

Market snapshot



Equities - India	Close	Chg .%	YTD.%
Sensex	28,330	0.1	6.4
Nifty-50	8,778	0.1	7.2
Nifty-M 100	16,246	0.4	13.2
Equities-Global	Close	Chg .%	YTD.%
S&P 500	2,308	0.6	3.1
Nasdaq	9,590	0.5	3.6
FTSE 100	7,230	0.6	1.2
DAX	11,643	0.9	1.4
Hang Seng	10,075	1.2	7.2
Nikkei 225	18,908	-0.5	-1.1
Commodities	Close	Chg .%	YTD.%
Brent (US\$/Bbl)	55	1.1	-0.3
Gold (\$/OZ)	1,228	-1.1	6.6
Cu (US\$/MT)	5,809	-1.2	5.2
Almn (US\$/MT)	1,835	0.3	7.7
Currency	Close	Chg .%	YTD.%
USD/INR	66.9	-0.5	-1.6
USD/EUR	1.1	-0.4	1.3
USD/JPY	113.2	1.2	-3.3
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.9	0.1	0.3
10 Yrs AAA Corp	7.6	0.1	0.1
Flows (USD b)	9-Feb	MTD	YTD
FII	0.1	0.2	0.2
DII	-0.1	0.4	1.1
Volumes (INRb)	9-Feb	MTD*	YTD*
Cash	268	300	243
F&O	8,870	5,089	4,238

Note: YTD is calendar year, *Avg

Quote of the day

Anyone who thinks there's safety in numbers hasn't looked at the stock market pages.



Today's top research ideas

The Big Leap: Formalizing India's informal economy

- ❖ India is set to see a major overhaul in the trade structure in favor of the organized sector. With GST implementation nearing reality and demonetization curbing the shadow economy, the organized sector is well poised to confront the alarming expansion of the unorganized sector.
- ❖ The consumer, home building, light electrical, auto ancillaries, healthcare, logistics and metals sector are crowded with unorganized players. The shift away from unorganized trade is likely to benefit the current organized names, as tax arbitrage will help narrow the price differential.
- ❖ Our discussions with experts highlight that shift will be prompt for some, gradual for others and challenging for a few. To play this theme, one has to carefully consider (a) probability/timing of the shift (b) market share expansion potential, with narrowing price differential between organized & unorganized players.



Research covered

Cos/Sector	Key Highlights
The Big Leap	Formalizing India's informal economy (Thematic)
BPCL	In-line EBITDA/PAT; Strong volume growth; GRM at USD5.90/bbl
Lupin	Mixed quarter; margin improvement is key
Hero Moto	Above-estimate; lower RM costs boost EBITDA margin
SAIL	Higher RM and lower volumes impact margins
ABB	In line at the operating level; order jump driven by HVDC order
United Brew.	Operating performance slightly below expectations
Page Ind	Performance above expectations with double-digit volume growth
Bank of India	Weak core income; credit costs remain elevated; opex aids profitability
Thermax	Weak execution dents 3QFY17 performance
Endurance Tech	Above est.; strong growth in subs; lower other exp. drives performance
Escorts	Strong quarter; Margin expansion to drive earnings
Manpasand Bever.	EBITDA margin beats estimate, capacity expansion on track; Buy
Results Flash	Power Grid Bata
Results Expectation	ALKEM BOB BOS CESC CRG GAIL HZ IPCA JAGP MM RDCK SRF SBIN SUNTV



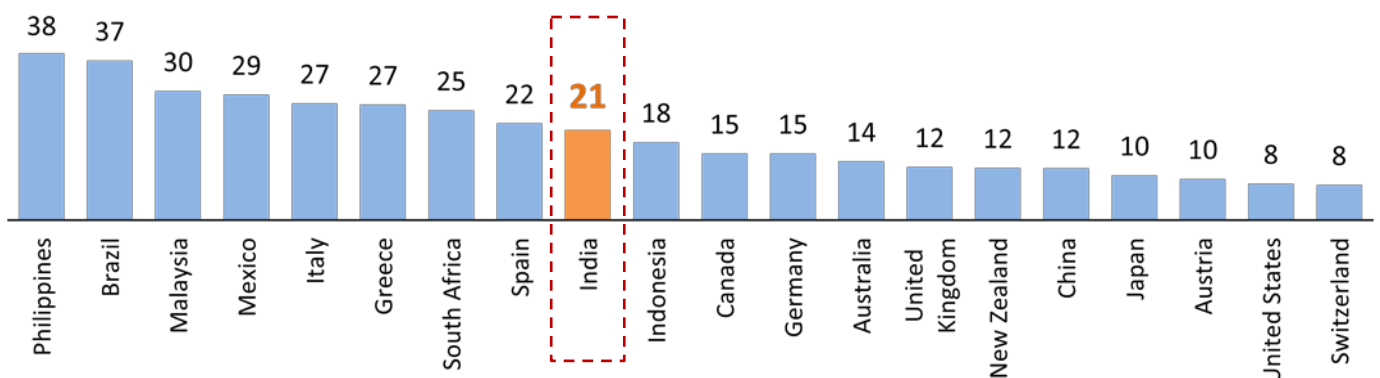
Piping hot news

Tata Steel performance improves but ratings unchanged: Moody's

- ❖ Moody's Investors Service on Thursday said Tata Steel's operative performance has shown improvement on the back of government steps like import curbs besides company's greenfield expansion in India but kept its ratings unchanged.



Chart of the Day: Shadow economies around the world (% of GDP)



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

NSE pulls plug on power exchange ahead of IPO

In what could potentially disturb the power trading market in the country, National Stock Exchange (NSE), with the National Commodity and Derivatives Exchange (NCDEX) has voted to shut down their power trading platform, the Power Exchange of India (PXIL)...

2

Indian Hotels Company brings all its hotels under one brand

The Indian Hotels Company (IHCL) on Thursday announced all its hotels will be brought under a single brand — Taj Hotels Palaces Resorts Safaris. Each of the four Groups — Taj Hotels, Taj Palaces, Taj Resorts and Taj Safaris — which clubbed under a single identity will clearly define experiences reflecting the 'Tajness Brand'. "The new brand identity honours the renowned legacy of Taj in a structure that will create greater brand resonance with our guests and also allow for considerable value creation for all our stakeholders. Taj, as a brand, truly speaks to the nation's pride and redesigned architecture is a tangible step in celebrating our heritage,".

3

Beer sales could drop 40% on highway sale ban, says UB

United Breweries Ltd (UBL), India's largest beer maker and majority-owned by Dutch firm Heineken, has said that its sales of the alcoholic beverage could drop by 40 per cent once the Supreme Court ban on liquor shops on highways comes into effect in April...

4

Govt extends dumping duty on steel products by 2 months

The Finance Ministry has extended by two months the validity of anti-dumping duty on certain hot-rolled and cold-rolled flat steel products imported from China, South Korea, Japan and Ukraine, from February 17 to April 17...

5

Mumbai property sales drop to 6-year low on demonetisation impact; transactions fall to 65,371 in 2016, 4% less than those in 2015

Property sales in Mumbai hit a six-year low in December on the continuing impact of demonetisation, reports Shubhra Tandon in Mumbai. Data sourced from the Director General of Registrations show there were 4,849 transactions registered last month, taking the total for 2016 to 65,371, a 4% fall over 2015. While the number of registrations in December are better than in November, which saw just 3,799 registrations, they're lower than in previous years when the range was 6,200-8,000.

6

AirAsia India hasn't violated foreign control rules: DGCA

Aviation regulator Directorate General of Civil Aviation (DGCA) has ruled that AirAsia India has not broken Indian rules on foreign control. In April 2016, Mint first reported the relationship between AirAsia India and Malaysia's AirAsia Bhd—detailed in a brand licence agreement (BLA) and emails—which seemed to effectively give control...

7

Increase in taxpayer base will help bring down tax rate, says Arun Jaitley

An expansion of the taxpayer base and a clampdown on tax evasion will help the government bring down tax rates, finance minister Arun Jaitley said on Thursday, pointing out that taxation reforms are a work in progress ...



The Big Leap



Formalizing India's informal economy

Propellants, opportunities and challenges

- India is set to see a major overhaul in the trade structure in favor of the organized (formal) segment. With Goods and Services Tax (GST) implementation nearing reality and demonetization curbing the shadow economy, the organized segment is well poised to confront the alarming expansion of the unorganized (informal) segment.
- We believe this will present opportunities to take advantage of the shift in favor of organized names. However, our discussions with experts and sector participants highlight that the shift will be prompt for some sectors, gradual for others and challenging for a few.
- To play this theme, one has to carefully consider (a) probability/timing of the shift and (b) market share expansion potential, with narrowing price differential between organized and unorganized players.

Government aiming to shift trade from unorganized to organized...

- Unorganized trade accounts for a significant proportion of India's economy. However, with rising per capita income and aspirational buying, the share of unorganized trade is gradually reducing. There is still a long way to go, though – various local and domestic institutions estimate that organized trade still accounts for 20-50% of GDP. Loopholes in the law and cash-based transactions in the informal sector have for long kept many businesses outside of the tax net.
- Against this backdrop, the Indian government has identified enhanced tax administration as an immediate priority, coming up with some crucial initiatives to curb the shadow economy and shift trade to the organized sector.
- We believe demonetization and GST – the biggest indirect tax reform (likely to be rolled out in CY17) – are the two key catalysts that could accelerate the shift toward organized economy.

....by employing technology and lowering threshold for tax exemption

- The shift will be primarily driven by better tax administration and compliance. The threshold limit for exemption from indirect taxes will be reduced to INR2m under GST from INR15m currently under excise. Also, the flow of GST credit in the entire value chain will be tracked using technology platforms (Goods and Services Tax Network, or GSTN).
- GSTN will facilitate bilateral validation of invoices, online integration of data and big data analytics, which will go a long way in addressing the loopholes in tax administration. Better compliance due to availability of input credit and overall reduction in tax rates will also discourage tax evasion.

The Big Leap Formalizing India's informal economy



+91 22 3982 5544

S.Gupta@MotilalOswal.com

[Please click here for Video Link](#)

Addressable market to expand for organized players in some sectors

- The consumer, home building, light electricals, auto ancillaries (batteries, tyres), healthcare, logistics and metals segments are crowded with unorganized players. The shift away from unorganized trade is likely to benefit the current organized names, as tax arbitrage will help narrow the price differential between organized and unorganized players.

Potential beneficiaries of shift in trade to organized sector



Source: GSTN, MOSL

Probability and quantum of shift critical for portfolio decisions

- Our discussions with various experts and industry participants suggest that the transition to organized trade will be instantaneous for some sectors, gradual for others and challenging for a few.
- We believe that to play this theme, one has to carefully consider (a) the probability/timing of shift for sector participants from unorganized to organized and (b) the potential market share increase for the current listed organized players.
- The probability and timeframe for the shift primarily depend on the business supply chain that they currently work with, and the checks brought to curb the modality with which they circumvent the tax net.
- The potential addressable market size increase will primarily depend on the narrowing of the product price differential between the organized and unorganized players, while other factors like product portfolio, quality, brand appeal and distribution will determine the magnitude of benefit to individual players.



BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	BPCL IN
Equity Shares (m)	1,446
M.Cap.(INRb)/(USD\$b)	1,048.8 / 15.6
52-Week Range (INR)	729 / 366
1, 6, 12 Rel. Per (%)	5/24/58
Avg Val, INRm	1632
Free float (%)	45.1

CMP: INR725 TP: INR778(+7%)

Buy

In-line EBITDA/PAT; Strong volume growth; GRM at USD5.90/bbl

BPCL reported EBITDA of INR33.6b (in-line; +42% YoY, +152% QoQ) due to GRM of USD5.9/bbl and adventitious gain of INR6.6b. Reported PAT came in line at INR22.7b (+53% YoY, +74% QoQ). Lower effective tax rate of 30.1% (est. of 33.3%) negated the impact of lower-than-expected other income of INR4b (est. of INR5.9b, +13% YoY, -62% QoQ).

- **GRM at USD5.90/bbl:** 3QFY17 EBITDA of INR33.6b was supported by inventory gain of INR6.6b, which offset the impact of lower GRM of USD5.9/bbl (v/s USD7.7 in 3QFY16 and USD3.1 in 2QFY17) v/s Reuters Singapore GRM of USD6.7/bbl. GRMs were impacted due to likely impact of ongoing hook up of Kochi expansion and upgradation project.
- Reported PAT stood at INR22.7b (+53% YoY, +74% QoQ), with lower effective tax rate offsetting the impact of lower other income. Forex loss stood at INR1.5b (v/s loss of INR1b in 3QFY16 and gain of INR144m in 2QFY17).
- **Volume growth strong:** Marketing volume stood at 10.5mmt (+8% YoY; +10% QoQ) boosted by auto fuels, while refinery throughput stood at 6.8mmt (+16% YoY, +6% QoQ). Kochi volumes grew to 3.0mmt (+20% YoY; +8.6% QoQ) and Mumbai volumes to 3.8mmt (+12% YoY; +4.2% QoQ).
- As expected, BPCL subsidy sharing was nil and fully compensated by the government.

Valuation and view: BPCL stands out among OMCs for its superior RoE. We value BPCL based on SOTP-based fair value of INR778, which includes INR550 for its core business and INR228 for investments. The stock trades at 12.1x FY19E EPS of INR59.9 and 2.4x FY19E BV (adjusted for investments). Maintain **Buy**.

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	1,884	1,927	2,182
EBITDA	142	143	150
PAT	80	82	82
EPS (INR)	55.2	56.9	56.8
Gr. (%)	104.1	71.3	2.9
BV/Sh (INR)	193.8	231.5	268.9
RoE (%)	31.6	26.8	22.7
RoCE (%)	18.8	16.3	15.1
P/E (x)	13.1	12.7	12.8
P/BV (x)	3.7	3.1	2.7

Estimate change ↔

TP change ↔

Rating change ↔

Standalone - Quarterly Earning Model

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E	3QFY17	Var. vs
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	519,167	464,227	466,131	441,455	468,902	446,464	535,427	480,527	1,890,981	1,931,320	458,795	17%
YoY Change (%)	-22.2	-25.1	-19.5	-14.0	-9.7	-3.8	14.9	8.9	-20.5	2.1	-1.6	
Total Expenditure	481,481	451,415	442,500	407,075	430,195	433,114	501,785	454,961	1,782,471	1,820,054	424,811	18%
EBITDA	37,686	12,813	23,631	34,380	38,707	13,351	33,642	25,567	108,510	111,266	33,984	-1%
Margins (%)	7.3	2.8	5.1	7.8	8.3	3.0	6.3	5.3	5.7	5.8	7.4	
Depreciation	5,372	4,172	4,564	4,435	4,315	4,524	4,836	4,582	18,543	18,256	4,582	6%
Interest	1,147	1,074	975	2,433	1,111	1,024	1,349	1,482	5,629	4,966	1,482	-9%
Other Income	3,794	7,373	3,545	7,461	4,134	10,687	4,024	6,221	22,174	25,066	5,953	-32%
PBT	34,962	14,940	21,637	34,973	37,415	18,489	32,491	25,724	106,512	113,109	33,873	-4%
Tax	11,200	4,760	6,751	9,482	11,210	5,437	9,771	8,574	32,193	34,992	11,290	-13%
Rate (%)	32.0	31.9	31.2	27.1	30.0	29.4	30.1	33.3	30.2	30.9	33.3	
Reported PAT	23,762	10,180	14,886	25,491	26,205	13,052	22,719	17,150	74,319	78,117	22,583	1%
YoY Change (%)	95.4	119.3	170.1	-10.6	10.3	28.2	47.9	-32.7	46.2	5.1	51.7	
Margins (%)	4.6	2.2	3.2	5.8	5.6	2.9	4.1	3.6	3.9	4.0	4.9	
Key Assumptions												
Refining throughput (mmt)	6.1	6.0	5.9	6.2	6.2	6.4	6.8	6.4	21.5	24.5	6.4	5%
GRM (USD/bbl)	8.6	3.9	7.7	6.3	6.1	3.1	5.9	5.6	6.6	5.2	8.3	-29%
Marketing sales volume incl exports (mmt)	9.3	9.1	9.7	10.3	10.1	9.6	10.5	10.0	38.4	40.1	10.0	5%
Marketing GM per litre (INR/litre)	4.4	3.0	3.2	4.9	4.5	3.1	3.9	3.3	4.4	3.5	3.3	20%

E: MOSL Estimates



BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	LPC IN
Equity Shares (m)	451
M.Cap.(INRb)/(USD\$b)	668.6 / 9.1
52-Week Range (INR)	1912 / 1294
1, 6, 12 Rel. Per (%)	-6/-6/-39
Avg Val, INRm	2281
Free float (%)	53.3

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	142.1	178.7	210.2
EBITDA	37.5	47.2	56.3
PAT	22.7	27.9	35.6
EPS (INR)	50.4	61.8	79.0
Gr. (%)	-5.7	22.7	27.8
BV/Sh (INR)	243.8	295.9	364.4
RoE (%)	22.9	22.9	23.9
RoCE (%)	16.8	15.4	16.7
P/E (x)	29.6	24.2	18.9
P/BV (x)	6.1	5.0	4.1

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR1,490 TP: INR1,850(+24%)

Buy

Mixed quarter; margin improvement is key

- Revenue grew 26% YoY to INR44.8b (~6% above est.). Gross margin was stable QoQ at 71.0%. EBITDA rose 27% YoY to INR12.2b (~16% above est.), with margin of 27% above our estimate of 24.7%. EBITDA margin improvement was primarily driven by strong growth in US sales (+53% YoY, +8% QoQ; despite R&D as % of sales at 12.9%) and forex gain of INR270m. PAT of INR 6.3b was impacted by ~1% due to a high tax rate of 39%.
- **US sales strong; limited impact of demonetization on domestic business:** US sales rose to USD316m from USD292m in 2QFY17, driven by market share gains for Glumetza and a 25% QoQ rise in branded business sales (led by Methergen price increase). Four new launches in 3Q also helped drive growth. We expect strong US sales over near term as Glumetza may not see new competition (Teva launch not expected before mid-2017), and as Minastrin FTF launch is expected in Mar-2017. India business grew ~12% YoY. LPC expects domestic business to grow 15% YoY in FY18. APAC, LatAm and ROW grew 20% YoY led by stable currency and strong core business.
- **Key earnings call takeaways:** 1) 25+ ANDA launches in FY18E. 2) Plans to file 30 ANDAs in US; 3) Tax rate guidance of 28%. 4) 23% of products in domestic market under NLEM. 5) Higher tax rate in 3Q was attributed to unwinding of deferred tax and subsidiary losses. 6) High-single-digit price erosion in base business in FY18E (post Walmart-Mckesson deal). 7) Albuterol ANDA filed in 3Q. 8) See low probability of border tax in pharma. 9) Branded sales in 3Q at ~USD22m (Methergen followed by Antara were largest contributors).
- **Valuation view:** Glumetza/Fortamet continue to be the key contributors to profits. Glumetza may continue to see limited competition in near term. Along with this, strong launch pipeline and ramp-up of Methergen sales can help drive US business over near term. Maintain **Buy** with TP of INR1,850 @ 22x 1HFY19E PER (v/s INR1,825 @ 22x 1H FY19E PER). We raise FY17E/18E EPS by 2-3% as we build impact of limited competition in Glumetza.

Quarterly Performance (Consolidated)

Y/E March	FY16				FY17				FY16	FY17E	3QE	% Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	31,561	33,297	35,558	41,707	44,677	42,905	44,828	46,246	142,085	178,657	42,453	5.6
YoY Change (%)	-5.5	4.9	11.9	35.5	41.6	28.9	26.1	10.9	11.3	25.7	19.4	
EBITDA	8,248	6,626	8,772	13,050	13,080	10,281	12,158	11,645	37,534	47,165	10,499	15.8
Margins (%)	26.1	19.9	24.7	31.3	29.3	24.0	27.1	25.2	26.4	26.4	24.7	
Depreciation	1,014	1,155	1,114	1,487	2,027	2,112	2,309	1,874	4,635	8,322	2,110	
Interest	70	241	92	213	320	263	459	382	446	1,424	350	
Other Income	757	578	653	349	826	271	1,036	167	1,877	2,300	600	
PBT	7,921	5,809	8,219	11,699	11,560	8,177	10,426	9,556	34,330	39,719	8,639	20.7
Tax	2,258	1,591	2,909	4,188	2,734	1,589	4,095	2,703	11,536	11,121	2,300	
Rate (%)	28.5	27.4	35.4	35.8	23.7	19.4	39.3	28.3	33.6	28.0	26.6	
Minority Interest	-3	27	13	51	6	8	24	337	88	375	98	
Recurring PAT	5,686	4,198	5,298	7,479	8,820	6,622	6,331	6,516	22,707	28,223	6,241	1.4
YoY Change (%)	-9.0	-33.4	-11.9	36.7	55.1	58.0	19.5	-12.9	-5.5	24.3	17.8	
Margins (%)	18.0	12.6	14.9	17.9	19.7	15.4	14.1	14.1	16.0	15.8	14.7	



Hero MotoCorp

BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	HMCL IN
Equity Shares (m)	200
M.Cap.(INRb)/(USDb)	651.9 / 9.7
52-Week Range (INR)	3740 / 2440
1, 6, 12 Rel. Per (%)	2/-2/9
Avg Val, INRm	1347
Free float (%)	65.4

CMP: INR3,264 TP: INR3,190(-2%) Neutral

Above-estimate; lower RM costs boost EBITDA margin

- **Highest-ever gross margin; EBITDA margin stable at 17%:** Net revenue declined 12% YoY to INR63.7b (est. of INR64.3b), as volumes dropped 13% YoY (-19% QoQ) due to demonetization. Realizations at ~INR43.2k (est. of ~INR43.7k) grew 1% YoY/QoQ due to better product mix. EBITDA margin contracted 60bp QoQ (+130bp YoY) to 17% (est. of 14.7%). The benefit of lower raw material cost (-160bp QoQ) was more than offset by higher employee cost (+130bp QoQ) and other expenses (+90bp QoQ).
- **Earning call highlights:** a) Post demonetization, Feb-Mar volumes are expected to be flat; improvement to be seen from 1QFY18. b) Expects good single-digit growth in FY18, with better growth in 2HFY18. c) Price hike of ~INR500-1,500/unit taken in Jan-17. d) Rise in commodity costs to start reflecting from 4QFY17. e) Leap program savings expected to be ~INR2.5-2.55b in FY17; estimates 50-60bp rise (scope to further increase by 20-25bp with additional initiatives) in FY18. f) Capex of ~INR12-14b in FY17 and ~INR10-11b for FY18 (could be higher if pursue further expansion).
- **Valuation and view:** We raise FY17E EPS by 3% led by improvement in EBITDA margin (increase in commodity costs to be marginally offset by price hikes); we keep FY18 estimates unchanged. Valuations are at 16.9/16.2x FY18/FY19 EPS. Maintain **Neutral** with TP of INR3,190 (16x FY19 EPS).

