

Market snapshot



Equities - India	Close	Chg .%	YTD.%
Sensex	33,034	-0.8	24.1
Nifty-50	10,225	-0.9	24.9
Nifty-M 100	19,483	-0.5	35.8
Equities-Global	Close	Chg .%	YTD.%
S&P 500	2,585	0.1	15.5
Nasdaq	6,758	0.1	25.5
FTSE 100	7,415	-0.2	3.8
DAX	13,074	-0.4	13.9
Hang Seng	11,685	-0.5	24.4
Nikkei 225	22,381	-1.3	17.1
Commodities	Close	Chg .%	YTD.%
Brent (US\$/Bbl)	63	-1.0	13.4
Gold (\$/OZ)	1,279	-0.5	10.3
Cu (US\$/MT)	6,861	1.6	24.2
Almn (US\$/MT)	2,089	0.2	22.6
Currency	Close	Chg .%	YTD.%
USD/INR	65.4	0.4	-3.6
USD/EUR	1.2	0.0	10.4
USD/JPY	113.4	-0.1	-3.1
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	7.0	0.0	0.5
10 Yrs AAA Corp	7.8	0.0	0.2
Flows (USD b)	13-Nov	MTD	YTD
FII	0.0	1.5	7.0
DII	0.0	0.2	11.5
Volumes (INRb)	13-Nov	MTD*	YTD*
Cash	348	427	304
F&O	4,007	6,847	5,587

Note: YTD is calendar year, *Avg



Today's top research idea

Axis Bank: Strong capitalization to fast-track recovery

Upgrading to Buy

- ✓ Axis Bank's board has approved a capital raising plan amounting to USD1.79b (INR116.26b) to provide the necessary growth capital to the bank and support asset quality clean-up.
- ✓ We estimate AXSB's FY18E/19E book value to increase by 9%/10% and Tier-I ratio by 170bp to 13.8% by FY18E. The entire capital raising will eventually result in dilution of 9.1% on the existing capital base (8.3% on post-issue basis).
- ✓ We revise our estimates and project ~42% earnings CAGR over FY17-20, even as we factor in credit cost of 2.7%/1.8%/1.5% over FY18-20E. We turn positive on AXSB from a medium-term perspective, and revise our PT to INR680, based on 2.3x Mar-20E ABV. We thus upgrade our rating to **Buy**.



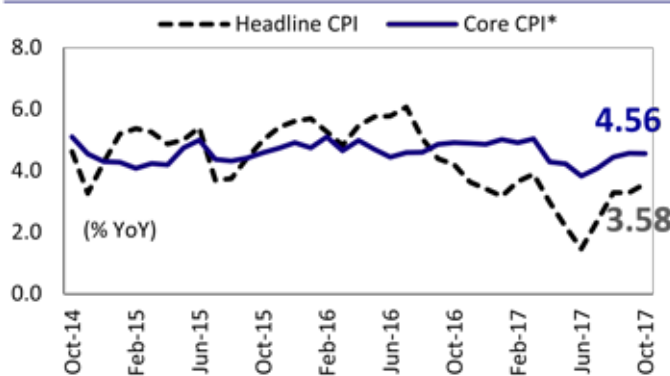
Research covered

Cos/Sector	Key Highlights
Reliance Inds	Latin touch; Higher refining margins to sustain
Axis Bank	Strong capitalization to fast-track recovery; Upgrading to Buy
Ecoscope	CPI inflation hits seven-month high in October
Telecom	Vodafone, Idea announce tower biz sale
NTPC	Strong perf. on RAB growth, efficiencies and incentives
Coal India	Employee provisioning, other income impact results
HPCL	EBITDA significantly below estimate; Core GRM at USD5.6/bbl
NMDC	Strong operating performance
Idea Cellular	EBITDA misses estimate; net loss widens
P & G Hygiene	Healthy operating performance, fair valuations
Guj. St. Petronet	EBITDA below estimate; in-line transmission volumes
Jagran Prakashan	Print ad market yet to recover
Sadbhav Engg	Revenue miss but PAT exceeds estimates
JK Lakshmi Cement	EBITDA beat led by higher-than-estimated realization
Other Results	SLPA ASBL SHKL REPCO
Results Expectation	BOB BATA CDH CEAT EIM FORH GAIL GRASIM ICNT IPCA MRPL MANB SUNP IN

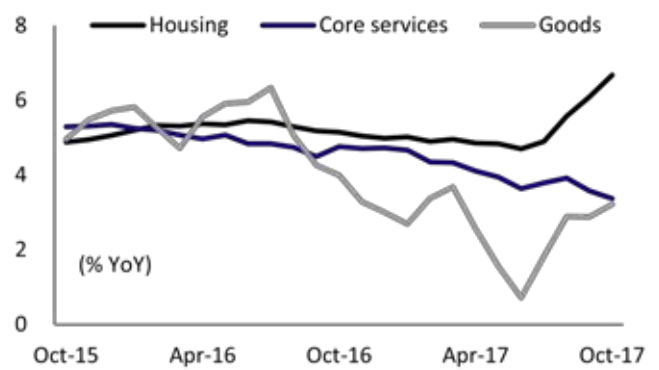


Chart of the Day: EcoScope (CPI inflation hits seven-month high in October)

Retail inflation rises to 3.6% in October 2017



Inflation in 'core services' eased further



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

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



Kindly click on textbox for the detailed news link

1

Govt to launch Bharat 22 ETF today, seeks to raise Rs8,000 crore

The government will launch the 'Bharat 22' exchange traded fund (ETF) managed by ICICI Prudential Mutual Fund, on Tuesday, targeting an initial amount of about Rs8,000 crore. The new fund offer will be open for subscription till 17 November...

2

Retail inflation in October jumps to 3.58%, RBI rate cut in December now unlikely

India's retail inflation quickened to 3.58% in October, the fastest pace in seven months, spurred by rising food and fuel prices, virtually ruling out the possibility of an interest rate cut by the Reserve Bank of India (RBI) in its 6 December monetary policy review. The consumer price index (CPI), a measure of retail inflation, had come in at 3.28% in September. Data released by Central Statistics Office (CSO) showed that CPI in urban India, at 3.81, was higher than that in rural India, at 3.36%...

3

Jaitley signals further GST rate cuts, hits out against politicizing tax reform

Finance minister Arun Jaitley on Monday signalled more GST rate cuts and appealed to businesses to pass on the benefit of the recent reductions to consumers. "The tax rate rationalisation process will always continue..."

4

Centre raises more than half its divestment target for FY18

The Centre appears well-positioned to meet its disinvestment target for 2017-18, going by the data put out by the Department of Investment and Public Asset Management. Of the target of raising ₹72,500 crore this fiscal, the Centre had, as of November 1, garnered ₹30,185 crore via disinvestment...

5

Centre may look at PSU stake sale option to set fiscal math right

Faced with rising global crude oil prices and uncertainty in its tax revenue, the government is looking at stake sale proceeds and other options to keep the fiscal deficit in check.

"Disinvestment in public sector units (PSUs) is on track this fiscal. One of the ways in which the fisc can be managed is by higher revenue from disinvestment in PSUs, but it has to be seen how far that can be managed," said a person familiar with the development. The Centre plans to raise ₹72,500 crore from stake sales in PSUs this fiscal,...

6

Airtel plans to raise \$400 mn from Bharti Infratel stake sale via block deals

Bharti AirtelBSE -0.75 % plans to raise \$400 million (Rs 2,617.2 crore) by selling 3.5% in listed tower unit Bharti Infratel through block deals in the open market on Tuesday, said people familiar with the move, which seeks to pare debt, free up cash for expansion projects, and help offset the pressure on revenue...

7

Hero Future Energies, Greenko in race to acquire Orange Renewable

Greenko Group and Hero Future Energies Pvt. Ltd are in separate talks with Singapore-based AT Capital Group to acquire Orange Renewable's portfolio of 758 megawatt (MW) capacity, several people aware of the development said. New Delhi-based Orange Renewable, a unit of AT Holdings Pte. Ltd,...



Reliance Industries

BSE SENSEX 33,315 S&P CNX 10,322

CMP: INR875 TP: INR1,077 (+23%) Buy



Stock Info

Bloomberg	RIL IN
Equity Shares (m)	6502.0
52-Week Range (INR)	958/466
1, 6, 12 Rel. Per (%)	2/21/57
M.Cap. (INR b)	5775.4
M.Cap. (USD b)	86.6
Avg Val, INRm	12,330
Free float (%)	53.8

Financials Snapshot (INR b)

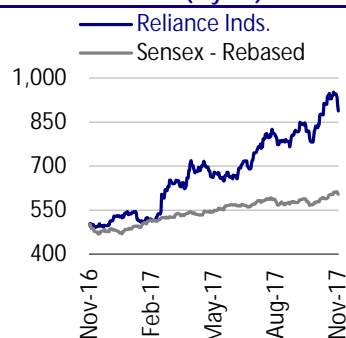
Y/E March	2018E	2019E	2020E
Net Sales	4,119	5,017	5,202
EBITDA	622	761	821
Net Profit	345	394	455
Adj. EPS (INR)	58.3	66.5	77.0
EPS Gr. (%)	15.3	14.2	15.7
BV/Sh. (INR)	492	542	601
RoE (%)	12.4	12.9	13.5
RoCE (%)	7.8	8.2	8.9
P/E (x)	15.2	13.3	11.5
P/BV (x)	1.8	1.6	1.5
EV/EBITDA (x)	12.0	9.2	7.9

Shareholding pattern (%)

As On	Sep-17	Jun-17	Sep-16
Promoter	46.2	45.0	45.1
DII	11.4	11.1	12.5
FII	26.0	25.6	23.7
Others	16.5	18.3	18.7

FII Includes depository receipts

Stock Performance (1-year)



Latin touch

Higher refining margins to sustain

- n We had talked about the worsening refining glut in our thematic report, [The Three Musketeers, January 2017](#). While we continue to believe capacity addition would remain strong, especially in low cost condensate splitters, utilization of the Latin American refineries does not appear to be improving any time soon. This would enable RIL to continue clocking GRM of ~USD11.5/bbl during FY19-20.
- n Additionally, delays in upcoming ethylene crackers in the US are also likely to result in higher petchem deltas. We expect EBITDA/mt of USD300 for RIL during FY19-20.
- n RJio's revised plans are priced ~15% higher, with an average ARPU of INR150 for its popular unlimited price plans. We expect actions towards ARPU accretion to drive ARPU of INR156 in FY18 and INR172 in FY19.

Latin touch to refining – margins to remain strong at USD11.5/bbl

- n Argentina, Mexico, Brazil and Venezuela have all been facing severe under-utilization of their refining assets. There is a mismatch between domestic crude availability, refining configurations, and domestic-market product requirements. Additionally, the refineries have not been upgraded for long, which results in frequent maintenance requirements and shutdowns.
- n Utilization in Mexico and Venezuela has been at 40% in the recent months. Utilization in Argentina at 76% is the lowest since 1996. Utilization in Brazil at 74.3% is also the lowest in six years.
- n Such lower utilization in these four countries alone, home to 6% of global capacity, would boost refining margins. Additionally, Africa with another 6% of global refining capacity, has also been witnessing utilization of below 70% since 2011. Expect USD11.5/bbl of GRM for RIL in FY18-20.

Further delays in US expansions could support petchem margins

- n A total of 9.7mmtpa of greenfield ethylene expansions in addition to 1.2mmtpa of brownfield expansions were to come up in the US by 2020. While 3.5mmtpa of capacity has already come up, few others appear to be delayed.
- n Only in 2017 and 2018, incremental supply was expected to outgrow incremental demand globally. Such delays in capacity addition could help in healthy demand and supply, preventing margins from falling sharply.

Gaining confidence in RJio's profitability

- n RJio's revised plans are priced about 15% higher, with an average ARPU of INR150 for its popular unlimited price plans. Interestingly, this is above Bharti's ARPU of INR145 for 2QFY18.

- n We estimate 181m subscribers in FY18 and 205m subscribers in FY19. This implies addition of 42m subscribers in 2HFY18 and 24m subscribers in FY19. We expect actions towards ARPU accretion to drive ARPU of INR156 in FY18 and INR172 in FY19.
- n Our DCF-based value for RJio is INR245/share (EV of 10x FY21E EBITDA of INR278b). The management's indication of reduced freebies should drive subsequent ARPU accretion.

Reiterate Buy with a revised target of INR1,077

- n Global refining peers are trading at 7x FY19E EV/EBITDA and 10-11x FY19E P/E. We value RIL at a higher multiple of 7.5x (7x earlier) average FY19-20E EV/EBITDA to factor in higher capacity utilization, better yield management, crude optimization, and sound risk management.
- n Global petchem companies are trading at 7x FY19E EV/EBITDA and 10x FY19E P/E. We value RIL at 7.5x (7x earlier) average FY19-20E EV/EBITDA. The higher multiple takes into account RIL's higher level of integration, flexibility in feedstock, as well as strong growth in the domestic petchem market.
- n We value RIL using SOTP. We use 7.5x EV/EBITDA for refining and petchem, DCF for E&P, 1x EV/Sales for Reliance Retail and DCF for RJio. Our target price is revised from INR1,005 to INR1,077, implying an upside of 21%. We reiterate our **Buy** recommendation.



Axis Bank

BSE SENSEX 33,315 S&P CNX 10,322



Stock Info

Bloomberg	AXSB IN
Equity Shares (m)	2,395.0
M.Cap.(INR b)/(USD b)	1,303 / 20.2
52-Week Range (INR)	556/425
1, 6, 12 Rel. Per (%)	2/-2/-14
12M Avg Val (INR M)	4273
Free float (%)	71.4

Financials & Valuation (INR b)

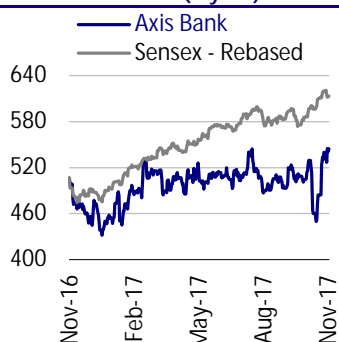
Y/E March	2018E	2019E	2020E
NII	190.1	219.1	256.6
OP	179.9	206.9	244.2
NP	45.6	79.8	105.1
NIM (%)	3.2	3.2	3.2
EPS (INR)	18.4	30.8	40.2
BV/Sh. (INR)	268.3	299.1	334.7
RoE (%)	7.3	10.8	12.7
RoA (%)	0.7	1.1	1.2
P/E(X)	29.6	17.7	13.5
P/BV (X)	2.0	1.8	1.6

Shareholding pattern (%)

As On	Sep-17	Jun-17	Sep-16
Promoter	28.6	28.7	28.9
DII	9.1	8.7	9.5
FII	52.1	52.4	52.9
Others	10.3	10.2	8.8

FII Includes depository receipts

Stock Performance (1-year)



CMP: INR545 TP: INR680 (+25%) Upgrading to Buy

Strong capitalization to fast-track recovery; Upgrading to Buy

- Event:** Axis Bank's (AXSB) board has approved a capital raising plan amounting to USD1.79b (INR116.26b) to provide the necessary growth capital to the bank and support asset quality clean-up. Of the approved amount, USD1.4b (INR90.63b) is proposed to be raised via preferential issue of equity shares at INR525/share, while the remaining USD396.1m (INR25.63b) would be raised via warrants, which can be converted into equity shares at INR565/share.
- Investing entities:** Bain Capital will invest USD1.06b (INR68.54b) – USD710m (INR45.94b) would be in the form of equity and the balance USD349.3m (INR22.6b) via warrants. LIC will invest USD244.7m (INR15.83b) directly via the equity route. The balance USD446.1m (INR28.86b) via equity and USD46.8m (INR3.03b) via warrants would be invested by several other institutional funds.
- Impact: FY19E BV (increase by 10%), Tier-1 (increase by 170bp) and dilution of 9.1% on existing equity base:** We expect warrant conversion to take place in FY19, and thus, estimate AXSB's FY18E/19E book value to increase by 9%/10%. This will also help improve the bank's Tier-I ratio by 170bp to 13.8% by FY18E, providing it with the necessary growth capital to pursue business opportunities. The entire capital raising will eventually result in dilution of 9.1% on the existing capital base (8.3% on post-issue basis).
- Corporate slippages account for >80% of total slippages; expect normalcy to return from 2HFY19:** We expect continued pressure on asset quality in the near term, as AXSB further purges its books. However, we note that the corporate slippages over the past six quarters have been accounting for >80% of the total slippages, with a majority of it originating from the watch-list assets. AXSB has INR158.1b of BB & below-rated assets, of which ~64% are lying under the watch-list plus other dispensations. We estimate slippages to remain high over the near term – as AXSB aggressively cleanses its books – and then moderate sharply from 2HFY19E, driving a sharp decline in the net NPL ratio. AXSB has exposure of INR70.41b toward IBC accounts under both the RBI lists, on which it already carries a provision of INR38.86b (~55% coverage).
- 12.6% RoE by FY20E v/s ~7% in FY18E; see scope of positive surprise:** We revise our numbers, as we build in the proposed capital raising, and fine-tune our slippage/credit cost estimates. We thus project ~42% earnings CAGR over FY17-20, even as we factor in credit cost of 2.7%/1.8%/1.5% over FY18-20E. This compares conservatively to AXSB's average credit cost of 0.7% over FY11-15, leaving scope of a positive surprise on earnings/multiple expansion. We thus expect RoA/RoE of 1.2%/12.6% in FY20E v/s 0.7%/7.3% in FY18E.
- Valuation view:** We believe that the capital raising will be an important step in taking AXSB closer to its historical level of return ratios, albeit the journey will take a few years to complete. We believe that the growing proportion of retail franchise, de-risking of loan book and pursuing growth opportunities in the corporate working capital loan segment (+36% YoY in 2QFY18) will enable steady re-rating of the stock. We turn positive on AXSB from a medium-term perspective, and revise our PT to INR680, based on 2.3x Mar-20E ABV. We thus upgrade our rating to Buy.

