of two-wheelers was due to demonetisation and heavy discounts, and the dip in demand is likely to continue for the month of April too due to preponement of buying in March but things should normalize post that.
- n The retail sales in the second half of the past fiscal FY17 was worse than the first half, however, exports saw some improvement.
- n Talking about margins, maintaining margin achieved in Q3FY17 will not be an issue; but numbers and growth we have to wait and watch.
- n Dominar has done well, have sold more than 10,000 units since the launch 3 months back. Would look to start exporting Dominar starting this month.

[→ Read More](#)

2. Bharat Forge: To expand footprint in North America; demand robust for class 8 trucks; Baba Kalyani, CMD

- n The North American heavy truck market has bottomed out. It is beginning to show signs of some robustness.
- n Expecting the truck sales to be 10-15% higher than the earlier projections. Things are looking better in every geography and every sector of the economy.
- n Expecting to see strong sales in Q1FY18 for the truck market in India with the banning of Euro III vehicles post 1st April.
- n On track to achieve a USD 100 million revenue from the aerospace business vertical by 2020. Will be an exponential growth after we achieve the target.

[→ Read More](#)



1. Taxing matters. by Mohan R Lavi

- n For the past five years, the Central Board of Direct Taxes (CBDT) has been attempting to pronounce accounting standards for computation of income. The Tax Accounting Standards were rechristened Income Computation and Disclosure Standards (ICDS) in March 2015 and their implementation was deferred by a year. Revised standards were issued in 2016 and, recently, the CBDT has answered 25 questions on ICDS. Even so, the standards face many glitches. The Income-Tax Act is a detailed piece of legislation that elaborates on computation of income under various heads of income.

[→ Read More](#)

2. How to make India a financial services hub, stop huge amounts flowing as fees to foreign amcs. by The Financial Express

- n For too long, India has exported its financial markets due to its uncertain, unstable, confusing and convoluted tax policies that eventually result in creation of India-focused offshore funds. Today, the rupee is impacted by trades in the non-deliverable forward (NDF) markets of Singapore and Dubai, the Nifty indices by trade in Singapore and gold prices by Dubai and London. Almost all fund managers of overseas capital invested in India are located outside due to perverse tax rules. It is time we get the financial markets back and develop the skills associated with the global financial markets in India.

[→ Read More](#)

3. The 'Asian century' might never come. by a. Gary shilling

- n People in the West have long had a fascination with the East, with many predicting an "Asian century" marked by economic and market dominance. I have disagreed with the consensus on China and other Asian Tigers, and others are beginning to agree. Many problems stand in the way of the "Asian century". Japan dazzled Westerners with the speed of its recovery from the ashes of World War II. Japanese purchases of US trophy properties such as the Pebble Beach golf resort in California and Rockefeller Center in Manhattan in the 1980s, on top of leaping property and equity prices in Japan, convinced many that Japan would soon take over the world.

[→ Read More](#)

4. Managing surplus liquidity. by Soumya Kanti Ghosh & Ramkamal Samanta

- n The liquidity bulge in the banking system is keeping all stakeholders busy. The recent discussion on introducing a special deposit facility (SDF) for managing surplus-banking liquidity bears testimony to this fact. We, however, believe that some simple amendments in monetary management policies by the apex bank will be a win-win for government and banks. In April 2016, the Reserve Bank of India (RBI) made a well thought out departure in monetary policy from a rate stance to a liquidity neutral strategy. However, the full benefit of structural liquidity injection remained elusive due to two reasons.

[→ Read More](#)

5. Separate illegality & corporate structure. by The Economic Times

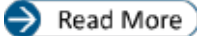
- n The threat of arbitrariness and excess hangs over Indian business today , after the Finance Bill has armed junior taxmen with discretionary powers of search and seizure and with the ongoing crackdown on shell companies. The term shell companies is loaded: some nefarious intent or the other is implied by its very nomenclature. All companies without an operational business are not meant for ulterior purposes. One company's purpose, for example, could be to accumulate shares in a takeover target, without triggering an open offer till the relevant threshold is reached, fully in compliance with the law.

 Read More

International

6. Democrats can do business with donald trump. by Rana Foroohar

- n The inability of Republicans in the US Congress to repeal Obamacare — and the shadow this has cast over their tax reform plans — make one thing clear: Donald Trump is going to need Democrats on his side if he wants to accomplish any of the disruptive goals he put forward during his campaign. These range from trade reform and infrastructure investment to putting working-class white men back to work. You can argue, of course, about how much the president or, more importantly, his advisers are committed to any of this.