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Sales	284.4	285.8	318.1
EBITDA	44.6	48.3	51.9
NP	31.6	35.0	38.1
Adj. EPS (INR)	158.3	175.2	190.7
EPS Gr. (%)	26.6	10.7	8.9
BV/Sh. (INR)	397.8	476.6	558.9
RoE (%)	43.6	40.1	36.8
RoCE (%)	42.9	39.1	36.1
P/E (x)	20.6	18.6	17.1
P/BV (x)	8.2	6.8	5.8

Estimate change

TP change

Rating change

Quarterly Performance

Y/E March	FY16				FY17			FY16	FY17E	3Q	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q				
Total Volumes ('000 nos)	1,646	1,575	1,690	1,722	1,745	1,823	1,473	6,632	6,634	1,473	0.0
Growth YoY (%)	-4.1	-7.0	2.5	9.3	6.1	15.8	-12.8	0.0	0.0	-12.8	
Net Realization	41,960	43,237	42,738	43,595	42,391	42,755	43,202	42,886	43,076	43,659	-1.0
Growth YoY (%)	2.3	5.8	3.0	1.1	1.0	-1.1	1.1	3.1	0.4	1.2	
Net Op Revenues	69,048	68,093	72,235	75,052	73,989	77,963	63,646	284,427	285,776	64,319	-1.0
Change (%)	-1.9	-1.5	5.6	10.5	7.2	14.5	-11.9	3.1	0.5	-11.8	
RM Cost (% sales)	69.7	68.5	67.6	66.0	67.1	66.5	64.9	67.9	66.0	66.5	-160bp
Staff Cost (% sales)	4.5	4.5	4.7	4.7	4.5	4.6	5.9	4.6	5.1	5.8	10bp
Other Exp (% sales)	10.7	10.9	12.0	13.4	11.7	11.4	12.3	11.8	12.0	13.0	-70bp
EBITDA	10,420	10,956	11,308	11,919	12,301	13,689	10,797	44,603	48,271	9,482	13.9
EBITDA Margins (%)	15.1	16.1	15.7	15.9	16.6	17.6	17.0	15.7	16.9	14.7	220bp
Other Income	1,044	1,115	902	1,168	1,204	1,524	1,319	4,229	5,500	1,500	-12.0
Interest	12	12	12	12	15	16	15	49	60	8	90.0
Depreciation	1,030	1,091	1,139	1,155	1,152	1,193	1,249	4,414	5,023	1,350	-7.5
PBT	10,422	10,968	11,058	11,920	12,337	14,004	10,853	44,369	48,688	9,624	12.8
Effective Tax Rate (%)	28.3	28.3	28.3	30.0	28.4	28.3	28.9	28.7	28.1	28.3	60bp
Adj. PAT	7,475	7,861	7,932	8,347	8,831	10,042	7,720	31,615	34,987	6,900	11.9
Growth (%)	32.8	3.0	36.1	32.2	18.1	27.7	-2.7	24.4	10.7	-13.3	

E: MOSL Estimates



BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	SAIL IN
Equity Shares (m)	4,130
M.Cap.(INRb)/(USDb)	272.6 / 4.0
52-Week Range (INR)	68 / 34
1, 6, 12 Rel. Per (%)	20/43/51
Avg Val, INRm	339
Free float (%)	25.0

CMP: INR66 TP: INR28 (-58%) Sell

Higher RM and lower volumes impact margins

Margins will come under further pressure; Maintain Sell

SAIL reported EBITDA loss of INR0.4b (est. of loss of INR2.2b) in 3QFY17, as against profit of INR1.1b in the previous quarter, led by lower volumes and higher raw material costs. Interest/depreciation costs were marginally higher QoQ at INR6.1b/INR6.7b. Adj. loss after tax of INR7.9b rose from INR6.3b in 2QFY17.

- Steel sales declined 8% QoQ (+14% YoY) to 3.3mt (est. of 3.1mt), as demonetization impacted demand. 3Q is typically a stronger quarter for steel sales. Steel production declined 5% QoQ (+9% YoY) to 3.3mt.
- Net sales realization increased INR3,005/t to INR34,237/t, miss of 2%.
- EBITDA/t declined INR440 to negative INR130 on negative operating leverage due to lower volumes and higher raw material cost.
- Borrowings increased by INR27b QoQ to INR388b. Number of employees has reduced by ~1k QoQ / ~7k YoY to ~84k.

Margins likely to come under further pressure; Maintain Sell

SAIL was able to largely offset the impact of higher coking coal cost by increasing prices in 3Q. However, we expect margins to come under pressure in 4Q as full impact of coking coal cost hits with a lag. Steel prices have also increased, but are not enough to offset the cost impact. Moreover, SAIL is the most exposed to long steel products, where prices are under pressure due to weak demand and weakness in steel scrap prices. SAIL also does not benefit from exports as much as JSW Steel and Tata Steel due to higher share of long products. We expect EBITDA margin to improve to INR40/3,290 per ton in FY18/FY19 (FY17E loss of INR177) on volume leverage and higher steel prices. However, burden of interest and depreciation would mean SAIL will continue to report losses. **Sell**.

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	395.0	455.6	574.5
EBITDA	-28.6	2.6	5.6
PAT	-37.0	-36.1	-58.6
EPS (INR)	-9.0	-8.7	-14.2
Gr. (%)	-271.5	-2.4	62.2
BV/Sh (INR)	95.5	86.4	72.2
RoE (%)	-8.8	-9.6	-17.9
RoCE (%)	-6.0	-3.0	-3.6
P/E (x)	-7.4	-7.5	-4.7
P/BV (x)	0.7	0.8	0.9

Estimate change	↔
TP change	↔
Rating change	↔

Quarterly Performance (Standalone) – INR m

Y/E March (Standalone)	FY16				FY17				FY16	FY17E	FY17E 3QE	vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Production (m tons)	3.1	2.7	3.0	3.6	3.4	3.5	3.3	3.7	12.4	13.9	3.4	-0.9
Change (YoY %)	4.5	-18.3	-4.6	5.0	10.1	30.6	9.2	2.5	-3.4	12.1	13.2	
Sales (m tons)	2.7	2.7	2.9	3.8	2.8	3.6	3.3	3.5	12.1	13.2	3.10	6
Change (YoY %)	-2.3	-6.7	1.4	19.3	4.1	31.4	13.8	-6.9	3.3	9.2	6.9	
Realization (INR per ton)	35,313	33,797	30,825	30,163	32,993	31,182	34,237	38,080	32,290	34,162	34,816	-2
Change (YoY %)	-14.2	-15.1	-20.6	-17.7	-6.6	-7.7	11.1	26.2	-17.3	5.8	12.9	
Net Sales	95,028	92,569	89,391	113,716	92,381	112,256	112,982	133,661	390,704	451,280	107,930	5
Change (%)	-16.2	-20.7	-19.5	-1.8	-2.8	21.3	26.4	17.5	-14.5	15.5	20.7	
EBITDA	-817	-7,685	-13,815	-11,235	2,338	1,114	-428	-5,360	-33,551	-2,335	-2,259	-81
Change (YoY %)	-107.2	-157.5	-214.4	-220.8	-386.2	-114.5	-96.9	-52.3	-172.9	-93.0	-83.6	
EBITDA per ton (INR)	-303	-2,806	-4,764	-2,980	835	310	-130	-1,527	-2,773	-177	-729	-82
EBITDA per ton (USD)	-5	-43	-72	-44	12	5	-2	-22	-42	-3	-11	-82
Interest	4,430	4,674	5,242	6,121	5,941	6,028	6,108	6,814	20,468	24,890	6,521	-6
Depreciation	4,261	4,358	4,591	7,786	6,002	6,659	6,699	7,625	20,995	26,986	7,145	-6
Other Income	1,743	1,306	1,046	1,735	893	682	688	557	5,830	2,819	560	23
PBT (after EO Inc.)	-7,765	-15,410	-22,603	-23,406	-9,254	-12,531	-12,536	-19,243	-69,184	-53,563	-15,367	-18
Total Tax	-4,549	-7,651	-7,315	-11,097	-3,899	-5,215	-4,587	-577	-30,612	-14,278	-461	
% Tax	58.6	49.6	32.4	47.4	42.1	41.6	36.6	3.0	44.2	26.7	3.0	
Reported PAT	-3,216	-7,760	-15,287	-12,309	-5,355	-7,316	-7,948	-18,665	-38,572	-39,285	-14,906	-47
Adjusted PAT	-3,216	-7,760	-15,287	-12,309	-5,042	-6,358	-7,956	-18,665	-38,572	-37,693	-14,906	-47
Change (YoY %)	-160.7	-219.5	-465.4	-468.3	56.8	-18.1	-48.0	51.6	-301.4	-2.3	-2.5	



BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	ABB IN
Equity Shares (m)	212
M.Cap.(INRb)/(USDb)	259.8 / 3.9
52-Week Range (INR)	1433 / 950
1, 6, 12 Rel. Per (%)	12/2/-8
Avg Val, INRm	95
Free float (%)	25.0

Financials & Valuations (INR b)

Y/E Dec	2016	2017E	2018E
Net Sales	86.5	100.3	114.2
EBITDA	7.6	10.9	13.1
PAT	3.8	5.5	6.9
EPS (INR)	18.4	26.1	32.6
Gr. (%)	16.9	41.6	25.0
BV/Sh (INR)	154.9	181.0	204.7
RoE (%)	11.9	14.4	15.9
RoCE (%)	17.4	22.6	24.6
P/E (x)	66.6	47.0	37.6
P/BV (x)	7.9	6.8	6.0

Estimate change



TP change



Rating change



CMP: INR1,226 TP: INR1,190 (-3%)

Neutral

In line at the operating level; order jump driven by HVDC order

- Operational performance in line with expectations:** 4QCY16 revenues of INR24.9b (+3% YoY) came in below our estimate of INR26.8b, while EBITDA margin of 11.3% (+40bp YoY) was ahead of our estimate of 10.2%. Miss on revenue was due to weak execution in Power Grid (+1% YoY) and Process Automation (-9% YoY). EBITDA of INR2.8b (+7% YoY) was in line with our estimate of INR2.7b. PAT of INR1.47b too was in line with our estimate of INR1.46b.
- Gross margin stable, but operating margin up 40bp YoY:** Gross margin at 35.5% remained stable YoY and near all-time highs. Initiatives undertaken over past 3-4 years in terms of increased localization, rationalization of supply chain, improving efficiency, better project management capabilities and lower raw material prices have helped keep gross margin near all-time high levels (35.8% in 1QCY16). EBITDA margin expanded 40bp YoY to 11.3% led by a drop in employee costs (-5% YoY).
- Q4 order inflow rose 173% YoY to INR56.3b; at INR1,246b in CY16 (+54% YoY):** Order inflow in 4Q stood at INR56.3b (+173% YoY), helped by finalization of Raigarh-Pugular HVDC line (INR36b share of ABB India in the INR44b order for ABB), base orders and traction in railways segment. The HVDC line has to be commissioned over three years starting Jan-2017. Order book stood at INR118b (+49% YoY).
- Valuation and view:** Management is cautiously optimistic on the demand scenario, and remains focused on margin expansion via its efforts toward operational efficiency and localization. While segments such as transmission, renewable and transportation are witnessing traction, an improvement in the traditional sectors of steel, cement and oil & gas remains elusive. We marginally revise our estimates to factor in the HVDC order win in Q4CY16 and roll over our target price to Mar'19. Maintain **Neutral** with a price target of INR1,190 (35x Mar'19 EPS of INR34).

Quarterly Performance (Consolidated)

Y/E December	Quarterly Performance											(INR Million)	
	CY15				CY16				CY15	CY16E	MOSL	Var.	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		4Q	(%)		
Sales	18,146	19,316	19,690	24,251	20,003	21,015	20,550	24,915	80,152	85,156	26,779	-7.0%	
Change (%)	(0.7)	6.0	6.7	8.3	10.2	8.8	4.4	2.7	5.0	6.2	10.4		
EBITDA	1,436	1,610	1,557	2,632	1,571	1,701	1,516	2,819	7,465	7,607	2,721	3.6%	
Change (%)	5.0	15.2	15.3	37.8	9.4	5.6	-2.7	7.1	24.6	1.9	0.9		
As % of Sales	7.9	8.3	7.9	10.9	7.9	8.1	7.4	11.3	9.3	8.9	10.2		
Depreciation	422	375	359	442	359	357	406	389	1598	1510	477		
Interest	208	246	250	207	206	180	178	285	912	849	221		
Other Income	7	10	5	108	148	44	44	366	130	653	366		
PBT	813	999	954	2,090	1,154	1,208	976	2,511	5,086	5,901	2,389	5.1%	
Tax	270	315	366	796	364	434	427	773	1,747	1,998	620		
Effective Tax Rate (%)	33.2	31.5	38.4	38.1	31.5	35.9	43.8	30.8	34.4	33.9	26.0		
Reputed PAT	543	575	587	1,229	710	774	811	1,468	2,999	3,763	1,424	3.1%	
Adj. PAT	543	685	587	1,294	790	774	871	1,468	3,339	3,903	1,424	3.1%	
Change (%)	-13.4	12.8	4.9	36.0	45.5	13.1	48.2	13.4	22.8	16.9	4.8		
Order Intake	18,560	18,950	22,920	20,580	18,300	20,400	29,670	56,280	81,000	124,660	26,340		
Order Book	79,730	79,560	82,750	79,460	78,040	77,520	86,760	109,391	79,460	118,210	77,449		
BTB (x)	1.0	1.0	1.0	1.0	0.9	0.9	1.0	1.3	1.0	1.4	0.9		



United Breweries

BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	UBBL IN
Equity Shares (m)	264.4
M.Cap.(INRb)/(USDb)	212.6 / 3.2
52-Week Range (INR)	976 / 690
1, 6, 12 Rel. Per (%)	-6/1/-19
Avg Val, INRm	316
Free float (%)	26.1

CMP: INR804 TP: INR1,044 (+30%)

Buy

Operating performance slightly below expectations

- **UBBL's net sales declined 6.6% YoY** (est. of -1.1%) to INR10.25b, with underlying volume down 8% YoY, in line with industry. Liquidity crunch post demonetization impacted sales. YTD volumes were flat in a period when industry declined by 2%. EBITDA declined 27.3% YoY (est. of -22%) to INR1.28b. Adj. PAT dropped 31.9% YoY to INR485m (est. of INR747m).
- **Gross sales rose 2% YoY to INR21.85b**, while excise duty increased 8.9% YoY (excise duty in 3QFY17 was 55.2%, + 350bp YoY). On YTD basis, UBBL reported positive volume growth and gained market share in north and east India. Positive volume growth was also reported in south India, but the company lost market share due to offtake issues since August in Tamil Nadu. In western India, UBBL's volumes declined but market share was maintained.
- **EBITDA margin contracted 360bp YoY**, over unusually high base of 16.0% margin in 3QFY16, led by a 450bp decline in gross margin. Staff costs increased by 80bp YoY and sales & distribution costs by 140bp YoY, partly offset by lower other expenses (-310bp YoY).
- **Management call takeaways:** a) Industry has not fully recovered from demonetization; b) Heineken brand is close to launch in Telangana.
- **Valuation view:** Long-term volumes/earnings growth opportunities (FY16 PAT at USD45m) are immense for India's largest beer player with strong barriers to entry in the form of distribution, brewery reach, scale and brands. Maintain **Buy** with TP of INR1,044. We continue to value UBBL on 35x Dec-18 cash EPS.

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	48.4	47.9	55.6
EBITDA	6.9	6.8	8.5
NP	3.0	2.8	4.1
EPS (INR)	11.3	10.7	15.4
EPS Growth (%)	14.7	-5.4	44.0
BV/Sh. (INR)	79.8	89.5	102.7
RoE (%)	15.1	12.6	16.0
RoCE (%)	13.4	11.7	14.6
P/E (x)	71.3	75.4	52.3
P/BV (x)	10.1	9.0	7.8

Estimate change



TP change



Rating change



Standalone - Quarterly Earning Model

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	14,546	10,723	10,969	12,150	15,642	10,386	10,250	11,583	48,388	47,860
YoY Change (%)					7.5	-3.1	-6.6	-4.7		-1.1
Total Expenditure	12,062	9,373	9,209	10,878	12,733	9,174	8,971	10,334	41,521	41,211
EBITDA	2,484	1,350	1,760	1,273	2,909	1,212	1,280	1,249	6,867	6,649
YoY Change (%)					17.1	-10.3	-27.3	-1.9		-3.2
Margins (%)	17.1	12.6	16.0	10.5	18.6	11.7	12.5	10.8	14.2	13.9
Depreciation	583	598	615	638	637	702	698	600	2,435	2,636
Interest	202	205	184	168	148	141	153	150	759	592
Other Income	167	242	179	273	136	8	330	340	862	814
PBT before EO expense	1,866	789	1,140	739	2,260	376	759	839	4,534	4,234
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	1,866	789	1,140	739	2,260	376	759	839	4,534	4,234
Tax	645	268	428	216	790	106	274	226	1,556	1,396
Rate (%)	34.5	33.9	37.5	29.2	34.9	28.1	36.1	27.0	34.3	33.0
Minority Interest & Profit/Loss of Asso.	0	0	0	0	0	0	0	0	0	0
Reported PAT	1,221	521	712	524	1,471	270	485	612	2,979	2,838
Adj PAT	1,221	521	712	524	1,471	270	485	612	2,979	2,838
YoY Change (%)					20.4	-48.1	-31.9	16.9		-4.7
Margins (%)	8.4	4.9	6.5	4.3	9.4	2.6	4.7	5.3	6.2	5.9

E: MOSL Estimates



BSE SENSEX	S&P CNX
25,230	7,731
Bloomberg	PAG IN
Equity Shares (m)	11.2
M.Cap.(INRb)/(USDb)	167.1 / 2.5
52-Week Range (INR)	17351 / 9770
1, 6, 12 Rel. Per (%)	-2/0/4
Avg Val, INRm/ Vol m	171
Free float (%)	51.0

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	17.8	21.2	26.3
EBITDA	3.8	4.1	5.4
PAT	2.3	2.6	3.4
EPS (INR)	208.6	235.6	305.1
Gr. (%)	18.7	12.9	29.5
BV/Sh (INR)	453.0	570.8	723.3
RoE (%)	46.0	41.3	42.2
RoCE (%)	42.6	38.6	40.6
P/E (x)	68.2	60.4	46.6
EV/EBITDA (x)	42.2	38.5	29.6

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR 14,223 TP: INR16,910(+19%) Buy

Performance above expectations with double-digit volume growth

- **Net sales grew 19.2% YoY to INR5.28b** (est. of INR4.81b). EBITDA rose a healthy 19.6% YoY to INR991m (est. of INR961m), while adj. PAT was up 20.9% YoY to INR629m (est. of INR650m).
- **3QFY17 volumes grew 11% YoY.** Men’s innerwear, women’s innerwear and sportswear segments posted 10.7%, 17% and 26.7% growth, with volumes up 2%, 12.9% and 16.4%, respectively. Performance – albeit healthy – was below expectations in men’s innerwear segment, which comprises half of PAG’s sales.
- **Gross margin contracted 310bp YoY to 59.7%** (est. of 62.5%). The quarter saw some mix effect change post demonetization. This, however, was offset by lower employee cost (-100bp YoY) and other expenses (-210bp YoY), resulting in 10bp EBITDA margin expansion to 18.8%. Thus, EBITDA grew strongly by 19.6% YoY to INR991m (est. of INR961m).
- **Valuation and view:** We believe PAG is a compelling, capital-efficient long-term lifestyle play on the premiumizing innerwear category. It enjoys a natural first-mover advantage, and has no comparable competitor with similar scale in its niche. A widening product and brand portfolio, coupled with distribution expansion, will aid market share expansion and drive multiple years of growth. There is no material revision to our FY18/FY19 forecasts. Maintain **Buy** with revised TP of INR16,910 (46x Dec’18 EPS, 10% discount to three-year avg. P/E).

Quarterly Performance

Y/E MARCH	FY16				FY17				FY16	FY17E	FY17	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	4,489	4,663	4,432	4,257	5,719	5,378	5,283	4,843	17,840	21,222	4,805	9.9%
YoY Change (%)					27.4	15.3	19.2	13.8	15.6	19.0	9.0	
COGS	1,783	1,808	1,650	1,673	2,570	2,156	2,131	1,980	6,913	8,837	1,802	
Gross Profit	2,705	2,855	2,782	2,584	3,149	3,222	3,151	2,862	10,927	12,385	3,003	4.9%
Gross margin (%)	60.3	61.2	62.8	60.7	55.1	59.9	59.7	59.1	61.2	58.4	62.5	
Other Expenditure	1,701	1,844	1,953	1,651	2,057	2,147	2,160	1,885	7,150	8,249	2,042	
% to sales	37.9	39.6	44.1	38.8	36.0	39.9	40.9	38.9	40.1	38.9	42.5	
EBITDA	1,004	1,011	829	933	1,092	1,075	991	977	3,776	4,136	961	3.2%
Margins (%)	22.4	21.7	18.7	21.9	19.1	20.0	18.8	20.2	21.2	19.5	20.0	
YoY Change					8.8	6.3	19.6	4.8	18.5	9.5	6.3	
Depreciation	56	58	58	66	59	60	62	57	238	239	51	
Interest	50	37	35	31	39	40	45	46	153	170	40	
Other Income	56	9	6	4	59	62	20	29	62	170	60	
PBT	953	926	742	840	1,053	1,037	904	904	3,448	3,897	929	-2.7%
Tax	327	323	222	244	373	350	275	267	1,116	1,265	279	
Rate (%)	34.3	34.9	29.9	29.1	35.5	33.8	30.4	29.5	32.4	32.5	30.0	
PAT	626	602	520	596	679	687	629	637	2,332	2,632	650	-3.3%
YoY Change (%)					8.5	14.0	20.9	6.9	19.0	12.9	13.3	

E: MOSL Estimates



Bank of India

BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	BOI IN
Equity Shares (m)	1,055
M.Cap.(INRb)/(USDb)	144.2 / 2.2
52-Week Range (INR)	139 / 79
1, 6, 12 Rel. Per (%)	17/19/24
Avg Val, INRm	540
Free float (%)	26.3

CMP: INR137

TP: INR123(-10%)

Neutral

Weak core income; credit costs remain elevated; opex aids profitability

- BOI reported earnings of INR1b (est. of INR242m), led by positive NIM surprise (driven by higher interest on others, MF gain, etc.) and strong trading gains of INR10b. Adjusted for interest on others, core earnings remained weak (as % of average assets at 2%).
- GNPLs were flat QoQ, and NNPL declined 7% QoQ (as PCR improved ~320bp QoQ to 58.7%). Elevated slippages of INR32b+ (annualized slippage ratio of ~3.4%), recoveries and upgrades of INR24b and write-offs of INR11b led to flat GNPLs.
- Outstanding standard S4A (INR7.2b), SDR (INR11.2b), 5:25 (INR31.4b) and restructured loan (INR128b) cumulatively stood at 4.9% of loans. Resultantly, overall net stress loans stood at 12%. The bank has SMA2 of INR120b (3.3% of loans).
- Global NIM expanded 6bp QoQ to 2.2%, but adjusted for higher interest on others, it contracted 9bp QoQ. Reported domestic NIM stood at 2.65%. Management expects NIM to expand over coming quarters.
- CASA deposits increased 37% YoY, driven by strong growth of 41% YoY in SA deposits. Resultantly, domestic CASA ratio improved 508bp QoQ to 41%.