CPI inflation hits seven-month high in October

Vegetable, housing inflation surges; core inflation unchanged

- n CPI inflation inched up to 3.6% YoY in October 2017, higher than consensus of 3.4%, but lower than our estimate of 3.8%. This was the highest level of inflation in seven months.
- n The rise was largely driven by a surge in vegetable inflation to a 15-month high of 7.5% in October 2017. Food inflation increased to 1.9% from 1.3% in September 2017.
- n Core inflation remained unchanged versus the preceding month at 4.6% in October. Although housing inflation surged to 6.7%, it was offset by a decline in inflation in the transport & communication group. Inflation in core services declined to a record low of 3.4% in October 2017.
- n We expect headline CPI inflation to rise toward 4.5% and core inflation to touch 5% by Jan-Feb 2018. Accordingly, we do not expect any rate cut in the remaining part of FY18.

- n **CPI inflation at seven-month high...:** CPI-based inflation increased to 3.6% YoY in October 2017, from 3.3% in the preceding month (*Exhibit 1*). This is the highest level of inflation in seven months. The number was higher than consensus of 3.4%, but lower than our expectation of 3.8%. A surge in food inflation led to higher inflation in the month.
- n **...led by a surge in vegetable prices...:** Inflation in vegetables surged to a 15-month high of 7.5% YoY in October 2017, from 3.9% in the preceding month. This contributed 21bp to the rise in headline inflation in October compared to the preceding month (*Exhibit 2*). Excluding vegetables, CPI inflation rose marginally to 3.3% from 3.2% in September 2017. Owing to the surge in vegetables, food inflation rose to a seven-month high of 1.9% in October 2017 from 1.3% in the preceding month. Inflation in the fuel & light group rose to a 46-month high of 6.4% (Sep'17: 5.6%).
- n **...while core inflation remains unchanged:** Further, core inflation (all items excluding 'food & beverages' and 'fuel & light') remained unchanged at 4.6% YoY in October, compared to the preceding month. Within core inflation, housing inflation increased to 6.7% (40-month high) from 6.1% in September 2017. This was offset by a fall in inflation in the transport & communication group to 2.3% from 3.5% in the preceding month. Core-core inflation (excluding petrol/diesel from core inflation) edged up marginally to 4.5% from 4.4%.
- n **Inflation in 'core services' falls to a new low:** Further refinement of CPI items shows that inflation in 'core services' eased to a record low of 3.4% in October 2017, while inflation in 'goods' increased to a seven-month high of 3.2% (*Exhibit 4*). Inflation in core services has declined continuously over the last two years.
- n **We expect headline CPI inflation to rise toward 4.5% and core inflation to touch 5% by Jan-Feb 2018. Accordingly, we do not expect any rate cut in the remaining part of FY18.**

Telecom

Vodafone, Idea announce tower biz sale

In a latest industry development, Idea Cellular (IDEA) and Vodafone India announced that the two companies have separately agreed to sell their telecom towers to ATC Telcom at a combined enterprise value (EV) of INR78.5b.

EV/tenancy of INR2.9m once the merger goes through

IDEA and Vodafone have a combined portfolio of ~20,000 towers, with a 1.65x tenancy ratio (i.e. 33,000 tenancies). Post the Vodafone-Idea merger, ~6,300 duplicate tenancies will be terminated over two years without any exit penalties. This implies EV/tower of INR3.9m and EV/tenancy (adjusting for tenancy cut) of INR2.9.

Deal valued at ~6% discount to Bharti Infratel

Bharti Infratel is valued at EV/tower of INR8.1m and EV/tenancy of INR3.1m, with a 2.4x tenancy ratio. Thus, the deal is valued at ~6% discount to Bharti Infratel.

Idea valued at EV/EBITDA of 11.6x/9.2x on FY18/19E

The tower business sale will help reduce the combined entity's net debt of ~INR1,100b by ~7%, in line with our estimate. Also, the sale of Idea's 11% stake in Indus should generate INR100b (benchmarking to ATC sale value). Vodafone-Idea is valued at EV/EBITDA of 11.6x/9.2x, factoring in the sale value. We believe that the EBITDA synergies in FY20E could make the stock compelling at 7.3x EV/EBITDA.

	Combined	Vodafone	Idea
Total Towers	78,500	38,500	40000
tenancy (x)	20000	8886	10926
Total Tenancies	1.65	1.79	1.56
Cut in tenancies	33000	15918	17049
tenancy factor (x)	6300	3150	3150
Net Tenancies	0.32	0.35	0.29
tenancy factor (x)	26700	12768	13899
	1.34	1.44	1.27
EV/tower (INRm)			
EV/ tenancy (INRm)	3.9	4.3	3.7
EV/ tenancy (adjusting for cut) (x)	2.4	2.4	2.3
Total Towers	2.9	3.0	2.9



BSE SENSEX	S&P CNX
33,034	10,225
Bloomberg	NTPC IN
Equity Shares (m)	8,245
M.Cap.(INRb)/(USD\$b)	1,459.0 / 22.3
52-Week Range (INR)	188/149
1, 6, 12 Rel. Per (%)	-1/3/-7
Avg Val, INRm/ Vol m	944.0
Free float (%)	37.0

CMP: INR177 TP: INR211 (+19%) Buy

Strong perf. on RAB growth, efficiencies and incentives

EPS CAGR of ~14% over FY17-20E; valuations attractive; Buy

NTPC's 2QFY18 PAT adjusting for prior periods and reversals (net of tax) increased 21% YoY to INR28.4b, well ahead of our estimate of INR24.4b, driven by regulated equity growth, efficiency gains and higher PLF incentive. Reported PAT was down 2% YoY at INR24.4b.

- 2.6GW capacity was capitalized in S/A, driving a 15% YoY increase in regulated equity (RAB) to INR488b in 2Q. Including 445MW capitalized in JVs, the group's declared capacity is 50.6GW and installed capacity is 51.6GW.
- Unit fuel cost was down 9% YoY at 1.93/kWh, led by GST savings, lower specific consumption and grade adjustment by Coal India.
- Efficiency gains were driven by lower auxiliary consumption/SHR and some benefit from changes in grid norms for compensation for part load operation of plants. PLF incentive increased from INR30m in 2QFY17 to INR660m in 2QFY18.
- The hearing on GCV measurement based on report submitted by CEA is scheduled on 21st November 2017. Any relaxation would drive some earnings upside.

Earnings growth to accelerate; valuations attractive; Buy

NTPC has already capitalized 3.3GW in 1HFY18, and with expected 800MW in 2H, it is on track to meet its target of ~4GW for FY18. Capitalization is expected to accelerate further in FY19 and FY20. We expect regulated equity CAGR of ~20% over FY17-20E. PAT is estimated to grow at ~14% CAGR over FY17-20E. Capitalization would start to outpace capex, boosting RoEs and driving re-rating of the stock. Our estimates are unchanged for the efficiency gains in 2Q, as we would wait for their sustainability. The stock trades attractive at 1.3x FY19E P/BV, while earnings growth is strong. We value the stock at INR211/share, even after factoring in 150bp risk to regulated RoE w.e.f. FY20E in our DCF model. Maintain **Buy**.

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	813.8	849.3	966.4
EBITDA	215.0	241.0	309.9
PAT	98.6	110.9	129.3
EPS (INR)	12.0	13.4	15.7
Gr. (%)	1.8	12.4	16.6
BV/Sh (INR)	118.7	126.7	136.4
RoE (%)	10.5	11.0	11.9
RoCE (%)	6.4	6.6	7.7
P/E (x)	14.8	13.2	11.3
P/BV (x)	1.5	1.4	1.3

Estimate change	↔
TP change	↔
Rating change	↔

Quarterly Performance (Standalone) – INR m

Y/E March	FY17				FY18				FY17	FY18E	FY18 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Sales	188,585	193,979	193,959	204,167	201,076	198,518	199,602	211,704	782,734	810,900	202,242	-2
EBITDA	52,139	53,914	52,260	58,248	52,684	55,933	60,516	70,610	216,200	239,743	57,397	-3
Other income	1,579	1,906	2,502	4,702	6,626	2,616	3,823	2,792	10,689	15,857	2,544	
PBT	30,761	32,580	30,819	30,080	34,654	32,228	35,608	38,905	123,879	141,394	32,048	1
Tax	7,066	7,621	6,131	9,286	8,472	7,842	8,546	9,075	30,026	33,935	7,692	
PAT	23,695	24,960	24,687	20,794	26,182	24,386	27,062	29,830	93,853	107,460	24,356	0
Change (%)	4.1	-17.9	-7.5	-25.5	10.5	-2.3	9.6	43.5	-12.9	14.5	-2.4	
Adj. PAT	24,047	23,410	22,448	26,606	25,742	28,387	27,062	26,269	96,227	107,460	24,356	17
Change (%)	5.7	-0.7	0.0	0.5	7.0	21.3	20.6	-1.3	1.0	11.7	4.0	
A. Core PAT	22,827	22,138	20,536	23,121	20,757	26,337	24,156	24,159	88,298	95,408	22,423	17
Core RoE (%)	21.9	21.0	19.4	21.4	18.9	22.7	19.4	18.8	20.7	19.9	19	
a. Base RoE - 15.5%	15,582	16,337	16,428	16,765	17,058	17,972	19,322	19,933	65,113	74,286	18,040	0
b. PLF incentive	1,530	30	0	1,470	549	660	726	484	3,030	2,419	604	
c. Others	5,715	5,771	4,108	4,885	3,150	7,705	4,108	3,742	20,155	18,704	3,780	104
B. Other income	1,220	1,272	1,912	3,485	4,985	2,050	2,906	2,111	7,930	12,051	1,933	6
Key metrics												
Regulated Equity	420,146	423,072	424,822	440,489	439,927	487,680	509,595	519,196	440,489	519,196	491,157	-1
Commercial cap.(MW)	39,552	39,602	39,602	40,522	40,522	43,392	44,442	44,442	40,522	44,442	43,392	0



Coal India

BSE SENSEX	S&P CNX
33,315	10,322
Bloomberg	COAL IN
Equity Shares (m)	6,207
M.Cap.(INRb)/(USDb)	1,766.9 / 27.1
52-Week Range (INR)	337 / 234
1, 6, 12 Rel. Per (%)	-5/-7/-36
Avg Val, INRm	1,256.1
Free float (%)	21.1

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	782.2	828.9	886.7
EBITDA	149.1	165.3	197.0
PAT	92.7	108.7	128.3
EPS (INR)	14.9	17.5	20.7
Gr. (%)	-34.0	17.3	18.1
BV/Sh (INR)	39.5	41.3	43.3
RoE (%)	37.8	42.4	47.7
RoCE (%)	32.2	43.3	48.7
P/E (x)	19.1	16.3	13.8
P/BV (x)	7.2	6.9	6.6

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR285 TP: INR335(+18%) Buy

Employee provisioning, other income impact results

Volume growth accelerating, concerns behind; Buy

- Coal India's (COAL) 2QFY18 revenue grew ~12% YoY to INR181b (3% miss) on ~13% growth in offtake. Volume mix was better on higher e-auction volumes (23mt v/s estimate of 21mt); the revenue miss was on account of lower-than-expected uptick in e-auction realization* (INR1,614 v/s estimate of INR1,700) and reversals* pertaining to 1Q in washed coal (INR2,582 v/s estimate of INR3,200). FSA realization declined 5% YoY to INR1,224 (in line).
- EBITDA (ex-OBR) increased 46% YoY to INR12.9b, albeit off a low base. The reported numbers were also impacted by employee wage negotiation provision (~INR23b). The provision is ad-hoc pending final implementation of the negotiation agreement. There was also de-stocking of some high cost inventories, driving increase in reported expenses.
- PAT declined ~38% YoY to INR3.7b on lower other income (down 57% YoY to INR6.1b) and higher tax rate.

Volume growth accelerating, concerns behind; Buy

- E-auction realization was lower in 1H due to scheduling of deliveries. We expect a sharper uptick in 2H. Washed coal realization should also revert to higher levels. Our employee cost estimates for the full year are unchanged, as we expect cost to normalize with final implementation of wage hikes.
- Concerns around grade slippage, e-auction price decline, deceleration in volume growth and wage hike are behind. Volume growth is accelerating and that will also drive operating leverage gains. Various cost initiatives on closing of underground mines, VRS, and overtime compensation can drive upside to our estimates. The stock is attractive at 7.3x FY19E EV/EBITDA and 5.4% dividend yield. Our TP is INR335 (8x FY19E EV/EBITDA). **Buy**.

Note: * per tonne

Quarterly Performance (Consolidated) – INR million

Y/E March	FY17				FY18				FY17	FY18E	FY18	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Sales	184,219	162,125	204,146	231,716	191,617	181,483	218,756	236,772	782,206	828,919	186,200	(3)
Change (%)	-5.6	-7.3	4.2	8.3	4.0	11.9	7.2	2.2	0.3	6.0	14.8	
Adj. EBITDA	44,879	8,851	46,673	48,719	34,151	12,888	59,221	55,746	149,121	162,297	28,685	(55)
As of % Sales	24.4	5.5	22.9	21.0	17.8	7.1	27.1	23.5	19.1	19.6	15.4	
Depreciation	6,672	6,921	7,011	8,498	6,699	7,146	7,078	8,457	29,101	29,380	6,987	2
OBR	2,331	1,425	8,124	14,843	-1,069	578	3,652	9,019	26,722	12,180	783	
Interest	890	970	1,107	1,151	1,209	1,007	961	399	4,117	3,575	842	19
Other Income	11,306	14,125	11,167	18,558	12,066	6,107	5,191	16,232	55,156	39,596	10,256	(40)
PBT	46,293	13,661	41,598	42,784	39,378	10,264	52,721	54,104	144,337	156,758	30,329	(66)
Tax	15,641	7,660	12,754	15,606	15,860	6,576	16,871	11,817	51,660	51,123	9,705	(32)
Tax Rate (%)	33.8	56.1	30.7	36.5	40.3	64.1	32.0	21.8	35.8	32.6	32.0	
Reported PAT	30,653	6,001	28,845	27,179	23,518	3,689	35,850	42,286	92,677	105,635	20,624	(82)
Adjusted PAT	30,653	6,001	28,845	27,179	23,518	3,689	35,850	42,286	92,677	105,635	20,624	(82)
Change (%)	-19.1	-76.2	-21.7	-35.9	-23.3	-38.5	24.3	55.6	-34.9	14.0	243.7	



BSE SENSEX	S&P CNX
33,034	10,225
Bloomberg	HPCL IN
Equity Shares (m)	1526
M.Cap.(INRb)/(USD\$b)	640.7 / 10.1
52-Week Range (INR)	493/269
1, 6, 12 Rel. Per (%)	-10/9/17
Avg Val, INRm	1959
Free float (%)	48.9

Financials & Valuations (INR b)

Y/E Mar	2018E	2019E	2020E
Net Sales	2,185	2,433	2,504
EBITDA	102.0	125.3	133.9
PAT	55.5	65.3	69.5
EPS (INR)	36.4	42.8	45.6
Gr. (%)	(10.6)	17.6	6.5
BV/Sh (INR)	157.0	184.7	214.2
RoE (%)	25.1	25.0	22.8
RoCE (%)	14.1	13.9	13.1
P/E (x)	11.5	9.8	9.2
P/BV (x)	2.7	2.3	2.0
EV/EBITDA(x)	8.5	7.1	6.8

Estimate change



TP change



Rating change



CMP: INR420

TP: INR579(+38%)

Buy

EBITDA significantly below estimate; Core GRM at USD5.6/bbl

HPCL's reported EBITDA of INR27.2b (+129% YoY, +76% QoQ) in 2QFY18 was significantly lower than our estimate of INR52.5b due to lower GRM and inventory gains. EBITDA adjusted for inventory gains stood at INR21.2b (+14% YoY, -34% QoQ), below our estimate of INR33.4b, led by lower core GRM (at USD5.6/bbl, significantly below benchmark SG GRM of USD8.3/bbl; our estimate: USD9/bbl; USD8.8/bbl in 1QFY18 and USD4.2/bbl in 2QFY17). HPCL reported total inventory gain of INR7.9b in 2QFY18 – inventory gain was ~INR4.5b (~USD2.05/bbl) in refining and INR3.4b in marketing. PAT rose 147% YoY (+88% QoQ) to INR17.3b (est. of INR31.9b), benefiting from higher other income of INR7b (est. of INR3.5b; +14% YoY, +7% QoQ).

Core GRM stood at USD5.6/bbl, significantly lower than our estimate of USD9/bbl. Sub-optimal GRM can be attributed to monsoon-related lower offtake of bitumen, which led to higher production of fuel oil. We expect GRM improvement in the coming quarters.

Marketing sales volume grew 9% YoY (-6% QoQ) to 8.7mmt in 2QFY18. Throughput grew 15% YoY (+3% QoQ) to 4.6mmt.

Valuation view: We revise our FY18 estimate downward by 20% to factor in 2QFY18 results; FY19/20 estimates are unchanged. We value HPCL's refining segment at 6x, marketing at 8x, pipeline at 7.5x and add investments to arrive at a TP of INR579 (upside of 38%). HPCL trades at 9.8x FY19E of INR42.8 and 7.1x FY19E EBITDA. We reiterate Buy, although the cloud on valuation for strategic sale to ONGC and non-clarity on the issue of open offer would be a concern.