 Read More



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Automobiles														
Amara Raja	Buy	909	1,087	20	29.2	37.7	45.4	31.1	24.1	6.2	5.1	21.6	23.1	22.9
Ashok Ley.	Buy	84	114	36	4.8	6.4	8.2	17.5	13.1	3.8	3.2	23.1	26.3	28.2
Bajaj Auto	Buy	2,784	3,432	23	136.2	160.6	182.3	20.4	17.3	5.8	5.0	30.0	31.0	30.9
Bharat Forge	Buy	1,076	1,110	3	25.7	37.5	46.7	41.9	28.7	6.3	5.5	15.9	20.6	22.0
Bosch	Neutral	22,607	22,049	-2	489.0	639.6	735.0	46.2	35.3	9.1	7.6	18.8	23.4	22.6
CEAT	Buy	1,335	1,406	5	89.9	107.6	140.6	14.9	12.4	2.3	2.0	16.4	16.9	18.9
Eicher Mot.	Buy	25,493	27,458	8	623.7	868.2	1,072.1	40.9	29.4	14.5	10.4	41.1	41.2	37.1
Endurance Tech.	Buy	774	732	-5	24.2	30.2	36.6	32.0	25.6	6.2	5.1	21.2	21.8	22.1
Escorts	Buy	537	596	11	21.8	32.8	42.6	24.7	16.4	2.7	2.4	11.4	15.6	17.7
Exide Ind	Buy	230	233	1	8.2	9.7	11.8	27.9	23.7	4.0	3.5	14.2	14.9	15.9
Hero Moto	Neutral	3,205	3,190	0	175.2	190.7	199.4	18.3	16.8	6.7	5.7	40.1	36.8	33.0
M&M	Buy	1,285	1,546	20	60.7	75.0	89.4	21.2	17.1	3.2	2.9	14.3	13.6	14.5
Mahindra CIE	Not Rated	227	-		6.2	9.7	11.9	36.6	23.3	2.5	2.3	7.7	10.3	11.3
Maruti Suzuki	Buy	6,072	7,443	23	253.2	319.4	387.8	24.0	19.0	5.6	4.6	22.4	23.7	23.5
Tata Motors	Buy	470	654	39	12.8	35.5	70.1	36.9	13.3	1.9	1.7	5.2	13.3	22.2
TVS Motor	Buy	435	462	6	11.9	15.4	21.9	36.6	28.3	8.8	7.1	26.4	27.9	31.4
Aggregate								27.1	18.5	4.1	3.5	15.0	19.0	22.0
Banks - Private														
Axis Bank	Neutral	499	535	7	14.1	25.0	46.8	35.5	20.0	2.2	2.0	6.3	10.3	17.3
DCB Bank	Neutral	170	134	-21	7.1	8.6	10.9	24.0	19.8	2.5	2.2	10.9	11.8	13.1
Equitas Hold.	Buy	171	240	40	6.1	6.9	8.7	28.3	24.7	2.6	2.3	11.3	9.9	11.1
Federal Bank	Buy	90	105	16	4.6	5.5	6.9	19.7	16.5	1.8	1.7	9.4	10.4	12.1
HDFC Bank	Buy	1,433	1,510	5	56.9	68.3	81.5	25.2	21.0	4.4	3.8	18.6	19.3	19.8
ICICI Bank	Buy	287	345	20	17.2	17.9	21.8	16.7	16.0	2.0	1.8	10.4	9.9	11.3
IDFC Bank	Neutral	60	68	14	3.1	3.9	4.9	19.6	15.2	1.4	1.3	7.4	8.9	10.2
IndusInd	Buy	1,403	1,535	9	48.4	58.7	71.2	29.0	23.9	4.2	3.7	15.5	16.4	17.2
J&K Bank	Neutral	75	75	0	-25.2	13.0	15.4	NM	5.8	0.7	0.6	-21.1	11.6	12.5
Kotak Mah. Bk	Buy	875	1,015	16	26.3	32.3	41.3	33.3	27.1	4.2	3.7	13.5	14.5	16.0
RBL Bank	Buy	508	450	-11	12.4	17.5	24.6	40.8	29.0	4.4	4.0	12.6	14.4	17.7
South Indian	Neutral	22	21	-3	2.8	3.1	3.8	7.8	7.0	0.7	0.7	9.7	10.0	11.3
Aggregate								25.2	19.8	3.0	2.7	12.0	13.6	15.5
Banks - PSU														
BOB	Buy	172	221	28	7.5	18.3	25.3	22.9	9.4	1.1	1.0	5.0	11.5	14.4
BOI	Neutral	139	123	-12	-5.6	17.1	23.2	NM	8.2	0.6	0.6	-2.4	7.0	8.9
Canara	Neutral	304	300	-1	23.9	36.7	56.0	12.7	8.3	0.6	0.6	4.9	7.2	10.3
IDBI Bk	Neutral	76	49	-35	1.5	6.4	8.6	49.6	11.8	0.7	0.7	1.4	5.8	7.3
Indian Bk	Buy	281	330	18	30.4	32.2	38.1	9.2	8.7	0.9	0.9	10.4	10.2	11.1
OBC	Neutral	142	114	-20	6.6	19.6	24.1	21.6	7.3	0.4	0.3	1.7	4.8	5.6
PNB	Buy	150	185	23	6.7	12.7	17.2	22.3	11.8	0.8	0.8	3.9	6.8	8.6
SBI	Buy	293	350	19	8.6	21.6	29.5	34.0	13.6	1.3	1.2	3.9	9.2	11.5
Union Bk	Neutral	155	172	11	8.5	30.5	45.3	18.4	5.1	0.5	0.5	2.8	9.7	13.0
Aggregate								28.2	11.2	0.9	0.9	3.3	7.9	10.1
NBFCs														
Bajaj Fin.	Buy	1,183	1,276	8	34.1	44.6	59.3	34.7	26.5	7.1	5.8	22.5	24.1	25.9
Bharat Fin.	Neutral	818	848	4	44.6	39.5	51.5	18.3	20.7	4.1	3.4	29.6	18.0	19.4
Dewan Hsg.	Buy	374	405	8	30.7	35.6	42.0	12.2	10.5	1.9	1.6	16.6	16.6	17.2
GRUH Fin.	Neutral	398	348	-12	7.9	9.8	11.7	50.6	40.5	14.4	11.8	31.0	32.1	31.6
HDFC	Buy	1,533	1,580	3	46.8	51.7	57.3	32.7	29.7	6.1	5.5	19.6	19.6	19.0
Indiabulls Hsg	Buy	997	1,015	2	69.5	86.2	109.6	14.3	11.6	3.6	3.2	26.0	28.9	32.3
LIC Hsg Fin	Buy	625	693	11	37.6	44.7	52.6	16.6	14.0	3.0	2.5	19.1	19.5	19.6
Manappuram	Not Rated	98	-		3.8	4.3	5.2	25.7	22.9	2.9	2.7	11.4	12.2	14.0
M&M Fin.	Buy	319	323	1	8.4	11.1	13.9	37.9	28.9	2.9	2.7	7.7	9.7	11.4
Muthoot Fin	Buy	380	409	8	29.7	34.7	40.5	12.8	10.9	2.4	2.1	19.8	20.3	20.8
PFC	Neutral	148	117	-21	24.0	25.5	40.5	6.2	5.8	1.0	0.9	16.8	16.2	22.3