Valuation and view: While asset quality performance was better than the past quarters, net stress loans remain at elevated level. Further, weak core earnings leave little scope to compensate for high credit cost (especially on account of ageing of NPL portfolio). CET1 is also at the lower end of the peer range at 7.7%. Despite earnings beat (on account of one-offs), we reduce earnings by 8% for FY18E/19E each to factor in higher credit cost. Return ratios are expected to be sub-optimal, with RoA and RoE of 0.3% and 7-9% over FY18-19E, respectively. Maintain **Neutral**.

Quarterly Performance

	(INR Million)									
	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	29,127	30,197	27,080	31,872	27,752	27,197	28,626	28,716	117,246	112,291
% Change (Y-o-Y)	8.4	-0.4	-2.6	12.0	-4.7	-9.9	5.7	-9.9	3.0	-4.2
Other Income	8,406	7,781	10,473	8,836	12,384	20,106	17,693	18,339	36,525	68,522
Net Income	37,533	37,978	37,553	40,708	40,136	47,304	46,319	47,055	153,772	180,813
Operating Expenses	20,490	23,396	23,463	26,066	23,597	22,375	21,734	23,010	93,415	90,717
Operating Profit	17,042	14,583	14,090	14,642	16,539	24,928	24,584	24,044	60,356	90,096
% Change (Y-o-Y)	-17.3	-31.7	-24.5	2.6	-3.0	70.9	74.5	64.2	-19.4	49.3
Other Provisions	15,147	32,374	36,039	54,704	27,702	22,962	23,026	24,242	138,264	97,932
Profit before Tax	1,895	-17,791	-21,950	-40,062	-11,163	1,966	1,559	-198	-77,908	-7,836
Tax Provisions	598	-6,529	-6,894	-4,191	-3,750	698	542	551	-17,016	-1,959
Net Profit	1,297	-11,262	-15,056	-35,871	-7,414	1,268	1,017	-749	-60,892	-5,877
% Change (Y-o-Y)	-83.9	-243.3	-968.4	NM	NM	NM	NM	NM	NM	NM
Operating Parameters										
NIM (Reported, %)	2.1	2.3	2.0	2.1	2.2	2.2	2.2		2.1	
Deposit Growth (%)	1.5	1.3	-0.3	-3.6	-2.0	-3.8	2.6	5.0	-3.6	5.0
Loan Growth (%)	3.5	-1.1	-3.2	-7.2	-1.9	-1.8	-2.6	5.1	-7.2	5.1
CD Ratio (%)	77.7	75.2	75.1	74.3	77.8	76.8	71.3	74.4	74.3	74.4
Tax Rate (%)	31.5	36.7	31.4	10.5	33.6	35.5	34.7	-278.8	21.8	25.0
Asset Quality										
OSRL (INR b)	193.9	193.1	172.7	128.7	119.5	120.1	128.1		128.7	
OSRL (%)	4.9	4.9	4.3	3.4	3.1	3.1	3.3		3.4	
Gross NPA (INR b)	268.9	298.9	365.2	498.8	518.7	522.6	517.8	520.5	498.8	520.5
Gross NPA (%)	6.8	7.6	9.2	13.1	13.4	13.5	13.4	13.0	13.1	13.0

E: MOSL Estimates



Thermax

BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	TMX IN
Equity Shares (m)	119
M.Cap.(INRb)/(USDb)	102.9 / 1.5
52-Week Range (INR)	945 / 691
1, 6, 12 Rel. Per (%)	1/-1/-11
Avg Val, INRm	53
Free float (%)	38.0

CMP: INR860

TP: INR781(-9%)

Sell

Weak execution dents 3QFY17 performance

- Results below estimates:** Thermax's (TMX) operating performance in 3QFY17 was below expectations. Sales declined 21% YoY to INR8.1b (est. of INR9.7b), EBITDA was flat YoY at INR806m (est. of INR902m), EBITDA margin expanded 210bp YoY to 9.9% (est. of 9.3%) and net profit declined 11% YoY to INR566m (est. of INR614m). Consolidated revenues declined 20% YoY to INR9.7b, and net profit (post minority interest) was marginally up 1.0% YoY to INR548m. Revenue declined as demonetization impacted the supply chain, hurting execution. On the other hand, margin improvement was driven by cost-rationalization measures.
- Order inflow grew 19% YoY to INR11.9b, driven by a pick-up in international order finalization (+73% YoY to INR5.3b).** Domestic ordering activity continues to remain muted, led by weak ordering activity in the core sectors of steel, cement, refining and power (-5.3% YoY to INR6.6b). Domestic order inflow continues to be supported by base orders from sectors like food, food processing, pharma and paints. Order book shrunk 4% YoY to INR46.5b.
- Valuation and view:** We marginally cut EPS for FY17E/18E by 3/2% to factor in prevailing weak ordering activity and muted outlook in terms of a pickup in ordering activity from the core sectors. We maintain **Sell** and roll over our TP to FY19 at INR781 (25x FY19E EPS of INR31, based on last 10-year average P/E multiple), given weak business outlook and rich valuations. Key risks to our rating are a sharper-than-expected pick-up in industrial and power capex.

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	52.6	45.2	48.8
EBITDA	4.1	4.0	4.7
PAT	2.8	2.9	3.3
EPS (INR)	23.5	24.4	27.9
Gr. (%)	8.2	3.8	14.0
BV/Sh (INR)	197.7	212.2	229.1
RoE (%)	12.5	12.1	12.6
RoCE (%)	11.3	10.3	12.2
P/E (x)	36.7	35.4	31.0
P/BV (x)	4.4	4.1	3.8

Estimate change



TP change



Rating change



Quarterly Performance (Standalone)

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E	MOSL 3Q Est	Var. Vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Sales	10,173	10,829	10,354	12,932	8,145	8,708	8,136	13,362	44,589	38,904	9,664	-15.8%
Change (%)	21.2	-9.1	-9.7	-14.3	-19.9	-19.6	-21.4	3.3	-5.1	-12.8	(7.0)	
EBITDA	788	907	806	1,182	637	773	806	1,498	3,742	3,715	902	-10.6%
Change (%)	36.5	-25.8	-38.6	-27.3	-19.1	-14.7	0.0	26.7	-20.4	-0.7	-8.7	
As of % Sales	7.7	8.4	7.8	9.1	7.8	8.9	9.9	11.2	8.4	9.5	9.3	
Depreciation	158	157	160	135	168	166	157	212	609	704	187	
Interest	12	12	12	-1	7	7	6	27	46	46	10	
Other Income	210	195	248	478	211	289	206	172	1,140	877	185	
Extra-ordinary Items												
PBT	829	933	882	1,526	673	888	850	1,430	4,227	3,842	890	-4.5%
Tax	271	315	245	413	221	292	283	381	1,252	1,176	276	
Effective Tax Rate (%)	32.7	33.8	27.7	27.0	32.8	32.8	33.3	26.6	29.6	30.6	31.0	
Reported PAT	558	618	637	1,113	452	597	566	1,050	2,975	2,666	614	-7.8%
Change (%)	34.8	(28.2)	(16.4)	(15.9)	(19.0)	(3.5)	(11.1)	(5.7)	(11.4)	(10.4)	-9.5	
Adj PAT	558	618	637	1,113	452	597	566	1,050	2,975	2,666	614	-7.8%
Change (%)	34.8	(28.2)	(16.4)	(15.9)	(19.0)	(3.5)	(11.1)	(5.7)	(11.4)	(10.4)	(9.5)	
E: MOSL Estimates												



Endurance Technologies

BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	ENDU IN
Equity Shares (m)	141
M.Cap.(INRb)/(USDb)	87.3 / 1.3
52-Week Range (INR)	675 / 518
1, 6, 12 Rel. Per (%)	-/-/-
Avg Val, INR m	637
Free float (%)	17.5

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	52.4	57.0	64.8
EBITDA	6.8	7.7	9.0
PAT	2.9	3.4	4.2
EPS (INR)	20.7	24.2	30.2
Gr. (%)	15.4	17.0	24.8
BV/Sh (INR)	103.5	125.4	151.2
RoE (%)	22.4	21.2	21.8
RoCE (%)	15.5	15.4	17.2
P/E (x)	30.0	25.6	20.5
P/BV (x)	6.0	5.0	4.1

Estimate change



TP change



Rating change



CMP: INR621

TP: INR732(+18%)

Buy

Above est.; strong growth in subs; lower other exp. drives performance

- Consol. net sales grew ~2.4% YoY to ~INR13.2b (est. of ~INR12.9b), driven by ~10% growth in EU business. S/A revenues fell ~1% YoY, despite ~4.4% decline in 2W volumes, driven by RE, ramp-up with HMSI/HMCL, and strong growth in Aftermarket (+33% YoY) and Exports (+24%). EU business was driven by strong growth in FCA (+44%) and ramp-up with Daimler (+14%).
- EBITDA margin expanded ~30bp YoY (-50bp QoQ) to 13.4% (est. of 12.8%), driven by better mix and lower other expenses. S/A margin shrunk 10bp YoY (-90bp QoQ) to 11.7%, while EU margin expanded ~90bp YoY (-50bp QoQ) to 17.1%. Adj. PAT grew ~13.6% YoY to ~INR743m (est. of ~INR659m).
- **Key highlights from the earnings call:** a) Aftermarket is a major focus area, especially for exports, through expansion in existing markets and entry in new markets. b) Bajaj Auto contribution was down to 38% of consol. revenues in 9MFY17 (v/s 42% YoY). c) It would start supplying clutch and CVT to HMCL in 2HFY18. d) CVT is a huge opportunity and focus area. It might take up to 1.5 years to tap CVT opportunity with HMSI and Yamaha. e) For ABS, it has an MoU with a global player and the tie-up should be done by Mar-17. f) Increase in content per bike to be driven by new products (like CVT, clutch and brakes) and higher share in existing products with newer customers. g) Commissioned machining plant in Germany for Daimler. h) FY17 capex guidance of ~INR2.75b for India and EUR15m for EU.
- **Valuation and view:** We upgrade our EPS estimates by 5-7% to factor in faster-than-expected ramp-up with new customers and products. ENDU offers strong management, diverse revenue profile, improving technological content, increasing customer wallet share and financial discipline. All this is reflected in its strong growth prospects (revenue/EPS CAGR of 12%/23% over FY17-19E) and robust return ratios (~22% RoE). The stock trades at 20.5x/17x FY18E/19E EPS. Maintain **Buy** with TP of INR732 (~20x FY19E EPS).

Quarterly Performance (Consolidated)

Y/E March	FY16			FY17			FY16	FY17E	FY17 3QE	Variance (%)
	1Q	2Q	3Q	1Q	2Q	3Q				
Net Sales	12,710	13,468	12,896	14,381	14,482	13,203	39,075	42,066	12,923	2
YoY Change (%)				13.1	7.5	2.4		7.7	0.2	
RM Cost (% of sales)	59.5	60.5	60.3	58.1	57.8	57.8	60.1	57.9	56.6	120bp
Staff Cost (% of sales)	9.7	8.5	9.2	9.8	8.9	10.5	9.1	9.7	10.4	0bp
Other Expenses (% of sales)	18.6	17.9	17.5	19.3	19.4	18.3	18.0	19.0	20.1	-190bp
EBITDA	1,543	1,772	1,683	1,844	2,008	1,769	4,998	5,621	1,653	7
Margins (%)	12.1	13.2	13.1	12.8	13.9	13.4	12.8	13.4	12.8	60bp
Depreciation	549	598	628	684	699	741	1,775	2,124	699	6
Interest	135	146	119	104	81	88	400	273	81	8
Other Income	115	78	33	110	54	73	227	236	54	36
PBT	974	1,107	968	1,166	1,281	1,014	3,049	3,460	927	9
Rate (%)	21.6	29.7	32.4	28.7	30.3	26.7	28.0	28.7	28.8	-220bp
Adj PAT	764	778	654	832	893	743	2,196	2,468	659	13
YoY Change (%)				8.9	14.8	13.6		12.4		

E: MOSL Estimates



Escorts

BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	ESC IN
Equity Shares (m)	123
M.Cap.(INRb)/(USDb)	47.9 / 0.7
52-Week Range (INR)	414 / 113
1, 6, 12 Rel. Per (%)	15/31/180
Avg Val, INRm	512
Free float (%)	57.0

CMP: INR394 TP: INR469(+19%) Buy

Strong quarter; Margin expansion to drive earnings

- Tractors drive strong performance:** 3QFY17 revenue grew robustly by 23% YoY to INR10,929m (est. of INR10,746m), driven by a strong performance in Tractors (revenue +26% YoY, volumes +25% YoY) and Construction equipment (revenue +14% YoY). On account of unfavorable mix, Railways grew 3% YoY, while Auto (was divested during the quarter) declined 16% YoY. EBITDA margin expanded strongly by 380bp YoY to 8.4%, driven by higher volumes in Tractors and cost reduction. EBITDA grew by 124% YoY to INR915m and adj. PAT by 113% to INR550m (est. of INR483m).
- Market share inches up; Tractor growth across regions:** ESC outperformed tractor industry growth rate, leading to a rise in market share from 9.5% to 10.1%. Market share improved by 105bp in strong markets and by 30bp in opportunity markets. Highest market share improvement was seen in Haryana, UP, MP, Jharkhand and Chhattisgarh. Opportunity markets like AP, WB and Odisha remained positive.
- Margins to be driven by employee cost control:** Management highlighted that ~450 blue-collar employees are due for retirement over next three years. It also plans to offer VRS to a similar number of employees. Since cost of blue-collar staff is very high, a reduction of ~900 employees over next three years would lead to significant savings in employee cost. ESC also entered into long-term settlement with the labor union, wherein through a mix of productivity improvement, employee cost is expected to remain constant at absolute level, even if VRS does not go through.
- Valuation and view:** In FY18, although monsoon is expected to play a critical role, we believe the onset of the season is likely to be strong as sowing in most regions is healthy. However, margin expansion through employee cost savings is expected to be a strong lever for earnings growth. We thus expect revenue/PAT CAGR of 13%/57%, driven by EBITDA margin expansion of 280bp to 10.3% over FY17-19E. We value ESC at P/E of 11x FY19 EPS, and maintain **Buy** with TP of INR469 (19% upside).

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	35.4	41.2	46.8
EBITDA	1.5	3.1	4.3
PAT	0.9	1.8	2.7
EPS (INR)	11.1	21.8	32.8
Gr. (%)	-16.6	95.6	51.0
BV/Sh (INR)	184.3	197.6	223.4
RoE (%)	6.1	11.4	15.6
RoCE (%)	7.4	10.4	15.1
P/E (x)	35.4	18.1	12.0
P/BV (x)	2.1	2.0	1.8

Estimate change

TP change

Rating change

Quarterly Performance (Consolidated)

Y/E March	FY16				FY17E				FY16	FY17E	FY17	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	9,614	8,180	8,913	8,047	10,514	9,953	10,929	9,174	34,756	40,571	10,746	2
YoY Change (%)	-14.8	-17.6	-14.8	-1.6	9.4	21.7	22.6	14.0	-12.8	16.7	21.0	
Total Expenditure	9,039	7,920	8,504	7,659	9,636	9,329	10,014	8,495	33,122	37,475	9,908	
EBITDA	576	260	409	388	878	625	915	679	1,634	3,096	838	9
Margins (%)	6.0	3.2	4.6	4.8	8.3	6.3	8.4	7.4	4.7	7.6	7.8	
Depreciation	161	155	142	137	145	163	167	170	594	645	175	
Interest	158	133	103	152	112	96	49	85	546	343	100	
Other Income	118	138	136	187	104	71	79	85	579	339	90	
PBT before EO expense	374	110	301	287	725	437	777	509	1,073	2,448	653	19
Extra-Ord expense	0	11	1	131	63	39	329	40	144	470	410	
PBT	374	99	300	155	662	398	448	469	929	1,977	243	84
Tax	22	1	42	-9	192	85	221	113	57	611	63	
Rate (%)	6.0	1.5	14.1	-5.7	29.1	21.4	29.2	24.0	6.2	30.9	26.0	
Reported PAT	352	98	258	164	470	313	227	356	872	1,366	180	26
Adj PAT	352	109	259	303	514	343	550	387	1,007	1,691	483	14
YoY Change (%)	3.1	-238.3	-27.5	137.7	46.2	215.9	112.5	27.6	34.7	68.0	136.6	
Margins (%)	3.7	1.3	2.9	3.8	4.9	3.4	5.0	4.2	2.9	4.2	4.5	

E: MOSL Estimates



Manpasand Beverages

BSE SENSEX	S&P CNX
28,330	8,778
Bloomberg	MANB IN
Equity Shares (m)	57
M.Cap.(INRb)/(USDb)	39.9 / 0.6
52-Week Range (INR)	776 / 389
1, 6, 12 Rel. Per (%)	24/2/34
Avg Val, INRm	61.0
Free float (%)	55.9

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	5.6	7.7	11.9
EBITDA	1.1	1.5	2.3
PAT	0.5	0.9	1.3
EPS (INR)	10.1	14.9	23.1
Gr. (%)	26.7	47.6	55.0
BV/Sh (INR)	120.2	204.6	221.9
RoE (%)	11.4	8.6	9.6
RoCE (%)	12.2	9.7	10.8
P/E (x)	69.3	46.9	30.3
P/BV (x)	5.8	3.4	3.2

Estimate change

TP change

Rating change

CMP: INR697 TP: INR843(+20%)

Buy

EBITDA margin beats estimate, capacity expansion on track; Buy

- Revenue in line; EBITDA and PAT higher than estimated:** MANB's revenue grew 11.6% YoY to INR1,025m (our estimate: INR989m). EBITDA margin expanded 70bp YoY to 20% (our estimate: 18.1%), driven by 460bp YoY dip in other expenses, but partly offset by 260bp YoY increase in raw material costs and 130bp YoY increase in employee expenses. EBITDA grew 16% YoY to INR205m (our estimate: INR179m). Other income was INR60m against INR35m in 3QFY16. Adjusted PAT grew 49% YoY to INR72m (our estimate: INR66m).
- Demonetization impacted 3QFY17; expect normalcy in 4QFY17:** Sales growth in 3QFY17 was impacted by demonetization. Contribution of *Fruits-up* increased to 23% from 20% in 3QFY16. With demonetization largely behind, we expect 4QFY17 to be strong for MANB. Also, we expect new capacity of 50,000cpd at Ambala, which came on-stream in August 2016, to contribute meaningfully in 4QFY17. Other expenses were lower mainly on lower repair and maintenance expenses.
- Capacity expansion on track:** In-line with its plan to double capacity with new production capacity of 200k cases per day (currently 177k cpd), the company has acquired land and construction work has commenced at three locations – Sri City (Andhra Pradesh), Vadodara (Gujarat) and Varanasi. These capacities are expected to be up and ready in the next 12-15 months. MANB is in the process of finalizing the location for its fourth plant in eastern India.
- Valuation and view:** We largely maintain our estimates and expect sales and PAT CAGR of 53% and 63%, respectively, over FY16-19. We are confident that MANB is on the cusp of a high-growth cycle, led by its capacity expansion, new product launches and increase in distribution network, which should lead to market share gains from 5% in 2016 to 7.5% in 2018. We value the stock at 22x FY19E EPS; our target price of INR843 implies 20% upside. We maintain our **Buy** rating.

Standalone - Quarterly Earning Model

Y/E March	(INR Million)											
	FY16				FY17				FY16	FY17E	FY17	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	1,453	762	918	2,304	2,293	1,025	1,025	3,341	5,437	7,683	989	4
YoY Change (%)	15.1	23.1	79.8	91.0	57.9	34.6	11.6	45.0	51.1	41.3	10.0	
Total Expenditure	1,114	602	741	1,876	1,841	803	819	2,723	4,333	6,185	810	
EBITDA	339	159	177	428	453	222	205	618	1,103	1,498	179	15
Margins (%)	23.3	20.9	19.3	18.6	19.7	21.7	20.0	18.5	20.3	19.5	18.1	
Depreciation	123	135	153	160	149	171	177	200	571	697	180	
Interest	41	10	3	3	1	8	2	0	57	11	0	
Other Income	1	35	35	21	17	17	60	75	91	169	75	
PBT	175	49	56	287	320	61	86	493	566	959	74	16
Tax	18	6	7	31	33	7	13	52	62	105	8	
Rate (%)	10.3	11.4	12.7	10.8	10.4	10.8	15.6	10.5	10.9	11.0	10.5	
Minority Interest & Profit/Loss of Asso.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	157	43	49	256	286	54	72	441	505	854	66	9
Adj PAT	157	43	49	256	286	54	72	441	505	854	66	9
YoY Change (%)	9.4	388.6	-287.6	47.6	82.5	24.5	49.0	72.7	68.4	69.3	34.7	
Margins (%)	10.8	5.7	5.3	11.1	12.5	5.3	7.1	13.2	9.3	11.1	6.7	

E: MOSL Estimates

Power Grid Corpn

BSE SENSEX 28,330
S&P CNX 8,778

CMP: INR202

TP: INR227(+12%)

Buy

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

Conference Call Details



Date: 10th February 2017

Time: 11:30am IST

Dial-in details:

+91-22-39381079

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	213.5	263.9	311.6
EBITDA	186.0	234.3	278.8
NP	60.1	74.4	87.8
EPS (INR)	11.5	14.2	16.8
EPS Gr. (%)	18.2	23.6	18.1
BV/Sh. (INR)	82.6	94.5	108.2
RoE (%)	14.7	16.1	16.6
RoCE (%)	6.6	7.4	8.0
Payout (%)	20.8	17.1	18.1
Div. Yield	1.5	1.0	1.2

Results in line; PAT up ~20% YoY; other business post strong growth

- Reported PAT grew ~20% YoY/~3% QoQ to INR19.3b on strong capitalization in the preceding four quarters and robust growth at other businesses.
- Telecom business EBIT grew 42% YoY/12% QoQ to INR768m. Revenue increased 27% YoY/1% QoQ to INR1,444m.
- Consultancy business EBIT grew 71% YoY/21% QoQ to INR1,324m. Revenue was up 41% YoY/5% QoQ to INR1,623m.
- Other income (incl. other operating income) was up ~2x YoY to INR2.9b.
- Adjusting for other income, telecom and consultancy profit, core transmission business PAT is estimated to have increased just 1% QoQ. Earnings are impacted due to a sharp INR576m QoQ rise in employee cost to INR3.1b. Adjusting for higher employee cost, core transmission PAT increase stands at ~4% QoQ (INR595m), implying capitalization of ~INR51b (est. of INR70b).