Standalone - Quarterly Earning Model

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E	FY18	Var. vs est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	447,793	420,306	484,856	514,142	533,848	473,396	508,225	503,524	1,867,097	2,018,993	543,603	-13%
YoY Change (%)	-13.4	0.1	12.9	25.3	19.2	12.6	4.8	-2.1	5.1	8.1	29.3	
Total Expenditure	411,534	408,416	455,903	486,388	518,405	446,170	479,637	476,932	1,762,241	1,921,144	491,116	-9%
EBITDA	36,259	11,890	28,953	27,754	15,443	27,226	28,588	26,592	104,856	97,848	52,487	-48%
Margins (%)	8.1	2.8	6.0	5.4	2.9	5.8	5.6	5.3	5.6	4.8	9.7	
EBITDA adj. for inventory and one-offs	21,567	18,593	18,398	28,203	32,164	21,190	28,588	26,592	86,761	108,533	33,364	-36%
Depreciation	6,108	6,160	6,336	6,749	6,671	6,804	7,806	7,806	25,353	29,087	6,700	2%
Interest	1,250	1,164	530	2,268	1,430	1,563	1,506	1,506	5,212	6,006	1,506	4%
Other Income	2,618	6,188	1,959	5,153	6,540	7,024	3,507	3,507	15,918	20,578	3,507	100%
PBT	31,518	10,755	24,046	23,890	13,883	25,882	22,782	20,786	90,208	83,333	47,787	-46%
Tax	10,534	3,741	8,143	5,702	4,636	8,535	7,593	6,928	28,120	27,691	15,928	-46%
Rate (%)	33.4	34.8	33.9	23.9	33.4	33.0	33.3	33.3	31.2	33.2	33.3	
Reported PAT	20,984	7,013	15,903	18,188	9,247	17,347	15,189	13,858	62,088	55,642	31,860	-46%
YoY Change (%)	32.1	-318.8	52.7	31.0	-55.9	147.4	-4.5	-23.8	68.0	-10.4	354.3	
Margins (%)	4.7	1.7	3.3	3.5	1.7	3.7	3.0	2.8	3.3	2.8	5.9	
Key Assumptions												
Refining throughput (mmt)	4.5	4.0	4.7	4.6	4.5	4.6	4.3	4.3	17.8	17.8	4.3	7%
Core GRM (USD/bbl)	4.8	4.2	3.9	8.5	8.8	5.6	7.1	6.1	5.4	6.9	9.0	-38%
Marketing sales volume incl exports (mmt)	8.9	8.0	9.3	8.9	9.3	8.7	9.2	9.2	35.1	36.4	9.2	-5%
Marketing GM per litre (INR/litre)	4.7	3.5	3.9	4.0	3.2	3.8	4.0	4.0	4.0	3.8	5.9	-35%

E: MOSL Estimates



BSE SENSEX	S&P CNX
33,034	10,225
Bloomberg	NMDC IN
Equity Shares (m)	3,164
M.Cap.(INRb)/(USD\$b)	398.8 / 6.1
52-Week Range (INR)	153 / 103
1, 6, 12 Rel. Per (%)	3/-9/-23
Avg Val, INRm	490
Free float (%)	25.1

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	88.3	108.4	107.6
EBITDA	44.9	60.6	59.7
PAT	31.5	42.1	40.3
EPS (INR)	10.0	13.3	12.7
Gr. (%)	11.7	33.8	-4.3
BV/Sh (INR)	71.2	77.3	82.8
RoE (%)	12.8	15.7	16.3
RoCE (%)	12.2	15.2	15.9
P/E (x)	12.7	9.5	9.9
P/BV (x)	1.8	1.6	1.5

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR126 TP: INR187(+48%)

Buy

Strong operating performance

Some risk to pricing, but valuations are compelling; Buy

2QFY18 adj. EBITDA grew 56% YoY (-21% QoQ) to INR12.8b. The beat of 10% is driven by higher-than-expected realization and lower cost. EBITDA is adjusted for (a) rail line doubling payment of INR92m and (b) expected credit loss of INR726m, which are non-recurring. Adj. PAT grew 42% YoY to INR8.9b.

- n Sales increased 4% YoY (-10% QoQ) to 8.3mt, while production grew 14% YoY (-16% QoQ) to 7.2mt. Share in exports declined 180bp QoQ to 6.2%.
- n Domestic sales realization declined INR103/t QoQ to INR2,836/t, surprising positively (est. of INR2,705/t), due to higher share of Karnataka volumes at 38% (est. of 28%) and higher product and regional premiums. Exports NSR was down USD12/t QoQ to USD64/t.
- n EBITDA per ton declined INR215 QoQ to INR1,549 on lower realization.

Some risk to pricing, but valuations compelling; Reiterate Buy

- n Global iron ore prices have corrected on demand concerns in China due to winter steel production cuts. NMDC's iron ore volumes have suffered in recent months due to price pressure. There is likelihood of price cuts if NMDC has to sustain volume growth. NMDC can supply 20% more volumes without additional capex. We expect ~6% volume CAGR over FY17-20.
- n While there is some risk to iron ore pricing, at CMP – adjusting for the CWIP – valuations at 3.3x FY19E EV/EBITDA are compelling. NMDC has appointed bankers for sale of its steel plant. We thus believe that CWIP deserves at least book value. We value the stock at INR187/share (49% upside), based on 6.5x EV/EBITDA FY19E and book value for CWIP. **Buy**.

Quarterly Performance (Standalone) – INR m

Y/E March	FY17				FY18				FY17	FY18E	FY18 vs Est	2Q (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Production (m tons)	7.6	6.3	9.7	10.4	8.5	7.2	10.6	10.3	35.6	38.3	8.4	-15
Sales (m tons)	7.8	8.0	10.1	9.8	9.2	8.3	10.6	10.3	35.6	38.3	8.4	-1
Avg Dom. NSR (USD/t)	32	31	35	43	46	43	39	39	36	42	41	5
Avg Dom. NSR (INR/t)	2,160	2,093	2,403	2,871	2,938	2,836	2,576	2,576	2,410	2,731	2,705	5
Lumps % (production)	36	36	36	36	36	36	36	36	36	36	36	0
Net Sales	17,207	17,392	24,979	28,717	28,415	24,213	28,236	27,499	88,294	108,363	23,643	2
EBITDA	8,164	8,258	14,226	14,295	16,206	12,852	17,182	14,386	44,944	60,625	11,672	10
EBITDA per ton (USD)	16	15	21	22	27	24	25	21	19	24	21	11
EBITDA per ton (INR/t)	1,050	1,030	1,415	1,463	1,765	1,549	1,627	1,402	1,262	1,583	1,390	11
Interest	81	15	53	59	82	102	0	0	208		0	
Depreciation	560	544	551	307	467	620	616	631	1,962	2,334	601	3
Other Income	3,452	2,735	1,559	1,343	1,286	1,099	804	857	9,088	4,045	812	35
PBT (before EO Item)	10,975	10,434	15,180	15,273	16,944	13,229	17,370	14,611	51,862	62,337	11,883	11
Extra-ordinary item	0	0	-5,972	-2,961	-1,258	-823	0	0	-8,933		0	
PBT (after EO Item)	10,975	10,434	9,208	12,312	15,686	12,406	17,370	14,611	42,929	62,337	11,883	4
Total Tax	3,862	2,727	3,257	7,193	5,994	3,963	5,558	4,676	17,038	20,191	3,803	4
% Tax	35.2	26.1	35.4	58.4	38.2	31.9	32.0	32.0	39.7	32.4	32.0	0
Reported PAT	7,113	7,708	5,952	5,119	9,692	8,443	11,811	9,936	25,891	42,145	8,080	4
Adjusted PAT	6,619	6,293	9,156	9,211	11,455	8,944	11,744	9,879	31,279	42,145	7,974	12

Idea Cellular

BSE SENSEX 33,034 S&P CNX 10,225

CMP: INR95

TP: INR110

Buy

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

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	355.8	295.4	308.0
EBITDA	102.8	60.8	66.6
NP	-4.0	-58.1	-64.9
EPS (INR)	-1.1	-16.1	-18.0
EPS Gr. (%)	-116.2	1,354.3	11.6
BV/Sh. (INR)	68.6	52.5	34.5
RoE (%)	-1.6	-26.6	-41.4
RoCE (%)	1.5	-2.7	-2.9
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	-84.4	-5.8	-5.2
P/BV (x)	1.4	1.8	2.7
EV/EBITDA.x	8.0	12.7	12.2
Div. Yld (%)	0.0	0.0	0.0

EBITDA misses estimate; net loss widens

- Idea's revenue declined 9% QoQ (-20% YoY) to INR74.7b (2% miss; Bharti's 2QFY18 revenue dropped 5% QoQ)
- EBITDA fell 20% QoQ (-47% YoY) to INR15b (2% miss; Bharti's 2QFY18 EBITDA dropped 5% QoQ).
- EBITDA margin thus contracted 290bp QoQ (-10.4pp YoY) to 20.1%.
- Net loss widened to INR11.1b (better than est. of INR17.8b loss) from INR8.1b in the previous quarter, led by lower EBITDA and increasing D&A.

Key metrics

- Subs base at 182m v/s 189m in the previous quarter.
- ARPU dropped 7% QoQ to INR130.
- Voice revenue of INR56b declined 9%/13 QoQ/YoY (2% below est.).
- Voice ARPU stood at INR100, down 7% QoQ.
- Voice traffic grew 2% QoQ to 255b, offset by a 10% QoQ RPM decline to INR0.218 due to unlimited plans and high proportion of incoming traffic.
- MOU increased 4% QoQ to 459.
- Data revenue of INR12b declined 13%/41% QoQ/YoY (2% below est.).
- Data ARPUs dropped 12% QoQ to INR105; data subscribers were flat QoQ.
- Data traffic rose 74% QoQ to 438m GBs, while ARMB fell 50% QoQ to INR0.027/MB.
- Data usage/subs improved to 3.8GBs, up 72% QoQ.
- Consolidated net debt stood at INR541b v/s INR539b in FY17.
- Incurred capex of INR19.8b. H1 capex at INR31.5b. FY18E capex guidance at INR60b.
- Broadband site addition at 16,300 – a steady pace.
- Vodafone-Idea announced tower sale to ATC at INR78.5b (20,000 towers and 33,000 tenancies combined).
- Deal valued at EV of INR3.9m/tower and INR2.9m/tenancy (factoring in 6,300 tenancy cuts due to merger). This is at a 6% discount to Bharti Infratel's EV of INR3.3m/tenancy.

Valuation view: We will revisit our estimates post the earnings call. The stock is trading at EV/EBITDA of 11.2x of FY19E. We have a **Buy** rating with a TP of INR110.

Quarterly performance

Consolidated P&L (INR m)	2QFY17	1QFY18	2QFY18	YoY%	QoQ%	1QFY18E	v/s est (%)
Revenue	93,002	81,665	74,655	-19.7	-8.6	76,001	-1.8
EBITDA	28,401	18,754	15,016	-47.1	-19.9	15,332	-2.1
EBITDA margin (%)	30.5	23.0	20.1	-1042bps	-285bps	20.2	-6bps
Depreciation and amortization	19,543	20,679	21,143	8.2	2.2	22,865	-7.5
EBIT	8,858	-1,925	-6,127	-169.2	218.3	-7,533	-18.7
EBIT margin (%)	9.5	-2.4	-8.2	-1773bps	-585bps	-9.9	171bps
Net Finance Costs	8,753	11,539	11,829	35.1	2.5	11,131	6.3
Profit before Tax	105	-13,464	-17,956	-17228.7	33.4	-18,664	-3.8
Share of Associates	1,057	818	843	-20.2	3.1	834	1.0
Adj Tax	247	-4,497	-6,047	-2545.8	34.5	0	-
Tax rate (%)	21.3	35.6	35.3	1406bps	-22bps	0.0	3534bps
Profit after Tax	915	-8,149	-11,066	-1309.9	35.8	-17,830	-37.9



P&G Hygiene

BSE SENSEX	S&P CNX
33,034	10,225
Bloomberg	PG IN
Equity Shares (m)	32.5
M.Cap.(INRb)/(USD\$b)	286 /4.4
52-Week Range (INR)	8925 / 6139
1, 6, 12 Rel. Per (%)	-1/0/3
Avg Val, INRm/ Vol m	47
Free float (%)	29.4

Financials & Valuations (INR b)

Y/E March	FY17	FY18E	FY19E
Net Sales	23.2	26.8	31.3
EBITDA	6.6	7.9	9.0
NP	4.3	4.9	5.7
EPS (INR)	132.9	151.5	176.7
EPS Gr. (%)	2.3	14.0	16.6
BV/Sh. (INR)	212.2	255.8	306.4
RoE (%)	39.3	64.8	62.9
RoCE (%)	40.2	66.1	63.9
P/E (x)	65.7	57.6	49.4
P/BV (x)	41.1	34.1	28.5

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR8,729 TP: INR9,267 (+6%)

Neutral

Healthy operating performance, fair valuations

- 1QFY18 (June year-end) net sales grew 9.5% YoY (est. of -2.4%) to INR6.6b. EBITDA grew impressively by 24.0% YoY (est. of +19%) to INR1.15b. Adj. PAT rose 10.6% YoY (est. of +11.5%) to INR1.16b. Management called out a strong performance in the feminine hygiene and healthcare segments.
- EBITDA margin expanded 330bp YoY to 28.5% in 1QFY18. The company recorded operating margin expansion, despite gross margin contraction of 50bp YoY to 57.8%. Other expenses increased 30bp YoY as % sales, but there was an 180bp/230bp reduction in staff costs/A&P. While some of the gains were attributed to lower costs due to GST accounting, we expect A&P to be higher for the rest of the year.
- Other income declines sharply: As a result of the massive INR12b dividend payout toward the end of FY17, other income declined sharply to INR35m in the quarter from INR225m in 1QFY17. We note that the decline, albeit expected, was sharper than our estimate. PAT (in-line) growth was therefore not as impressive as EBITDA growth.
- Valuation view: There is no material change to our EPS forecast. In our view, two factors make PGHH a highly attractive long-term core holding: (1) huge category growth potential in the feminine hygiene segment (~70% of sales) and potential for market share growth because of its considerable moats – a combination of which provides it with a significant competitive advantage versus other consumer peers, and (2) potentially huge margin gains from premiumization over the longer term in feminine hygiene. With the payout of the huge cash pile, RoCEs have more than doubled and investor concerns have been addressed. Moreover, unlike peers, P&GHH (June year-end) had the disadvantage of both demonetization and GST-led down-stocking in the same year. It should thus enjoy a highly favorable base going forward. Nevertheless, near-term valuations appear expensive due to lower other income in FY18/FY19E v/s earlier years. While PGHH remains one of our top long-term picks, valuations of 49.4x/41.7x FY19/FY20E EPS are fair. Maintain **Neutral**.

Standalone - Quarterly Earning Model

Y/E June	FY17				FY18				FY17	FY18E	FY18	Var. (%)
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE				
Net Sales	6,004	6,432	5,739	5,029	6,576	7,655	6,600	5,984	23,208	26,813	5,863	12.2%
YoY Change (%)	11.5	-2.4	5.5	-5.8	9.5	19.0	15.0	19.0	2.0	15.5	-2.4	
Total Expenditure	4,493	4,146	4,201	3,718	4,701	5,228	4,804	4,213	16,560	18,946	4,066	
EBITDA	1,512	2,286	1,538	1,311	1,875	2,426	1,795	1,771	6,648	7,867	1,797	4.3%
Growth	55.9	5.7	15.3	-17.7	24.0	6.1	16.8	35.1	9.8	18.3	19	
Margins (%)	25.2	35.5	26.8	26.1	28.5	31.7	27.2	29.6	28.6	29.3	30.6	
Depreciation	127	132	142	197	128	157	157	157	561	649	157	
Interest	4	43	13	44	4	8	9	9	104	52	8	
Other Income	225	208	232	108	35	45	60	70	726	240	120	
PBT	1,605	2,320	1,614	1,179	1,777	2,306	1,689	1,675	6,709	7,406	1,752	1.5%
Tax	561	814	618	398	622	773	566	561	2,388	2,481	587	
Rate (%)	34.9	35.1	38.3	33.8	35.0	33.5	33.5	33.5	35.6	33.5	33.5	
Adj PAT	1,044	1,506	996	780	1,156	1,534	1,123	1,114	4,320	4,925	1,165	-0.8%
YoY Change (%)	50.1	2.8	2.6	-28.6	10.6	1.8	12.7	42.8	55.8	14.0	11.5	
Margins (%)	17.4	23.4	17.4	15.5	17.6	20.0	17.0	18.6	18.6	18.4	19.9	

E: MOSL Estimates



Gujarat State Petronet

BSE SENSEX	S&P CNX
33,315	10,332
Bloomberg	GUJS IN
Equity Shares (m)	563.0
M.Cap.(INR b)/(USD b)	101.5/ 1.6
52-Week Range (INR)	223 / 119
1, 6, 12 Rel. Per (%)	7/14/17
12M Avg Val (INR M)	134
Free float (%)	62.3

Financials & Valuations (INR b)

Y/E Mar	2018E	2019E	2020E
Sales	13.5	14.4	15.7
EBITDA	11.9	12.7	13.9
Adj. PAT	6.8	7.4	8.5
Adj. EPS (INR)	12.1	13.2	15.2
EPS Gr. (%)	37.9	8.7	14.8
BV/Sh.(INR)	89.2	99.5	111.3
RoE (%)	14.4	14.0	14.4
RoCE (%)	12.2	11.9	12.3
P/E (x)	17.7	16.3	14.2
P/BV (x)	2.4	2.2	1.9

Estimate change

TP change

Rating change

CMP: INR215

TP: INR184 (-14%)

Neutral

EBITDA below estimate; in-line transmission volumes

Reported revenue rose 31% YoY (+13% QoQ) to INR3.3b, falling short of our estimate of INR3.6b, primarily due to lower implied tariffs. EBITDA of INR2.9b (+27% YoY, +3% QoQ) was below our estimate of INR3.1b due to higher O&M expenses of INR123/mscm (+59% YoY, +144% QoQ). PAT came in at INR1.8b (in-line; +36% QoQ, +16% YoY) – the difference at PAT level declined due to (a) lower depreciation at INR438m (est. of INR507m; flat YoY, +2% QoQ), (b) lower interest cost at INR90m (est. of INR145m, -39% YoY, -14% QoQ), which is believed to be led by higher debt repayment from the company, (c) higher other income at INR278m (est. of INR253m; -8% YoY, +69% QoQ) and (d) a lower tax rate at 32% (est. of 34.3%; 36.2% in 1QFY18 and 33.9% in 2QFY17).