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Repco Home	Buy	721	752	4	29.0	34.2	40.5	24.9	21.1	4.0	3.4	17.5	17.5	17.7
REC	Neutral	180	134	-25	29.4	35.3	39.9	6.1	5.1	1.1	0.9	18.8	19.5	18.9
Shriram City UnionBuy		2,325	2,500	8	91.2	130.5	164.2	25.5	17.8	3.1	2.7	12.7	16.1	17.6
STF	Buy	1,101	1,225	11	58.1	77.9	96.7	19.0	14.1	2.2	2.0	12.3	14.7	16.1
Aggregate								17.7	15.3	3.1	2.7	17.2	17.7	18.9
Capital Goods														
ABB	Neutral	1,320	1,190	-10	18.4	26.1	32.6	71.7	50.6	8.5	7.3	11.9	14.4	15.9
Bharat Elec.	Buy	160	180	13	6.2	7.3	8.5	25.8	21.8	4.7	4.1	19.7	19.0	19.3
BHEL	Sell	167	115	-31	5.5	5.7	5.8	30.1	29.2	1.2	1.2	4.0	4.0	4.0
CG Cons. Elec.	Buy	225	205	-9	4.6	5.5	6.7	49.3	41.2	37.3	25.4	94.3	73.3	66.1
CG Power & Indu.	Sell	80	45	-44	3.6	3.9	4.5	21.9	20.5	1.2	1.1	5.4	5.5	6.0
Cummins	Neutral	962	990	3	26.6	30.5	36.5	36.1	31.6	7.7	7.0	22.6	23.2	25.3
GE T&D	Neutral	340	340	0	6.0	11.0	11.4	56.5	30.8	6.7	6.0	11.7	20.7	19.2
Havells	Neutral	469	425	-9	8.9	12.1	14.1	52.5	38.9	10.6	9.6	20.3	24.6	25.1
Inox Wind	Neutral	175	175	0	19.4	16.5	17.6	9.0	10.6	1.7	1.5	21.2	15.3	14.3
K E C Intl	Buy	212	175	-17	10.5	12.3	13.5	20.1	17.3	3.1	2.7	16.6	16.8	16.2
L&T	Buy	1,661	1,660	0	53.6	65.0	79.7	31.0	25.6	3.3	3.0	10.9	12.2	13.6
Pennar Eng.	Not Rated	127	-		10.5	12.4	16.8	12.1	10.3	1.8	1.5	14.5	14.6	16.6
Siemens	Neutral	1,301	1,340	3	17.0	25.7	33.5	76.5	50.6	7.0	6.0	9.2	11.9	14.2
Solar Ind	Neutral	773	800	3	19.0	22.3	26.5	40.7	34.7	7.0	6.0	18.4	18.6	19.0
Suzlon Energy	Not Rated	19	-		0.2	0.6	0.7	87.8	34.0	-2.1	-2.3	NM	-6.7	-8.4
Thermax	Sell	976	781	-20	24.4	27.9	31.3	39.9	35.0	4.6	4.3	12.1	12.6	13.1
Va Tech Wab.	Buy	687	760	11	26.5	34.5	40.3	26.0	19.9	3.5	3.1	8.9	16.7	17.3
Voltas	Neutral	414	365	-12	13.1	15.9	18.8	31.5	26.1	5.1	4.4	17.1	18.2	18.8
Aggregate								33.9	28.1	3.7	3.4	10.8	11.9	12.9
Cement														
Ambuja Cem.	Buy	236	277	17	4.9	7.3	7.9	48.3	32.1	2.4	2.3	5.0	7.4	7.7
ACC	Neutral	1,460	1,339	-8	33.7	46.7	58.6	43.3	31.3	3.2	3.3	7.5	10.4	13.2
Birla Corp.	Buy	748	869	16	21.5	41.2	54.1	34.7	18.1	2.1	1.9	6.0	10.9	13.3
Dalmia Bharat	Buy	1,970	2,246	14	32.3	50.7	73.8	61.0	38.8	4.2	3.8	7.2	10.4	13.4
Grasim Inds.	Neutral	1,053	1,067	1	70.2	86.5	110.7	15.0	12.2	1.7	1.5	12.0	13.1	14.7
India Cem	Neutral	164	138	-16	7.3	10.7	12.4	22.4	15.4	1.3	1.2	5.8	7.6	7.8
J K Cements	Buy	943	1,024	9	32.6	37.2	49.3	28.9	25.3	3.6	3.3	13.3	13.6	16.0
JK Lakshmi Ce	Buy	465	455	-2	5.9	12.2	17.8	78.5	38.0	4.0	3.9	5.2	10.5	14.7
Ramco Cem	Buy	677	815	20	29.0	31.9	40.1	23.4	21.2	4.4	3.7	20.3	18.9	20.0
Orient Cem	Buy	140	167	19	-1.8	3.2	5.8	NM	44.2	3.0	2.8	-3.7	6.6	11.3
Prism Cem	Buy	102	112	10	-0.6	2.6	4.8	NM	38.7	5.4	4.8	-3.1	13.1	20.8
Shree Cem	Buy	17,120	19,006	11	387.1	582.8	729.9	44.2	29.4	8.1	6.4	19.9	24.4	24.3
Ultratech	Buy	4,025	4,058	1	93.5	129.6	161.2	43.1	31.0	4.8	4.2	11.7	14.5	15.8
Aggregate								34.3	24.7	3.4	3.1	9.9	12.5	14.0
Consumer														
Asian Paints	Neutral	1,091	1,035	-5	20.2	22.9	26.8	53.9	47.6	16.5	14.4	32.5	32.3	32.5
Britannia	Buy	3,394	3,775	11	71.9	83.0	101.3	47.2	40.9	18.1	14.3	42.9	39.1	37.9
Colgate	Buy	1,006	1,170	16	21.7	25.8	31.6	46.4	39.0	24.3	22.7	54.9	60.1	68.5
Dabur	Neutral	280	300	7	7.3	8.3	9.7	38.3	33.7	10.0	8.5	28.3	27.3	27.2
Emami	Buy	1,052	1,260	20	24.5	29.8	36.0	43.0	35.2	12.7	10.8	33.8	33.0	33.2
Godrej Cons.	Neutral	1,694	1,655	-2	36.8	42.8	49.6	46.0	39.6	9.6	8.1	22.4	22.2	21.9
GSK Cons.	Neutral	5,194	5,300	2	157.7	178.8	190.8	32.9	29.1	7.7	6.7	25.1	24.7	23.1
HUL	Neutral	919	920	0	19.3	21.5	24.8	47.7	42.7	32.8	34.1	67.6	78.4	92.5
ITC	Buy	282	295	5	8.4	9.5	10.8	33.6	29.6	8.9	7.8	28.4	28.1	28.2
Jyothy Lab	Neutral	343	365	6	7.6	9.0	10.5	45.3	38.2	6.9	6.3	15.7	17.2	18.3
Marico	Buy	296	335	13	6.1	7.1	8.4	48.7	41.8	14.6	12.6	33.3	32.4	34.5
Nestle	Neutral	6,577	6,840	4	118.7	144.0	171.0	55.4	45.7	20.8	18.0	35.9	39.2	42.3
Page Inds	Buy	14,579	16,910	16	235.6	305.1	388.4	61.9	47.8	25.5	20.2	41.3	42.2	43.2
Parag Milk	Neutral	234	215	-8	7.0	9.7	12.1	33.3	24.2	2.7	2.4	10.8	10.5	12.9