Valuation and view: We will get details on capitalization/capex in the earnings call tomorrow. Consol. EPS is expected to grow at a CAGR of 13-14% over next five years. Consol. RoE will improve further from a strong 14.7% in FY16 to ~16% in FY20E as capitalization outpaces capex (building in RoE reset from 15.5% to 14%) in FY20). Competitively bid projects are also expected to generate healthy double-digit IRR. Maintain **Buy** with a TP of INR227.

Quarterly Performance (Standalone) – INR m

Y/E March	FY16				FY17				FY16	FY17E	FY17 3QE	Vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Sales	47,170	49,046	53,596	57,536	60,691	62,296	65,010	68,050	207,348	255,598	66,159	-2
Change (%)	19.8	18.1	23.1	23.4	28.7	27.0	21.3	18.3	21.2	23.3	23.4	
EBITDA	41,369	43,051	47,486	50,874	53,675	55,788	58,220	60,710	182,781	227,903	59,272	-2
Change (%)	22.8	21.1	27.0	26.6	29.7	29.6	22.6	19.3	24.5	24.7	24.8	
As of % Sales	87.7	87.8	88.6	88.4	88.4	89.6	89.6	89.2	88.2	89.2	89.6	
Depreciation	13,695	14,481	15,805	17,847	17,573	18,769	19,653	21,696	61,828	77,691	20,191	-3
Interest	11,091	11,490	12,875	14,773	15,178	15,876	16,426	15,803	50,230	63,283	16,447	0
Other Income	710	1,224	1,452	2,079	1,902	2,507	2,866	-1,269	5,464	6,098	2,538	13
Extraordinary Inc / (Exp)	0	0	0	0	0	0	0	0	0	0	0	
PBT	17,293	18,304	20,259	20,332	22,827	23,650	25,006	21,942	76,188	93,027	25,173	-1
Tax	3,628	3,823	4,127	4,341	4,819	4,888	5,706	4,608	15,920	19,536	5,286	
Effective Tax Rate (%)	21.0	20.9	20.4	21.4	21.1	20.7	22.8	21.0	20.9	21.0	21.0	
Reported PAT	13,665	14,480	16,131	15,991	18,008	18,762	19,300	17,334	60,267	73,491	19,887	-3
Adjusted PAT (Pre Exceptional)	13,665	14,480	16,131	15,991	18,008	18,762	19,300	17,334	60,267	73,491	19,887	-3
Change (%)	14.7	19.7	28.8	13.2	31.8	29.6	19.6	8.4	19.0	21.9	23.3	

BSE SENSEX 28,330 S&P CNX 8,778

CMP: INR507 TP: INR483 (-5%)

Buy

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

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Sales	24.3	23.1	26.0
EBITDA	2.7	2.4	3.0
NP	1.4	1.4	1.8
Adj EPS (INR)	11.2	10.9	14.2
EPS Gr. (%)	-31.2	-2.8	30.5
BV/Sh (INR)	92.0	100.4	111.0
RoE (%)	13.1	11.3	13.4
RoCE (%)	13.2	11.4	13.5

Valuations

P/E (x)	45.3	46.6	35.7
P/BV (x)	5.5	5.1	4.6
EV/EBITDA (x)	22.8	25.7	20.1

Results beat estimates

- Overall revenue grew 2.5% to INR6.4b (est. of INR5.7b) in 3QFY17 from INR6.25b in the corresponding period last year.
- EBITDA margin contracted 70bp from 12.5% in 3QFY16 to 11.8% in 3QFY17 (est. of 9.5%). EBITDA declined 3% YoY to INR757m (est. of INR540m).
- Other income came in at INR190m, higher than our estimate of INR110m.
- Accordingly, adj. PAT grew 33% YoY to INR594m (est. of INR314m) from INR448m.
- The exceptional item included VRS offered to workmen at the manufacturing unit located at Faridabad, Haryana, amounting to INR216m.

Key questions for management

- Reasons for encouraging growth despite demonetization.
- Same-store and footfall growth.
- Outlook for 4QFY17, given that demonetisation impact may come with a lag.

Valuation and view: We will revisit our estimates post the earnings call. Based on our current estimates, at CMP of INR507, the stock trades at 36x/29x P/E on FY18E/FY19E EPS. We have a **Buy** rating on the stock.

Quarterly Performance

Y/E March	FY16				FY17				FY16	FY17E	FY17E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		3QE		
Consolidated												
Net Sales	6,849	5,747	6,255	5,447	6,746	5,837	6,408	5,012	24,298	23,145	5,682	13
YoY Change (%)	10.1	4.9	16.4	10.9	-1.5	1.6	2.5	-8.0	NM	-4.7	(8.0)	
Total Expenditure	6,015	5,267	5,473	4,894	5,926	5,302	5,651	4,560	21,648	20,784	5,142	
EBITDA	834	480	782	553	820	535	757	451	2,650	2,361	540	40
Margins (%)	12.2	8.4	12.5	10.2	12.2	9.2	11.8	9.0	10.9	10.2	9.5	
Depreciation	194	192	195	206	162	160	162	180	788	679	170	
Interest	5	6	2	3	7	13	5	3	16	14	4	
Other Income	78	97	89	104	110	141	190	100	368	450	110	
PBT before EO expense	713	380	674	447	761	504	780	368	2,214	2,118	476	64
Extra-Ord expense	430	318	0	0	0	0	217	0	747	0	0	
PBT	1,143	697	674	447	761	504	563	368	1,467	2,118	476	18
Tax	240	154	226	169	257	158	186	125	789	720	162	
Rate (%)	33.7	40.6	33.5	37.7	33.8	31.3	23.8	34.0	35.7	34.0	34.0	
Reported PAT	902	543	448	279	504	346	377	243	2,185	1,398	314	20
Adj PAT	473	226	448	279	504	346	594	243	1,439	1,398	314	89
YoY Change (%)	-22.3	-42.1	28.2	10.5	6.6	53.2	32.5	-12.9	315.9	-3	-29.5	
Margins (%)	6.9	3.9	7.2	5.1	7.5	5.9	9.3	4.8	5.9	6.0	5.5	

E: MOSL Estimates



Alkem Labs

Bloomberg	ALKEM IN
Equity Shares (m)	119.6
M. Cap. (INR b)/(USD b)	200 / 3
52-Week Range (INR)	1853 / 1175
1,6,12 Rel Perf. (%)	-3 / 25 / 5

CMP: INR1670 TP: INR1800 (+8%) Buy

Financial Snapshot (INR Billion)

Y/E March	2016	2017E	2018E	2019E
Sales	49.9	59.2	68.0	80.5
EBITDA	8.5	10.7	12.5	15.3
NP	7.7	9.2	10.1	11.8
EPS (INR)	64.7	77.3	84.4	98.4
EPS Gro. (%)	67.4	19.3	9.3	16.6
BV/Sh. (INR)	293.0	354.7	420.1	496.3
RoE (%)	23.8	23.9	21.8	21.5
RoCE (%)	17.6	22.0	20.2	25.0

Valuations

P/E (x)	25.8	21.6	19.8	17.0
P/BV (x)	5.7	4.7	4.0	3.4
EV/EBITDA (x)	23.3	18.4	15.1	11.9

- After growing strongly (~20% YoY) over past two quarters, revenues are expected to increase 13% YoY in 3Q. The slowing pace of growth can be attributed to seasonal weakness and demonetization. Additionally, we expect revenues to be weighed down by NPPA-led downward price erosions.
- EBITDA margin is expected to decline 80bp YoY and 130bp QoQ on the back of high base effect, seasonality factor and demonetisation.
- We expect PAT to grow 10% YoY, while tax rate is expected to inch up to ~14% from mid-single-digit in 1HFY17.
- ALKEM's US business could potentially double from ~USD150m in FY16 to ~USD300m over next 3-4 years, driven by a strong pipeline of ~50 pending ANDAs.
- Lower base effect will continue to have a positive impact, as the US will still contribute ~22% to sales, much lower than peers at ~40%+. Maintain Buy.

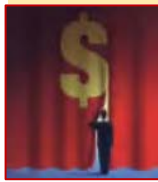
Key issues to watch out

- Impact of demonetization.
- Update on visibility of approval post EIR at Ankleshwar facility.
- Pick-up in chronic business.

Quarterly Performance

(INR Million)

Y/E March	FY16				FY17E				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Revenues	12,075	13,820	12,747	11,426	14,808	16,383	14,404	13,560	49,915	59,156
YoY Change (%)			29.0	25.3	22.6	18.6	13.0	18.7	31.7	18.5
EBITDA	2,062	2,556	2,354	1,580	2,711	3,105	2,548	2,344	8,482	10,707
Margins (%)	17.1	18.5	18.5	13.8	18.3	19.0	17.7	17.3	17.0	18.1
Depreciation	206	259	244	260	230	255	260	259	1,006	1,003
Net Other Income	251	502	161	319	181	219	205	294	975	899
PBT before EO Exp	2,107	2,798	2,270	1,639	2,663	3,069	2,493	2,378	8,451	10,603
EO Exp/(Inc)									0	0
PBT	2,107	2,798	2,270	1,639	2,663	3,069	2,493	2,378	8,451	10,603
Tax	68	81	345	1,066	230	187	360	389	1,606	1,166
Rate (%)	3.2	2.9	15.2	65.0	8.6	6.1	14.4	16.4	19.0	11.0
PAT (pre Minority Interest)	2,039	2,717	1,925	573	2,433	2,882	2,133	1,989	6,845	9,436
Minority Interest	28	47	35	6	45	53	50	52	114	200
Reported PAT	2,011	2,670	1,889	567	2,388	2,828	2,083	1,937	6,731	9,236
YoY Change (%)			17	-56.3					0	0
Adj Net Profit	2,011	2,670	1,872	1,577	2,388	2,828	2,083	1,937	6,731	9,236
YoY Change (%)			17.0	21.4	18.7	5.9	11.2	22.8	45.5	37.2



Bank of Baroda

Bloomberg	BOB IN
Equity Shares (m)	2310.5
M. Cap. (INR b)/(USD b)	342 / 5
52-Week Range (INR)	179 / 109
1,6,12 Rel Perf. (%)	-10 / -5 / -6

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
NII	127.4	134.6	154.5	186.9
OP	88.2	107.8	119.5	140.7
NP	-54.0	28.4	43.5	60.6
NIM (%)	2.0	2.1	2.3	2.4
EPS (INR)	-23.4	12.3	18.8	26.2
EPS Gr. (%)	-252.4	NM	52.9	39.3
BV/Sh. (INR)	146	155.9	170.3	190.4
ABV/Sh. (INR)	92	101.2	127.7	159.6
RoE (%)	-15.3	8.1	11.5	14.5
RoA (%)	-0.8	0.4	0.6	0.7
Div. Payout (%)	0.0	23.2	23.2	23.2
Valuations				
P/E(X)	-6.3	12.0	7.9	5.6
P/BV (X)	1.0	0.9	0.9	0.8
P/ABV (X)	1.6	1.5	1.2	0.9
Div. Yield (%)	0.0	1.7	2.5	3.5

CMP: INR148 TP: INR223 (+51%) Buy

- We expect balance sheet consolidation to continue, with a YoY decline in loans in absolute terms. Portfolio rebalancing towards granular loans and SEB loans conversion could weigh on growth.
- While deposit intake has been muted in the past few quarters, this quarter will see a strong revival in deposit growth.
- We expect margins to decline sequentially to 2.1%, led by fall in C-D ratio.
- Bulk of the asset quality stress has been taken over the last few quarters, and we expect only a marginal deterioration in asset quality. We expect only a marginal increase in GNPA's in 3QFY17.
- Fee income would remain muted. However, higher share of non-core income should support earnings.
- PAT should increase ~50% sequentially; however, return ratios will still remain sub-optimal.
- The stock trades at 7.9x FY18E EPS and 0.9x FY18E BV. Buy.

Key issues to watch for

- Stress addition, mainly from international book.
- Guidance on loan growth, margins and operating expenses.

Quarterly Performance

	(INR Million)									
	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	34,596	32,445	27,053	33,304	33,711	34,261	32,781	33,855	127,398	134,608
% Change (YoY)	3.9	-4.6	-17.7	5.0	-2.6	5.6	21.2	1.7	-3.4	5.7
Other Income	9,672	11,440	11,129	17,747	14,444	15,614	18,038	19,428	49,989	67,524
Net Income	44,269	43,885	38,183	51,051	48,155	49,875	50,819	53,283	177,387	202,132
Operating Expenses	22,249	20,515	21,141	25,326	21,460	22,973	24,239	25,648	89,231	94,320
Operating Profit	22,020	23,370	17,041	25,725	26,695	26,902	26,580	27,635	88,156	107,812
% Change (YoY)	-11.2	-2.7	-27.1	-4.5	21.2	15.1	56.0	7.4	-11.1	22.3
Other Provisions	5,997	18,917	61,646	68,577	20,041	17,958	14,800	12,569	155,137	65,368
Profit before Tax	16,022	4,453	-44,604	-42,852	6,654	8,944	11,780	15,066	-66,981	42,444
Tax Provisions	5,501	3,208	-11,184	-10,551	2,418	3,422	3,534	4,632	-13,025	14,006
Net Profit	10,522	1,245	-33,420	-32,301	4,236	5,521	8,246	10,434	-53,955	28,437
% Change (YoY)	-22.7	-88.7	-1,100.7	-639.8	-59.7	343.5	-124.7	-132.3	-258.8	-152.7
Operating Parameters										
NIM (Reported, %)	2.3	2.1	1.7	2.2	2.2	2.3			2.1	
NIM (Calculated, %)	2.1	2.0	1.7	2.1	2.2	2.2	2.1	2.2	2.0	1.9
Deposit Growth (%)	7.5	8.0	4.4	-7.0	-5.2	-7.3	2.0	8.0	-7.0	8.0
Loan Growth (%)	7.0	7.6	-2.4	-10.3	-11.2	-14.6	-8.8	-5.0	-10.3	-5.0
CD Ratio (%)	68.9	67.7	65.2	66.9	64.5	62.4	58.3	58.8	66.9	58.8
Asset Quality										
OSRL (INR B)	255	229	171	137	142	139			137	
OSRL (%)	6.3	5.5	4.5	3.6	3.9	3.9			3.6	
Gross NPA (INR B)	173	237	389	405	430	429	434	435	405	435
Gross NPA (%)	4.1	5.6	9.7	10.0	11.2	11.4	11.6	11.2	10.0	11.2

E: MOSL Estimates



Bosh

Bloomberg	BOS IN
Equity Shares (m)	31.4
M. Cap. (INR b)/(USD b)	642 / 9
52-Week Range (INR)	25650 / 15753
1,6,12 Rel Perf. (%)	-3 / -6 / 5

CMP: INR20,450 TP:INR20,937 (+1%) Neutral

- Net revenue is likely to grow ~3% YoY (+8.1% QoQ) to INR28.2b. Sales to OEM (especially 2W OEMs) are likely to moderate on demonetization impact. Exports too are likely to decline.
- EBITDA margin is expected to remain flat YoY (-520bp QoQ) as the decline in raw material costs is likely to be offset by a rise other expenses.
- EBITDA is projected to grow just 4% YoY (-23% QoQ) to ~INR3.6b.
- Adjusted PAT is likely to grow 39% YoY to INR3b on higher other income.
- We are downgrading our EPS estimate for FY17/FY18 by ~6% each due to the expected decline in revenues post demonetization.
- The stock trades at 41.2x FY17E and 32.2x FY18E EPS; maintain **Neutral**.

Financial Snapshot (INR b)

Y/E March	FY16	FY17E	FY18E	FY19E
Sales	96.6	107.1	127.8	144.8
EBITDA	18.2	18.7	24.4	28.3
NP	15.2	15.5	20.1	22.5
EPS (INR)	483.3	507.6	657.7	738.1
EPS Gr. (%)	11.8	5.0	29.6	12.2
BV/Sh. (INR)	2,639.8	2,434.7	2,928.0	3,481.5
RoE (%)	19.4	19.7	24.5	23.0
RoCE (%)	26.5	27.9	33.6	31.6

Valuations

P/E (x)	41.8	39.8	30.7	27.3
P/BV (x)	7.6	8.3	6.9	5.8
EV/EBITDA	33.9	31.3	23.4	19.8
EV/Sales (x)	6.4	5.5	4.5	3.9

Consolidated

Key issues to watch

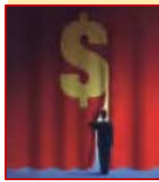
- Rollout of BS-IV emission norms and implication on Bosch's revenue.
- Implementation of BS-VI norms for 2Ws and underlying opportunity for Bosch.
- Advancement of BS-VI implementation and its impact on Bosch.
- Capex plans for BS VI norms.

Quarterly Performance

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	23,012	23,814	27,406	24,672	25,196	26,115	28,228	27,606	96,558	107,145
YoY Change (%)	-3.2	-6.8	15.1	3.3	9.5	9.7	3.0	11.9	-0.6	11.0
RM Cost (% of sales)	52.0	50.9	52.6	50.7	51.8	50.5	51.2	51.4	51.5	
Staff Cost (% of sales)	12.4	14.2	14.2	13.8	12.9	13.3	13.5	16.2	13.5	
Other Expenses (% of sales)	14.6	16.8	20.5	13.1	17.4	18.2	22.5	11.1	16.2	
EBITDA	4,827	4,326	3,474	5,507	4,511	4,694	3,613	5,874	18,177	18,692
Margins (%)	21.0	18.2	12.7	22.3	17.9	18.0	12.8	21.3	18.8	17.4
Depreciation	704	782	1,115	1,177	860	889	1,150	1,185	3,722	4,084
Interest	15	32	28	14	13	10	19	24	99	66
Other Income	1,408	1,872	882	1,779	1,789	2,107	1,950	1,746	6,488	7,592
PBT after EO Expense	5,516	5,384	3,213	6,096	5,428	5,902	4,394	6,411	21,035	22,134
Tax Rate (%)	31.5	29.1	31.3	22.6	30.9	28.3	30.0	30.7	27.2	30.0
Adj PAT	3,777	3,817	2,208	4,720	3,749	4,229	3,076	4,440	15,176	15,494
YoY Change (%)	23.1	24.6	70.1	64.2	-0.7	10.8	39.3	-5.9	11.8	2.1

E: MOSL Estimates



Bloomberg	CESC IN
Equity Shares (m)	133.2
M. Cap. (INR b)/(USD b)	86 / 1
52-Week Range (INR)	683 / 405
1,6,12 Rel Perf. (%)	10 / 7 / 20

Financial Snapshot (INR Million)

y/e march	2016	2017E	2018E	2019E
Sales	119.0	137.1	149.0	157.0
EBITDA	28.5	32.9	35.6	36.8
NP	3.7	6.4	9.4	10.3
EPS (INR)	27.8	48.4	70.7	77.6
EPS Gr. (%)	86.6	73.9	46.2	9.8
BV/Sh. (INR)	470.5	439.4	498.1	563.7
RoE (%)	6.0	10.6	15.1	14.6
RoCE (%)	9.1	10.2	11.2	11.3
Payout (%)	36.0	20.7	14.1	12.9

VALUATION

P/E (x)	17.0	13.0	8.9	8.1
P/BV (x)	1.0	1.4	1.3	1.1
EV/EBITDA (x)	6.8	6.4	5.7	5.3
Div. Yield (%)	2.1	1.6	1.6	1.6

CMP: INR646

TP: INR940

Buy

- We expect CESC's PAT to be broadly flat YoY at INR1.45b (on Ind-AS basis) as steady increase in capitalization is offset by the impact of negative bid on the captive coal block.
- Sales volume growth is estimated at 2% YoY to 2,284MU.
- Profitability of Dhariwal is likely to improve with the commissioning of 34MW PPA with Noida.

Key issues to watch for

- Performance of Spencer.
- Commissioning of full 187MW PPA with Noida.

Quarterly Performance - Standalone

INR Million

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	17,040	17,720	15,380	14,790	20,120	20,160	16,028	15,335	64,340	70,772
Change (%)	-8.5	6.7	23.1	4.4	18.1	13.8	4.2	3.7	4.9	10.0
EBITDA	3,860	4,380	2,980	4,760	5,110	5,910	3,576	4,218	15,980	18,814
Change (%)	2.1	3.5	-0.3	5.5	32.4	34.9	20.0	-11.4	3.2	17.7
As of % Sales	22.7	24.7	19.4	32.2	25.4	29.3	22.3	27.5	24.8	26.6
Depreciation	910	900	890	990	960	990	1,000	877	3,690	3,827
Interest	1,200	1,160	1,050	1,120	1,150	1,160	1,183	1,261	4,530	4,754
Other Income	250	250	430	300	260	320	443	273	1,230	1,296
Regulatory (inc)/exp	0	0	0	0	620	600	0	0	0	1,220
PBT	2,000	2,570	1,470	2,950	2,640	3,480	1,835	2,353	8,990	10,309
Tax	480	620	350	470	900	1,060	385	-181	1,920	2,165
Effective Tax Rate (%)	24.0	24.1	23.8	15.9	34.1	30.5	21.0	-7.7	21.4	21.0
Reported PAT	1,520	1,950	1,120	2,480	1,740	2,420	1,450	2,534	7,070	8,144
Adjusted PAT	1,520	1,950	1,120	2,480	1,740	2,420	1,450	2,534	7,070	8,144
Change (%)	0.7	1.6	0.9	-12.6	14.5	24.1	29.5	2.2	-3.9	15.2

E: MOSL Estimates



Crompton Greaves

Bloomberg	CRG IN
Equity Shares (m)	627.0
M. Cap. (INR b)/(USD b)	38 / 1
52-Week Range (INR)	89 / 39
1,6,12 Rel Perf. (%)	-13 / -15 / -10

CMP: INR61 TP: INR48 (-21%) Sell

- During the quarter, deal for sale of overseas power business in Europe, North America and Indonesia to First Reserve for an enterprise value of EUR115m on a debt-free, cash-free basis was called off owing to non-fulfillment of certain conditions precedent to the share purchase agreement.
- The management now intends to sell the overseas power business on either geographical basis or product-wise basis.
- CRG has reached an agreement to sell its B2B automation business in Spain, UK, Ireland, France and India at an EV of EUR120m. Successful completion of the deal would help Crompton to reduce the debt on its books.
- The management intends to monetize ~INR10b of non-core assets, including additional land at Kanjurmarg, to lower standalone business debt. Maintain **SELL**.