In-line transmission volumes; lower implied tariff

- Transmission volume grew 28% YoY (+17% QoQ) to 31.6mmscmd (in-line) in 2QFY18, which is believed to be led by higher offtake from the power sector.
- Implied transmission tariff stood at INR1,112/mscm (est. of INR1,200; +3% YoY, -4% QoQ).

Valuation and view

- We model (a) transmission tariff of INR1,200/mscm in FY19/20E v/s actual INR1,112 in 2QFY18 and (b) volume of 32/35mmscmd in FY19/FY20 v/s actual 31.6mmscmd in 2QFY18.
- Medium-term risk is some volumes (~5mmscmd) going away with the start of RIL's petcoke gasification project. For every 5% variation in volumes/tariff, earnings change by ~6%. The stock trades at 16.3x FY19E adj. EPS of INR13.2. Our 10x FY19E P/E based TP stands at INR184. Strong valuations leave no room for upside, in our view. Maintain **Neutral**.

Quarterly Performance

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E	FY18	Var. vs est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	2,579	2,564	2,668	2,446	2,963	3,348	3,559	3,653	10,256	13,524	3,569	-6.2%
Change (%)	-0.5	-0.7	3.4	5.5	14.9	30.6	33.4	49.3	1.8	31.9	39.2	
EBITDA	2,330	2,245	2,275	2,013	2,760	2,855	3,119	3,211	8,864	11,945	3,129	-8.7%
% of Net Sales	90.4	87.6	85.3	82.3	93.1	85.3	87.6	87.9	86.4	88.3	87.6	
% Change	2.6	-3.8	0.6	-1.6	18.4	27.2	37.1	59.5	-0.5	34.8	39.4	
Depreciation	430	436	465	460	430	438	507	655	1,791	2,030	507	-13.6%
Interest	167	148	165	116	106	90	130	203	596	529	145	-37.6%
Other Income	147	304	177	273	164	278	253	316	901	1,012	253	10.0%
PBT	1,881	1,965	1,822	1,710	2,389	2,605	2,735	2,670	7,378	10,399	2,730	-4.6%
Tax	668	666	636	441	864	836	939	917	2,411	3,554	937	-10.8%
Rate (%)	35.5	33.9	34.9	25.8	36.2	32.1	34.3	34.3	32.7	34.2	34.3	
PAT	1,213	1,298	1,186	1,270	1,525	1,770	1,796	1,754	4,966	6,845	1,793	-1.3%
Adj. PAT	1,213	1,298	1,186	1,270	1,525	1,770	1,796	1,754	4,966	6,845	1,793	-1.3%
Change (%)	8	7	-9	28	26	36	52	38	7	38	38	
EPS (INR)	2.2	2.3	2.1	2.3	2.7	3.1	3.2	3.1	8.8	12.2	3.2	-1.3%
Transmission Vol. (mmscmd)	25.1	24.6	26.2	23.4	26.9	31.6	32.0	30.0	24.8	30.1	31.0	1.8%
Implied adj. tariff (INR/mscm)	1,073	1,079	1,095	1,197	1,157	1,112	1,200	1,330	1,111	1,200	1,200	-7.3%

E: MOSL Estimates



Jagran Prakashan

BSE SENSEX	S&P CNX
33,034	10,225
Bloomberg	JAGP IN
Equity Shares (m)	327
M.Cap.(INRb)/(USDb)	56.0/ 0.9
52-Week Range (INR)	210 / 163
1, 6, 12 Rel. Per (%)	-5/-20/-30
Avg Val, INRm	44
Free float (%)	39.2

CMP: INR173 TP: INR225(+30%) Buy

Print ad market yet to recover

- PAT down 19% YoY on weak revenue growth, higher cost:** Consol. revenue increased 2% YoY to INR5.7b (4% miss) in 2QFY18. Consol. EBITDA declined 9.4% YoY (15% miss), with the margin contracting 310bp YoY to 24.5% due to higher employee/other expenses. Advertising revenue increased marginally by 1% YoY (in-line) to INR3.5b, while circulation revenue was flat YoY at INR1.1b. PAT declined 19% YoY to INR695m due to a 10% increase in D&A, partly cushioned by lower interest cost and higher other income.
- Dainik Jagran drags overall growth:** A look at the business-wise performance indicates a 10% YoY decline in Dainik Jagran EBITDA due to flat revenues and 310bp margin contraction. Other Publication's revenue grew 5% YoY, with EBITDA improvement of 140% YoY on a low base. Radio revenue increased 10% YoY to INR758m due to one-offs, with EBITDA down 16% YoY. Management highlighted that revenue growth was impacted by muted Retail and Government ads.
- Outlook remains weak; expect FY18 revenue/PAT growth of 4%/6%:** Management indicated that the outlook for Government and Retail (combined contribution of 50%+ of revenues) ad revenue remains weak due to continued GST-related hiccups. A recovery in national ad spend offers some comfort, though. Nevertheless, we cut FY18E revenue/EBITDA for JAGP by 3%/7% due a weak 2QFY18 performance and a subdued outlook, building in FY18E revenue/PAT growth at 4%/6%. Thereafter, FY19E could be better, with revenue/PAT growth of 10%/19%.
- Maintain Buy with TP of INR225:** The stock is trading at a P/E of 15x/13x on FY18/19E. We have valued the stock at 16x (~10% discount to 10-year average P/E) on FY19E EPS of INR13.4, maintaining our TP of INR225. We believe a recovery in the ad market in 1-2 quarters should help JAGP garner better valuations.

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	22.8	25.0	27.5
EBITDA	6.4	7.1	7.9
PAT	3.5	3.9	4.4
EPS (INR)	10.8	12.2	14.0
Gr. (%)	2.7	13.0	15.1
BV/Sh (INR)	73.7	74.3	86.3
RoE (%)	17.6	16.3	17.3
RoCE (%)	15.2	14.6	15.6
P/E (x)	16.3	14.5	12.6
P/BV (x)	2.4	2.4	2.0

Estimate change	↔
TP change	↔
Rating change	↔

Quarterly Performance (Consolidated)

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E	2QFY18	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Total Rev. from Operations	5,644	4,590	5,005	5,620	5,913	5,672	6,230	6,702	20,860	24,518	5,913	-4.2
YoY Change (%)	17.3	-11.6	-13.2	6.1	4.8	23.6	24.5	19.3	-1.0	17.5	6.6	
Total Expenditure	4,086	3,377	3,454	4,180	4,301	4,437	4,437	4,437	15,097	17,611	4,290	-0.3
EBITDA	1,558	1,213	1,551	1,441	1,612	1,235	1,793	2,266	5,762	6,907	1,622	-14.6
Margins (%)	27.6	26.4	31.0	25.6	27.3	21.8	28.8	33.8	27.6	28.2	27.4	-297bps
Depreciation	302	195	208	351	328	338	338	338	1,055	1,342	338	0.5
Interest	102	89	50	81	72	79	79	79	322	308	79	-6.0
Other Income	93	164	81	128	120	190	190	190	467	692	194	-35.5
PBT	1,248	1,094	1,373	1,137	1,333	1,009	1,567	2,039	4,852	5,948	1,400	-21.6
Tax	407	339	482	327	446	333	517	673	1,555	1,969	462	-18.8
Rate (%)	32.6	31.0	35.1	28.7	33.5	33.0	33.0	33.0	32.0	33.1	33	118bps
MI & P/L of Asso. Cos.	3	0	0	0	21	0	0	0	3	21		
Adj PAT	838	754	891	811	865	676	1,050	1,366	3,295	3,957	938	-25.9
YoY Change (%)	-11.6	-6.4	-4.5	1.2	3.2	-10.4	17.8	68.5	-7.5	20.1	10.0	

Sadbhav Engineering

BSE SENSEX 33,034
S&P CNX 10,225

CMP: INR316

TP: INR385

Buy

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

Conference Call Details



Date: 14th Nov 2017

Time: 4:30pm IST

Dial-in details:

+91-22-3960 0637

Financials & Valuations (INR b)

Y/E Mar	2018E	2019E	2020E
Net Sales	38.4	45.0	53.6
EBITDA	4.3	5.1	6.1
NP	2.4	2.5	2.9
EPS (INR)	14.3	14.5	17.0
EPS Gr. (%)	30.4	1.8	17.1
BV/Sh. (INR)	109.7	122.8	138.4
RoE (%)	13.8	12.5	13.0
RoCE (%)	9.0	10.2	10.8
P/E (x)	22.2	21.8	18.6
P/BV (x)	2.9	2.6	2.3

Revenue miss but PAT exceeds estimates

- Revenue increased 12.6% YoY to INR6.9b, 8% below our estimate of INR7.5b. EBIDTA rose 20% YoY to INR788m, in line with our estimate of INR797m. EPC revenue grew strongly by 34% YoY to INR6.1b, while irrigation segment declined by 67% YoY, mining by 28% YoY and power generation by 14% YoY.
- EBIDTA margin stood at 11.4% (-80bp YoY), ahead of our estimate of 10.6%.
- PAT rose 81% YoY to INR335m, 15% ahead of our estimate of INR291m, on account of tax write-back taken by the company.
- Tax rate for the quarter stood at -2.6%, as against our estimate of 5%.

Valuation and view: We will revisit our estimates post the earnings call. The stock trades at 22.2x/21.8x FY18E/19E EPS. Maintain **Buy** with a TP of INR385.

Standalone - Quarterly performance

Y/E March	(INR M)								FY17	FY18	MOSL 2QFY18	Variance (%)
	FY17				FY17							
	1Q	2Q	3QE	4QE	1Q	2Q	3QE	4QE				
Net Sales	8,070	6,156	8,648	10,329	9,444	6,931	9,975	12,016	33,203	38,365	7,530	-8
YoY Change (%)	-2.7	-17.5	14.8	20.4	17.0	12.6	15.3	16.3	4.2	15.5	22.3	
Total Expenditure	7,201	5,503	7,710	9,233	8,376	6,143	8,701	10,858	29,647	34,078	6,733	
EBITDA	868	654	938	1,096	1,068	788	1,274	1,158	3,556	4,286	797	-1
Margins (%)	10.8	10.6	10.8	10.6	11.3	11.4	12.8	9.6	10.7	11.2	10.6	
Depreciation	254	253	250	243	245	251	251	257	1,000	1,005	245	
Interest	172	221	243	355	322	215	263	253	992	1,054	285	
Other Income	48	8	60	218	39	5	88	218	333	350	39	
PBT before EO expense	489	187	505	716	540	327	847	865	1,897	2,578	306	7
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	489	187	505	716	540	327	847	865	1,897	2,578	306	
Tax	2	1	-19	33	-15	-8	42	110	18	129	15	
Rate (%)	0.5	0.8	-3.7	4.7	-2.8	-2.6	5.0	12.7	1.0	5.0	5.0	
Reported PAT	487	185	524	682	555	335	804	755	1,878	2,449	291	
Adj PAT	487	185	524	682	555	335	804	755	1,878	2,449	291	15
YoY Change (%)	20.0	-50.2	89.7	38.7	14.0	80.8	53.4	10.7	22.1	30.4	56.9	
Margins (%)	6.0	3.0	6.1	6.6	5.9	4.8	8.1	6.3	5.7	6.4	3.9	

E: MOSL Estimates

J K Lakshmi Cement

BSE SENSEX	S&P CNX
33,034	10,225
Bloomberg	JKLC IN
Equity Shares (m)	117.7
M.Cap.(INRb)/(USDb)	52.1 / 0.8
52-Week Range (INR)	514 / 253
1, 6, 12 Rel. Per (%)	12/-25/-17
Avg Val, INRm	60.0
Free float (%)	54.1

Financials & Valuations (INR b)

Y/E Mar	2018E	2019E	2020E
Net Sales	36.0	40.5	45.8
EBITDA	5.0	6.4	7.4
PAT	1.4	2.2	3.0
EPS (INR)	12.1	19.1	25.2
Gr. (%)	74.3	57.2	32.3
BV/Sh (INR)	128.4	146.2	170.3
RoE (%)	9.9	13.9	15.9
RoCE (%)	8.1	9.5	11.5
P/E (x)	36.0	40.5	45.8
P/BV (x)	5.0	6.4	7.4

Estimate change



TP change



Rating change



CMP: INR439 TP: INR512 (+16%)

Buy

EBITDA beat led by higher-than-estimated realization

- Healthy realization in Gujarat market:** JKLC's volume increased 10% YoY (-17% QoQ) to 1.89mt (est. of 1.92mt), as capacity expansion led to strong volume growth in east. Realization rose 8% YoY (+4% QoQ) to INR4,109 (est. of INR3,814), led by healthy pricing in Gujarat markets and supported by a change in commercial terms. Revenue grew 18% YoY (-14% QoQ) to INR7.7b (est. of INR7.3b), while EBITDA increased 2% YoY (-21% QoQ) to INR954m (margin: 12.3%; -2pp YoY, -1pp QoQ) v/s our estimate of INR688m, translating into EBITDA/ton of INR505 (-INR40/t YoY, -INR22/t QoQ; estimates of INR358/t). Net profit stood at INR132m (-47% YoY) v/s estimate of a loss of INR107m due to higher-than-estimated EBITDA.
- Cost push dents profitability:** Unitary cost per tonne for JKLC increased 10% YoY (+5% QoQ) due to higher petcoke prices. Freight cost/t increased 16% QoQ to INR1,082 due to a change in commercial terms. The increase in road freight rates was partially negated by a decline in lead distance.
- Management commentary:** 1) JKLC's north volume rose 6% YoY to 1.45mt, while east volume was up 27% YoY to 0.445mt in 2QFY18. 2) EBITDA/t differential between north and east is around INR400/t (INR300/t due to cost differential and realization difference of INR100/t). 3) Commissioning of WHRS and thermal power plant in east should reduce cost by INR250/t for the region. 4) OPC is 41%, PPC is 55% and slag is 5% of overall volumes.
- Market mix favorable:** We remain positive on JKLC due to its higher exposure to north/central markets, which we believe are likely to see highest realization increase due to utilization improvement. However, a turnaround in east operations would be a key monitorable. The stock trades at 9.5x/7.6x FY19E/FY20E EV/EBITDA, and USD76/70 per ton on FY19/FY20 capacity. We value JKLC at EV of 9x FY20 EV/EBITDA (implied EV of USD 80 on FY20 capacity), translating to INR512/share. Maintain **Buy**.

Quarterly performance

Y/E March	(INR Million)											
	FY17				FY18				FY17	FY18E	2QE	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Sales Dispatches (m ton)	2.12	1.72	1.84	2.28	2.29	1.89	2.02	2.41	7.97	8.61	1.92	-2
YoY Change (%)	27.9	-1.7	4.0	6.0	8.0	10.0	10.0	5.5	8.7	8.0	11.0	
Realization (INR/ton)	3,673	3,816	3,645	3,531	3,944	4,109	4,259	4,379	3,651	4,176	3,814	8
YoY Change (%)	2.9	3.3	-0.5	3.5	7.4	7.7	16.9	24.0	2.2	14.4	0.6	
QoQ Change (%)	7.7	3.9	-4.5	-3.1	11.7	4.2	3.7	2.8			-3.3	
Net Sales	7,772	6,556	6,709	8,067	9,011	7,767	8,624	10,550	29,104	35,952	7,320	6
YoY Change (%)	31.6	1.5	3.5	9.7	15.9	18.5	28.6	30.8	11.1	23.5	11.7	
EBITDA	1,175	937	826	716	1,203	954	1,166	1,664	3,654	4,988	688	39
Margins (%)	15.1	14.3	12.3	8.9	13.4	12.3	13.5	15.8	12.6	13.9	9.4	
Depreciation	412	412	443	457	439	447	440	437	1,724	1,763	440	
Interest	463	471	486	466	492	489	450	438	1,887	1,869	471	
Other Income	104	179	152	263	102	169	100	57	698	428	100	
PBT	404	233	49	55	374	188	376	846	742	1,785	-123	-253
Tax	118	-16	-27	-152	91	56	75	135	(77)	357	-16	
Rate (%)	29.1	-6.8	-54.5	-274.5	24.4	29.6	20.0	15.9	-10.4	20.0	12.8	
Adj PAT	286	249	76	207	283	132	301	712	819	1,428	-107	
YoY Change (%)	-244.1	-545.5	-1,433.3	-19.8	-1.2	-46.9	295.9	242.9	-1,694.8	74.3	-143.0	
Margins (%)	3.7	3.8	1.1	2.6	3.1	1.7	3.5	6.7	2.8	4.0	-1.5	

E: MOSL Estimates



Shilpa Medicare

BSE SENSEX	S&P CNX
33,034	10,225
Bloomberg	SLPA IN
Equity Shares (m)	80
M.Cap.(INRb)/(USD\$b)	52.7 / 0.8
52-Week Range (INR)	787 / 528
1, 6, 12 Rel. Per (%)	-6/-14/-8
Avg Val, INRm	41
Free float (%)	45.3

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	7.8	8.7	10.9
EBITDA	1.8	2.0	2.7
PAT	1.1	1.5	2.4
EPS (INR)	14.0	18.1	29.9
Gr. (%)	6.2	29.3	65.1
BV/Sh (INR)	114.4	131.5	159.8
P/E(x)	47.0	36.3	22.0
P/B (x)	5.8	5.0	4.1
ROE (%)	14.4	14.7	20.5
RoCE (%)	11.5	11.2	16.2

CMP: INR658 TP: INR797 (+21%)

Buy

Margins driven by superior product mix; remains aggressive in filings

- Strong growth in sales post adjusting for shift in business to JV:** Sales fell 3.4% YoY to INR2b, but were better than our estimate of INR1.9b. The sales decline can be ascribed to the transfer of the CRAMS business to a JV (since 3QFY17). Excluding the impact of this transfer, sales growth stands higher at 24% (led by addition of formulations and healthy traction in Onco-API).
- Superior product mix drives margins:** Gross margin expanded 970bp YoY to 58%, led by a superior product mix and higher income from exhibit batches. EBITDA margin of 27.8% expanded at a lower rate due to higher R&D and other expenses. Loss in JV and higher tax led to a PAT decline of 12% YoY to INR336m.
- Stable US sales from approved products:** SLPA had US formulation sales of ~INR200m in 2QFY18 from two products. The company continued gaining market share in g-Vidaza. SLPA has filed eight ANDAs in 1HFY18, taking the total to 33 (only two approved till date).
- Changes in estimates to factor in shift of CRAMS business to JV:** We have cut our sales estimates by 19%/22%/22% for FY18E/19E/20E to factor in the shift of the CRAMS business to the JV. We cut EPS estimate for FY18 by 16% to factor in lower profitability of JV due to lower capacity utilization. We marginally reduce our earnings estimate for FY19 and FY20, as we expect profitability from JV business to be back on track, with likely entry into newer markets from Q4FY18. Accordingly, we revise our price target to INR797 (prior: INR805), valuing at 25x 12M forward earnings.
- Valuation view:** We continue to like SLPA on aggressive ANDA filings and transformation from a pure API play to integrated formulator. Reiterate **Buy**.