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Pidilite Ind.	Neutral	702	720	3	16.6	18.3	20.5	42.2	38.4	10.9	8.9	28.0	25.4	23.4
P&G Hygiene	Buy	7,431	8,250	11	145.7	167.7	198.8	51.0	44.3	13.8	11.9	29.0	28.8	29.5
United Brew	Buy	763	1,044	37	10.7	15.4	19.8	71.5	49.7	8.5	7.4	12.6	16.0	17.8
United Spirits	Buy	2,048	2,885	41	28.6	47.0	64.0	71.5	43.6	13.5	10.5	20.8	24.0	24.9
Aggregate								42.5	36.8	12.6	11.0	29.5	29.8	30.3
Healthcare														
Alembic Phar	Neutral	620	630	2	23.2	27.9	35.1	26.7	22.2	6.1	5.0	24.8	24.7	25.3
Alkem Lab	Neutral	2,156	1,850	-14	79.3	85.7	100.0	27.2	25.2	6.1	5.1	24.4	22.0	21.7
Ajanta Pharma	Buy	1,747	2,028	16	56.0	63.8	79.6	31.2	27.4	9.7	7.5	35.9	30.9	29.9
Aurobindo	Buy	681	915	34	40.5	47.0	54.6	16.8	14.5	4.3	3.4	29.0	26.0	23.8
Biocon	Sell	1,129	750	-34	33.2	35.6	44.5	34.0	31.8	5.0	4.5	14.7	14.1	15.7
Cadila	Buy	444	510	15	12.0	17.7	23.0	37.0	25.1	7.4	6.1	21.4	26.5	27.9
Cipla	Neutral	592	550	-7	18.1	24.1	31.1	32.6	24.6	3.7	3.2	11.2	13.2	14.7
Divis Lab	Neutral	629	600	-5	45.4	34.6	40.6	13.9	18.2	3.5	3.2	26.7	18.4	19.5
Dr Reddy's	Neutral	2,746	2,875	5	77.7	121.7	151.4	35.3	22.6	3.4	3.0	10.0	14.1	15.4
Fortis Health	Buy	189	240	27	3.0	3.2	6.5	64.0	59.4	2.1	1.8	3.4	3.3	6.0
Glenmark	Neutral	857	990	16	41.6	49.2	60.5	20.6	17.4	4.2	3.3	20.5	18.9	19.1
Granules	Buy	142	160	13	7.0	8.0	11.7	20.4	17.7	3.5	2.4	19.9	16.6	18.4
GSK Pharma	Neutral	2,724	2,700	-1	34.5	55.5	64.4	78.9	49.1	17.7	21.1	22.4	43.0	56.9
IPCA Labs	Neutral	632	540	-14	15.8	27.9	37.3	39.9	22.6	3.2	2.9	8.4	13.5	15.9
Lupin	Buy	1,435	1,850	29	61.8	79.0	89.3	23.2	18.2	4.8	3.9	22.9	23.9	22.1
Sanofi India	Buy	4,749	5,000	5	129.0	161.6	193.8	36.8	29.4	6.1	5.5	16.4	18.7	19.8
Sun Pharma	Buy	693	850	23	27.4	35.1	42.2	25.3	19.7	4.8	4.0	20.0	22.3	22.4
Syngene Intl	Not Rated	519	-		13.0	16.1	18.0	39.9	32.2	8.0	6.6	22.2	22.5	20.7
Torrent Pharma	Buy	1,507	1,700	13	56.8	76.3	93.4	26.5	19.7	6.4	5.3	26.0	29.2	29.6
Aggregate								26.7	21.2	4.8	4.0	17.9	18.9	19.3
Logistics														
Allcargo Logistics	Buy	171	191	12	9.5	11.1	12.5	18.0	15.4	2.4	2.2	12.0	14.9	15.0
Blue Dart	Not Rated	5,248	-		102.5	129.9	163.2	51.2	40.4	22.7	17.3	50.5	48.6	46.8
Concor	Neutral	1,264	1,309	4	36.0	45.8	50.0	35.1	27.6	2.9	2.8	8.6	10.3	10.6
Gateway Distriparks	Buy	253	314	24	8.8	15.7	20.1	28.9	16.1	2.2	2.0	7.6	12.9	15.3
Gati	Not Rated	142	-		8.4	15.9	23.9	16.9	8.9	2.3	2.1	12.4	19.4	25.4
Transport Corp.	Not Rated	237	-		16.9	21.0	25.9	14.0	11.3	2.2	1.9	16.7	17.8	18.6
Aggregate								31.6	24.0	3.5	3.2	11.0	13.3	14.3
Media														
Dish TV	Buy	103	115	12	1.7	3.2	4.8	60.9	32.6	19.5	12.2	38.2	46.1	44.7
D B Corp	Buy	381	450	18	21.1	23.9	27.4	18.1	16.0	4.6	4.1	27.0	27.1	27.5
Den Net.	Neutral	85	75	-11	-3.6	1.9	7.7	NM	45.6	1.0	0.9	-4.1	2.1	8.1
Hind. Media	Buy	284	355	25	26.5	29.4	33.2	10.7	9.7	1.9	1.6	19.3	17.8	16.9
HT Media	Neutral	84	85	1	8.0	8.2	8.7	10.4	10.3	0.8	0.7	7.7	7.1	7.0
Jagran Prak.	Buy	186	215	15	10.8	12.2	13.9	17.3	15.2	3.4	2.9	20.7	20.6	20.4
PVR	Buy	1,440	1,533	6	20.8	35.7	56.8	69.3	40.3	7.0	6.1	10.6	16.3	22.0
Siti Net.	Neutral	38	40	5	-0.9	2.7	1.2	NM	14.0	4.0	2.7	-10.2	23.5	11.2
Sun TV	Neutral	795	735	-8	25.1	29.7	34.5	31.7	26.8	8.0	7.3	25.1	27.3	29.0
Zee Ent.	Buy	530	600	13	12.2	17.6	20.9	43.4	30.1	10.2	8.3	31.3	30.3	29.3
Aggregate								36.3	26.2	6.3	5.4	17.3	20.6	21.7
Metals														
Hindalco	Buy	194	240	24	17.2	22.9	25.6	11.3	8.5	1.7	1.5	16.1	18.8	17.7
Hind. Zinc	Neutral	292	307	5	19.8	28.2	29.5	14.7	10.3	2.9	2.4	20.9	25.2	22.0
JSPL	Buy	123	180	46	-23.9	-17.5	-2.2	NM	NM	0.3	0.3	-8.0	-4.5	-0.6
JSW Steel	Buy	189	226	19	13.6	19.0	19.4	13.9	10.0	2.1	1.8	16.4	19.6	17.1
Nalco	Buy	75	83	11	3.6	5.3	5.5	20.9	14.0	1.4	1.3	6.9	9.7	9.3
NMDC	Buy	134	179	34	12.2	12.3	12.9	10.9	10.9	1.8	1.6	13.5	15.6	15.0
SAIL	Sell	63	28	-56	-8.7	-14.2	-1.3	NM	NM	0.7	0.9	-9.6	-17.9	-1.8