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
Net Sales	52.7	59.3	54.7	59.1
EBITDA	3.7	4.7	5.5	6.5
Adj PAT	1.3	0.3	1.1	2.0
EPS(INR)	2.1	0.6	1.9	3.2
EPS Gr. (%)	-51.0	-73.0	232.6	73.1
BV/Sh. (INR)	73.3	73.2	72.7	72.0
RoE (%)	3.0	4.2	6.0	8.0
RoCE (%)	5.1	6.0	7.5	7.9
Payout (%)	0.0	107.4	107.4	107.4
Valuations				
P/E (x)	35.3	109.3	32.9	19.0
P/BV (x)	1.0	0.8	0.8	0.8
EV/EBITDA (x)	14.7	7.8	6.3	5.1
Div Yield (%)	0.0	1.0	3.3	4.5

* Consolidated

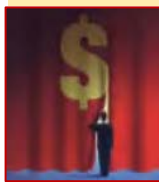
Key issues to watch

- Lowering debt in demerged business through asset sale.
- Concrete developments on plans to sell international power business.

Quarterly performance (Consolidated)

	FY16				FY17				FY16	FY17
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Sales (Net)	10,275	14,292	12,247	16,699	15,239	14,952	13,160	16,530	52,721	59,314
Change (%)	-70.1	-58.3	-49.2	6.0	48.3	4.6	7.5	-1.0	-62.4	12.5
EBITDA	-136	1,295	964	1,548	1,206	834	1,090	1,006	3,671	4,736
Change (%)	-107.9	-23.1	53.8	-48.3	-983.2	-35.6	13.0	-35.0	-42.9	29.0
As of % Sales (Adj)	-1.3	9.1	7.9	9.3	7.9	5.6	8.3	6.1	7.0	
Depreciation	603	604	622	728	604	567	550	381	2,558	2,101
Interest	153	169	103	240	306	443	306	307	814	1,363
Other Income	425	178	109	257	176	500	150	274	1,116	1,100
EO Income/(Exp)	-11	-1	-1,585	-2,030	0	-372	-350	-382	-1,113	
PBT	-479	698	-1,237	-1,193	471	696	734	974	-2,211	2,372
Tax	166	225	-65	-182	68	52	120	208	144	447
Effective Tax Rate (%)	-34.7	32.2	5.3	15.2	14.3	7.4	16.3	21.3	-6.5	18.8
Minority interest	-8.3	-23.7	-3.1	9.8	3.6	4.1	-5.0	-28.0	-25.3	-25.3
Reported PAT	-637	497	-1,168	-1,022	400	641	619	794	-2,329	1,950
Adjusted PAT	-626	499	416	1,008	400	268	969	1,176	1,297	1,950
Change (%)	(197.7)	(28.4)	(185.0)	(63.4)	(163.9)	(46.2)	132.8	16.7	(29.5)	50.3
Order book	79,050	84,280	79,540	41,670	35,270	45,290	-	-	75,790	44,071
Order Intake	25,060	16,644	21,040	12,920	13,730	17,460	22,513	-	75,664	51,918
BTB (x)	1.6	2.1	2.2	0.8	0.8	1.0	-	-	1.4	

E: MOSL Estimates



Bloomberg	GAIL IN
Equity Shares (m)	1268.5
M. Cap. (INR b)/(USD b)	558 / 8
52-Week Range (INR)	456 / 291
1,6,12 Rel Perf. (%)	2 / 13 / 18

CMP: INR440 TP: INR429 (-2%) Neutral

- We expect GAIL to report a PAT of INR9.6b (+45% YoY and +4% QoQ). We model nil subsidy sharing for GAIL in 3QFY17 (v/s nil in 3QFY16 and 2QFY17).
- We estimate EBITDA at INR16.8b in 3QFY17 v/s INR10.8b in 3QFY16 and INR15.1b in 2QFY17.
- Segmental EBIT (pre-subsidy) is expected to be INR15.6b, up 52% YoY, led by turnaround in petchem division profitability and likely higher gas transmission profitability.
- GAIL trades at 12.1x FY18E EPS of INR36.4. Maintain Neutral.

Financial snapshot (INR b)

y/e march	2016	2017E	2018E	2019E
Sales	516.1	528.2	544.5	729.7
EBITDA	39.7	65.0	77.9	90.4
Adj. PAT	23.0	36.4	46.2	56.7
Adj. EPS (INR)	18.1	28.7	36.4	44.7
EPS Gr. (%)	-23.2	58.3	26.9	22.8
BV/Sh.(INR)	241.1	263.2	286.3	314.7
RoE (%)	7.7	12.9	13.2	14.9
RoCE (%)	6.5	9.6	10.9	12.3
Payout (%)	36.5	32.2	36.5	36.5
Valuations				
P/E (x)	24.3	15.3	12.1	9.8
P/BV (x)	1.8	1.7	1.5	1.4
EV/EBITDA (x)	12.9	8.6	6.8	5.6
Div. Yield (%)	1.3	2.0	2.5	3.2

Key issues to watch for

- (a) Petchem profitability, (b) profitability in gas trading business, (c) progress of pipeline projects worth USD4b, (d) pending tariff revisions for key pipelines, and (e) transmission volumes post RasGas contract renegotiation.

Quarterly Performance

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	125,191	140,880	133,801	116,272	106,866	118,582	150,533	152,553	516,143	528,534
Change (%)	-6.4	-0.3	-10.6	-18.5	-14.6	-15.8	12.5	31.2	-9.0	2.4
EBITDA	9,976	7,675	10,847	11,186	15,732	15,155	16,796	17,315	39,684	64,998
% of Net Sales	8.0	5.4	8.1	9.6	14.7	12.8	11.2	11.4	7.7	12.3
Depreciation	3,077	3,227	3,330	3,497	3,354	3,563	3,697	3,810	13,131	14,425
Interest	1,636	1,635	1,583	1,546	1,774	1,198	1,258	1,535	6,400	5,765
Other Income	1,248	3,787	3,284	3,256	1,362	3,361	2,499	1,585	11,576	8,807
Extraordinary item*	0	0	0	0	4,893	0	0	0	0	4,893
PBT	6,511	6,599	9,218	9,399	16,858	13,755	14,340	13,556	31,728	58,508
Tax	2,270	2,194	2,576	1,699	3,506	4,508	4,732	4,473	8,739	17,220
Rate (%)	34.9	33.2	27.9	18.1	20.8	32.8	33.0	33.0	27.5	29.4
PAT	4,241	4,405	6,643	7,700	13,352	9,247	9,608	9,082	22,989	41,288
Adj PAT	4,241	4,405	6,643	7,700	8,459	9,247	9,608	9,082	22,989	36,395
Change (%)	-31.7	-66.2	18.7	50.8	99.4	109.9	44.6	18.0	-23.2	58.3
EPS (INR)	3.3	3.5	5.2	6.1	6.7	7.3	7.6	7.2	18.1	28.7
Key Assumptions										
Gas Trans. volume (mmsmd)	87	90	97	95	96	101	101	101	92	100
Petchem sales ('000MT)	50	84	84	116	110	136	155	193	334	594
Segmental EBIT Breakup (INR m)										
Gas Transmission	3,937	3,955	4,277	4,510	5,554	6,424	6,701	5,885	16,679	24,564
LPG Transmission	822	580	543	693	526	710	654	655	2,639	2,544
Natural Gas Trading	3,424	1,925	4,834	3,766	4,219	3,292	3,100	3,029	13,950	13,641
Petrochemicals	-3,002	-2,369	-1,606	-1,089	930	1,553	1,713	2,119	-8,066	6,315
LPG & Liq.HC (pre-subsidy)	2,768	721	2,328	1,642	2,144	1,469	2,460	2,434	7,459	8,506
Unallocated; GAILTEL	681	1,101	-121	979	606	51	969	969	2,640	2,596
Total	8,630	5,914	10,255	10,501	13,979	13,499	15,598	15,090	35,300	58,167



Hindustan Zinc

Bloomberg	HZ IN
Equity Shares (m)	4225.3
M. Cap. (INR b)/(USD b)	1061 / 16
52-Week Range (INR)	290 / 136
1,6,12 Rel Perf. (%)	-10 / 38 / 70

Financial Snapshot (INR Billion)

Y/E March	2016E	2017E	2018E	2019E
Sales	142.3	181.5	212.4	210.6
EBITDA	67.8	105.9	129.9	125.9
NP	83.6	90.8	107.2	106.7
Adj. EPS (INR)	19.8	21.5	25.4	25.3
EPS Gr(%)	2.1	8.6	18.1	-0.5
BV/Sh. (INR)	88.5	103.0	121.3	
RoE (%)	20.7	22.5	22.6	19.4
RoCE (%)	20.6	26.7	27.1	23.4
Payout (%)	164.9	32.7	27.7	27.8

Valuations

P/E (x)	12.7	11.7	9.9	10.0
P/BV	2.8	2.4	2.1	1.8
EV/EBITDA (x)	10.5	7.4	5.5	5.1
Div. Yield (%)	11.0	2.4	2.4	2.4

CMP:INR251 TP: INR282 (+12%) Neutral

- We expect HZL's EBITDA to increase 61% QoQ (+2x YoY) to INR33.8b on normalization in production and higher product prices. Zinc LME is up 11% QoQ to USD2,511/t, while lead LME is up 15% QoQ to USD2,156/t. Zinc production is estimated to increase 57% QoQ to 233kt. Lead production is estimated to increase 19% QoQ to 37kt.
- We estimate PAT to increase 54% QoQ to INR29.3b.

Key issues to watch for

- Delay in recovery of volumes at Rampura Agucha.
- Decline in global zinc prices.

Quarterly Performance

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Production (integrated only)										
Zn refined (000 tons)	187	211	206	154	102	149	233	250	758	734
Pb refined (000 tons)	27	39	35	38	25	31	37	45	139	138
Silver (tons)	86	110	116	127	95	107	118	144	439	464
Zinc LME (USD/t)	2,190	1,898	1,616	1,680	1,918	2,252	2,511	2,580	1,846	2,315
Net Sales	36,302	40,333	34,306	31,324	25,306	35,257	56,904	64,010	142,264	181,477
Change (YoY %)	20.7	34.1	-9.8	-18.7	-30.3	-12.6	65.9	104.4	-3.8	27.6
EBITDA	19,655	20,245	14,783	13,081	11,309	20,767	33,801	40,008	67,763	105,884
As % of Net Sales	54.1	50.2	43.1	41.8	44.7	58.9	59.4	62.5	47.6	58.3
Interest	16	12	51	90	712	712	90	90	169	1,604
Depreciation	1,729	1,750	1,716	1,930	3,644	4,317	3,644	3,644	6,716	15,250
Other Income	5,637	8,689	5,547	7,422	6,101	7,702	6,559	4,389	27,294	24,751
PBT (before EO item)	23,546	27,171	18,562	18,482	13,053	23,440	36,625	40,663	88,173	113,781
Extra-ordinary Income	-1,761	0	0	4	5	0	0	0	-1,757	0
PBT (after EO item)	21,785	27,171	18,562	18,487	13,059	23,440	36,625	40,663	86,416	113,781
Total Tax	1,287	5,715	449	-3,013	2,680	4,421	7,325	8,539	4,438	22,965
% Tax	5.9	21.0	2.4	-16.3	20.5	18.9	20.0	21.0	5.1	20.2
Reported PAT	20,498	21,456	18,114	21,500	10,379	19,019	29,300	32,123	81,978	90,816
Adjusted PAT	22,155	21,456	18,114	21,495	10,375	19,019	29,300	32,123	83,644	90,816
Change (YoY %)	37.0	32.6	-17.1	-9.7	-53.2	-11.4	61.8	49.4	2.1	8.6

E: MOSL Estimates



Ipca Laboratories

Bloomberg	IPCA IN
Equity Shares (m)	126.2
M. Cap. (INR b)/(USD b)	69 / 1
52-Week Range (INR)	744 / 402
1,6,12 Rel Perf. (%)	-2 / 16 / -29

Financial Snapshot (INR Billion)

Y/E MARCH	2016	2017E	2018E	2019E
Sales	28.9	32.7	38.1	44.6
EBITDA	3.4	4.9	6.6	8.2
NP	1.3	2.1	3.7	4.9
EPS (INR)	10.5	17.0	29.4	39.0
EPS Gro. (%)	-46.9	61.8	72.8	32.7
BV/Sh. (INR)	181.0	195.4	220.4	253.6
RoE (%)	5.9	9.0	14.1	16.5
RoCE (%)	5.5	7.9	12.1	14.1

Valuations

P/E (x)	52.3	32.3	18.7	14.1
P/BV (x)	3.0	2.8	2.5	2.2
EV/EBITDA (x)	15.1	11.9	11.9	0.0
Div. Yield (%)	0.0	0.5	0.8	1.1

CMP: INR550 TP: INR540 (-2%) Neutral

- We expect Ipca Laboratories (IPCA) to witness 18.4% YoY growth in overall revenues, aided by strong domestic anti-malarial sales. Domestic formulation is expected to exhibit robust 16% YoY growth, while total API sales would witness 34.4% YoY growth.
- EBITDA is likely to grow 36.5% YoY, with margin improving 200bp YoY to 15% in 3QFY17. However, profitability is still lower due to negative operating leverage (US import alerts and weak traction in institutional business).
- We expect reported PAT to improve to INR567m, with taxes at 30% in 3QFY17.
- While we believe that the regulatory overhang would weigh on valuation multiples, growth in the domestic business remains healthy. We expect IPCA to clock FY16-18E EPS CAGR of 75% on the back of 15% revenue CAGR and recovery in EBITDA margin to 18%.
- Stock trades at 18.7x FY18E EPS. Maintain Neutral.

Key issues to watch out

- Update on resolution of USFDA regulatory issues.
- Outlook for institutional tender business.
- Impact of emerging market currency weakness.

Quarterly Performance

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenues (Core)	7,580	7,468	6,841	6,246	8,422	8,720	8,098	7,449	28,850	32,689
YoY Change (%)	-19.0	-4.3	-7.6	-0.5	11.1	16.8	18.4	19.3	-8.2	13.3
EBITDA	822	841	892	635	1,285	1,280	1,218	1,133	3,417	4,917
Margins (%)	10.8	11.3	13.0	10.2	15.3	14.7	15.0	15.2	11.8	15.0
Depreciation	421	369	448	392	422	429	430	427	1,722	1,708
Interest	55	73	91	81	65	68	76	86	316	294
Other Income	41	56	50	87	49	62	60	79	169	250
PBT before EO Expense	388	455	403	249	847	845	772	699	1,548	3,164
Extra-Ord Expense	116	236	9	28	81	-78	0	0	116	236
PBT after EO Expense	271	218	394	221	766	923	772	699	1,432	2,928
Tax	82	95	162	-156	290	374	205	147	186	1016
Rate (%)	21.3	20.9	40.3	-62.7	34.2	44.2	26.5	21.0	12.0	32.1
Adj PAT	305	360	241	405	557	471	567	552	1,362	2,148
YoY Change (%)	-79.0	-41.3	-54.3	-375.5	82.5	31.1	135.8	36.3	-51.1	53.4
Margins (%)	2.5	1.7	3.4	6.0	5.6	6.3	7.0	7.4	4.3	5.8

E: MOSL Estimates



Jagran Prakashan

Bloomberg	JAGP IN
Equity Shares (m)	326.9
M. Cap. (INR b)/(USD b)	59 / 1
52-Week Range (INR)	213 / 144
1,6,12 Rel Perf. (%)	4 / 4 / 6

CMP: INR181

TP: INR215

Buy

- We expect advertising revenue to grow 3% YoY to INR4.45b.
- Advertising revenue (ex-Radio) is expected to grow 3% YoY to INR3.78b. We expect circulation revenue to grow 4% YoY to INR1.06b.
- We estimate Radio revenue at INR0.68b and EBITDA at INR0.23b.
- Aggregate revenue is expected to grow 1% YoY to INR5.83b.
- We estimate EBITDA at INR1.59b and EBITDA margin at 27.2%. Adjusted earnings are expected at INR0.78b, down 16% YoY.
- While our numbers factor in a further 3% cut in FY18 EPS for demonetization impact, our target price remains unchanged at INR215 (16x December 2018E EPS). The stock trades at 16.7x FY17E and 14.7x FY18E EPS. Buy.

Financial Snapshot (INR Billion)

Y/E March	2016	2017E	2018E	2019E
Net Sales	21.1	22.9	25.4	28.3
EBITDA	6.0	6.3	7.1	8.0
Adj. NP	3.4	3.5	4.0	4.5
Adj. EPS (INR)	10.5	10.8	12.2	13.9
Adj. EPS Gr (%)	44.6	2.7	13.8	14.0
BV/Sh (INR)	49.3	55.4	63.5	73.4
RoE (%)	24.7	20.7	20.6	20.4
RoCE (%)	24.8	16.6	16.9	17.1
Div. Payout (%)	40.5	38.1	33.5	29.4

Valuations

P/E (x)	17.2	16.7	14.7	12.9
P/BV (x)	3.7	3.2	2.8	2.5
EV/EBITDA (x)	10.1	9.1	7.9	6.8
Div. Yield (%)	2.0	1.9	1.9	1.9

Key things to watch for

- YoY ad growth (we expect 3%).
- YoY ad growth (ex-Radio City) (we expect ~3%).
- EBITDA margin (we expect 27.2%).

Quarterly Performance (Consolidated, INR m)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	4,750	5,064	5,764	5,295	5,580	4,590	5,833	5,825	21,065	22,882
YoY (%)	7.9	16.1	22.5	25.3	17.5	-9.4	1.2	10.0		
Operating expenses	3,408	3,649	4,043	3,937	4,034	3,377	4,247	4,231	15,092	16,592
EBITDA	1,341	1,416	1,721	1,358	1,546	1,213	1,586	1,594	5,896	6,291
YoY (%)	25.3	33.2	29.9	29.5	15.3	-14.3	-7.9	17.4	30.9	6.7
EBITDA margin (%)	28.2	28.0	29.9	25.6	27.7	26.4	27.2	27.4	28.0	27.5
Depreciation	231	287	284	242	244	209	355	304	1,044	1,112
Interest	186	81	172	143	139	91	100	103	523	432
Other Income	195	-6	64	148	89	164	90	43	345	386
Exceptional item	51	-145	0	0	0	0	0	0	-95	0
PBT	1,068	1,186	1,329	1,120	1,252	1,077	1,222	1,229	4,769	5,133
Tax	348	327	396	319	407	351	440	445	1,390	1,642
Effective Tax Rate (%)	32.5	27.6	29.8	28.4	32.5	32.6	36.0	36.2	29.2	32.0
Reported net profit	721	859	933	802	840	726	782	784	3,378	3,490
YoY (%)	30.8	51.8	40.8	-38.2	8.9	1.7	-16.2	-2.1	44.5	6.3



Mahindra & Mahindra

Bloomberg	MM IN
Equity Shares (m)	621.1
M. Cap. (INR b)/(USD b)	758 / 11
52-Week Range (INR)	1509 / 1092
1,6,12 Rel Perf. (%)	2 / -14 / -6

CMP: INR1,221 TP:INR1,497 (+23%) Buy

- Overall volumes were flat YoY (+5% QoQ) as 22% YoY growth in tractors was offset by 8% YoY decline in the automotive segment. UVs (incl pick-ups) declined by 7% due to demonetization impact.
- MM's (including MVML) realization is expected to decline by 2% YoY (-3% QoQ), as better product mix due to increase in share of tractors is offset by a rise in lower-ASP compact UV volumes.
- As a result, revenue is likely to marginally decline by 1% YoY (+2% QoQ) to ~INR103b.
- EBITDA margin should expand 100bp YoY (flat QoQ) to 14.5% due to increase in the share of higher-margin tractor segment.
- PAT is projected to grow 9% YoY (-29% QoQ) to INR8.9b.
- We are lowering our consolidated EPS estimate for FY17/FY18 by 3% to factor in lower-than-estimated volume growth on account of demonetization impact.
- The stock trades at 17.7x FY18E and 15.2x FY19E EPS; Maintain **Buy**.

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
Sales	408.8	431.9	493.1	566.9
EBITDA	45.9	47.3	54.1	64.5
NP (incl. MVML)	32.9	36.9	41.2	47.9
Adj. EPS (INR) *	55.0	61.7	68.8	80.1
EPS Gr. (%)	4.2	12.1	11.6	16.3
Cons. EPS (INR)	53.6	66.0	83.7	99.0
BV/Sh. (INR)	366.3	406.4	448.2	501.2
RoE (%)	15.4	14.5	14.5	15.4
RoCE (%)	12.6	12.1	12.3	13.2
Payout (%)	26.3	35.3	37.6	31.9

Valuations

P/E (x)	22.2	19.8	17.7	15.2
Cons. P/E (x)	22.8	18.5	14.6	12.3
P/BV (x)	3.3	3.0	2.7	2.4
EV/EBITDA (x)	15.6	15.0	13.0	10.7
Div. Yield (%)	1.2	1.4	1.6	1.6

* incl. MVML

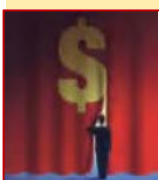
Key issues to watch

- Outlook for UV and tractor businesses post demonetization.
- Product pipeline for FY17.
- Update on launch of mild-hybrid.
- Update on smaller businesses like two-wheelers, commercial vehicles, Ssangyong, etc.