Quarterly performance

	FY17				FY18E				FY17	FY18E	FY18 2QE	vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	1,672	2,113	1,836	2,237	1,685	2,040	2,423	2,548	7,858	8,696	1,930	5.7
YoY Change (%)	11.7	21.1	-8.2	13.1	0.8	-3.4	32.0	13.9	8.8	10.7	-8.6	
Total Expenditure	1,339	1,624	1,487	1,650	1,344	1,473	1,879	2,000	6,100	6,696	1,525	
EBITDA	333	489	348	587	341	567	544	548	1,758	2,000	405	39.8
Margins (%)									22.4	23.0	21.0	
Depreciation	70	75	78	78	84	83	95	100	300	362	82	
Interest	7	6	7	7	5	5	9	12	27	32	5	
Other Income	24	37	40	79	52	53	40	35	180	180	75	
PBT before EO expense	280	446	304	581	303	531	480	471	1,610	1,786	393	35.0
Share of P/L in Associate/ JV	-62	54	-37	-7	28	-76	55	92	0	99	30	
EO expense	0	0	0	45	0	0	0	0	45	0	0	
PBT	342	391	340	633	275	607	425	379	1,655	1,687	363	67.0
Tax	80	124	97	147	90	119	107	117	447	434	114	
Rate (%)	36.5	24.7	36.1	27.8	27.2	26.2	20.0	20.8	28.5	23.0	27.0	
Minority Interest & Profit/Loss	-9	-6	-4	-8	0	0	0	0	-27	0	0	
Reported PAT	147	382	175	390	241	336	428	446	1,145	1,452	309	8.6
Adj PAT	147	382	175	423	241	336	428	446	1,178	1,452	309	8.6
YoY Change (%)	-5.3	52.4	-37.1	7.7	64.0	-12.2	145.5	5.5	388.4	332.3	-24.9	
Margins (%)	8.8	18.1	9.5	18.9	14.3	16.5	17.7	17.5	15.0	16.7	14.9	

E: MOSL Estimates



Ashoka Buildcon

BSE SENSEX	S&P CNX
33,315	10,322
Bloomberg	ASBL IN
Equity Shares (m)	187.1
M.Cap.(INRb)/(USDb)	40.2 / 0.6
52-Week Range (INR)	243 / 137
1, 6, 12 Rel. Per (%)	8/-11/7
Avg Val, INRm	69
Free float (%)	43.4

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	29.8	33.7	38.7
EBITDA	8.9	9.7	10.8
PAT	-0.1	0.3	1.3
EPS (INR)	-0.5	1.8	7.1
Gr. (%)	-41.0	-442.5	289.9
BV/Sh (INR)	89.3	96.5	101.2
RoE (%)	-0.6	1.9	7.1
RoCE (%)	9.5	9.8	10.2
P/E (x)	NM	118.7	30.5
P/BV (x)	2.4	2.2	2.1

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR208 TP: INR260(+25%)

Buy

Operating performance below expectation

- EPC biz impacted by project-specific issues, contract renegotiations:** Revenue fell 14% YoY to INR3.9b in 2QFY18, below our estimate of INR4.9b, led by: a) work disruption for 50 days at the eastern peripheral highway project, b) contract renegotiations with vendors post GST rollout (impacted supply for power T&D projects), and c) flood situation in Bihar (hurt project execution). ASBL, however, expects revenue to recover in 2HFY18. EBIDTA declined 22% YoY to INR614m, in line with our estimate of INR618m. PAT fell 28% YoY to INR327m, 10% below our estimate of INR364m.
- Order backlog healthy at INR61b; provides revenue visibility for two years:** ASBL's order backlog stands healthy at INR61b, providing revenue visibility of the next two years. Order inflow in 2QFY18 remained absent, given weak order awarding activity in the road and power T&D segments. Road sector constitutes 72% of order backlog and power T&D for the rest. ASBL expects ordering activity to pick up in 2HFY18.
- BoT exhibits healthy revenue growth:** ASBL's BoT portfolio grew strongly by 16% YoY in 2Q, led by a pick-up in Belgaum Dharwad (+17% YoY), Dhankuni Kharagpur (+16% YoY), Jaora Nayagaon (+18% YoY), and Sambalpur (+16% YoY). During the year, Belgaum, Dhankuni and Sambalpur has taken a tariff hike of 4% YoY, along with Jaora Nayagaon (7%) and Bhandara and Durg (3.5%). Bhandara and Durg continue to witness muted growth. Equity investment of INR700m will be infused by ASBL for the road projects. Anandpuram Ranastalam road projects have achieved financial closure.
- Valuation view:** ASBL is well placed to benefit from upcoming opportunities in the roads sector, given its well-funded balance sheet. Its healthy order book lends confidence about EPC revenue CAGR of 19% over FY17-19E. We value the company on SoTP basis with a target price of INR260.

Quarterly Performance (Standalone)

Y/E March	FY17				FY18				FY17E	FY18E	2Q	Var (%)
	1Q	2Q	3QE	4QE	1Q	2Q	3QE	4QE				
Net Sales	4,683	4,518	5,240	6,100	7,320	3,895	6,235	7,491	21,170	24,941	4,908	-21
YoY Change (%)	-1.4	-3.4	18.2	10.6	56.3	-13.8	19.0	22.8	9.2	17.8	10.9	
Total Expenditure	4,088	3,730	4,620	5,463	6,253	3,281	5,456	6,532	17,854	21,522	4,290	
EBITDA	596	788	620	636	1,067	614	779	958	3,316	3,419	618	-1
Margins (%)	12.7	17.4	11.8	10.4	14.6	15.8	12.5	12.8	15.7	13.7	12.6	
Depreciation	123	130	107	147	113	130	136	189	507	569	125	
Interest	76	80	90	181	129	116	124	193	474	562	124	
PBT before EO expense	478	578	538	740	824	368	519	576	2,334	2,288	520	-29
PBT	478	578	538	740	824	368	519	576	2,334	2,288	520	-29
Tax	170	124	111	87	205	41	182	236	492	664	156	
Rate (%)	35.5	21.4	20.7	11.7	24.9	11.2	35.0	40.9	21.1	29.0	30.0	
Reported PAT	308	454	427	654	619	327	338	341	1,842	1,625	364	-10
Adj PAT	308	454	427	654	619	327	338	341	1,842	1,625	364	-10
YoY Change (%)	-32.7	44.2	88.0	-343.7	101.0	-28.1	-20.9	-47.9	62.0	-11.8	-19.7	
Margins (%)	6.6	10.1	8.1	10.7	8.5	8.4	5.4	4.6	8.7	6.5	7.4	

E: MOSL Estimates

BSE SENSEX	S&P CNX
33,315	10,322

CMP: INR263 TP: INR298 (13%)

Buy

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

Conference Call Details



Date: 14th Nov 2017

Time: 12.00pm IST

Dial-in details:

+91-22-3938 1071

Results below estimates

- SHKL's overall revenue declined 9.5% YoY to INR2,219m (est. of INR2,953m) in 2QFY18. The fragrance business reported de-growth of 12.1% YoY to INR1,943m, while the flavor business reported growth of 17% YoY to INR266m.
- EBITDA margin shrunk 110bp YoY to 16% (est. of 17.7%) in 2QFY18. EBITDA during the quarter declined 16% YoY to INR355m (est. of INR523m).
- Gross margin improved by a healthy 400bp to 48.4%, offset by a 150bp increase in employee cost and a 360bp rise in other expenses.
- Segment-wise PBIT margin: Fragrance: 16% v/s 16.1% YoY. Flavors: 15.9% v/s 15% YoY.
- Consequently, adj. PAT declined 22.4% YoY to INR189m (est. of INR333m).

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Sales	10.6	11.2	13.2
EBITDA	1.7	1.7	2.2
NP	1.0	1.1	1.4
Adj EPS (INR)	7.2	7.6	9.9
EPS Gr. (%)	43.5	4.9	30.5
BV/Sh (INR)	56.1	61.5	68.6
RoE (%)	13.7	12.9	15.2
RoCE (%)	19.0	18.9	22.8

Valuations

P/E (x)	36.3	34.6	26.5
P/BV (x)	4.7	4.3	3.8
EV/EBITDA (x)	23.0	21.7	17.1

Valuation view: We will revisit our estimates/rating post the earnings call. Based on our current estimates, at CMP of INR263, the stock trades at 35x/27x P/E on FY18/FY19E EPS. We have a **Buy** rating on the stock.

Consolidated - Quarterly Earning Model

Y/E March	(INR Million)											
	FY17				FY18				FY17	FY18E	FY18	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Net Sales	2,768	2,453	2,319	2,698	2,529	2,219	2,620	3,102	10,237	10,471	2,953	-25
YoY Change (%)	25.2	9.8	-5.3	-6.5	-8.6	-9.5	13.0	15.0	4.7	2.3	12.0	
Total Expenditure	2,294	2,032	2,101	2,328	2,102	1,865	2,309	2,625	8,762	8,900	2,430	
EBITDA	474	420	218	370	427	355	312	478	1,475	1,571	523	-32
Margins (%)	17.1	17.1	9.4	13.7	16.9	16.0	11.9	15.4	14.4	15.0	17.7	
Depreciation	44	49	48	53	58	57	51	60	194	226	50	
Interest	17	22	2	10	6	11	3	6	51	26	6	
Other Income	32	25	19	40	38	12	25	44	115	119	33	
PBT before EO expense	444	375	186	346	401	298	283	456	1,345	1,438	500	-40
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	444	375	186	346	401	298	283	456	1,345	1,438	500	-40
Tax	169	132	110	71	133	110	95	150	482	488	167	
Rate (%)	38.1	35.1	59.0	20.7	33.1	36.8	33.6	33.0	35.8	33.9	33.4	
Minority Interest & Profit/Loss of Asso.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	275	243	76	274	268	189	188	305	863	950	333	-43
Adj PAT	275	243	76	274	268	189	188	305	863	950	333	-43
YoY Change (%)	41.0	246.2	-65.0	12.5	-2.5	-22.4	145.8	11.3	18.7	10.1	37.0	
Margins (%)	9.9	9.9	3.3	10.2	10.6	8.5	7.2	9.8	8.4	9.1	11.3	

E: MOSL Estimates

Repc Home Finance

BSE SENSEX 33,315
S&P CNX 10,322

CMP: INR590

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

Financials & Valuations (INR b)

Y/E March	2018E	2019E	2020E
NII	4.5	5.1	6.0
PPP	4.1	4.6	5.4
PAT	2.2	2.6	3.0
EPS (INR)	35.6	41.8	48.7
BV/Sh. (INR)	214.1	252.3	296.8
RoAA (%)	2.3	2.3	2.3
RoE (%)	18.0	17.9	17.7
Payout (%)	8.7	8.7	8.7
Valuation			
P/E (x)	16.6	14.1	12.1
P/BV (x)	2.8	2.3	2.0
Div. Yld (%)	0.5	0.5	0.6

Strong operating performance; GNPL declines sequentially

- Repc Home Finance (REPCO) reported 2QFY18 PAT of INR559m (+22% YoY), driven by an improvement in margins and contained opex growth.
- Disbursements finally picked up after three slow quarters post demonetization. At INR7.5b this quarter, it is just 15% below the levels of 2QFY17 (before demonetization). We await clarity from management as to the drivers of the same. This drove sequential loan growth of 3.6%, the highest since demonetization. With pick-up in disbursements, coupled with a favorable base, we expect loan growth for FY18 to be in the low-teens.
- Repayment rate in the quarter was 20.4%, in line with the past trends (excluding 1QFY18). We are encouraged by the fact that the company has been able to keep the repayment rate stable.
- Another key highlight this quarter was the strong yield. Yield on loans increased 40bp sequentially to 11.9% (due to NPL recoveries), and is just 30bp down YoY. This YoY decline is much lower than that for peers (it is -60bp for GRUH and -50bp Can Fin).
- As a result, spreads/margins were up 50bp YoY to 3.4%/4.8%.
- After six quarters, the company witnessed a decline in absolute GNPLs (down INR377m QoQ to INR3.2b). The GNPL ratio declined from 4% to 3.4% sequentially, driven by a 120bp decline in LAP NPLs to 5.2%. PCR stood strong at 44%.
- The company tweaked its provisioning policy, resulting in INR194b lower provisions made during the quarter. This boosted PAT by INR127m. Going by the old provisioning policy, PCR would have been 50% and PAT would have declined 5% YoY to INR432m.
- We look to revise our estimates and TP post the analyst concall on 15th November 2017.

REPCO: Quarterly performance

(INR Million)

Y/E March	FY17				FY18		FY17
	1Q	2Q	3Q	4Q	1Q	2Q	
Interest Income	2,390	2,499	2,589	2,663	2,587	2,715	10,140
Interest Expenses	1,550	1,597	1,682	1,635	1,628	1,622	6,463
Net Interest Income	840	902	907	1,028	959	1,093	3,677
YoY Growth (%)	26.5	22.0	16.2	20.7	14.2	21.2	21.1
Other income	80	98	67	73	71	95	319
Total Income	920	1,000	974	1,102	1,030	1,188	3,996
YoY Growth (%)	26.0	22.0	15.5	16.8	12.0	18.8	19.8
Operating Expenses	149	163	163	200	171	179	676
YoY Growth (%)	-3.5	-6.8	1.9	30.7	14.9	9.4	5.1
Operating Profits	771	837	811	902	859	1,009	3,320
YoY Growth (%)	33.9	29.9	18.7	14.1	11.4	20.6	23.3
Provisions	179	127	96	116	167	166	519
Profit before Tax	592	710	714	786	692	843	2,802
Tax Provisions	196	253	250	280	241	285	979
Profit after tax	395	457	464	506	452	559	1,823
YoY Growth (%)	30.8	17.0	20.4	19.8	14.2	22.3	21.4
Borrowings growth (%)	25.3	22.6	21.1	15.6	11.7	8.9	15.6
Cost to Income Ratio (%)	16.2	16.3	16.8	18.2	16.6	15.0	16.9

E: MOSL Estimates



Bank of Baroda

Bloomberg	BOB IN
Equity Shares (m)	2310.5
M. Cap. (INR b)/(USD b)	322 / 5
52-Week Range (INR)	202 / 136
1,6,12 Rel Perf. (%)	1 / -25 / -30

Financial Snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
NII	135.1	145.3	170.0	197.1
OP	109.8	112.2	125.8	143.5
NP	13.8	22.0	48.0	57.7
NIM (%)	2.2	2.2	2.3	2.4
EPS (INR)	6.0	9.5	20.8	25.0
EPS Gr. (%)	NA	59.3	117.8	20.2
BV/Sh. (INR)	151.6	158.9	174.9	194.0
ABV/Sh. (INR)	100.8	113.2	136.1	156.6
RoE (%)	4.0	6.1	12.4	13.5
RoA (%)	0.2	0.3	0.6	0.6
Div. Payout (%)	27.9	23.2	23.2	23.2

Valuations

P/E(X)	23.3	14.6	6.7	5.6
P/BV (X)	0.9	0.9	0.8	0.7
P/ABV (X)	1.4	1.2	1.0	0.9
Div. Yield (%)	0.9	1.4	3.0	3.6

CMP: INR140

TP: INR217 (+56%)

Buy

- After an uptick in loan growth in 1Q, 2QFY18 should register 10% YoY loan growth (+3% QoQ). Balance sheet recalibration will continue, led by the focus on granular retail loans. We expect drill-down in the international book to continue. We expect deposit growth to remain tepid at ~4% YoY (3% QoQ).
- We expect margins to improve ~10bp QoQ (flat YoY) to ~2.3% from low levels, as interest income reversals start moderating from the high levels of previous quarters.
- We expect slippages to remain elevated. However, higher recoveries should provide some cushion to asset quality. We expect a marginal decline in absolute GNPA's in 2QFY18.
- Fee income growth is expected to be in mid-teens, driving non-interest income growth of ~9% YoY.
- PAT is expected to be at INR5.4b post a muted 1QFY18, led by moderation in provisions. Return ratios would still remain sub-optimal. The stock trades at 0.8x FY19E BV and 6.7x FY19E EPS.

Buy.