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Vedanta	Neutral	273	279	2	18.9	31.1	33.1	14.4	8.8	1.6	1.4	11.7	17.1	16.4
Tata Steel	Sell	485	401	-17	17.4	43.8	51.4	28.0	11.1	4.0	3.1	12.6	31.3	28.9
Aggregate								19.8	13.0	1.5	1.4	7.4	10.5	12.2
Oil & Gas														
BPCL	Buy	638	778	22	56.6	55.5	60.0	11.3	11.5	2.9	2.5	27.5	23.4	21.8
GAIL	Neutral	385	335	-13	23.9	28.5	31.0	16.1	13.5	1.9	1.8	14.1	13.7	13.7
Gujarat St. Pet.	Neutral	165	163	-1	8.8	11.0	13.2	18.7	14.9	2.1	1.9	12.0	13.5	14.5
HPCL	Buy	518	620	20	53.8	45.0	46.2	9.6	11.5	2.6	2.2	27.9	20.7	18.7
IOC	Buy	381	458	20	43.5	39.9	41.7	8.8	9.6	2.1	1.9	25.9	20.7	19.1
IGL	Neutral	1,013	1,032	2	43.0	42.6	49.9	23.6	23.8	4.9	4.3	22.1	19.3	19.4
MRPL	Neutral	108	114	6	12.9	12.7	13.9	8.4	8.5	2.3	1.9	31.0	24.7	22.5
Oil India	Buy	331	382	16	27.5	39.0	39.8	12.0	8.5	1.1	1.0	9.5	12.7	12.1
ONGC	Neutral	186	204	10	12.6	21.1	21.0	14.8	8.8	1.3	1.3	8.7	14.4	14.2
PLNG	Buy	414	460	11	22.8	26.9	36.6	18.2	15.4	4.1	3.4	24.4	24.2	27.4
Reliance Ind.	Neutral	1,371	1,240	-10	100.2	115.1	122.7	13.7	11.9	1.5	1.4	11.7	12.1	11.7
Aggregate								12.6	10.9	1.7	1.6	13.8	14.6	14.1
Retail														
Jubilant Food	Neutral	1,104	1,008	-9	12.8	22.4	29.9	86.1	49.3	9.0	9.8	10.4	19.9	25.1
Titan Co.	Neutral	460	420	-9	9.2	9.7	11.2	49.8	47.6	9.8	8.7	21.2	19.3	19.7
Aggregate								53.3	48.0	9.7	8.8	18.2	18.4	19.3
Technology														
Cyient	Buy	467	600	29	32.8	39.1	43.3	14.2	11.9	2.2	2.0	15.7	16.5	16.2
HCL Tech.	Buy	865	1,000	16	58.1	65.1	70.6	14.9	13.3	3.8	3.7	27.3	27.7	27.8
Hexaware	Neutral	215	220	2	13.7	15.3	15.9	15.7	14.0	3.8	3.2	26.5	25.0	22.2
Infosys	Buy	1,009	1,250	24	62.8	67.8	74.4	16.1	14.9	3.3	3.0	23.2	22.5	22.3
KPIT Tech	Neutral	130	150	15	11.7	13.8	15.3	11.1	9.4	1.6	1.4	14.0	15.9	15.1
L&T Infotech	Buy	720	800	11	54.2	57.5	62.3	13.3	12.5	5.0	4.1	41.8	36.2	32.8
Mindtree	Neutral	457	530	16	25.1	33.7	38.1	18.2	13.5	3.0	2.7	17.1	21.0	21.1
Mphasis	Neutral	573	550	-4	42.6	41.4	45.0	13.5	13.8	2.0	1.9	14.1	14.4	14.8
NIIT Tech	Neutral	435	470	8	38.2	49.3	51.9	11.4	8.8	1.6	1.4	14.2	16.5	15.5
Persistent Sys	Neutral	588	730	24	38.9	46.2	52.6	15.1	12.7	2.4	2.3	17.5	18.9	20.6
Tata Elxsi	Buy	1,487	1,780	20	59.3	72.1	89.0	25.1	20.6	9.6	7.6	42.5	41.3	40.8
TCS	Neutral	2,413	2,550	6	135.6	146.5	159.2	17.8	16.5	5.6	5.7	33.9	33.4	33.3
Tech Mah	Buy	453	550	21	32.5	35.7	40.2	13.9	12.7	2.6	2.3	20.1	19.5	19.2
Wipro	Neutral	507	540	6	33.4	37.2	41.7	15.2	13.6	2.5	2.2	17.0	17.0	17.3
Zensar Tech	Buy	920	1,200	30	65.3	81.4	92.0	14.1	11.3	2.5	2.1	19.1	20.4	19.7
Aggregate								16.5	15.4	3.9	3.7	23.7	24.0	23.1
Telecom														
Bharti Airtel	Buy	342	410	20	11.3	7.7	11.8	30.2	44.6	2.0	1.9	6.7	4.3	6.4
Bharti Infratel	Buy	328	435	33	15.6	16.7	19.9	21.1	19.7	3.4	3.0	15.7	15.9	16.7
Idea Cellular	Buy	85	120	41	-3.1	-13.2	-14.0	NM	NM	1.2	1.5	-4.4	-21.4	-28.5
Tata Comm	Buy	732	811	11	8.5	31.4	44.8	86.0	23.3	-92.7	31.1	-75.4	402.2	97.6
Aggregate								38.8	111.3	2.3	2.2	5.8	2.0	4.0
Utilities														
Coal India	Neutral	295	315	7	17.2	20.0	22.5	17.2	14.7	6.1	6.0	35.2	41.0	46.0
CESC	Buy	858	970	13	50.2	74.5	82.1	17.1	11.5	1.9	1.7	11.0	15.8	15.2
JSW Energy	Buy	64	81	26	3.7	3.0	1.2	17.4	21.4	1.2	1.2	7.0	5.6	2.2
NTPC	Buy	165	199	21	12.0	14.3	17.3	13.7	11.5	1.4	1.3	10.8	11.9	13.3
Power Grid	Buy	196	243	24	15.3	17.7	20.7	12.8	11.1	2.1	1.8	17.4	17.5	17.7
Aggregate								14.8	12.7	2.3	2.2	15.8	17.1	18.0
Others														
Arvind	Buy	407	430	6	13.5	21.8	28.6	30.1	18.7	2.8	2.5	10.4	14.0	16.3
Bata India	Buy	562	483	-14	10.9	14.2	17.7	51.6	39.6	5.6	5.1	11.3	13.4	15.0
Castrol India	Buy	433	510	18	13.6	13.8	14.6	31.7	31.3	33.4	30.3	110.9	101.4	97.0
Century Ply.	Buy	259	211	-19	4.6	8.8	11.3	56.8	29.6	9.8	8.0	18.2	29.8	30.7



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Coromandel Intl	Under Review	310	-		16.3	20.0	25.5	19.0	15.5	3.4	3.0	18.5	20.4	22.8
Delta Corp	Buy	214	229	7	3.3	6.9	7.6	65.6	31.2	5.7	4.3	9.0	15.7	17.0
Dynamatic Tech	Buy	2,765	3,388	23	67.6	112.9	166.7	40.9	24.5	5.6	4.6	15.1	20.7	24.3
Eveready Incls.	Buy	271	287	6	12.4	13.9	16.9	21.8	19.5	7.3	5.8	37.8	33.1	32.5
Interglobe	Neutral	1,044	1,010	-3	39.3	54.1	72.2	26.6	19.3	18.3	15.9	72.8	88.1	101.2
Indo Count	Buy	200	205	3	13.7	17.1	20.6	14.6	11.7	4.2	3.0	33.8	30.2	26.8
Info Edge	Buy	821	1,075	31	16.9	19.0	21.9	48.5	43.2	5.1	4.8	11.1	11.5	12.3
Inox Leisure	Sell	286	207	-28	2.5	8.2	11.5	114.4	35.1	4.5	4.0	3.8	11.5	14.3
Jain Irrigation	Under Review	99	-		5.5	7.6	10.0	17.9	13.0	1.5	1.5	8.6	11.7	14.8
Just Dial	Buy	545	443	-19	17.2	18.5	22.1	31.7	29.5	4.9	4.3	16.5	15.5	16.2
Kaveri Seed	Neutral	557	577	4	23.4	28.6	36.1	23.8	19.5	4.0	3.7	17.3	19.8	22.9
Kitex Garm.	Buy	435	551	27	26.0	31.0	36.7	16.8	14.1	4.5	3.7	29.9	28.7	27.7
Manpasand	Buy	712	843	18	14.9	23.1	38.3	47.7	30.8	3.5	3.2	8.6	9.6	16.3
MCX	Buy	1,196	1,400	17	28.3	40.8	54.3	42.3	29.3	4.6	4.3	11.4	15.2	18.5
Monsanto	Under Review	2,522	-		72.9	89.3	109.3	34.6	28.3	10.5	9.8	30.4	35.9	39.6
Navneet Education	Buy	167	210	26	6.6	8.6	10.5	25.1	19.4	6.4	5.4	26.0	30.0	30.9
PI Incls.	Buy	830	1,046	26	30.4	34.8	43.6	27.3	23.8	7.5	6.0	30.9	27.9	27.8
Piramal Enterp.	Buy	1,936	2,200	14	74.5	127.1	164.7	26.0	15.2	2.5	2.3	10.0	15.7	18.2
SRF	Buy	1,660	1,825	10	82.4	99.9	125.1	20.2	16.6	3.2	2.8	16.5	17.4	19.1
S H Kelkar	Buy	300	371	24	7.5	10.1	13.3	40.1	29.5	5.2	4.6	13.5	16.6	19.1
Symphony	Sell	1,528	1,053	-31	27.0	35.1	42.9	56.6	43.5	30.8	26.2	56.8	65.0	66.3
TTK Prestige	Neutral	5,875	5,326	-9	107.8	139.9	178.6	54.5	42.0	8.7	7.8	16.6	19.7	22.4
V-Guard	Neutral	175	125	-28	3.7	4.6	5.4	47.2	38.2	12.5	10.0	29.4	29.1	27.6
Wonderla	Buy	385	393	2	7.0	11.9	16.0	55.1	32.3	5.0	4.5	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	2.2	7.2	2.3
Ashok Ley.	-0.5	-3.7	-23.7
Bajaj Auto	-0.8	-1.7	15.2
Bharat Forge	3.4	3.1	24.4
Bosch	-0.8	6.6	13.7
CEAT	0.8	14.3	25.0
Eicher Mot.	-0.2	10.5	32.5
Endurance Tech.	1.3	12.8	
Escorts	-0.3	10.2	285.5
Exide Ind	2.6	8.9	62.9
Hero Moto	-0.6	-2.0	8.6
M&M	0.0	-2.6	7.6
Mahindra CIE	6.8	12.8	17.0
Maruti Suzuki	0.8	3.1	63.1
Tata Motors	1.0	2.2	23.9
TVS Motor	0.8	1.4	34.0
Banks - Private			
Axis Bank	1.6	-2.7	11.0
DCB Bank	-0.2	9.7	112.5
Equitas Hold.	1.0	-1.4	
Federal Bank	-1.0	6.0	93.5
HDFC Bank	-0.7	4.1	34.5
ICICI Bank	3.5	4.0	20.2
IDFC Bank	0.8	-1.1	22.2
IndusInd	-0.4	7.9	46.2
J&K Bank	-0.1	5.8	23.2
Kotak Mah. Bk	0.3	8.2	28.8
RBL Bank	2.8	11.5	
South Indian	0.9	6.1	30.8
Banks - PSU			
BOB	-0.3	7.8	13.0
BOI	0.0	10.7	38.7
Canara	0.3	5.3	57.2
IDBI Bk	1.1	-1.7	4.6
Indian Bk	0.4	-1.5	169.3
OBC	1.1	15.8	47.8
PNB	-0.5	7.4	70.8
SBI	0.2	10.6	49.8
Union Bk	-0.3	7.7	11.6
NBFCs			
Bajaj Fin.	0.7	13.3	72.0
Bharat Fin.	1.4	1.2	49.8
Dewan Hsg.	1.8	15.2	87.1
GRUH Fin.	0.5	6.2	61.4
HDFC	2.0	11.8	37.9
Indiabulls Hsg	-0.1	18.4	54.4
LIC Hsg Fin	1.5	12.6	28.4
Manappuram	0.1	-1.6	181.5
M&M Fin.	1.4	10.5	31.3
Muthoot Fin	2.9	9.6	111.8
PFC	1.3	9.4	75.3
Repco Home	2.6	12.0	24.3
REC	-0.6	16.7	117.1
STF	2.2	19.7	19.0
Shriram City Union	-1.4	22.3	54.1

Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	3.1	7.7	2.2
Bharat Elec.	2.2	6.9	33.5
BHEL	2.4	5.6	42.9
CG Cons. Elec.	3.4	19.6	
CG Power & Inds Sol.	2.7	17.9	63.2
Cummins	1.5	9.5	11.3
GE T&D	2.8	15.9	-22.7
Havells	0.2	11.3	49.6
Inox Wind	2.7	4.1	-34.6
K E C Intl	1.7	26.6	70.0
L&T	5.3	13.0	34.1
Pennar Eng.	1.0	10.4	-15.4
Siemens	3.5	9.3	15.9
Solar Ind	-0.7	6.7	11.1
Suzlon Energy	0.3	7.3	35.3
Thermax	0.8	11.5	28.9
Va Tech Wab.	1.6	18.3	32.8
Voltas	0.5	11.4	45.3
Cement			
Ambuja Cem.	-0.6	4.7	0.4
ACC	1.0	4.7	3.5
Birla Corp.	1.2	7.4	100.8
Dalmia Bharat	0.1	5.3	148.7
Grasim Inds.	0.3	3.1	36.6
India Cem	1.0	-0.9	85.5
J K Cements	0.8	9.0	42.9
JK Lakshmi Ce	0.6	15.0	38.9
Ramco Cem	1.2	3.4	68.8
Orient Cem	6.6	-2.3	-7.3
Prism Cem	4.0	4.7	22.8
Shree Cem	0.6	7.4	39.3
Ultratech	0.9	5.9	25.6
Consumer			
Asian Paints	1.9	7.6	25.4
Britannia	0.3	9.6	26.6
Colgate	0.8	10.8	20.6
Dabur	0.9	1.0	11.7
Emami	-0.3	1.4	14.0
Godrej Cons.	1.4	5.7	22.0
GSK Cons.	0.7	0.0	-13.7
HUL	1.0	4.7	6.0
ITC	0.4	7.5	25.8
Jyothy Lab	-4.0	-5.4	15.5
Marico	0.5	6.1	22.3
Nestle	-1.6	6.5	16.7
Page Inds	-0.4	2.4	20.3
Parag Milk	2.6	4.1	
Pidilite Ind.	0.5	3.9	18.8
P&G Hygiene	-1.0	6.0	20.0
United Brew	-1.0	-1.9	-7.6
United Spirits	-5.8	-10.4	-18.0
Healthcare			
Alembic Phar	-0.7	2.8	4.7
Alkem Lab	-2.3	0.9	63.0
Ajanta Pharma	-0.8	1.3	25.5
Aurobindo	0.9	1.0	-6.8



Company	1 Day (%)	1M (%)	12M (%)
Biocon	-0.4	5.2	130.0
Cadila	0.1	3.0	38.4
Cipla	-0.1	0.7	15.2
Divis Lab	0.8	-16.9	-37.6
Dr Reddy's	4.3	-4.4	-7.8
Fortis Health	5.0	1.3	4.8
Glenmark	-0.1	-5.8	8.2
Granules	2.6	10.4	18.7
GSK Pharma	-0.4	0.7	-28.5
IPCA Labs	1.3	14.8	10.2
Lupin	-0.7	-2.5	-2.1
Sanofi India	0.7	10.4	14.8
Sun Pharma	0.8	1.0	-15.1
Syngene Intl	-0.7	4.7	36.4
Torrent Pharma	-2.7	12.2	10.6
Logistics			
Allcargo Logistics	1.1	2.6	12.6
Blue Dart	1.4	22.4	-14.3
Concor	-0.6	2.3	0.7
Gateway Distriparks	-0.1	0.7	-9.2
Gati	0.7	10.3	28.7
Transport Corp.	1.2	18.3	39.4
Media			
Dish TV	-4.8	8.1	20.2
D B Corp	0.4	0.2	23.3
Den Net.	2.2	4.8	-14.5
Hind. Media	0.2	5.0	14.7
HT Media	1.3	1.0	8.3
Jagran Prak.	-2.4	-2.0	17.7
PVR	0.5	9.9	96.1
Siti Net.	0.0	1.1	5.8
Sun TV	-0.5	9.6	110.5
Zee Ent.	-0.9	5.2	37.1
Metals			
Hindalco	-0.8	-2.5	123.4
Hind. Zinc	1.1	-6.5	57.9
JSPL	1.8	-2.4	93.9
JSW Steel	0.9	3.0	49.9
Nalco	-1.4	-3.9	91.9
NMDC	0.4	-8.6	36.5
SAIL	3.0	1.4	44.6
Vedanta	-0.7	2.0	202.4
Tata Steel	0.6	-1.9	52.8
Oil & Gas			
BPCL	-1.6	0.8	43.9
GAIL	2.3	-1.3	47.7
Gujarat St. Pet.	2.4	1.5	21.5
HPCL	-1.4	-0.6	96.1
IOC	-1.4	1.7	94.0
IGL	0.0	-2.7	79.4
MRPL	1.0	1.7	55.8
Oil India	-0.9	-0.7	39.3
ONGC	0.4	-3.8	33.5
PLNG	2.8	5.1	67.4
Reliance Ind.	3.9	9.0	32.7
Retail			
Jubilant Food	-0.2	4.7	-14.8
Titan Co.	-0.2	4.8	35.3