Quarterly Performance (incl MVML)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Total Volumes (nos)	171,925	158,601	193,763	182,093	192,170	185,156	195,047	175,132	707,689	761,088
Growth YoY (%)	-8.1	-10.3	11.9	12.6	11.8	16.7	0.7	-3.8	1.3	7.5
Net Realization	549,491	554,969	540,124	557,967	547,674	549,363	530,475	565,584	549,064	536,486
Growth YoY (%)	4.8	8.5	1.0	-1.1	-0.3	-1.0	-1.8	1.4	3.8	-2.3
Net Op. Income	94,471	88,019	104,656	101,602	105,247	101,718	103,467	99,052	388,566	408,313
Growth YoY (%)	-3.8	-2.7	13.0	11.4	11.4	15.6	-1.1	-2.5	5.1	5.1
RM Cost (% of sales)	68.0	67.8	68.4	68.7	68.4	67.1	67.6	68.9	68.2	68.2
Staff (% of sales)	7.0	7.3	6.7	5.6	6.8	7.1	7.1	7.8	6.6	7.2
Oth. Exp. (% of Sales)	10.8	11.9	11.4	13.2	10.7	11.3	10.8	10.9	11.8	11.1
EBITDA	13,450	11,445	14,138	12,694	14,885	14,682	15,006	11,461	51,988	54,864
EBITDA Margins (%)	14.2	13.0	13.5	12.5	14.1	14.4	14.5	11.6	13.4	13.4
Other income	1,109	4,867	929	1,004	1,296	6,879	1,150	2,171	7,910	11,495
Interest	562	625	554	588	428	464	440	494	2,329	1,826
Depreciation	2,544	2,711	3,328	3,901	3,484	3,701	3,625	3,656	12,484	14,467
PBT	11,454	12,975	11,185	9,269	13,179	17,397	12,091	9,481	45,144	50,977
Effective Tax Rate (%)	27.5	25.0	26.6	30.1	27.0	28.0	26.3	18.8	26.9	26.3
Adj PAT	8,299	9,730	8,205	6,442	8,952	12,529	8,917	7,702	32,935	36,921
Change (%)	-7.4	-0.1	15.1	15.3	7.9	28.8	8.7	19.6	4.2	12.1

E: MOSL Estimates



Radico Khaitan

Bloomberg	RDCK IN
Equity Shares (m)	132.6
M. Cap. (INR b)/(USD b)	16 / 0
52-Week Range (INR)	151 / 84
1,6,12 Rel Perf. (%)	-3 / 27 / -2

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
Sales	16.4	17.0	19.3	21.2
EBITDA	2.1	1.9	2.2	2.4
Adj. PAT	0.9	0.7	0.9	1.1
Adj. EPS (INR)	6.9	5.3	7.1	8.2
EPS Gr. (%)	3.9	-23.5	33.8	16.6
BV/Sh.(INR)	69.5	74.3	80.1	86.9
RoE (%)	10.3	7.3	9.1	9.9
RoCE (%)	8.6	6.8	7.7	8.1
Payout (%)	10.8	15.0	15.0	15.0

Valuations

P/E (x)	17.0	22.2	16.6	14.2
P/BV (x)	1.7	1.6	1.5	1.3
EV/EBITDA (x)	11.4	12.5	11.3	10.2
Div. Yield (%)	0.6	0.7	0.9	1.1

CMP: INR117 TP: INR120 (+3%) Neutral

- We expect Radico's (RDCK) revenue to remain flat at INR4.2b, with a 5% decline in volumes.
- The premium segment should continue accelerating, aided by uptrading (premiumization) and RDCK's strategy to defocus on regular brands (given the harsh taxation environment and unfavorable raw material scenario).
- We expect operating margin to contract 200bp YoY to 11.1%.
- PAT is estimated to decline 27.7% YoY to INR163m.
- The stock trades at 16.6x FY18E EPS of INR7.1. Maintain Neutral.

Key issues to watch for

- Further price hikes, if any.
- Price trend and outlook for ENA.

Quarterly Performance (INR m)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net sales	4,173	4,026	4,244	3,997	4,304	4,473	4,244	4,026	16,367	17,047
YoY Change (%)					3.1	11.1	0.0	0.7	10.0	4.2
Total Expenses	3,710	3,536	3,688	3,661	3,733	3,905	3,773	3,746	14,275	15,157
EBITDA	462	490	556	336	571	568	471	280	2,092	1,890
Margins (%)	11.1	12.2	13.1	8.4	13.3	12.7	11.1	7.0	12.8	11.1
YoY Change (%)					23.5	15.8	-15.3	-16.6	15.7	-9.7
Depreciation	107	108	100	103	105	105	115	134	403	459
Interest	213	208	197	230	214	206	187	173	847	780
Other Income	98	81	68	148	39	44	68	159	371	310
PBT	240	255	327	150	291	301	237	132	1,212	961
Tax	68	78	103	55	68	76	75	41	296	259
Rate (%)	28.4	30.4	31.3	36.7	23.4	25.1	31.5	31.2	24.4	27.0
Adjusted PAT	172	178	225	95	223	225	163	91	917	701
YoY Change (%)					29.6	26.8	-27.7	-4.3	25.5	-23.5

E: MOSL Estimates



Bloomberg	SRF IN
Equity Shares (m)	57.4
M. Cap. (INR b)/(USD b)	76/1
52-Week Range (INR)	1496/1019
1,6,12 Rel Perf. (%)	4/-8/3

Financial Snapshot (INR Billion)

Y/E March	2016	2017	2018E	2019E
Sales	46.0	47.5	55.8	64.0
EBITDA	9.6	9.9	12.2	14.5
NP	4.2	4.6	6.1	7.6
EPS (INR)	73.7	81.0	106.8	129.7
EPS Gr. (%)	39.7	9.9	31.8	21.4
BV/Sh. (INR)	456.8	523.0	610.5	722.8
RoE (%)	17.0	16.2	18.5	19.4
RoCE (%)	19.4	18.3	22.1	25.2

Valuations

P/E (x)	21.1	19.2	14.6	12.0
P/BV (x)	3.4	3.0	2.5	2.2
EV/EBITDA (x)	11.9	11.5	9.3	7.5
EV/Sales (x)	2.5	2.4	2.0	1.7

CMP: INR1,554 TP: INR1,922 (+24%) Buy

- Fluorochemical (refrigerants) is a distribution-based business. We believe the domestic part of the business has got impacted by demonetization, but as 3Q is a lean season, not much impact would be evident in consolidated financials.
- Also, prices of caprolactum (a major raw material for technical textiles) have increased from USD1,300/ton to USD1,800/ton in a short span of time. SRF maintains inventory for a month and prices its sales based on average raw material costs.
- We expect SRF's revenue to grow 4.5% YoY to INR11.47b and EBITDA to decline 4% YoY to INR2.24b. EBITDA margin could decline 180bp YoY to 19.5% and adjusted PAT could decline 8.1% YoY to INR0.97b.

Key things to watch for

- Growth in the chemicals segment (particularly specialty chemicals).
- Client additions and capex plans in specialty chemicals.
- Margins in the technical textiles and packaging segments.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	12,214	11,628	10,974	11,150	12,192	11,438	11,468	12,432	45,966	47,529
YoY Change (%)	5.7	-2	-1	3	0	-2	4.5	12	1.2	3.4
Total Expenditure	9,547	9,144	8,637	8,918	9,352	9,112	9,231	9,909	36,245.6	37,609.9
EBITDA	2,667	2,484	2,337	2,232	2,841	2,326	2,236	2,524	9,720	9,919
Margins (%)	21.8	21.4	21.3	20.0	23.3	20.3	19.5	20.3	21.1	20.9
Depreciation	725	733	713	725	734	735	765	795	2,895	3,030
Interest	344	334	305	315	282	242	225	220	1,297	965
Other Income	45	68	92	106	55	70	65	71	312	259
PBT before EO expense	1,644	1,485	1,411	1,299	1,880	1,419	1,311	1,580	5,839	6,183
Extra-Ord expense	-8	103	65	-57	-63	-72	0	0	104	-135
PBT	1,652	1,382	1,346	1,356	1,943	1,491	1,311	1,580	5,736	6,318
Tax	522	361	339	268	501	298	341	411	1,491	1,567
Rate (%)	31.6	26.1	25.2	19.8	25.8	20.0	26.0	26.0	26.0	24.8
Reported PAT	1,129	1,021	1,007	1,088	1,442	1,193	970	1,169	4,245	4,751
Adj PAT	1,124	1,097	1,056	1,042	1,395	1,135	970	1,169	4,322	4,650
YoY Change (%)	21.3	34	37	80	24	3	-8.1	12	42.7	7.6
Margins (%)	9.2	9.4	9.6	9.3	11.4	9.9	8.5	9.4	9.4	9.8

E: MOSL Estimates



State Bank of India

Bloomberg	SBIN IN
Equity Shares (m)	7763.6
M. Cap. (INR b)/(USD b)	1886 / 28
52-Week Range (INR)	289 / 148
1,6,12 Rel Perf. (%)	-6 / 11 / 6

CMP: INR243

TP: INR338 (+39%)

Buy

- We expect loan growth to be muted at 2% YoY. With deposit growth being strong at 17% YoY, CD ratio should fall 600bp YoY. Incremental loan growth would be driven by retail loans and relatively low-yielding low-risk corporate loans.
- Computed NIM is likely to decline marginally QoQ to 2.7%. The bank has reduced its MCLR by ~90bp, which may pressurize NIMs in the ensuing quarter, despite strong CASA flow. We expect stress additions to moderate broadly in line with the last quarter.
- We expect non-interest income growth of 56% YoY, primarily led by income from stake sale in SBI Life and higher trading gains. Fee income growth would remain muted and cost pressure would remain high (+19% YoY) on account of administrative expense. Overall PPOp growth is expected to be 24% YoY.
- We expect credit cost to remain elevated, led by focus on improving strength of the balance sheet. The stock trades at 0.9x FY18E consolidated BV and 10x FY18E consolidated EPS. Buy.

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
NII	569	578.8	666.5	756.9
OP	433	465.8	500.6	563.4
NP	100	106.4	140.4	186.0
NIM (%)	3.0	2.7	2.8	2.8
EPS (INR)	15.7	9.8	23.3	30.9
EPS Gr. (%)	-30.8	-37.6	137.5	32.5
Cons. BV (INR)	222	229.9	248.7	273.7
Cons. ABV (INR)	159	144.6	182.5	232.2
RoE (%)	7.6	7.5	9.2	11.3
RoA (%)	0.5	0.4	0.5	0.6
Div. Payout (%)	20.1	20.1	19.3	19.3
Valuations				
Cons. P/E (x)	14.8	23.8	10.0	7.6
Cons. P/BV (x)	1.0	0.9	0.9	0.8
Cons P/ABV (x)	1.5	1.6	1.3	1.0
Div. Yield (%)	1.1	0.7	1.6	2.1

Key issues to watch for

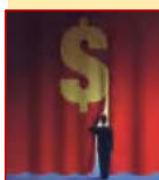
- Performance and guidance on asset quality.
- Growth outlook and key focus segments for growth.
- Outlook and update on non-core stake sales and ABs merger.

Quarterly performance

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	137,320	142,526	136,065	152,907	143,123	144,375	143,275	148,051	568,818	578,823
% Change (YoY)	3.6	7.4	-1.2	3.9	4.2	1.3	5.3	-3.2	3.4	1.8
Other Income	50,880	61,973	61,775	106,956	73,351	84,241	96,237	111,547	281,584	365,376
Net Income	188,200	204,498	197,840	259,864	216,474	228,616	239,512	259,598	850,402	944,199
Operating Expenses	96,179	101,839	101,861	117,945	105,935	116,373	120,797	135,292	417,824	478,397
Operating Profit	92,021	102,659	95,979	141,919	110,539	112,243	118,715	124,305	432,578	465,802
% Change (YoY)	4.7	21.9	3.3	11.2	20.1	9.3	23.7	-12.4	9.4	7.7
Other Provisions	39,997	43,606	79,494	131,741	74,131	78,967	80,780	81,999	294,838	315,877
Profit before Tax	52,024	59,053	16,485	10,178	36,408	33,276	37,935	42,306	137,741	149,925
Tax Provisions	15,099	20,262	5,332	-2,460	11,198	7,893	11,380	13,007	38,234	43,478
Net Profit	36,924	38,791	11,153	12,638	25,210	25,383	26,554	29,299	99,507	106,446
% Change (YoY)	10.3	25.1	-61.7	-66.2	-31.7	-34.6	138.1	131.8	-24.0	7.0
Operating Parameters										
NIM (Reported, %)	3.0	3.0	2.8	3.1	2.8	2.8			3.0	
NIM (Cal, %)	3.0	3.0	2.8	3.2	2.9	2.8	2.7	2.7	3.0	2.8
Deposit Growth (%)	13.7	10.9	10.7	9.8	10.5	13.8	16.8	14.0	9.8	14.0
Loan Growth (%)	6.8	10.5	12.9	12.6	10.7	7.2	2.0	4.0	12.6	4.0
Asset Quality										
OSRL (INR B)	560	535	486	391	366	366			391	
OSRL (%)	4.4	4.0	3.5	2.7	2.6	2.6			2.7	
Gross NPA (INR B)	564	568	728	982	1,015	1,058	1,081	1,097	982	1,097
Gross NPA (%)	4.3	4.2	5.1	6.5	6.9	7.1	7.4	7.0	6.5	7.0

E: MOSL Estimates



Sun TV

Bloomberg	SUNTV IN
Equity Shares (m)	394.1
M. Cap. (INR b)/(USD b)	206 / 3
52-Week Range (INR)	567 / 312
1,6,12 Rel Perf. (%)	5 / 43 / 20

CMP: INR524

Under Review

- We expect Sun TV's revenue to grow 9% YoY to INR6.25b.
 - Advertising and broadcasting revenue is expected to grow 5% YoY to INR3.4b as demonetization impact sets in.
- We expect domestic subscription revenue to grow 5% QoQ to INR2.4b.
- Sun TV's EBITDA/EBIT is estimated to grow ~9%/13% YoY to INR4.78b/INR3.73b. PAT is expected to grow 13% YoY to INR2.44b.
- The stock trades at 20.6x FY17E and 17.3x FY18E EPS. Under Review.

Financial Snapshot (INR Billion)

Y/E March	2016	2017E	2018E	2019E
Net Sales	24.0	26.7	30.8	34.4
EBITDA	17.1	18.8	22.1	24.7
Adj. Net Profit	8.3	10.0	11.9	13.4
Adj. EPS (INR)	21.1	25.4	30.3	33.9
Adj. EPS Gr. (%)	13.0	20.2	19.4	12.0
BV/Sh (INR)	92.2	100.3	109.8	120.6
RoE (%)	23.4	25.3	27.6	28.1
RoCE (%)	24.1	26.3	28.7	29.3
Div. Payout (%)	59.0	59.1	59.4	58.9
Valuations				
P/E (x)	24.8	20.6	17.3	15.4
P/BV (x)	5.7	5.2	4.8	4.3
EV/EBITDA (x)	11.3	10.1	8.4	7.5
Div. Yield (%)	2.5	2.9	3.4	3.8

Key things to watch for

- YoY ad growth (we expect 5%).
- QoQ domestic subscription growth (we expect 5%).

Quarterly Performance (Standalone) * (INR million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	6,911	5,681	5,741	5,707	7,608	6,255	6,252	6,558	24,040	26,673
YoY (%)	9.1	11.6	3.9	4.0	10.1	10.1	8.9	14.9	7.2	11.0
EBITDA	4,092	4,322	4,404	4,266	4,364	4,663	4,785	5,018	17,084	18,830
YoY (%)	11.3	9.2	2.9	0.8	6.7	7.9	8.6	17.6	5.8	10.2
As of % Sales	59.2	76.1	76.7	74.7	57.4	74.6	76.5	76.5	71.1	70.6
Depreciation and Amortization	1,302	1,176	1,348	1,007	1,008	1,030	1,300	1,363	4,835	4,701
Interest	8	1	5	8	1	2	8	10	21	21
Other Income	222	204	246	223	216	488	244	223	911	1,170
PBT	3,003	3,349	3,298	3,475	3,571	4,119	3,721	3,868	13,139	15,278
Tax	1,031	1,166	1,142	1,294	1,240	1,415	1,282	1,334	4,633	5,271
Effective Tax Rate (%)	34.3	34.8	34.6	37.2	34.7	34.4	34.5	34.5	35.3	34.5
Reported PAT	1,973	2,184	2,156	2,180	2,331	2,704	2,439	2,534	8,507	10,007
Extraordinary Item				180						
Adj PAT	1,973	2,184	2,156	2,360	2,331	2,704	2,439	2,534	8,673	6,700
YoY (%)	19.1	41.4	0.7	16.3	18.1	23.8	13.1	7.4	17.6	-22.7

*Incl IPL rev/EBITDA loss



1. ONGC: Gas exploration to continue despite tough pricing scenario; Dinesh K Sarraf, Chairman

- Would continue to invest in gas exploration, however, it is getting increasingly difficult owing to the "tough" pricing scenario.
- Gas prices were displaying a downward trend; have asked the government to revise gas prices upwards.
- On the government's Budget proposal to merge all state-owned energy firms into a consolidated giant, there are a number of ways in which a merger can be undertaken, a vertical integration would be best as it would ensure that the companies perform better irrespective of pricing trends.
- A horizontal integration, on the other hand, would lead to monopolies; the merged entity will see higher economies of scale, however, it will not be an easy task.
- Integration across the value chain will bring stability to the industry and mergers can lead to creation of a world-scale company.

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2. Manappuram Finance: No discussions underway with equitas; VP Nandakumar, CEO and MD

- There's no truth to market buzz about a deal with Equitas Holding being in the works. My earlier links with Equitas had perhaps given rise to speculation, but no discussions were underway.
- Manappuram would evaluate acquisitions and strategic partnerships at face value.
- While collections from Asirvad – microfinance arm - were affected by the note ban last November, but it was only a lag and we expect almost 100% collections.
- Many customers still prefer cash over digital.
- We expect 20% compounded growth annually for next three to four years; moderated gold prices would be key.
- Confident that the company would not face much competition from banks that lend against gold.

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1. On the edge with the centre. by Aurodeep Nandi

- India's fiscal deficit is not 3.2% of GDP, as finance minister Arun Jaitley ambitiously set out in his Budget speech. It is, instead, more than double the amount. That is because 3.2% represents only the difference between the central government's expenditure and its own revenue. The bigger spenders in India are the state governments. Central spending accounts for less than 50% of the total expenditure, and around 60% of the total debt that GoI holds on its books. And, quite naturally, it is the consolidated fiscal jigsaw that global credit-rating agencies piece together while arriving at India's sovereign credit rating - which is barely a notch above junk.

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2. Status quo surprise. by The Business Line

- By keeping repo rates unchanged, the Monetary Policy Committee (MPC) surprised market watchers who felt that with retail inflation ruling low and industrial production struggling, a cut was in order. There was also the growth impact of demonetisation to contend with, particularly on agriculture and the informal sector. A rate cut may have signalled banks to drop rates on fresh loans (based on marginal cost lending), more so to sectors hurt by the recent cash squeeze. There is also the argument that the MPC could have taken its chance now, before global headwinds in the form of higher oil prices and Fed rate hikes shut the window of opportunity.

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3. RBI Monetary Policy: Big takeaway is the heralding of the end of demonetisation. by The Financial Express

- Given the hardening commodity prices globally, a weakening rupee and the likelihood of the Fed hiking rates in the US, the chances of the central bank cutting repo rates by 25 bps were always 50:50 given the somewhat sticky core inflation of around 4.9% in the October-December period—as RBI Governor Urjit Patel said at the post-policy press conference, if the sharp fall in food prices were to be stripped out, headline inflation for December would be higher than the official number by as much as 140 bps.

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4. Greater power to income-tax officials need not be malevolent, but old perceptions still haunt India. by Amitendu Palit

- Tax policy developments in India are creating significant differences in degree of influence among various sections of tax administrators. The policies are empowering income tax officials with more authority while diminishing the clout exercised by excise and customs officials. This reflects a divergence in the degree of control that can henceforth be exercised by direct and indirect tax administrators. The General Anti-Avoidance Rules (GAAR) should become effective in India from April 1, 2017. The GAAR will give considerable additional authority to income tax officers for scrutinising old assessment cases

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5. The promise and pitfalls of urbanization in India. by Livemint

- The eye has never seen a place like it,” wrote Persian ambassador Abdur Razzak of Vijayanagara, capital of the Vijayanagara empire, “and the ear was never informed that there existed anything to equal it in the world.” He was writing in 1443, during the long summer of the empire. Other visitors would praise the city’s wealth and prosperity in later years; Domingo Paes, a Portuguese traveller, compared it favourably to the Italian city-states in 1520. A high compliment indeed—the latter, at the height of the Renaissance, were global centres of wealth, commerce and culture.

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6. The dangers of resurging corporatism. by edmund s. Phelps

- In the US, a domestic political shift from cosmopolitanism to nationalism, and from left-leaning metropolitan “elites” to right-leaning rural “populists”, seems, to many, to be under way. The prevailing economic ideology is also shifting, from a redistributive, regulatory corporatism to something like the old interventionist corporatism. Disaffected voters are behind both changes. For decades, Americans believed that they were riding a magic carpet of economic growth, owing to advances in science and, later, to the rise of Silicon Valley.

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International

7. Peace and prosperity: It is worth saving the liberal order. by Philip Stephens

- Sometimes a landscape’s contours dissolve into the detail. This is happening now amid the fracturing of the west’s liberal order. Brexit, Donald Trump, angry nationalism and populist politics — all are closely reported and rudely debated. Lost to the cacophony is clear sight of just how much is at stake. For all its blemishes, the post-1945 settlement ushered in a remarkable period of relative peace and prosperity. We can all list the mistakes — whether hubris in Washington, corrupt politicians in Europe or greedy bankers everywhere. But for the most part, the story has been one of rising living standards and a spreading politics of generosity.