Key issues to watch for

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

Quarterly Performance

	FY17				FY18				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY17	FY18E
Interest Income	1,04,335	1,04,852	1,04,061	1,06,216	1,05,527	1,07,948	1,10,854	1,16,428	4,21,999	4,40,756
Interest Expense	70,624	70,591	72,717	72,933	71,478	72,907	74,001	77,075	2,86,865	2,95,461
Net Interest Income	33,711	34,261	31,344	33,283	34,050	35,041	36,853	39,352	1,35,134	1,45,295
% Change (YoY)	-2.6	5.6	15.9	-0.1	1.0	2.3	17.6	18.2	6.1	7.5
Other Income	14,444	15,614	17,750	19,773	15,512	17,014	16,425	20,061	67,581	69,012
Net Income	48,155	49,875	49,093	53,056	49,561	52,054	53,278	59,413	2,02,715	2,14,307
Operating Expenses	21,460	22,973	23,141	25,390	23,080	24,515	26,022	28,528	92,964	1,02,145
Operating Profit	26,695	26,902	25,952	27,666	26,481	27,539	27,256	30,885	1,09,751	1,12,162
% Change (YoY)	21.2	15.1	52.3	7.5	-0.8	2.4	5.0	11.6	24.5	2.2
Other Provisions	20,041	17,958	20,795	26,230	23,681	20,064	18,752	19,063	85,024	81,559
Profit before Tax	6,654	8,944	5,157	1,436	2,801	7,476	8,504	11,822	24,727	30,602
Tax Provisions	2,418	3,422	2,630	2,425	767	2,093	2,381	3,328	10,896	8,569
Net Profit	4,236	5,521	2,527	-989	2,034	5,383	6,123	8,494	13,831	22,034
% Change (YoY)	-59.7	343.5	NA	NA	-52.0	-2.5	142.3	NA	NA	59.3
Operating Parameters										
NIM (Calculated, %)	2.2	2.2	2.0	2.1	2.2	2.3	2.3	2.4	1.9	2.3
Deposit Growth (%)	-5.2	-7.3	0.0	4.8	1.5	3.6	3.6	7.0	4.8	7.0
Loan Growth (%)	-11.2	-14.6	-8.9	-0.1	4.1	9.8	15.6	10.0	-0.1	10.0
CD Ratio (%)	64.5	62.4	59.3	63.7	66.2	0.0	0.0	0.0	63.7	0.0
Asset Quality										
OSRL (INR B)	142	139	141	108	118	0	0	0	108	0
OSRL (%)	3.9	3.9	4.0	2.8	3.1	0.0	0.0	0.0	2.8	0.0
Gross NPA (INR B)	430	429	426	427	462	457	451	435	427	435
Gross NPA (%)	11.2	11.4	11.4	10.5	11.4	11.7	11.2	10.3	10.5	10.3

E: MOSL Estimates



Bata India

Bloomberg	BATA IN
Equity Shares (m)	128.5
M. Cap. (INR b)/(USD b)	93 / 1
52-Week Range (INR)	750 / 400
1,6,12 Rel Perf. (%)	6 / 23 / 35

CMP: INR725

Under Review

- n We expect revenue to grow 10% YoY to INR6.4b in 2QFY18 on account of the company's focus on fashion for 'Young India' and ladies' footwear.
- n EBITDA is likely to grow 18% YoY to INR629m, with the margin expanding 60bp to 9.8%.
- n Adjusted PAT is expected to grow 16.7% YoY to INR404m.

Financial Snapshot (INR Billion)

Y/E March	2017	2018E	2019E	2020E
Sales	24.7	27.6	31.3	35.7
EBITDA	2.8	3.2	3.9	4.8
NP	1.7	2.0	2.5	3.1
EPS (INR)	13.5	15.7	19.4	24.3
EPS Gr. (%)	6.8	16.2	23.8	24.8
BV/Sh.(INR)	103.0	115.1	130.3	149.8
RoE (%)	13.9	14.4	15.8	17.3
RoCE (%)	14.1	14.5	16.0	17.3
Payout (%)	19.5	23.1	21.7	19.9
Valuations				
P/E (x)	53.7	46.2	37.3	29.9
P/BV (x)	7.0	6.3	5.6	4.8
EV/EBITDA (x)	31.6	27.0	21.5	17.0
Dividend yield	0.3	0.4	0.5	0.6

Key things to watch for

- ⊗ SSS growth during the quarter.
- ⊗ Promotional spend during the quarter.
- ⊗ New store additions.

Quarterly Performance

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Consolidated										
Net Sales	6,747	5,837	6,408	5,980	7,431	6,421	7,177	6,578	24,743	27,604
YoY Change (%)	-1.5	1.6	2.5	6.1	10.1	10.0	12.0	10.0	1.0	11.6
Total Expenditure	5,895	5,302	5,651	5,413	6,476	5,792	6,266	5,894	21,957	24,429
EBITDA	851	535	757	567	955	629	911	684	2,786	3,174
Margins (%)	12.6	9.2	11.8	9.5	12.9	9.8	12.7	10.4	11.3	11.5
Depreciation	162	160	162	166	137	188	168	169	650	717
Interest	7	13	5	16	9	5	4	5	40	22
Other Income	80	141	190	122	116	159	144	151	460	622
PBT before EO expense	762	504	780	507	925	595	883	661	2,555	3,058
Extra-Ord expense	0	0	217	0	0	0	0	0	217	0
PBT	762	504	563	507	925	595	883	661	2,339	3,058
Tax	257	158	186	147	321	192	295	212	749	1,040
Rate (%)	33.8	31.3	23.8	29.1	34.7	32.2	33.4	32.1	32.0	34.0
Reported PAT	505	346	377	359	604	404	588	449	1,590	2,018
Adj PAT	505	346	594	359	604	404	588	449	1,737	2,018
YoY Change (%)	6.8	53.2	32.5	27.3	19.7	16.7	-0.9	24.9	7	16
Margins (%)	7.5	5.9	9.3	6.0	8.1	6.3	8.2	6.8	7.0	7.3

E: MOSL Estimates



Cadila Healthcare

Bloomberg	CDH IN
Equity Shares (m)	1023.7
M. Cap. (INR b)/(USD b)	513 / 8
52-Week Range (INR)	558 / 330
1,6,12 Rel Perf. (%)	-1 / 6 / 17

CMP: INR501 TP: INR555 (+11%) Buy

Financial Snapshot (INR Billion)

y/e march	2017	2018E	2019E	2020E
Sales	94.3	114.7	140.3	163.7
EBITDA	19.0	27.0	35.3	40.9
NP	14.5	17.9	24.1	27.5
EPS (INR)	14.2	17.5	23.6	26.9
EPS Gro. (%)	-7.9	23.3	34.6	14.1
BV/Sh. (INR)	68.0	81.2	100.4	123.0
RoE (%)	23.0	23.5	26.0	24.1
RoCE (%)	15.2	15.0	17.9	18.3

Valuations

P/E (x)	35.3	28.6	21.2	18.6
P/BV (x)	7.4	6.2	5.0	4.1
EV/EBITDA (x)	28.6	19.9	14.8	12.8

- n Cadila Healthcare's (CDH) 2QFY18 revenue is likely to grow significantly by 25.6% YoY to INR29.6b, driven by strong growth in the US formulations business, with growth of ~41% YoY to INR13.9b due to the recent launch of gLialda.
- n Overall export formulations are expected to grow ~36% YoY to INR16.6b, while domestic formulation is likely to grow 15% YoY to INR11.9b.
- n We expect EBITDA to significantly increase by 40% YoY to INR7.2b and margin to expand 260bp. Adj. PAT is also likely to increase ~42% YoY to INR4.8b on the back of margin expansion and lower tax rate.
- n We believe CDH has made investments in the right areas, and will start accruing benefits over next 2-3 years. With the recent successful closure of its Moraiya unit and several approvals from the plant, we expect 40-50 ANDA approvals from this plant till FY19. We expect strong EPS growth from FY17-19E (29% CAGR) on the back of Moraiya resolution and strong launch pipeline in US, with better return ratios over next two years.
- n Strong launch momentum, coupled with limited-competition launches (like Lialda), should drive significant margin improvement (expect FY19 EBITDA margin to be ~25%), in our view. We maintain our Buy rating with a target price of INR555 @23x FY19E PER.

Key issues to watch out

- ⊗ Outlook for recovery in domestic formulations.
- ⊗ Progress on improvement in balance sheet.

Quarterly Performance

(INR Million)

Y/E March	FY17E				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues	22,871	23,531	23,111	24,782	21,973	29,552	29,819	33,346	94,295	114,689
YoY Change (%)	-1.2	1.0	-4.8	1.2	-3.9	25.6	29.0	34.6	-1.0	21.6
EBITDA	5,239	5,160	4,043	4,636	2,773	7,240	7,604	9,335	19,036	26,952
Margins (%)	22.9	21.9	17.5	18.7	12.6	24.5	25.5	28.0	20.2	23.5
Depreciation	843	864	898	1,145	1,220	1,000	1,000	921	3,750	4,141
Interest	140	187	66	99	219	405	405	-15	450	1,014
Other Income	153	236	166	731	210	257	257	305	1,286	1,029
PBQ before EO Income	4,409	4,345	3,245	4,123	1,544	6,093	6,456	8,733	16,122	22,826
EO Exp/(Inc)	2	0	0	0	0	0	0	0	0	0
PBQ after EO Income	4,407	4,345	3,245	4,123	1,544	6,093	6,456	8,733	16,122	22,826
Tax	966	1,068	504	19	293	1,219	1,291	1,762	1,289	4,565
Rate (%)	21.9	24.6	15.5	0.5	19.0	20.0	20.0	20.2	8.0	20.0
Min. Int/Adj on Consol	-121	-99	-76	249	133	-84	-84	-300	47	-335
Adj PAT	3,564	3,376	2,817	3,855	1,384	4,791	5,081	6,670	14,880	17,926
YoY Change (%)	-13.0	-26.5	-27.8	-0.7	-61.2	41.9	80.4	73.0	3.7	20.5
Margins (%)	15.6	14.3	12.2	15.6	6.3	16.2	17.0	20.0	15.8	15.6



CEAT Ltd

Bloomberg	CEAT IN
Equity Shares (m)	40.5
M. Cap. (INR b)/(USD b)	69 / 1
52-Week Range (INR)	1948 / 1060
1,6,12 Rel Perf. (%)	0 / 23 / 11

CMP: INR1,718 TP: INR2,029 (18%)

Buy

- n We expect revenue to increase 9.7% YoY to INR17.5b in 2QFY18.
- n The larger effect of softening of raw material basket is expected to be witnessed in 2HFY18.
- n We estimate 110bp YoY contraction in EBITDA margin to 10.5%. EBITDA is likely to remain flat at INR1,839m.
- n We expect adjusted PAT to decline 14% YoY to INR921m. **Buy.**

Financial Snapshot (INR Billion)

Y/E March	2017	2018E	2019E	2020E
Sales	64.4	69.9	75.3	81.7
EBITDA	6.6	7.3	9.0	10.4
NP	3.8	3.8	5.1	5.9
EPS (Rs)	93.3	94.2	126.8	145.4
EPS Gr. (%)	-16.9	1.0	34.5	14.7
BV/Share	597.0	678.8	788.8	914.9
RoE (%)	16.9	14.8	17.3	17.1
RoCE (%)	13.5	12.2	14.7	16.1

Valuations

P/E (x)	18.4	18.2	13.5	11.8
P/BV (x)	2.9	2.5	2.2	1.9
EV/EBITDA (x)	11.9	10.5	8.3	7.0
EV/Sales (x)	1.2	1.1	1.0	0.9

Key things to watch for

- ⊗ Change in raw materials prices.
- ⊗ Performance of replacement market.

Consolidated - Quarterly Earning Model

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	16,462	15,966	15,572	16,413	16,286	17,515	17,596	18,547	64,413	69,944
YoY Change (%)	4.2	5.1	1.1	5.0	-1.1	9.7	13.0	13.0	3.9	8.6
Total Expenditure	14,608	14,113	14,037	15,088	15,740	15,676	15,467	16,154	57,845	63,037
EBITDA	1,854	1,854	1,535	1,325	547	1,839	2,129	2,393	6,568	6,907
Margins (%)	11.3	11.6	9.9	8.1	3.4	10.5	12.1	12.9	10.2	9.9
Depreciation	302	317	351	460	396	377	368	371	1,431	1,512
Interest	252	162	191	212	226	252	233	210	817	921
Other Income	57	37	57	36	103	52	58	61	186	274
PBT before EO expense	1,356	1,411	1,050	689	28	1,262	1,586	1,873	4,506	4,749
Extra-Ord expense	9	0	0	125	4	0	0	0	133	4
PBT	1,347	1,411	1,050	564	25	1,262	1,586	1,873	4,373	4,745
Tax	417	430	262	-45	48	419	508	487	1,064	1,461
Rate (%)	30.9	30.5	25.0	-7.9	192.3	33.2	32.0	26.0	24.3	30.8
Minority Interest & P/L of Asso.Cos.	-102	-88	-50	-55	-37	-78	-80	-90	-295	-285
Reported PAT	1,033	1,069	838	663	14	921	1,159	1,476	3,603	3,569
Adj PAT	1,039	1,069	838	798	11	921	1,159	1,476	3,704	3,572
YoY Change (%)	-14.7	0.9	-26.1	-24.8	-99.0	-13.9	38.2	85.0	-17.0	-3.6
Margins (%)	6.3	6.7	5.4	4.9	0.1	5.3	6.6	8.0	5.8	5.1

E: MOSL Estimates



Eicher Motors

Bloomberg	EIM IN
Equity Shares (m)	27.2
M. Cap. (INR b)/(USD b)	838 / 13
52-Week Range (INR)	33484 / 19571
1,6,12 Rel Perf. (%)	-3 / 15 / 5

Financial Snapshot (INR b)

Y/E Dec	FY17	FY18E	FY19E	FY20E
Net Income	70.3	90.6	111.4	132.6
EBITDA	21.7	28.8	37.4	45.9
Net Profit	16.7	22.5	30.5	38.0
Adj. EPS (INR)	613.8	826.7	1119.2	1395.8
EPS Gr. (%)	55.7	34.9	35.4	24.7
BV/Sh. (INR)	1,769	2,614	3,531	4,696
RoE (%)	40.3	36.1	36.4	33.9
RoCE (%)	27.1	32.6	33.5	31.9
Payout (%)	0.4	0.5	0.6	0.6
Valuations				
P/E (x)	45.4	37.7	27.8	22.3
P/BV (x)	15.7	11.9	8.8	6.6
EV/EBITDA (x)	28.0	23.9	17.9	14.2
Div. Yield (%)	0.4	0.5	0.6	0.6

CMP: INR30,788 TP: INR36,487 (+19%) Buy

- ▢ Royal Enfield's volumes grew 21.5% YoY (+10.3% QoQ) to 202,867 units, led by additional capacity amid continued healthy demand. Net realization should improve by 3.1% YoY (flat QoQ), helped by price hikes. We expect EBITDA to expand ~40bp YoY to 31.7% (+30bp QoQ).
- ▢ VECV's volume increased by ~12.3% YoY (+28% QoQ). We expect net realization to increase by 8% YoY (+2% QoQ), led by price hikes post BSIV implementation. Margin is expected to be at 8.5%, up by ~130bp YoY (20bp QoQ).
- ▢ Consolidated revenue would increase ~25.7% YoY (+10.4% QoQ) to INR22b. Consolidated margin is likely to be 31.7%. Consolidated PAT is estimated to rise ~33.3% YoY (+19.9% QoQ) to INR5.5b.
- ▢ We have cut our VECV volume estimates by ~3% in both FY18 and FY19, while increasing our FY19E RE volume by ~2%. Consequently, we have cut our FY18E consol. EPS by 3% and increased our FY19E consol. EPS by 2.4%.
- ▢ The stock trades at 37.2x FY18E and 27.5x FY19E EPS. Maintain **Buy**.

Key issues to watch

- ⊗ Demand for RE at the retail level and order book position.
- ⊗ Update on new product launches in RE.
- ⊗ Update on current demand trends for commercial vehicles, discount levels and inventory post BS-IV and GST.
- ⊗ Impact of competition on ICV segment.