Company	1 Day (%)	1M (%)	12M (%)
Technology			
Cyient	-0.5	-0.7	2.0
HCL Tech.	-0.9	1.5	5.4
Hexaware	0.0	-3.3	-20.8
Infosys	-1.1	-2.1	-16.3
KPIT Tech	0.4	-3.6	-13.7
L&T Infotech	1.3	3.0	
Mindtree	1.0	-1.7	-31.6
Mphasis	-0.8	-3.3	22.7
NIIT Tech	-0.4	4.4	-12.6
Persistent Sys	-1.2	-8.1	-20.5
Tata Elxsi	1.6	0.4	-21.9
TCS	-0.7	-3.2	-1.7
Tech Mah	-1.4	-10.1	-2.1
Wipro	-1.6	3.0	-9.7
Zensar Tech	-0.5	0.6	-3.2
Telecom			
Bharti Airtel	-2.4	-3.9	1.9
Bharti Infratel	0.8	6.4	-14.8
Idea Cellular	-0.9	-23.2	-20.5
Tata Comm	1.3	-1.7	90.7
Utilities			
Coal India	0.8	-8.3	2.5
CESC	2.0	4.2	81.2
JSW Energy	2.1	3.2	-5.6
NTPC	-0.7	5.7	26.8
Power Grid	-0.5	2.8	41.9
Others			
Arvind	3.4	5.1	49.0
Bata India	-1.0	12.8	11.3
Castrol India	0.0	6.4	14.9
Century Ply.	0.1	8.1	51.3
Coromandel Intl	-0.9	-4.4	61.9
Delta Corp	18.1	39.5	212.1
Dynamatic Tech	1.2	-5.2	62.3
Eveready Inds.	3.2	11.4	15.6
Interglobe	-0.6	21.9	15.2
Indo Count	1.4	22.2	1.2
Info Edge	2.7	-2.2	7.5
Inox Leisure	-0.2	21.5	44.2
Jain Irrigation	5.8	10.6	64.4
Just Dial	3.2	0.1	-28.4
Kaveri Seed	0.9	13.1	47.0
Kitex Garm.	1.6	3.8	-7.6
Manpasand	0.7	-3.2	55.6
MCX	-0.6	7.2	43.5
Monsanto	-0.4	1.2	53.0
Navneet Educat.	2.7	15.8	98.0
PI Inds.	-0.9	1.3	45.8
Piramal Enterp.	1.8	6.4	85.1
SRF	2.1	5.4	29.8
S H Kelkar	0.6	3.4	32.1
Symphony	0.2	17.9	22.4
TTK Prestige	0.1	6.0	34.3
V-Guard	0.6	4.2	177.1
Wonderla	-0.5	2.2	0.0

REPORT GALLERY

RECENT INITIATING COVERAGE REPORTS

MOTILAL OSWAL

Initiating Coverage | 23 March 2017
Sector: Entertainment
Delta Corp

Favorable odds

Chetan Modi (chetan.modi@motilaloswal.com) +91 22 3982 5422
Nikhil Shah (nikhil.shah@motilaloswal.com) +91 22 3982 5424

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 17 March 2017
Sector: Healthcare
Ajanta Pharma

Promising growth trajectory

Domestic: Aggressive launches, improving MR productivity
USA: Healthy pipeline, manufacturing capacity, front end

Tushar Manuohare (tushar.manuohare@motilaloswal.com) +91 22 3982 2498
Sonal Bhutra (sonal.bhutra@motilaloswal.com) +91 22 3982 5558

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 17 February 2017
Sector: Financials - Pharmaceuticals
Piramal Enterprises

Winner's Edge

Shank Mehta (shank.mehta@motilaloswal.com) +91 22 3982 5412 / Anurag Sawhney (anurag.sawhney@motilaloswal.com) +91 22 3982 5554
Anshu Chopra (anshu.chopra@motilaloswal.com) +91 22 3982 5424 / Pooja Engineer (pooja.engineer@motilaloswal.com) +91 22 3982 5424

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 16 February 2017
Sector: Automobiles
CEAT

Well balanced

Nikhil Shah (nikhil.shah@motilaloswal.com) +91 22 3982 5426
Chetan Modi (chetan.modi@motilaloswal.com) +91 22 3982 5422

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 30 December 2016
Sector: Consumer Product
SH Kelkar

Adding flavor to fragrance

Chetan Modi (chetan.modi@motilaloswal.com) +91 22 3982 5422
Nikhil Shah (nikhil.shah@motilaloswal.com) +91 22 3982 5426, Chirvan Dasa (chirvan.dasa@motilaloswal.com) +91 22 3982 2425

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 16 December 2016
Sector: Automobile
Endurance Technologies

Gaining ground

Venil Shah (venil.shah@motilaloswal.com) +91 22 6129 1534
Bhaskar Ganesh (bhaskar.ganesh@motilaloswal.com) +91 22 6129 1534 / Aditya Vora (aditya.vora@motilaloswal.com)

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 14 December 2016
Sector: Technology
L&T Infotech

Proficient miner

Sagar Lata (sagar.lata@motilaloswal.com) +91 22 3982 5585
Anshu Chopra (anshu.chopra@motilaloswal.com) +91 22 3982 5424

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 10 November 2016
Sector: Financials
RBL Bank

A unique model - on a fast lane

Strong growth
Improving return profile
Investment phase

Sankal Mehta (sankal.mehta@motilaloswal.com) +91 22 3982 5505
Ajaykumar Mishra (ajaykumar.mishra@motilaloswal.com) +91 22 3982 5424

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 10 November 2016
Sector: Utilities
CESC

Best fully integrated power DISCOM

Steady growth high RoE
Robust utility business
Do-Integrate balance sheet
Distribution privatization
Growth at Fibrecore
Etarival PPA
Supplier breakaway

Divya Muthal (divya.muthal@motilaloswal.com) +91 22 6129 1549
Srinjay Jain (srinjay.jain@motilaloswal.com) +91 22 6129 1523

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

DIFFERENTIATED PRODUCT GALLERY

MOTILAL OSWAL

SUN PHARMACEUTICAL

Our research team into annual report season highlights several performance highlights from Sun Pharma's 2016-17 annual report. Revenue grew by 23% to INR 2,450 crore, with gross margin expansion. Key highlights include:

- Operating profit rose 23% to INR 300 crore, with EBITDA margin expansion.
- Operating cash flow rose 23% to INR 100 crore, with EBITDA margin expansion.
- Operating profit rose 23% to INR 300 crore, with EBITDA margin expansion.