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Automobiles														
Amara Raja	Buy	880	1,087	23	28.7	29.2	37.7	30.1	23.3	6.0	4.9	25.8	21.6	23.1
Ashok Ley.	Buy	95	114	20	3.9	4.8	6.4	19.8	14.8	4.3	3.6	20.9	23.1	26.3
Bajaj Auto	Buy	2,785	3,432	23	131.8	136.2	160.6	20.4	17.3	5.8	5.0	33.2	30.0	31.0
Bharat Forge	Buy	1,017	1,110	9	28.1	25.7	37.5	39.6	27.1	6.0	5.2	18.7	15.9	20.6
Bosch	Neutral	22,997	20,937	-9	483.3	507.6	657.7	45.3	35.0	9.4	7.9	19.4	19.7	24.5
Eicher Mot.	Buy	23,857	29,172	22	492.9	625.6	870.8	38.1	27.4	13.5	9.7	35.8	41.2	41.3
Endurance Tech.	Buy	621	693	12	20.7	22.6	28.7	27.4	21.6	5.0	4.2	22.4	19.9	21.1
Escorts	Buy	393	410	4	11.1	20.7	34.2	19.0	11.5	2.0	1.8	6.1	10.9	16.3
Exide Ind	Buy	208	205	-1	7.4	8.2	9.7	25.2	21.4	3.6	3.2	14.1	14.2	14.9
Hero Moto	Neutral	3,264	3,120	-4	158.3	169.5	192.2	19.3	17.0	6.9	5.9	43.6	39.0	37.5
M&M	Buy	1,292	1,499	16	53.6	66.0	83.7	19.6	15.4	1.6	1.4	15.4	14.5	14.5
Mahindra CIE	Not Rated	195	-		4.2	6.2	9.7	31.5	20.1	2.2	2.0	4.5	7.7	10.3
Maruti Suzuki	Buy	6,156	6,808	11	177.6	247.5	307.5	24.9	20.0	5.7	4.7	19.9	22.8	23.2
Tata Motors	Buy	513	775	51	36.9	29.0	45.6	17.7	11.2	1.9	1.7	18.3	11.5	15.9
TVS Motor	Buy	408	462	13	9.1	11.9	15.4	34.3	26.5	8.3	6.7	24.1	26.4	27.9
Aggregate								23.8	18.0	4.0	3.5	18.8	16.9	19.2
Banks - Private														
Axis Bank	Neutral	485	535	10	34.5	14.1	25.0	34.5	19.4	2.1	1.9	17.1	6.3	10.3
DCB Bank	Neutral	138	134	-3	6.8	7.1	8.6	19.4	16.0	2.0	1.8	11.8	10.9	11.8
Equitas Hold.	Buy	186	240	29	6.2	6.1	6.9	30.6	26.7	2.8	2.5	13.3	11.3	9.9
Federal Bank	Buy	84	105	25	2.8	4.6	5.5	18.2	15.3	1.7	1.5	6.0	9.4	10.4
HDFC Bank	Buy	1,300	1,510	16	48.6	56.9	68.3	22.8	19.0	4.0	3.4	18.3	18.6	19.3
ICICI Bank	Buy	285	345	21	16.7	17.2	17.9	16.6	15.9	1.3	1.2	11.3	10.4	9.9
IDFC Bank	Neutral	62	68	9		3.1	3.9	20.4	15.8	1.5	1.4		7.4	8.9
IndusInd	Buy	1,304	1,535	18	38.4	48.4	58.7	27.0	22.2	3.9	3.4	16.6	15.5	16.4
J&K Bank	Neutral	68	75	10	8.6	Loss	13.0	Loss	5.2	0.6	0.6	6.6	Loss	11.6
Kotak Mah. Bk	Buy	770	940	22	18.9	26.3	32.3	29.3	23.9	3.7	3.2	10.9	13.5	14.5
RBL Bank	Buy	393	450	14	9.0	12.4	17.5	31.6	22.4	3.4	3.1	11.2	12.6	14.4
South Indian	Neutral	23	21	-9	2.5	2.8	3.1	8.3	7.5	0.8	0.7	9.3	9.7	10.0
Yes Bank	Buy	1,407	1,575	12	60.4	79.3	97.0	17.7	14.5	3.6	3.0	19.9	22.1	22.6
Aggregate								23.5	18.5	2.8	2.5	13.7	12.0	13.6
Banks - PSU														
BOB	Buy	184	223	21	Loss	12.3	18.8	15.0	9.8	1.2	1.1	Loss	8.1	11.5
BOI	Neutral	137	125	-9	Loss	Loss	18.5	Loss	7.4	0.6	0.5	Loss	Loss	7.5
Canara	Neutral	309	300	-3	Loss	23.9	36.7	12.9	8.4	0.6	0.6	Loss	4.9	7.2
IDBI Bk	Neutral	83	49	-40	Loss	1.5	6.4	53.9	12.8	0.8	0.7	Loss	1.4	5.8
Indian Bk	Buy	304	330	9	14.8	30.4	32.2	10.0	9.4	1.0	0.9	5.5	10.4	10.2
OBC	Neutral	126	114	-9	4.9	6.6	19.6	19.1	6.4	0.3	0.3	1.2	1.7	4.8
PNB	Buy	145	185	28	Loss	6.7	12.7	21.5	11.4	0.8	0.8	Loss	3.9	6.8
SBI	Buy	276	338	23	15.7	9.8	23.3	28.1	11.8	1.2	1.1	7.6	7.5	9.2
Union Bk	Neutral	154	172	12	19.7	8.5	30.5	18.2	5.0	0.5	0.5	7.0	2.8	9.7
Aggregate								19.7	11.8	0.9	0.8	-2.7	4.4	7.0
NBFCs														
Bajaj Fin.	Buy	1,042	1,276	22	23.9	34.1	44.6	30.6	23.4	6.3	5.1	21.1	22.5	24.1
Bharat Fin.	Buy	816	883	8	23.8	45.2	43.2	18.0	18.9	4.1	3.3	24.9	30.0	19.4
Dewan Hsg.	Buy	303	405	34	25.0	30.7	35.6	9.9	8.5	1.5	1.3	15.1	16.6	16.6
GRUH Fin.	Neutral	360	348	-3	6.7	7.9	9.8	45.8	36.6	13.0	10.7	31.5	31.0	32.1
HDFC	Buy	1,400	1,580	13	32.6	36.1	38.4	38.8	36.5	5.6	5.1	20.9	19.6	19.6
Indiabulls Hsg	Buy	821	1,015	24	55.7	69.5	86.2	11.8	9.5	2.9	2.6	27.1	26.0	28.9
LIC Hsg Fin	Buy	558	693	24	32.9	37.6	44.7	14.9	12.5	2.6	2.3	19.6	19.1	19.5
Manappuram	Not Rated	98	-		3.5	3.8	4.3	25.7	22.9	2.9	2.7	10.8	11.4	12.2
M&M Fin.	Buy	302	323	7	11.9	8.4	11.1	35.8	27.3	2.7	2.6	11.4	7.7	9.7
Muthoot Fin	Buy	340	373	10	20.3	27.5	32.0	12.4	10.6	2.1	1.9	15.1	18.4	19.0
PFC	Neutral	135	117	-14	23.8	24.0	25.5	5.6	5.3	0.9	0.8	18.3	16.8	16.2



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					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Repco Home	Buy	728	842	16	24.0	25.7	37.7	28.3	19.3	4.2	3.5	17.0	15.7	19.6
REC	Neutral	146	134	-8	28.5	29.4	35.3	5.0	4.1	0.9	0.7	21.0	18.8	19.5
Shriram City Union	Buy	1,956	2,500	28	80.4	91.2	130.5	21.4	15.0	2.6	2.3	12.3	12.7	16.1
STF	Buy	952	1,225	29	53.3	58.1	77.9	16.4	12.2	1.9	1.7	12.2	12.3	14.7
Aggregate								16.1	13.8	2.8	2.4	17.7	17.2	17.7
Capital Goods														
ABB	Neutral	1,226	1,125	-8	15.8	18.2	26.9	67.3	45.5	7.7	6.6	11.1	11.4	14.5
Bharat Elec.	Buy	1,564	1,800	15	56.9	61.9	73.3	25.3	21.3	4.6	4.1	15.6	19.7	19.0
BHEL	Sell	157	115	-27	Loss	5.5	5.7	28.3	27.4	1.1	1.1	Loss	4.0	4.0
CG Cons. Elec.	Buy	199	205	3	1.9	4.6	5.5	43.6	36.4	33.0	22.4	52.1	94.3	73.3
Crompton Grv.	Sell	72	48	-34	2.1	0.6	1.9	129.4	38.9	1.0	1.0	3.0	4.2	6.0
Cummins	Neutral	906	990	9	27.2	26.6	30.5	34.0	29.7	7.2	6.6	24.9	22.6	23.2
GE T&D	Neutral	305	340	11	3.0	6.0	11.0	50.8	27.7	6.0	5.4	5.9	11.7	20.7
Havells	Buy	439	440	0	7.8	8.9	12.0	49.2	36.7	9.6	8.7	19.0	19.5	23.6
Inox Wind	Neutral	181	175	-3	20.7	19.4	16.5	9.3	11.0	1.8	1.6	27.9	21.2	15.3
K E C Intl	Buy	166	175	5	7.4	10.5	12.3	15.8	13.6	2.5	2.1	13.5	16.6	16.8
L&T	Buy	1,489	1,620	9	44.7	53.1	63.7	28.1	23.4	2.9	2.7	9.9	10.8	12.0
Pennar Eng.	Not Rated	134	-		8.8	10.5	12.4	12.8	10.8	1.9	1.6	14.2	14.5	14.6
Siemens	Neutral	1,222	1,340	10	16.9	17.0	25.7	71.9	47.5	6.6	5.7	11.8	9.2	11.9
Solar Ind	Neutral	721	690	-4	18.4	19.3	22.9	37.4	31.5	6.5	5.6	20.2	18.6	19.0
Suzlon Energy	Not Rated	17	-		Loss	Loss	0.6	Loss	30.4	Loss	Loss	Loss	Loss	Loss
Thermax	Sell	860	706	-18	23.5	24.8	27.6	34.7	31.2	4.0	3.8	12.5	12.2	12.5
Va Tech Wab.	Buy	489	620	27	16.3	25.2	32.6	19.4	15.0	2.4	2.2	9.7	13.2	15.4
Voltas	Neutral	343	370	8	11.7	11.8	14.0	29.1	24.4	4.2	3.8	15.3	15.4	16.4
Aggregate								32.1	26.2	3.5	3.2	7.6	10.8	12.2
Cement														
Ambuja Cem.	Buy	238	246	3	5.5	5.7	6.9	42.0	34.4	1.7	1.7	8.3	5.9	7.1
ACC	Neutral	1,487	1,339	-10	37.6	33.7	46.7	44.1	31.9	3.3	3.4	8.5	7.5	10.4
Birla Corp.	Buy	726	869	20	20.4	21.5	41.2	33.7	17.6	2.0	1.9	5.9	6.0	10.9
Dalmia Bharat	Buy	1,941	2,246	16	21.5	32.3	50.7	60.1	38.3	4.2	3.8	5.5	7.2	10.4
Grasim Inds.	Neutral	972	1,067	10	48.3	70.2	86.5	13.8	11.2	1.6	1.4	9.2	12.0	13.1
India Cem	Neutral	162	138	-15	4.4	7.3	10.7	22.1	15.2	1.3	1.2	3.9	5.8	7.6
J K Cements	Buy	839	938	12	14.5	32.6	37.2	25.7	22.5	3.2	2.9	6.3	13.3	13.6
JK Lakshmi Ce	Buy	381	455	19	0.4	5.9	12.2	64.3	31.1	3.3	3.2	0.3	5.2	10.5
Ramco Cem	Buy	678	815	20	23.4	29.0	31.9	23.4	21.2	4.4	3.7	19.5	20.3	18.9
Orient Cem	Buy	136	167	23	3.0	Loss	3.2	Loss	42.9	2.9	2.7	6.2	Loss	6.6
Prism Cem	Buy	99	102	3	0.1	0.9	3.5	110.3	28.0	4.8	4.2	0.7	4.5	16.0
Shree Cem	Buy	15,991	19,006	19	238.5	387.1	582.8	41.3	27.4	7.5	6.0	14.5	19.9	24.4
Ultratech	Buy	3,755	4,058	8	79.3	93.5	129.6	40.2	29.0	4.5	4.0	11.0	11.7	14.5
Aggregate								32.2	23.8	3.6	3.0	9.6	11.2	12.8
Consumer														
Asian Paints	Neutral	1,002	1,035	3	18.7	20.2	22.9	49.5	43.7	15.1	13.2	34.7	32.5	32.3
Britannia	Buy	3,231	3,380	5	70.1	70.6	82.1	45.8	39.3	17.3	13.7	55.9	42.2	38.8
Colgate	Buy	884	1,115	26	22.7	21.7	25.8	40.8	34.3	21.3	20.0	68.9	54.9	60.1
Dabur	Neutral	265	300	13	7.1	7.3	8.3	36.3	31.9	9.5	8.1	33.3	28.3	27.3
Emami	Buy	1,138	1,260	11	25.2	24.5	29.8	46.5	38.1	13.7	11.6	43.4	33.8	33.0
Godrej Cons.	Neutral	1,565	1,655	6	33.2	36.8	42.8	42.5	36.6	8.8	7.5	23.4	22.4	22.2
GSK Cons.	Neutral	5,139	5,465	6	167.1	157.7	178.8	32.6	28.7	7.6	6.6	30.8	25.1	24.7
HUL	Neutral	850	865	2	19.0	19.3	21.5	44.1	39.5	30.4	31.6	82.4	67.6	78.4
ITC	Buy	277	295	6	7.7	8.4	9.5	33.1	29.2	8.8	7.7	29.3	28.4	28.1
Jyothy Lab	Neutral	355	365	3	4.1	7.6	9.0	46.9	39.5	7.1	6.5	9.1	15.7	17.2
Marico	Buy	267	300	12	5.6	6.1	7.1	44.0	37.8	13.2	11.4	36.9	33.3	32.4
Nestle	Neutral	6,176	6,410	4	119.9	111.5	139.2	55.4	44.4	18.8	16.2	40.9	35.9	39.2
Page Inds	Buy	14,223	17,100	20	208.6	247.4	312.7	57.5	45.5	24.7	19.4	46.0	42.9	42.7



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Parag Milk	Neutral	285	285	0	6.7	7.0	9.7	40.6	29.5	3.3	2.9	19.5	10.8	10.5
Pidilite Ind.	Neutral	663	720	9	14.8	16.6	18.3	39.9	36.3	10.3	8.4	29.9	28.0	25.4
P&G Hygiene	Buy	7,045	8,250	17	129.9	145.7	167.7	48.3	42.0	13.1	11.3	30.8	29.0	28.8
Radico Khaitan	Neutral	129	120	-7	6.9	5.3	7.1	24.5	18.3	1.7	1.6	10.3	7.3	9.1
United Brew	Buy	804	1,065	32	11.1	12.3	16.4	65.2	49.2	8.9	7.7	14.8	14.5	16.9
United Spirits	Buy	2,256	2,885	28	16.7	28.6	47.0	78.8	48.0	14.9	11.5	19.8	20.8	24.0
Aggregate								40.8	35.3	12.0	10.5	31.9	29.3	29.6
Healthcare														
Alembic Phar	Neutral	559	630	13	38.2	23.2	27.9	24.1	20.0	5.5	4.5	38.8	24.8	24.7
Alkem Lab	Neutral	1,811	1,800	-1	64.7	77.3	84.4	23.4	21.5	5.1	4.3	23.8	23.9	21.8
Aurobindo	Buy	706	1,050	49	33.9	42.0	49.9	16.8	14.2	4.4	3.4	32.5	29.9	27.2
Biocon	Sell	1,090	750	-31	23.2	33.2	35.6	32.9	30.7	4.8	4.3	11.5	14.7	14.1
Cadila	Buy	366	425	16	15.4	12.0	16.9	30.5	21.6	6.1	5.0	32.8	21.4	25.5
Cipla	Neutral	587	550	-6	18.8	18.1	24.1	32.4	24.4	3.6	3.2	12.8	11.2	13.2
Divis Lab	Neutral	756	815	8	41.9	45.4	51.0	16.7	14.8	4.2	3.7	28.6	26.7	26.5
Dr Reddy's	Neutral	3,020	3,050	1	132.3	77.7	129.4	38.9	23.3	3.7	3.3	18.8	10.0	14.9
Fortis Health	Buy	195	240	23	Loss	Loss	3.5	Loss	55.1	2.3	1.9	Loss	Loss	3.8
Glenmark	Neutral	957	990	4	24.9	41.6	49.2	23.0	19.4	4.7	3.7	16.4	20.5	18.9
Granules	Buy	131	160	22	5.5	7.0	8.0	18.8	16.3	3.2	2.2	21.6	19.9	16.6
GSK Pharma	Neutral	2,732	3,150	15	44.2	50.4	61.8	54.2	44.2	16.1	18.0	22.1	29.6	40.8
IPCA Labs	Neutral	526	540	3	10.5	17.0	29.4	30.9	17.9	2.7	2.4	5.9	9.0	14.1
Lupin	Buy	1,495	1,825	22	50.4	61.6	77.0	24.3	19.4	5.1	4.1	22.9	22.8	23.4
Sanofi India	Buy	4,134	5,200	26	103.2	142.2	172.8	29.1	23.9	5.2	4.6	14.2	17.8	19.4
Sun Pharma	Buy	657	925	41	19.6	27.8	37.9	23.6	17.3	4.6	3.8	16.5	20.3	23.9
Syngene Intl	Not Rated	513	-		11.1	13.0	16.1	39.4	31.8	8.0	6.5	23.3	22.2	22.5
Torrent Pharma	Buy	1,257	1,700	35	59.7	56.8	76.3	22.1	16.5	5.3	4.4	34.4	26.0	29.2
Aggregate								25.9	19.7	6.1	5.1	25.8	23.7	25.6
Logistics														
Allcargo Logistics	Buy	168	196	16	10.8	10.5	12.8	16.0	13.1	2.4	2.1	13.2	13.3	16.9
Blue Dart	Not Rated	4,289	-		84.4	102.5	129.9	41.8	33.0	18.5	14.1	55.5	50.5	48.6
Concor	Neutral	1,313	1,317	0	40.6	36.3	45.9	36.2	28.6	3.0	2.9	10.2	8.6	10.3
Gateway Distriparks	Buy	272	314	15	11.4	8.8	15.7	31.1	17.4	2.3	2.2	10.1	7.6	12.9
Gati	Not Rated	122	-		3.2	9.3	17.6	13.2	6.9	2.0	1.8	5.1	12.4	19.4
Transport Corp.	Not Rated	188	-		13.5	16.9	21.0	11.1	8.9	1.7	1.5	15.4	16.7	17.8
Aggregate								29.9	22.6	3.3	3.1	11.6	11.2	13.5
Media														
Dish TV	Buy	88	115	31	6.5	1.7	3.2	51.9	27.8	Loss	10.4	NM	38.2	46.1
D B Corp	Buy	383	450	18	16.2	21.1	23.9	18.1	16.0	4.6	4.1	22.6	27.0	27.1
Den Net.	Neutral	88	75	-15	Loss	Loss	1.9	Loss	47.4	1.0	1.0	Loss	Loss	2.1
Hathway Cab.	Buy	37	47	28	Loss	Loss	-0.8	Loss	-46.9	2.8	3.0	Loss	Loss	-6.1
Hind. Media	Buy	276	355	28	24.6	26.5	29.4	10.4	9.4	1.8	1.5	21.9	19.3	17.8
HT Media	Neutral	83	85	2	7.3	8.0	8.2	10.3	10.2	0.8	0.7	7.7	7.7	7.1
Jagran Prak.	Buy	187	215	15	10.5	10.8	12.2	17.4	15.3	3.4	2.9	24.7	20.7	20.6
PVR	Buy	1,283	1,533	20	25.5	20.8	35.7	61.7	35.9	6.3	5.5	18.7	10.6	16.3
Siti Net.	Buy	39	45	14	Loss	Loss	2.7	Loss	14.4	4.1	2.8	0.1	Loss	23.5
Sun TV	Under Review	738	-		21.1	25.4	30.3	29.1	24.4	7.4	6.7	23.4	25.3	27.6
Zee Ent.	Buy	521	600	15	10.6	12.2	17.6	42.6	29.6	10.0	8.1	27.0	31.3	30.3
Aggregate								34.2	24.6	5.9	5.1	18.2	17.4	20.7
Metals														
Hindalco	Buy	184	230	25	12.0	17.7	21.8	10.4	8.4	1.6	1.4	11.6	16.5	17.9
Hind. Zinc	Neutral	318	282	-11	19.8	21.5	25.4	14.8	12.5	3.1	2.6	20.7	22.5	22.6
JSPL	Neutral	92	88	-4	Loss	Loss	Loss	Loss	Loss	0.5	0.6	Loss	Loss	Loss
JSW Steel	Buy	193	226	17	Loss	Loss	19.0	Loss	10.2	2.2	1.8	Loss	16.4	19.6
Nalco	Buy	68	73	7	2.7	3.7	4.8	18.4	14.2	1.3	1.2	5.4	7.1	8.7



Company	Reco	CMP	TP	% Upside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
		(INR)	(INR)	Downside	FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
NMDC	Buy	147	162	10	8.4	10.9	10.8	13.5	13.6	2.0	1.9	15.9	12.8	14.2
SAIL	Sell	66	28	-58	Loss	Loss	Loss	Loss	Loss	0.8	0.9	Loss	Loss	Loss
Vedanta	Neutral	249	250	0	10.8	21.4	27.3	11.7	9.1	1.3	1.2	7.9	13.0	14.8
Tata Steel	Sell	460	401	-13	7.7	17.4	43.8	26.5	10.5	3.8	2.9	4.6	12.6	31.3
Aggregate								19.4	14.2	1.6	1.5	5.1	8.4	10.8
Oil & Gas														
BPCL	Buy	725	756	4	55.2	55.5	56.4	13.1	12.9	3.2	2.7	31.6	26.2	22.7
Cairn India	Neutral	275	-		11.4	14.0	12.5	19.7	22.0	1.0	1.0	4.0	5.3	4.6
GAIL	Neutral	490	429	-13	18.1	28.7	36.4	17.1	13.5	1.9	1.7	7.7	12.9	13.2
Gujarat St. Pet.	Neutral	165	163	-1	7.9	8.8	11.0	18.7	14.9	2.1	1.9	11.7	12.0	13.5
HPCL	Buy	575	543	-6	38.0	52.7	45.1	10.9	12.7	2.7	2.4	22.4	26.6	19.7
IOC	Buy	387	458	18	20.3	43.5	39.9	8.9	9.7	2.2	1.9	13.6	25.9	20.7
IGL	Neutral	1,026	1,032	1	29.7	43.0	42.6	23.9	24.1	5.0	4.3	18.4	22.1	19.3
MRPL	Neutral	110	114	3	7.6	12.9	12.7	8.6	8.7	2.4	2.0	22.6	31.0	24.7
Oil India	Buy	345	382	11	28.7	27.5	39.0	12.6	8.8	1.2	1.1	10.4	9.5	12.7
ONGC	Neutral	193	204	6	13.6	12.6	21.1	15.3	9.2	1.3	1.2	9.6	8.6	13.8
PLNG	Buy	377	411	9	11.2	19.8	26.9	19.0	14.0	3.8	3.2	14.0	21.5	24.7
Reliance Ind.	Neutral	1,033	1,057	2	93.0	99.2	107.9	10.4	9.6	1.1	1.0	12.0	11.6	11.4
Aggregate								11.4	10.0	1.5	1.3	11.4	12.8	13.3
Retail														
Jubilant Food	Neutral	1,001	1,008	1	15.0	12.8	22.4	78.0	44.7	8.1	8.9	13.4	10.4	19.9
Shopper's Stop	Neutral	323	300	-7	5.8	4.1	8.0	78.8	40.2	3.2	2.9	6.3	4.2	7.7
Titan Co.	Neutral	427	420	-2	8.0	9.2	9.7	46.2	44.2	9.1	8.0	21.3	21.2	19.3
Aggregate								50.2	44.0	8.1	7.4	16.8	16.2	16.8
Technology														
Cyient	Buy	465	600	29	30.7	33.4	42.7	14.0	10.9	2.2	1.9	16.5	15.9	17.8
HCL Tech.	Buy	819	980	20	40.1	58.1	64.7	14.1	12.7	3.6	3.2	21.5	27.3	26.7
Hexaware	Neutral	202	220	9	12.9	13.7	15.3	14.8	13.2	3.6	3.0	28.9	26.5	25.0
Infosys	Buy	948	1,250	32	59.0	62.8	67.8	15.1	14.0	3.1	2.8	24.7	23.2	22.5
KPIT Tech	Neutral	133	150	12	14.1	11.7	13.8	11.4	9.6	1.7	1.4	21.0	14.0	15.9
L&T Infotech	Buy	688	800	16	52.4	54.2	57.5	12.7	12.0	4.8	4.0	45.3	41.8	36.2
Mindtree	Neutral	458	530	16	35.9	25.1	33.7	18.2	13.6	3.0	2.7	27.4	17.1	21.0
Mphasis	Neutral	565	550	-3	34.5	42.6	41.4	13.2	13.6	2.0	1.9	12.3	14.1	14.4
NIIT Tech	Neutral	425	470	11	45.7	38.2	49.3	11.1	8.6	1.5	1.3	19.0	14.2	16.5
Persistent Sys	Neutral	615	730	19	37.2	38.9	46.2	15.8	13.3	2.5	2.4	19.5	17.5	18.9
Tata Elxsi	Buy	1,499	1,780	19	49.7	59.3	72.1	25.3	20.8	9.7	7.7	46.3	42.5	41.3
TCS	Neutral	2,324	2,500	8	123.2	135.2	145.3	17.2	16.0	5.4	4.6	37.1	33.8	31.1
Tech Mah	Buy	485	550	13	35.1	32.5	36.6	14.9	13.2	2.8	2.4	23.4	20.1	20.0
Wipro	Neutral	465	560	21	36.1	33.4	37.2	13.9	12.5	2.3	2.0	20.3	17.0	17.0
Zensar Tech	Buy	905	1,250	38	68.2	68.6	85.0	13.2	10.6	2.5	2.1	24.0	20.0	21.1
Aggregate								15.7	14.4	3.7	3.3	24.4	23.7	22.7
Telecom														
Bharti Airtel	Buy	356	410	15	11.9	11.3	7.9	31.4	45.0	2.1	2.0	7.4	6.7	4.5
Bharti Infratel	Buy	319	435	36	11.8	15.6	16.7	20.5	19.1	3.3	2.9	12.7	15.7	15.9
Idea Cellular	Under Review	110	-		8.6	Loss	Loss	Loss	Loss	1.7	2.1	12.6	Loss	Loss
Tata Comm	Buy	774	811	5	1.6	8.5	31.4	91.1	24.7	-98.1	32.9	-91.6	-75.4	402.2
Aggregate								49.1	105.8	2.4	2.4	9.3	4.9	2.2
Utilities														
Coal India	Neutral	322	297	-8	22.6	16.8	20.0	19.2	16.1	6.6	6.6	42.2	34.5	41.0
CESC	Buy	827	940	14	27.8	48.4	70.7	17.1	11.7	1.9	1.7	3.1	4.7	6.3
JSW Energy	Buy	63	83	32	7.6	4.1	3.3	15.4	19.4	1.2	1.2	15.5	7.7	6.0
NTPC	Buy	168	199	18	12.3	12.0	14.3	14.0	11.8	1.5	1.4	11.9	10.8	11.9
Power Grid	Buy	202	209	3	11.5	14.2	16.8	14.2	12.0	2.1	1.9	14.7	16.1	16.6
Aggregate								16.0	13.5	2.5	2.3	17.7	15.4	16.8
Others														