Quarterly performance (Consolidated)

Y/E March	(INR m)								FY17	FY18E
	FY17				FY18					
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Operating income	15,557	17,549	18,348	18,881	20,006	22,080	23,645	24,842	70,334	90,574
Growth (%)	42.0	35.0	42.9	23.2	28.6	25.8	28.9	31.6	42.4	61.0
EBITDA	4,700	5,422	5,770	5,848	6,207	7,000	7,611	8,019	21,740	28,838
Recurring PAT	30.2	30.9	31.4	31.0	31.0	31.7	32.2	32.3	60.9	31.8
Growth (%)	3,763	4,132	4,182	4,594	4,596	5,509	5,829	6,560	16,671	22,494
Standalone (RE)	58.6	45.2	50.0	33.9	22.1	33.3	39.4	42.8	55.7	68.7
Royal Enfield (units)										
Growth (%)	147,483	166,941	173,838	178,228	183,998	202,867	216,250	225,615	666,490	828,730
Net Realn (INR/unit)	38.3	30.8	38.2	20.3	24.8	21.5	24.4	26.6	38.8	55.4
Change - YoY (%)	105,603	105,576	105,477	105,731	108,691	108,841	109,341	110,141	105,598	109,292
EBITDA Margins (%)	2.7	3.7	3.3	1.5	2.9	3.1	3.7	4.2	2.4	3.5
Recurring PAT	4,796	5,524	5,828	5,910	6,278	7,000	7,611	7,949	22,058	28,838
Growth (%)	30.8	31.3	31.8	31.4	31.4	31.7	32.2	32.0	31.3	31.8
VECV	3,371	3,962	4,152	4,116	4,943	5,043	5,391	5,573	15,600	20,950
Total CV Volumes	69.6	54.2	64.5	8.5	46.6	27.3	29.9	35.4	48.9	67.9
Growth (%)										
Net Realn (INR '000/unit)	16,071	13,408	11,784	17,230	11,583	15,013	15,065	19,001	58,493	60,662
Change - YoY (%)	32.5	15.0	-7.1	10.8	-27.9	12.0	27.8	10.3	16.0	29.6
EBITDA Margins (%)	1,331.3	1,470.5	1,599.6	1,482.3	1,556.6	1,587.7	1,619.5	1,628.7	1,461.5	1,602.5
Recurring PAT	-9.6	-3.8	1.9	11.2	16.9	8.0	1.2	9.9	-4.3	9.6
Growth (%)	9.1	7.2	6.9	8.2	8.3	8.5	8.1	9.1	7.9	8.6

E: MOSL Estimates



Fortis Healthcare

Bloomberg	FORH IN
Equity Shares (m)	518.0
M. Cap. (INR b)/(USD b)	78 / 1
52-Week Range (INR)	231 / 126
1,6,12 Rel Perf. (%)	-1 / -27 / -26

Financial Snapshot (INR Billion)

y/e march	2017	2018E	2019E	2020E
Sales	45.7	51.2	58.2	67.0
EBITDA	3.5	5.6	7.6	9.7
NP	4.8	1.0	2.6	4.0
EPS (INR)	10.3	2.2	5.6	8.6
EPS Gro. (%)	-638.2	-78.9	155.6	54.8
BV/Sh. (INR)	96.8	111.0	116.5	125.1
RoE (%)	11.3	2.1	4.9	7.1
RoCE (%)	3.5	3.4	4.9	6.1

Valuations

P/E (x)	14.5	68.7	26.9	17.4
P/BV (x)	1.6	1.4	1.3	1.2
EV/EBITDA (x)	24.5	13.8	9.9	7.3
EV/Sales (x)	1.9	1.5	1.3	1.1

CMP: INR150 TP:INR220 (+47%) Buy

- n We expect Fortis to deliver low-double-digit revenue growth of 12% to INR13.4b on the back of steady growth in the core businesses (Hospitals & Diagnostics), partially impacted by demonetization.
- n EBITDA margin will continue to expand sequentially, despite seasonality impact, on the back of better efficiency and fading impact of demonetization.
- n We expect hospital EBITDA to grow more than 4x by FY19E (from FY16 base) on the back of lower base, coupled with strong high-teen growth in EBITDAC, relatively flattish BT cost (at normalized level) and FHTL transaction.
- n We expect EBITDA margin for the diagnostics business to improve by ~200bp by FY19E on the back of deeper penetration in existing markets, rationalization of low-margin centers, growth in samples tested and higher share from the O&M model.
- n We argue for multiple re-rating, led by a multifold increase in Hospital EBITDA, SRL demerger, asset light expansion strategy and FHTL transaction. We value Hospital and Diagnostic based on 20x FY19E EV/EBITDA. FORH is our top pick in the healthcare delivery space with a TP of INR220.

Key issues to watch out

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

Quarterly performance

Y/E March	(INR million)									
	FY17E				FY18E					
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY17	FY18E
Net Sales	11,212	11,957	11,334	11,234	11,566	13,392	13,034	13,241	45,737	51,234
YoY Change (%)	8.4	10.9	8.9	3.2	3.2	12.0	15.0	17.9	7.8	12.0
Total Expenditure	10,585	10,968	10,211	10,444	10,705	12,107	11,587	11,239	42,208	45,638
EBITDA	626	990	1,123	790	861	1,286	1,447	2,002	3,529	5,596
Margins (%)	5.6	8.3	9.9	7.0	7.4	9.6	11.1	15.1	7.7	10.9
Depreciation	476	517	599	630	590	750	780	230	2,222	2,350
Interest	420	461	748	666	644	500	500	756	2,294	2,400
Other Income	330	380	589	361	576	75	75	-426	1,660	300
PBT before EO expense	61	393	365	-146	203	111	242	590	673	1,146
Extra-Ord expense	0	-9	-4,194	8	6	0	0	0	16	0
PBT	61	402	4,559	-153	197	111	242	590	657	1,146
Tax	29	242	190	263	123	37	80	139	724	378
Rate (%)	47.3	60.2	4.2	-171.7	62.1	33.0	33.0	23.6	110.3	33.0
Minority Interest & P/L of Asso. Cos.	-130	-154	-165	-41	-151	-61	-61	30	-4,861	-243
Reported PAT	162	314	4,533	-375	226	135	223	421	4,793	1,011
Adj PAT	162	310	514	-354	228	135	223	421	4,791	1,011
YoY Change (%)	-82.6	-62.6	-193.1	-61.0	41.1	-56.5	-56.7	-218.9	460.3	-78.9
Margins (%)	1.4	2.6	4.5	-3.2	2.0	1.0	1.7	3.2	10.5	2.0



GAIL

Bloomberg	GAIL IN
Equity Shares (m)	1691.3
M. Cap. (INR b)/(USD b)	729 / 11
52-Week Range (INR)	440 / 289
1,6,12 Rel Perf. (%)	14 / 7 / 31

Financial snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
Sales	480.7	524.5	604.1	650.1
EBITDA	63.2	76.8	84.7	89.8
Adj. PAT	38.2	44.8	50.7	54.1
Adj. EPS (INR)	22.6	26.5	30.0	32.0
EPS Gr. (%)	71.4	17.5	13.2	6.7
BV/Sh.(INR)	225.6	242.1	260.8	280.7
RoE (%)	9.6	11.3	11.9	11.8
RoCE (%)	8.7	9.7	10.2	10.1
Payout (%)	41.1	37.7	37.7	37.7

Valuations

P/E (x)	19.1	16.3	14.4	13.5
P/BV (x)	1.9	1.8	1.7	1.5
EV/EBITDA (x)	10.5	9.1	8.3	7.8
Div. Yield (%)	1.6	1.9	2.2	2.3

CMP: INR431

TP: INR334 (-22%)

Sell

- n We expect GAIL to report PAT of INR12.2b (+32% YoY and +19% QoQ). We model nil subsidy sharing for GAIL in 2QFY18 (v/s nil in 2QFY17 and 1QFY18).
- n We estimate EBITDA at INR20.6b in 2QFY18 v/s INR15.2b in 2QFY17 and INR18.9b in 1QFY18.
- n We model Brent crude price of USD53/bbl for FY18 and USD55/bbl for FY19/20.
- n Segmental EBIT (pre-subsidy) is expected to be INR17b (+47% YoY), led by a turnaround in petchem division profitability and likely higher gas transmission profitability.
- n GAIL trades at 11.8x FY19E EPS of INR29.8. Maintain Sell.

Key issues to watch for

- Ø (a) Petchem profitability, (b) profitability in the gas trading business, (c) progress of pipeline projects, (d) pending tariff revisions for key pipelines, and (e) visibility on placement of US contracts.

Ø

Quarterly Performance

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	106,866	118,582	121,079	134,217	114,065	131,905	131,196	146,789	480,743	523,955
Change (%)	-14.6	-15.8	-9.5	15.4	6.7	11.2	8.4	9.4	-6.9	9.0
EBITDA	15,732	15,155	17,015	15,250	18,994	20,585	19,545	20,436	63,152	79,560
% of Net Sales	14.7	12.8	14.1	11.4	16.7	15.6	14.9	13.9	13.1	15.2
Depreciation	3,354	3,563	3,579	3,471	3,451	3,580	3,580	3,656	13,968	14,267
Interest	1,774	1,198	1,601	220	1,014	860	860	703	4,794	3,437
Other Income	1,362	3,361	3,002	4,981	1,158	2,350	2,350	2,961	12,705	8,819
Extraordinary item*	4,893	0	0	-7,880	0	0	0	0	-2,987	0
PBT	16,858	13,755	14,836	8,659	15,687	18,495	17,455	19,038	54,108	70,676
Tax	3,506	4,508	5,007	6,058	5,431	6,288	5,935	6,473	19,079	24,127
Rate (%)	20.8	32.8	33.7	70.0	34.6	34.0	34.0	34.0	35.3	34.1
PAT	13,352	9,247	9,829	2,602	10,256	12,207	11,521	12,565	35,029	46,549
Adj PAT	8,459	9,247	9,829	10,482	10,256	12,207	11,521	12,565	38,016	46,549
Change (%)	99.4	109.9	48.0	36.1	21.3	32.0	17.2	19.9	65.4	22.4
EPS (INR)	5.0	5.5	5.8	6.2	6.1	7.2	6.8	7.4	22.5	27.5
Key Assumptions										
Gas Trans. volume (mmsmd)	96	101	103	102	100	109	108	108	100	106
Petchem sales ('000MT)	110	136	146	186	131	180	180	184	578	675

E: MOSL Estimates



Grasim Industries

Bloomberg	GRASIM IN
Equity Shares (m)	466.8
M. Cap. (INR b)/(USD b)	541 / 8
52-Week Range (INR)	1274 / 640
1,6,12 Rel Perf. (%)	-1 / 28 / 32

Financial Snapshot (INR Billion)

Y/E March	2017	2018E	2019E	2020E
Sales	360.7	444.9	538.9	610.4
EBITDA	73.9	89.7	115.7	136.7
Adj. PAT	31.7	33.0	47.3	54.8
Adj. EPS (INR)	67.8	70.6	101.2	117.3
EPS Gr. (%)	28.3	4.1	43.4	15.8
BV/Sh. (INR)	672.3	737.9	834.2	946.4
RoE (%)	10.8	10.0	12.9	13.2
RoCE (%)	12.2	10.8	12.1	13.0
Payout (%)	7.8	7.1	5.0	4.3

CMP: INR1,160 TP: INR1,276 (+10%) Neutral

- n We expect VSF volumes to increase 5% YoY to 130,193 tons in 2QFY18, while realizations are expected to rise 8% YoY to INR141,124/ton. Standalone revenues are likely to increase 20.3% YoY to INR26.9b.
- n Standalone EBITDA margin is estimated at 18.4% (-2.8pp YoY, -1.84pp QoQ).
- n EBITDA is estimated to increase 4% YoY to INR5.5b, translating into PAT of INR4.9b (-16% YoY). Neutral.

Key issues to watch out for:

- ⊗ Pick-up in cement demand and pricing thereon.
- ⊗ Outlook on VSF business, and strategy to utilize upcoming capacities globally.
- ⊗ Impact of demonetization on caustic soda demand.

Quarterly Performance*

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
VSF Volume (ton)	121,000	123,994	122,000	133,000	121,000	145,200	134,200	104,594	499,994	504,994
YoY Change (%)	17.8	9.00	1.1	2.31	0.00	17.10	10.00	-21.36	6.8	1.0
VSF Realization (INR/ton)	128,039	130,713	137,438	139,960	142,124	141,124	139,124	133,909	135,837	139,337
YoY Change (%)	13.0	12.0	9.0	11.0	11.0	8.0	1.2	-4.3	11.6	2.6
QoQ Change (%)	1.5	2.1	5.1	1.8	1.5	-0.7	-1.4	-3.7		
Net Sales	23,959	24,887	25,260	28,761	27,403	29,929	27,698	19,528	103,457	104,558
YoY Change (%)	23.8	17.4	9.7	13.1	14.4	20.3	9.7	-32.1	15.3	1.1
EBITDA	5,078	5,301	5,428	5,254	5,553	5,514	5,365	8,719	21,548	25,152
Margins (%)	21.2	21.3	21.5	18.3	20.3	18.4	19.4	44.7	20.8	24.1
Depreciation	1,104	1,119	1,106	1,133	1,103	1,160	1,160	1,289	4,461	4,711
Interest	231	156	107	83	73	45	45	16	576	179
Other Income	781	3,587	553	304	658	2,800	450	1,092	4,739	5,000
PBT before EO Items	4,525	7,612	4,769	4,343	5,036	7,109	4,610	8,507	21,249	25,261
Extraordinary Inc/(Exp)	0	0	0	0	0	0	0	0	0	0
PBT after EO Items	4,525	7,612	4,769	4,343	5,036	7,109	4,610	8,507	21,249	25,261
Tax	1,317	1,690	1,455	1,188	1,564	2,133	1,383	2,499	5,649	7,578
Rate (%)	29.1	22.2	30.5	27.4	31.1	30.0	30.0	29.4	26.6	30.0
Reported PAT	3,209	5,923	3,314	3,155	3,472	4,976	3,227	6,008	15,600	17,683
Adj. PAT	3,209	5,923	3,314	3,155	3,472	4,976	3,227	6,008	15,600	17,683
Margins (%)	13.4	23.8	13.1	11.0	12.7	16.6	11.7	30.8	15.1	16.9
YoY Change (%)	251.6	55.2	21.9	72.7	8.2	-16.0	-2.6	90.4	57.0	13.4

E: MOSL Estimates; *Grasim: Financials are only for VSF and chemical business and does not include impact of ABNL merger



Indo Count Industries

Bloomberg	ICNT IN
Equity Shares (m)	197.4
M. Cap. (INR b)/(USD b)	21 / 0
52-Week Range (INR)	210 / 95
1,6,12 Rel Perf. (%)	-6 / -51 / -39

CMP: INR108 TP: INR118 (+10%) Neutral

- n We expect revenue to remain flat YoY (+33% QoQ) at INR5,763m in 2QFY18 due to the after-effects of destocking on account of GST.
- n EBITDA margin is likely to contract 310bp YoY to 17.1%, and EBITDA is likely to decline 15% YoY to INR986m.
- n PAT is expected to de-grow 17.5% YoY to INR517m in 2QFY18.

Financial Snapshot (INR Billion)

Y/E March	2017	2018E	2019E	2020E
Sales	22.6	21.0	23.0	25.0
EBITDA	4.3	3.4	3.9	4.4
NP	2.6	1.8	2.1	2.5
EPS (INR)	13.0	8.9	10.8	12.5
EPS Gr. (%)	-10.7	-31.7	21.2	16.4
BV/Sh. (INR)	42.9	52.7	64.8	76.1
RoE (%)	34.8	18.6	18.3	17.8
RoCE (%)	26.5	16.5	17.3	26.7

Valuations

P/E (x)	8.3	12.2	10.0	8.6
P/BV (x)	2.5	2.0	1.7	1.4
EV/EBITDA (x)	5.6	6.7	5.7	4.8
EV/Sales (x)	1.1	1.1	1.0	0.8

Key things to watch for

- Ø Impact on raw material prices on account of increased cotton acreage.
- Ø Impact on margin going forward due to a reduction in duty drawback.

Standalone - Quarterly Earning Model

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	4,926	5,763	5,029	5,129	4,318	5,763	5,331	5,642	22,578	21,020
YoY Change (%)	7.6	0.0	0.4	-0.1	-12.4	0.0	6.0	10.0	7.0	-6.9
Total Expenditure	3,824	4,599	4,009	4,228	3,665	4,778	4,430	4,756	18,294	17,615
EBITDA	1,103	1,164	1,020	901	653	986	901	886	4,285	3,405
Margins (%)	22.4	20.2	20.3	17.6	15.1	17.1	16.9	15.7	19.0	16.2
Depreciation	80	73	79	79	75	105	110	105	331	395
Interest	98	116	91	89	82	80	90	90	421	342
Other Income	0	0	0	0	0	0	0	0	0	0
PBT	924	975	849	733	496	801	701	691	3,532	2,668
Tax	321	348	287	245	177	283	235	229	965	915
Rate (%)	34.8	35.7	33.8	33.4	35.6	35.4	33.6	33.1	27.3	34.3
Reported PAT	603	627	562	488	320	517	465	462	2,567	1,753
Adj PAT	603	627	562	488	320	517	465	462	2,567	1,753
YoY Change (%)	15.6	21.5	-27.3	-28.1	-47.0	-17.5	-17.2	-5.3	-10.7	-31.7
Margins (%)	12.2	10.9	11.2	9.5	7.4	9.0	8.7	8.2	11.4	8.3

E: MOSL Estimates



Ipca Laboratories

Bloomberg	IPCA IN
Equity Shares (m)	126.2
M. Cap. (INR b)/(USD b)	67 / 1
52-Week Range (INR)	656 / 400
1,6,12 Rel Perf. (%)	26 / -24 / -27

Financial Snapshot (INR Billion)

Y/E MARCH	2017	2018E	2019E	2020E
Sales	32.1	33.7	39.5	45.1
EBITDA	4.4	4.4	6.1	7.7
NP	2.0	2.1	3.4	4.5
EPS (INR)	16.1	16.6	26.8	35.7
EPS Gro. (%)	52.8	3.2	61.9	33.0
BV/Sh. (INR)	194.6	208.7	231.5	261.8
RoE (%)	8.6	8.2	12.2	14.5
RoCE (%)	7.5	7.4	10.7	12.7

Valuations

P/E (x)	32.8	31.8	19.7	14.8
P/BV (x)	2.7	2.5	2.3	2.0
EV/EBITDA (x)	11.9	11.9	0.0	0.0
D. Yield (%)	0.4	0.5	0.8	1.0

CMP: INR528 TP:INR430 (-19%) Neutral

- We expect Ipca Laboratories (IPCA) revenues to post muted growth of 2% YoY to INR8.9b, mainly due to a decline in International business by ~12% to INR2.3b, while domestic revenues are expected to grow 17% YoY to INR4.7b.
- International generic business is expected to decline ~20% YoY. API business is expected to decline marginally by 1%YoY to INR1.8b.
- EBITDA is likely to increase 11% YoY to INR1.4b, with increase of 130bp in EBITDA margin to 16%.
- PAT is expected to increase significantly by 61% YoY to INR759m, primarily due to deferred tax of INR160m in 2QFY17.
- We do not expect revival in the US business before 2HFY19E. Despite the stock's attractive valuation, we believe regulatory overhang will keep multiples under check in the near term. Reiterate Neutral with a TP of INR430 @ 16x FY19E, a discount of ~15-20% to peers.