ANNUAL REPORT TREADBARE

The ART of Trends to watch in 2017

Key takeaways from the annual report:

- Operating profit rose 23% to INR 300 crore, with EBITDA margin expansion.
- Operating cash flow rose 23% to INR 100 crore, with EBITDA margin expansion.

MOTILAL OSWAL

CornerOffice

Democratization & monetization: Look for India's largest bank

Key takeaways from the annual report:

- Operating profit rose 23% to INR 300 crore, with EBITDA margin expansion.
- Operating cash flow rose 23% to INR 100 crore, with EBITDA margin expansion.

MOTILAL OSWAL

VOICES

India Inc on Call

Key takeaways from the annual report:

- Operating profit rose 23% to INR 300 crore, with EBITDA margin expansion.
- Operating cash flow rose 23% to INR 100 crore, with EBITDA margin expansion.

MOTILAL OSWAL

EcoKnowledge

Identify data confirms 6.5% growth is for real in India

Key takeaways from the annual report:

- Operating profit rose 23% to INR 300 crore, with EBITDA margin expansion.
- Operating cash flow rose 23% to INR 100 crore, with EBITDA margin expansion.

MOTILAL OSWAL

BULLS & BEARS

INDIA VALUATION HANDBOOK

Key takeaways from the annual report:

- Operating profit rose 23% to INR 300 crore, with EBITDA margin expansion.
- Operating cash flow rose 23% to INR 100 crore, with EBITDA margin expansion.

MOTILAL OSWAL

FUND FOLIO

Indian Mutual Fund Tracker

Key takeaways from the annual report:

- Operating profit rose 23% to INR 300 crore, with EBITDA margin expansion.
- Operating cash flow rose 23% to INR 100 crore, with EBITDA margin expansion.

Disclosures

This document has been prepared by Motilal Oswal Securities Limited (hereinafter referred to as Most) to provide information about the company (ies) and/or sector(s), if any, covered in the report and may be distributed by it and/or its affiliated company(ies). This report is for personal information of the selected recipient/s and does not constitute to be any investment, legal or taxation advice to you. This research report does not constitute an offer, invitation or inducement to invest in securities or other investments and Motilal Oswal Securities Limited (hereinafter referred as MOSI) is not soliciting any action based upon it. This report is not for public distribution and has been furnished to you solely for your general information and should not be reproduced or redistributed to any other person in any form. This report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, investors should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur.

MOSI and its affiliates are a full-service, integrated investment banking, investment management, brokerage and financing group. We and our affiliates have investment banking and other business relationships with a some companies covered by our Research Department. Our research professionals may provide input into our investment banking and other business selection processes. Investors should assume that MOSI and/or its affiliates are seeking or will seek investment banking or other business from the company or companies that are the subject of this material and that the research professionals who were involved in preparing this material may educate investors on investments in such business. The research professionals responsible for the preparation of this document may interact with trading desk personnel, sales personnel and other parties for the purpose of gathering, applying and interpreting information. Our research professionals are paid on twin parameters of performance & profitability of MOSI.

MOSI generally prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, MOSI generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover. Our salespeople, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing among other things, may give rise to real or potential conflicts of interest. MOSI and its affiliated company(ies), their directors and employees and their relatives may: (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the affiliates of MOSI even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report Reports based on technical and derivative analysis center on studying charts company's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamental analysis. In addition MOSI has different business segments / Divisions with independent research separated by Chinese walls catering to different set of customers having various objectives, risk profiles, investment horizon, etc, and therefore may at times have different contrary views on stocks sectors and markets.

Unauthorized disclosure, use, dissemination or copying (either whole or partial) of this information, is prohibited. The person accessing this information specifically agrees to exempt MOSI or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOSI or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOSI or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays. The information contained herein is based on publicly available data or other sources believed to be reliable. Any statements contained in this report attributed to a third party represent MOSI's interpretation of the data, information and/or opinions provided by that third party either publicly or through a subscription service, and such use and interpretation have not been reviewed by the third party. This Report is not intended to be a complete statement or summary of the securities, markets or developments referred to in the document. While we would endeavor to update the information herein on reasonable basis, MOSI and/or its affiliates are under no obligation to update the information. Also there may be regulatory, compliance, or other reasons that may prevent MOSI and/or its affiliates from doing so. MOSI or any of its affiliates or employees shall not be in any way responsible and liable for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. MOSI or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

This report is intended for distribution to institutional investors. Recipients who are not institutional investors should seek advice of their independent financial advisor prior to taking any investment decision based on this report or for any necessary explanation of its contents.

Most and its associates may have managed or co-managed public offering of securities, may have received compensation for investment banking or merchant banking or brokerage services, may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

Most and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.

Subject Company may have been a client of Most or its associates during twelve months preceding the date of distribution of the research report.

MOSI and/or its affiliates and/or employees may have interests/positions, financial or otherwise of over 1% at the end of the month immediately preceding the date of publication of the research in the securities mentioned in this report. To enhance transparency, MOSI has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report.

Motilal Oswal Securities Limited is registered as a Research Analyst under SEBI (Research Analyst) Regulations, 2014. SEBI Reg. No. INH000000412

Pending Regulatory inspections against Motilal Oswal Securities Limited:

SEBI pursuant to a complaint from client Shri C.R. Mohanraj alleging unauthorized trading, issued a letter dated 29th April 2014 to MOSL notifying appointment of an Adjudicating Officer as per SEBI regulations to hold inquiry and adjudicate violation of SEBI Regulations: MOSL replied to the Show Cause Notice whereby SEBI granted us an opportunity of inspection of Documents. Since all the documents requested by us were not covered we have requested to SEBI vide our letter dated June 23, 2015 to provide pending list of documents for inspection.

List of associate companies of Motilal Oswal Securities Limited - [Click here to access detailed report](#)

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. The research analysts, strategists, or research associates principally responsible for preparation of MOSI research receive compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors and firm revenues

Disclosure of Interest Statement	Companies where there is interest
Analyst ownership of the stock	No
Served as an officer, director or employee	No

A graph of daily closing prices of securities is available at www.nseindia.com and <http://economicstimes.indiatimes.com/markets/stocks/stock-quotes>

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOSI & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong: This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S

Motilal Oswal Securities Limited (MOSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act") and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOSL, including the products and services described herein are not available to or intended for U.S. persons.

This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

Motilal Oswal Capital Markets Singapore Pte Limited is acting as an exempt financial advisor under section 23(1)(f) of the Financial Advisers Act (FAA) read with regulation 17(1)(d) of the Financial Advisers Regulations and is a subsidiary of Motilal Oswal Securities Limited in India. This research is distributed in Singapore by Motilal Oswal Capital Markets Singapore Pte Limited and it is only directed in Singapore to accredited investors, as defined in the Financial Advisers Regulations and the Securities and Futures Act (Chapter 289), as amended from time to time.

In respect of any matter arising from or in connection with the research you could contact the following representatives of Motilal Oswal Capital Markets Singapore Pte Limited:

Varun Kumar

Varun.kumar@motilaloswal.com

Contact : (+65) 68189232

Office Address: 21 (Suite 31), 16 Collyer Quay, Singapore 04931



Motilal Oswal Securities Ltd

Motilal Oswal Tower, Level 9, Sayani Road, Prabhadevi, Mumbai 400 025

Phone: +91 22 3982 5500 E-mail: reports@motilaloswal.com