Company	Reco	CMP	TP	% Upside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
		(INR)	(INR)	Downside	FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Arvind	Buy	380	430	13	14.0	13.5	21.8	28.1	17.4	2.6	2.3	12.9	10.4	14.0
Bata India	Buy	508	483	-5	11.2	10.9	14.2	46.7	35.8	5.1	4.6	13.1	11.3	13.4
Castrol India	Buy	418	499	19	9.6	12.8	13.4	32.5	31.2	35.9	32.3	76.0	118.4	108.8
Century Ply.	Buy	215	211	-2	7.5	4.6	8.8	47.2	24.5	8.2	6.6	36.3	18.2	29.8
Coromandel Intl	Under Review	342	-		11.8	16.3	20.0	21.0	17.1	3.7	3.3	14.9	18.5	20.4
Dynamatic Tech	Buy	3,070	3,388	10	19.4	67.6	112.9	45.4	27.2	6.3	5.1	4.7	15.1	20.7
Eveready Inds.	Buy	248	287	16	9.2	12.4	13.9	20.0	17.9	6.7	5.3	16.2	37.8	33.1
Interglobe	Neutral	846	1,010	19	55.2	39.3	54.1	21.5	15.6	14.8	12.9	176.5	72.8	88.1
Indo Count	Buy	182	223	23	13.4	15.7	18.5	11.6	9.8	3.7	2.6	48.9	37.8	31.2
Info Edge	Buy	829	1,075	30	13.0	16.9	19.0	48.9	43.6	5.2	4.9	9.2	11.1	11.5
Inox Leisure	Sell	230	207	-10	8.4	2.5	8.2	92.0	28.2	3.6	3.2	14.9	3.8	11.5
Jain Irrigation	Under Review	97	-		2.2	5.5	7.6	17.4	12.7	1.5	1.4	4.0	8.6	11.7
Just Dial	Buy	427	443	4	20.4	17.2	18.5	24.8	23.1	3.8	3.4	21.1	16.5	15.5
Kaveri Seed	Buy	477	577	21	24.9	23.4	28.6	20.3	16.7	3.4	3.2	20.7	17.3	19.8
Kitex Garm.	Buy	431	551	28	23.6	26.0	31.0	16.6	13.9	4.5	3.6	35.5	29.9	28.7
Manpasand	Buy	697	761	9	10.1	14.9	23.8	46.7	29.3	3.4	3.1	11.4	8.6	9.9
MCX	Buy	1,106	1,400	27	23.4	28.3	40.8	39.1	27.1	4.3	4.0	3.5	11.4	15.2
Monsanto	Under Review	2,313	-		60.1	68.4	87.2	33.8	26.5	9.8	9.2	26.4	28.8	35.9
PI Inds.	Buy	880	959	9	22.1	31.3	38.4	28.1	22.9	7.9	6.1	29.2	31.7	30.1
SRF	Buy	1,745	1,915	10	73.7	81.0	105.0	21.5	16.6	3.3	2.9	17.0	16.2	18.2
S H Kelkar	Buy	318	338	6	5.5	7.5	10.1	42.5	31.3	5.5	4.9	12.6	13.5	16.6
Symphony	Sell	1,350	1,053	-22	15.6	27.0	35.1	50.0	38.5	27.2	23.2	35.0	56.8	65.0
TTK Prestige	Neutral	5,635	4,896	-13	100.7	107.8	139.9	52.3	40.3	52.3	40.3	17.2	16.6	19.7
V-Guard	Neutral	216	179	-17	3.7	4.5	5.8	47.8	37.4	11.4	9.3	26.3	26.1	27.4
Wonderla	Buy	381	392	3	10.6	7.0	11.9	54.5	31.9	5.0	4.5	15.8	9.5	14.8



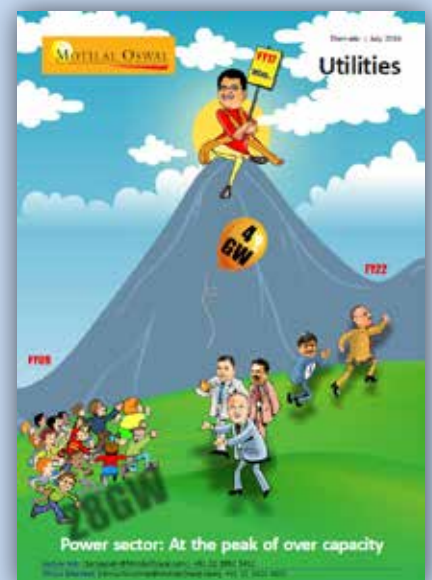
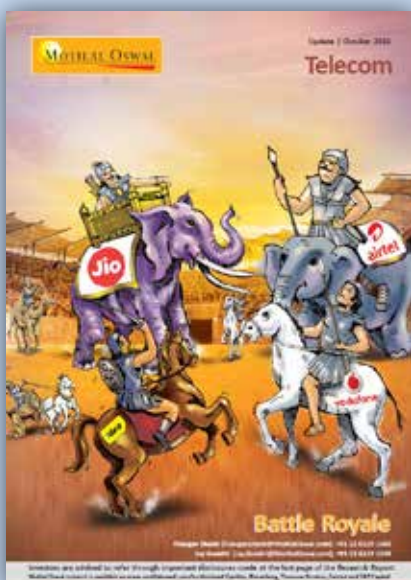
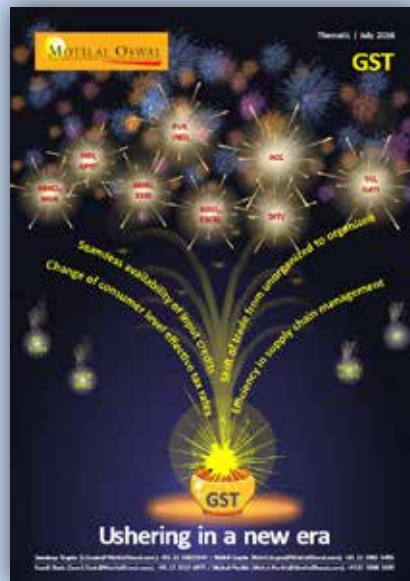
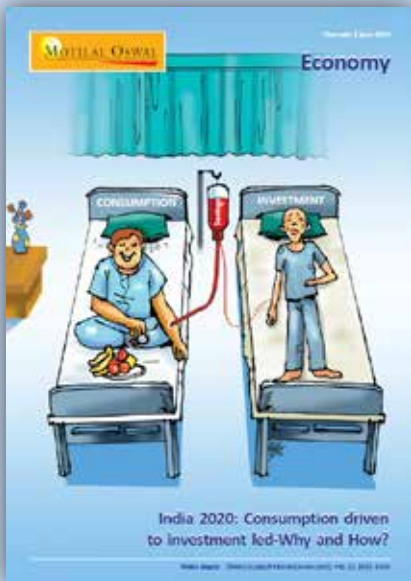
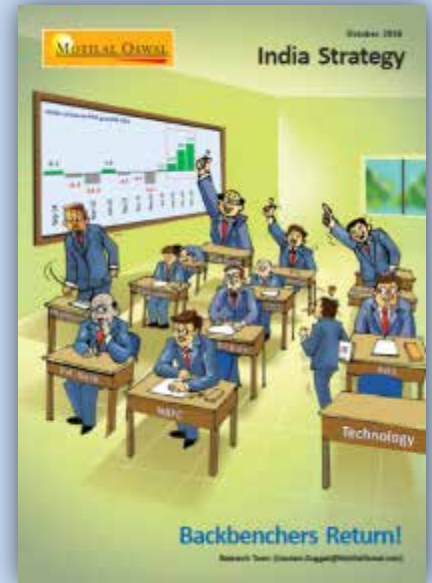
Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	0.6	-2.5	1.6
Ashok Ley.	-0.2	12.1	7.8
Bajaj Auto	0.0	2.4	17.1
Bharat Forge	5.1	12.0	30.3
Bosch	0.2	9.9	40.6
Eicher Mot.	0.0	3.8	31.3
Endurance Tech.	-1.5	10.1	
Escorts	0.7	21.3	197.6
Exide Ind	-0.8	11.9	61.4
Hero Moto	1.3	7.5	26.5
M&M	1.1	7.4	9.3
Mahindra CIE	0.5	2.6	-8.2
Maruti Suzuki	-0.6	9.0	68.3
Tata Motors	0.0	2.5	65.1
TVS Motor	2.7	6.2	42.8
Banks - Private			
Axis Bank	-0.5	7.1	21.1
DCB Bank	2.3	21.6	76.4
Equitas Hold.	-0.3	23.6	
Federal Bank	0.7	22.9	88.0
HDFC Bank	-0.6	8.8	26.7
ICICI Bank	-0.3	10.5	36.2
IDFC Bank	-1.2	0.4	16.3
IndusInd	-1.2	12.5	50.1
J&K Bank	-4.2	14.2	-2.7
Kotak Mah. Bk	0.3	8.5	13.7
RBL Bank	-0.2	10.7	
South Indian	-0.9	9.5	26.0
Yes Bank	-0.3	12.2	88.2
Banks - PSU			
BOB	-1.4	20.8	48.7
BOI	3.1	23.1	42.2
Canara	-0.2	14.6	62.1
IDBI Bk	0.0	11.5	48.4
Indian Bk	1.6	29.6	250.5
OBC	-2.1	12.7	21.4
PNB	-3.4	20.9	64.8
SBI	-0.5	11.7	65.2
Union Bk	-7.9	20.7	19.0
NBFCs			
Bajaj Fin.	-0.8	18.8	58.2
Bharat Fin.	0.0	31.7	51.3
Dewan Hsg.	2.2	18.6	81.2
GRUH Fin.	0.2	10.5	43.6
HDFC	0.0	14.5	20.7
Indiabulls Hsg	-1.7	21.9	31.0
LIC Hsg Fin	0.5	6.2	31.4
Manappuram	5.8	39.1	234.5
M&M Fin.	0.7	9.6	48.9
Muthoot Fin	2.0	16.9	81.5
PFC	0.4	3.6	57.7
Repco Home	-1.6	21.4	18.9
REC	2.0	12.6	58.5
STF	-0.5	2.3	16.5
Shriram City Union	-1.5	8.6	36.2

Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	1.4	17.6	9.5
Bharat Elec.	0.0	7.6	29.6
BHEL	0.4	22.8	19.3
CG Cons. Elec.	3.4	32.6	
Crompton Grv.	0.7	17.6	62.5
Cummins	0.0	12.3	-2.4
GE T&D	-1.3	2.9	-30.0
Havells	-0.6	20.9	49.5
Inox Wind	-1.5	-0.8	-32.8
K E C Intl	5.4	17.1	47.6
L&T	-0.9	7.9	33.6
Pennar Eng.	0.1	-7.7	-8.6
Siemens	0.1	6.2	19.5
Solar Ind	0.0	2.8	16.0
Suzlon Energy	3.0	14.1	12.9
Thermax	-2.0	7.1	7.4
Va Tech Wab.	-0.2	1.3	-15.1
Voltas	2.6	1.6	22.0
Cement			
Ambuja Cem.	-0.3	13.2	20.8
ACC	-0.4	12.2	16.3
Birla Corp.	-2.5	4.6	91.7
Dalmia Bharat	0.9	25.6	182.3
Grasim Inds.	-0.3	13.2	42.9
India Cem	-1.1	28.3	99.0
J K Cements	0.3	16.6	86.2
JK Lakshmi Ce	-1.9	6.5	41.1
Ramco Cem	0.4	17.7	81.4
Orient Cem	-0.6	6.2	-1.3
Prism Cem	-3.3	16.0	40.5
Shree Cem	0.8	11.4	55.6
Ultratech	1.0	13.9	35.9
Consumer			
Asian Paints	0.5	10.1	13.4
Britannia	0.1	11.7	16.3
Colgate	-0.1	-1.1	4.2
Dabur	-0.3	-3.2	6.7
Emami	1.9	9.4	7.1
Godrej Cons.	0.1	1.7	26.1
GSK Cons.	1.5	0.0	-12.1
HUL	-0.5	2.3	2.8
ITC	1.0	12.9	33.1
Jyothy Lab	1.3	7.6	25.0
Marico	-1.8	3.6	15.8
Nestle	0.1	4.9	14.0
Page Inds	-1.7	3.7	21.6
Parag Milk	1.4	5.4	
Pidilite Ind.	-1.1	7.9	15.1
P&G Hygiene	0.6	3.5	19.4
Radico Khaitan	-1.3	8.5	20.9
United Brew	0.5	0.2	-1.0
United Spirits	-0.2	18.0	-10.1
Healthcare			
Alembic Phar	1.4	-7.6	-5.3
Alkem Lab	-0.9	7.8	35.4
Aurobindo	1.2	1.7	-5.0

Company	1 Day (%)	1M (%)	12M (%)
Biocon	-0.1	7.6	138.0
Cadila	-1.7	1.3	11.6
Cipla	-2.6	1.8	5.5
Divis Lab	2.3	3.0	-27.1
Dr Reddy's	0.0	-1.5	2.1
Fortis Health	3.5	-2.1	18.3
Glenmark	-0.3	6.9	30.1
Granules	0.3	29.4	9.2
GSK Pharma	0.2	0.9	-15.4
IPCA Labs	0.6	-2.1	-19.5
Lupin	0.5	0.3	-21.5
Sanofi India	-0.3	-1.8	-1.1
Sun Pharma	-0.8	3.8	-23.1
Syngene Intl	-1.1	-13.7	33.5
Torrent Pharma	-0.9	-6.2	-5.3
Logistics			
Allcargo Logistics	-3.0	-2.0	-5.4
Blue Dart	0.1	-3.2	-31.4
Concor	2.0	10.6	15.1
Gateway Distriparks	2.5	9.8	-1.0
Gati	-0.1	3.5	12.4
Transport Corp.	-0.6	21.8	33.2
Media			
Dish TV	-1.0	1.6	7.2
D B Corp	0.3	3.6	19.9
Den Net.	3.5	21.9	20.6
Hathway Cab.	1.4	1.5	2.1
Hind. Media	0.3	0.0	-0.1
HT Media	0.1	10.3	4.8
Jagran Prak.	0.3	4.0	17.3
PVR	0.0	8.4	69.7
Siti Net.	-0.1	5.5	11.1
Sun TV	4.6	36.8	112.5
Zee Ent.	1.6	12.2	33.7
Metals			
Hindalco	-2.8	16.3	162.7
Hind. Zinc	0.1	18.2	93.7
JSPL	0.1	23.7	50.2
JSW Steel	2.1	9.9	92.9
Nalco	-4.8	4.4	100.1
NMDC	1.5	8.3	74.1
SAIL	-1.2	25.8	69.2
Vedanta	-1.1	7.2	257.4
Tata Steel	-2.3	9.0	95.2
Oil & Gas			
BPCL	0.8	11.1	75.9
Cairn India	-0.4	7.2	119.8
GAIL	1.2	12.7	40.7
Gujarat St. Pet.	-0.5	20.0	22.9
HPCL	0.6	24.2	137.4
IOC	-2.2	13.1	99.4
IGL	1.0	11.1	88.8
MRPL	-1.3	2.3	79.0
Oil India	2.4	-3.7	35.6
ONGC	-0.7	-2.6	32.5
PLNG	0.3	1.0	48.8
Reliance Ind.	0.7	-4.1	8.0

Company	1 Day (%)	1M (%)	12M (%)
Retail			
Jubilant Food	0.9	21.5	-16.0
Shopper's Stop	4.2	7.9	-14.0
Titan Co.	0.5	20.6	16.4
Technology			
Cyient	0.6	-4.1	17.4
HCL Tech.	1.4	-2.5	0.9
Hexaware	2.2	-0.7	-16.8
Infosys	1.2	-2.3	-14.5
KPIT Tech	0.3	-2.8	1.1
L&T Infotech	0.0	1.5	
Mindtree	1.7	-7.7	-38.2
Mphasis	-0.1	6.0	29.3
NIIT Tech	-0.8	-1.1	-16.6
Persistent Sys	1.6	-3.0	-1.4
Tata Elxsi	0.2	8.3	-27.0
TCS	2.7	0.9	1.9
Tech Mah	2.2	2.6	8.3
Wipro	1.0	-1.7	-13.3
Zensar Tech	-0.9	-2.7	-4.9
Telecom			
Bharti Airtel	0.8	11.4	14.0
Bharti Infratel	2.9	-8.9	-10.7
Idea Cellular	0.6	49.0	7.8
Tata Comm	1.9	23.0	103.3
Utilites			
Coal India	0.1	7.4	4.2
CESC	2.6	27.6	91.7
JSW Energy	1.0	-1.4	-9.2
NTPC	-2.1	3.3	34.0
Power Grid	0.5	8.5	42.4
Others			
Arvind	0.3	5.7	34.2
Bata India	0.2	9.6	5.5
Castrol India	-0.5	7.3	2.2
Century Ply.	0.0	21.0	47.6
Coromandel Intl	0.5	3.9	99.6
Dynamatic Tech	0.0	5.1	66.0
Eveready Inds.	-1.2	11.9	10.0
Interglobe	-0.5	-0.8	7.2
Indo Count	-0.1	11.0	-20.3
Info Edge	-1.2	-3.8	7.0
Inox Leisure	1.6	-0.2	16.2
Jain Irrigation	-1.6	3.0	63.0
Just Dial	5.6	10.0	-15.0
Kaveri Seed	1.9	15.2	31.4
Kitex Garm.	-0.8	0.1	0.4
Manpasand	-0.6	30.4	52.3
MCX	-2.1	-11.4	37.6
Monsanto	0.7	2.3	11.0
PI Inds.	-1.6	6.3	33.1
SRF	-0.7	11.0	50.9
S H Kelkar	1.5	-1.8	31.5
Symphony	-0.4	16.3	22.7
TTK Prestige	-0.9	-1.1	35.7
V-Guard	0.6	32.3	143.7
Wonderla	0.6	7.2	1.7

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Chetan Modi (chetan.modi@motilaloswal.com) +91 22 3962 5422
Vishal Shah (vishal.shah@motilaloswal.com) +91 22 3962 5426
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Aditya Vora (aditya.vora@motilaloswal.com)
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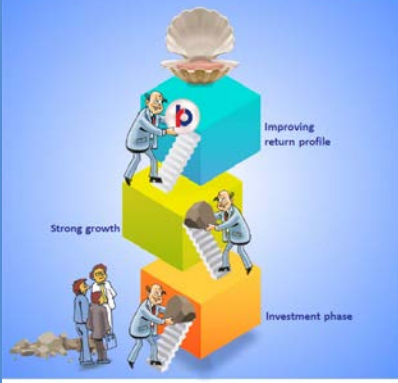
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Sagar Lohar (sagar.lohar@motilaloswal.com) +91 22 3962 5485
Rishabh Chavhan (rishabh.chavhan@motilaloswal.com) +91 22 3962 5424
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Sohail Hakeel (sohail.hakeel@motilaloswal.com) +91 22 3962 5505
Ajayesh Mehta (ajayesh.mehta@motilaloswal.com) +91 22 3962 5415
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Dhruv Mumbhal (dhruv.mumbhal@motilaloswal.com) +91 22 6129 1549
Sanjay Jain (sanjay.jain@motilaloswal.com) +91 22 6129 1533
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Rishabh Sambamurti (rishabh.sambamurti@motilaloswal.com) +91 22 3962 5428
Vishal Pawar (vishal.pawar@motilaloswal.com) +91 22 3962 4265
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Rohini Sawhney (rohini.sawhney@motilaloswal.com) +91 22 6129 1518
Gaurav Tripathi (gaurav.tripathi@motilaloswal.com) +91 22 6129 1532
Investors are advised to refer through important disclosures made at the last page of the Research Report.
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Rishabh Mehta (rishabh.mehta@motilaloswal.com) +91 22 3962 5428
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Manish Puri (manish.puri@motilaloswal.com) +91 22 3962 5029
Gautam Duggad (gautam.duggad@motilaloswal.com) +91 22 3962 5404
Investors are advised to refer through important disclosures made at the last page of the Research Report.
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Varun Kumar

Varun.kumar@motilalosal.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@motilalosal.com