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

(INR Million)

Y/E March	FY17				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues (Core)	8,422	8,720	7,398	6,658	7,130	8,891	8,381	9,329	32,106	33,731
YoY Change (%)	11.1	16.8	8.1	6.6	-15.3	2.0	13.3	40.1	11.3	5.1
EBITDA	1,285	1,280	1,104	677	215	1,423	1,299	1,441	4,448	4,378
Margins (%)	15.3	14.7	14.9	10.2	3.0	16.0	15.5	15.4	13.9	13.0
Depreciation	422	429	432	428	433	459	459	446	1,730	1,797
Interest	65	68	57	44	56	71	71	46	241	244
Other Income	49	62	59	52	62	100	100	138	226	400
PBT before EO Expense	847	845	675	257	-212	992	869	1,087	2,703	2,736
Extra-Ord Expense	81	-78	39	0	0	0	0	0	0	0
PBT after EO Expense	766	923	636	257	-212	992	869	1,087	2,703	2,736
Tax	290	374	222	-187	-10	233	204	215	675	643
Rate (%)	34.2	44.2	32.9	-72.7	4.6	23.5	23.5	19.8	25.0	23.5
Reported PAT	476	549	414	444	-202	759	665	872	2,028	2,093
Adj PAT	557	471	453	444	-202	759	665	872	2,028	2,093
YoY Change (%)	82.5	31.1	88.4	9.6	-136.4	61.0	46.6	96.5	62.8	3.2
Margins (%)	5.6	6.3	5.6	6.7	-2.8	8.5	7.9	9.3	6.3	6.2



MRPL

Bloomberg	MRPL IN
Equity Shares (m)	1752.7
M. Cap. (INR b)/(USD b)	222 / 3
52-Week Range (INR)	144 / 78
1,6,12 Rel Perf. (%)	-8 / 10 / 30

Financial snapshot (INR b)

y/e march	2017	2018E	2019E	2020E
Sales	432.1	433.0	481.7	488.2
EBITDA	47.1	38.4	39.8	40.3
Adj. PAT	25.9	18.7	20.3	21.6
Adj. EPS (INR)	14.8	10.7	11.6	12.3
EPS Gr. (%)	95.1	(28)	8.5	6.7
BV/Sh.(INR)	57.5	65.6	74.5	83.9
RoE (%)	31.4	17.3	16.5	15.6
RoCE (%)	19.6	12.8	13.3	13.3
Payout (%)	23.4	23.4	23.4	23.4

Valuation

P/E (x)	8.6	11.9	10.9	10.3
P/BV (x)	2.2	1.9	1.7	1.5
EV/EBITDA (x)	5.7	6.1	5.9	4.9
Div. Yield (%)	3.3	1.7	1.8	2.0

CMP: INR127 TP: INR112 (-11%) Sell

- n We expect MRPL to report EBITDA of INR13.6b (v/s INR5.8b in 1QFY18). We estimate adjusted PAT at INR7.3b (v/s INR2.3b in 1QFY18).
- n Reuters Singapore's GRM is up +62% YoY and +29% QoQ at USD8.3/bbl. We model MRPL's GRM at USD6.5/bbl (v/s USD7.1/bbl in 1QFY18 and USD5.5/bbl in 2QFY17) due to shutdown of polypropylene unit and few other secondary units at its plant.
- n We expect refinery throughput at 4mmt v/s 4mmt in 1QFY18 and 2QFY17.
- n For MRPL, we model GRM of ~USD6.6/bbl in FY18 and ~USD6.5/bbl in FY19/20. The stock trades at 10.9x FY19E EPS of INR11.6 and EV of 5.9x FY19E EBITDA. Maintain Sell.

Key issues to watch for

- Ø GRM.
- Ø Forex fluctuations.
- Ø Inventory changes.

Standalone - Quarterly Earning Model

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	84,288	99,690	114,753	133,349	102,624	113,907	107,815	108,648	432,079	432,995
YoY Change (%)	-25.5	-2.5	30.1	43.5	21.8	14.3	-6.0	-18.5	9.0	0.2
EBITDA	12,206	7,855	11,476	15,540	5,827	13,578	9,476	9,547	47,076	38,428
Margins (%)	14.5	7.9	10.0	11.7	5.7	11.9	8.8	8.8	10.9	8.9
Depreciation	1,703	1,681	1,702	1,703	1,637	1,896	1,896	1,896	6,788	7,325
Interest	1,459	1,115	1,395	1,219	1,074	1,263	1,263	1,263	5,188	4,864
Other Income	2,295	926	636	375	204	588	588	588	4,232	1,969
PBT before EO expense	11,340	5,984	9,015	12,993	3,320	11,007	6,905	6,976	39,332	28,207
Extra-Ord expense	0	0	0	-15,973	0	0	0	0	-15,973	0
PBT	11,340	5,984	9,015	28,966	3,320	11,007	6,905	6,976	55,305	28,207
Tax	4,155	1,826	3,355	9,542	980	3,669	2,301	2,325	18,877	9,275
Rate (%)	37	31	37	33	30	33	33	33	34	33
Reported PAT	7,185	4,159	5,660	19,424	2,340	7,338	4,604	4,651	36,428	18,933
Adj PAT	7,185	4,159	5,660	8,713	2,340	7,338	4,604	4,651	25,907	18,933
YoY Change (%)	36.0	-146.5	91.8	-35.5	-67.4	76.5	-18.7	-46.6	98.3	-26.9
Margins (%)	8.5	4.2	4.9	6.5	2.3	6.4	4.3	4.3	6.0	4.4
Key Assumptions										
Refining throughput (mmt)	3.7	4.0	4.4	4.2	4.0	4.0	4.0	4.0	16.3	16.0
Core GRM (USD/bbl)	5.3	5.5	5.1	8.1	7.1	6.5	6.3	6.3	6.0	6.6

E: MOSL Estimates



Manpasand Beverages

Equity Shares (m)	MANB IN
M. Cap. (INR b)/(USD b)	114.4
52-Week Range (INR)	55 / 1
1,6,12 Rel Perf. (%)	512 / 253
Equity Shares (m)	18 / 28 / 13

Financial Snapshot (INR Billion)

Y/E March	2017	2018E	2019E	2020E
Sales	7.2	10.2	15.2	19.9
EBITDA	1.4	2.0	3.0	3.9
NP	0.7	1.1	1.7	2.3
Adj EPS (INR)	6.3	9.7	15.3	20.4
EPS Gr. (%)	43.8	53.4	56.7	33.6
BV/Sh. (INR)	100.8	108.1	119.6	135.0
RoE (%)	7.3	8.2	13.4	16.0
RoCE (%)	8.4	9.3	15.2	18.2

Valuations

P/E (x)	75.1	49.0	31.3	23.4
P/BV (x)	4.7	4.4	4.0	3.5
EV/EBITDA (x)	37.4	26.3	17.6	13.2
EV/Sales (x)	7.3	5.2	3.5	2.6

CMP: INR477 TP: INR534 (12%) Buy

- We expect revenue to grow 25% YoY to INR1,281m in 2QFY18, with healthy growth in *Mango Sip* and *Fruits Up*, and increased traction in the recently launched *Jeera Sip*.
- EBITDA margin is likely to contract 80bp to 20.9%, and EBITDA is expected to grow 20% YoY to INR268m.
- The pilot for tie-up with Parle Products has been initiated in West Bengal, and should boost its distribution network.
- We estimate PAT at INR62m, as against INR54m in 2QFY17, growth of 15.3% YoY. **Buy.**

Key issues to watch for

- Update on expected tie-ups for products other than *Mango Sip*.
- Update on advertisement campaigns and plans ahead.
- Update on commissioning of new plants.

Standalone - Quarterly Earning Model

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	2,369	1,025	1,025	2,734	3,015	1,281	1,639	4,320	7,171	10,235
YoY Change (%)	63.1	34.6	11.6	28.6	27.2	25.0	60.0	58.0	34.8	42.7
Total Expenditure	1,917	803	844	2,217	2,451	1,013	1,329	3,443	5,773	8,219
EBITDA	453	222	181	518	563	268	310	877	1,398	2,016
Margins (%)	19.1	21.7	17.6	18.9	18.7	20.9	18.9	20.3	19.5	19.7
Depreciation	149	171	177	241	237	216	230	260	738	965
Interest	1	8	2	1	4	2	1	1	12	0
Other Income	17	17	60	85	98	21	46	50	179	215
PBT	320	61	61	361	421	71	125	666	827	1,266
Tax	33	7	13	48	62	8	20	79	101	152
Rate (%)	10.4	10.8	21.9	13.2	14.7	11.8	16.2	11.8	12.2	12.0
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	286	54	48	313	359	62	105	587	726	1,114
Adj PAT	286	54	48	313	359	62	105	587	726	1,114
YoY Change (%)	82.5	24.5	-1.4	22.5	25.3	15.3	118.2	87.4	43.8	53.4
Margins (%)	12.1	5.3	4.7	11.5	11.9	4.9	6.4	13.6	10.1	10.9

E: MOSL Estimates



Sun Pharma

Bloomberg	SUNP IN
Equity Shares (m)	2399.3
M. Cap. (INR b)/(USD b)	1233 / 19
52-Week Range (INR)	772 / 433
1,6,12 Rel Perf. (%)	5 / -31 / -44

Financial Snapshot (INR Billion)

Y/E MARCH	2017	2018E	2019E	2020E
Sales	302.6	279.7	321.7	366.3
EBITDA	87.8	55.4	78.7	96.8
NP	69.6	36.3	55.9	65.4
EPS (INR)	28.9	15.1	23.3	27.2
EPS Gro. (%)	48.0	-47.9	54.3	17.0
BV/Sh. (INR)	152.3	160.4	176.6	196.8
RoE (%)	18.1	9.6	13.8	14.6
RoCE (%)	19.0	10.0	14.2	15.7

Valuations

P/E (x)	19.7	34.1	22.1	18.9
P/BV (x)	3.4	3.2	2.9	2.6
EV/EBITDA (x)	13.2	20.3	13.7	10.7
D.Yield (%)	0.7	1.2	1.2	1.2

CMP: INR514 TP:INR515 (+0%) Buy

- n Sun Pharmaceuticals (SUNP) is likely to register decline in revenues by 12.9% YoY to INR67.6b, primarily on the back of a decrease in US business by 35% to INR24b.
- n India business is expected to grow 9.4% YoY, while the Row and API business are expected to grow 2.5% YoY and 11.6% YoY, respectively.
- n SUNP's EBITDA is expected to decline ~53% YoY to INR12.5b, with margin contraction of ~1,580bp to 18.5% due to pricing pressure and increased competition. Also, during 2QFY17, the company's operating income was higher due to the acquisition of Novartis (Japan) brands, one-time revenue of USD25m and lower other operating expense attributed to RBXY integration.
- n PAT is expected to decline 62.9% YoY to INR8.3b due to the decline in EBITDA margin.
- n We expect the stock to remain under pressure in near term due to challenges related to growth and margins. Maintain Buy with a reduced TP of INR515, based on 22x FY19E. We expect recovery from 2HFY18E/FY19E as earnings bounce back, Halol resolution happens and visibility of specialty business monetization improves.

Key issues to watch out

- Ø Update on resolution of USFDA warning letter and 483 observations on Halol.
- Ø Turnaround of Ranbaxy's business.
- Ø Outlook on competitive landscape for Taro's products.

Quarterly Performance

(INR Million)

Y/E March	FY17				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues	80,067	77,640	76,832	68,252	61,667	67,603	76,830	73,570	302,642	279,670
YoY Change (%)	18.4	13.0	8.5	-10.6	-23.0	-12.9	0.0	7.8	7.1	-7.6
Total Expenditure	53,220	50,974	54,595	55,895	51,131	55,097	60,696	57,396	214,892	224,320
EBITDA	26,847	26,666	22,237	12,357	10,535	12,507	16,134	16,174	87,751	55,350
Margins (%)	33.5	34.3	28.9	18.1	17.1	18.5	21.0	22.0	29.0	19.8
Depreciation	3,160	3,038	3,068	3,382	3,466	3,350	3,400	3,584	12,648	13,800
Net Other Income	2,588	5,668	1,851	4,913	847	2,250	2,250	1,653	15,376	7,000
PBT before EO Exp	26,275	29,295	21,020	13,888	7,916	11,407	14,984	14,243	90,479	48,550
EO Exp/(Inc)	0	0	0	0	9,505	0	0	0	0	0
PBT	26,275	29,295	21,020	13,888	-1,589	11,407	14,984	14,243	90,479	48,550
Tax	3,527	4,417	3,729	443	1,618	1,711	2,248	1,706	12,116	7,283
Rate (%)	13.4	15.1	17.7	3.2	20.4	15.0	15.0	12.0	13.4	15.0
PAT (pre Minority Interest)	22,748	24,879	17,291	13,445	-3,207	9,696	12,737	12,537	78,363	41,268
Minority Interest	2,411	2,528	2,573	1,208	1,042	1,400	1,400	1,158	8,719	5,000
Reported PAT	20,337	22,351	14,718	12,237	-4,249	8,296	11,337	11,379	69,644	36,268
YoY Change (%)	265.8	117.3	3.9	-28.6	-120.9	-62.9	-23.0	-7.0	28.9	-47.9



1. AXIS BANK : To focus on growth opportunities; Shikha Sharma, MD & CEO

- n Have raised capital in the past with a three-year cycle with an intent not to come to the market too often. The current capital raising is also with that cycle in mind and assuming growth would come back, this raise would suffice.
- n Plan for capital raising was done with three things in mind – Indian accounting standards (IndAS) provisioning, growth and subsidiary capitalization.
- n Largest portion of the raised capital plus the one that is internally generated over three-years would be utilised for growth.
- n Bain Capital will be short of 5 percent equity in the bank even on fully diluted basis and will have the right to ask for a seat on the board.
- n Bank has always strived to be a good bank, be a bank that services customers, to be a bank that has strong capabilities. Being a no. 1 bank or no.2 bank is not the big driver – the big driver is – to see that bank has a great franchise, has enough growth opportunities and is creating value for shareholders.

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2. M&M : Passenger vehicle segment will see double-digit growth for FY18; VS Parthasarathy, CFO

- n Passenger vehicle segment will see double-digit growth for FY18, there is a bounce back in the rural demand on a back of a good monsoons and pick-up in rural demand.
- n In automotive business with more new products on the anvil, looking towards the second half of the year with a lot of positivity.
- n Margins were higher due to good performance of both tractor and auto divisions. Also saw margin improvement due to higher realizations.
- n There was no one-off in Q2 margin, likely to sustain going forward.

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3. JAIN IRRIGATION : Expect to list agro biz in FY19; aim to achieve guided rev growth; Anil Jain, MD

- n Reduction in net profit was due to higher depreciation and some tax issues but overall in the year that issue will get compensated. However, the second half is expected to be strong on good orderbook.
- n Company is on track to achieve the guided revenue growth of 20 percent in FY18.
- n To achieve the guided EBITDA growth of 20-25 percent, Q3 and Q4 needs to grow 25-30 percent more in terms of revenues. Orders in hand will allow company to achieve the guided EBITDA growth as well.
- n At India level the order book is around Rs 2200 crore and consolidated order book is at Rs 3900 crore.
- n The second quarter saw some disruptions due to goods and service tax (GST).
- n With regards to food processing business, overall outlook was quite strong.
- n Company plans to list agro business in FY19.
- n Company's MIS division has bagged an order for prestigious Waghur canal integrated irrigation project through e-tendering process.

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4. ASHOKA BUILDCON : AIM to achieve 20% growth in fy18; bid scenario robust; Paresh Mehta, CFO

- n There was slowdown on the EPC front due to stoppage in an important project of Eastern Peripheral road in Delhi. However, was a one-off impact and project is now back on track. Will be completed before January.
- n The other setback was the GST impact on power sector in recognition of prices with the vendors. This too has been brought back into flow and the performance will continue to grow.
- n Despite these setbacks the company has achieved their targeted first half growth and will achieve the targeted 20 percent growth in FY18.
- n Second half continues to be promising from whatever bids are expected to come out. There are bids of Rs 62000 crore from NHAI and others, where will be participating in more than 60 percent of the bids. By March end, would likely wrap up Rs 3000-3500 crore.

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5. EVEREADY INDIA : Lighting & appliances to drive growth; CFL to phase out post Q3; Amritanshu Khaitan, MD

- n Most of the growth came because of volumes on back of recovery seen in the battery segment, in the flashlights and the biggest in LED lightings.
- n Of the overall revenues of Rs 740 crore, batteries constitute about 55 percent, lighting & appliance is close to 30 percent and the rest is flash lights.
- n CFL is virtually being phased out and Q3 will be the last quarter where company will be selling it.
- n The profitability in the LED lighting segment has been the strongest.
- n Second half will continue to see strong growth in terms of revenues. So, lighting and appliance are slated to take the company forward on a strong path in terms of revenue growth, while battery and flashlights are likely to be stable.

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1. GST Clears a hurdle, but tougher challenges await

n Last Friday, the verbal slugfest between the Bharatiya Janata Party (BJP) and the Congress, both in the run-up to and after the meeting of the goods and services tax (GST) Council in Guwahati, all but hijacked the narrative. For any lay person, listening in on this political grandstanding, it would seem as though the entire meeting was about the slashing of GST rates for over 200 commodities and as to which of the two parties deserve the credit—understandable since the Congress has made GST, especially the glitches in its implementation, a central issue in the ongoing electoral campaign for the Gujarat assembly. Indeed the facts of the matter, as always, are otherwise. More importantly, the political differences didn't derail the day-long deliberations. Actually it almost did, when tempers frayed over some of the social media messages put out by some Congress politicians.

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2. Taking bank recapitalisation to its logical conclusion

n India's decisive public sector bank (PSB) recapitalisation plan has been met with a big thumbs-up by markets. The PSU Bank equity index jumped 30% on the news and, almost three weeks later, has held on to all those gains. And why not? In one fell swoop, the government committed more capital than it has cumulatively done over the past decade. Furthermore, this front-loaded commitment brings a much-needed coherence to the resolution process, with banks hopefully becoming more willing to take the large haircuts that are needed to effectively resolve impaired assets. Both for the decisive recapitalisation and the growing invocation of the bankruptcy law, policymakers need to be strongly commended. But to appreciate the broader macroeconomic implications, one has to dig deeper. Has enough "resolution capital" been provided to adequately solve the problem? Has enough "growth capital" been provided to boost PSB lending—which is the whole point of the exercise?

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3. India needs a federal green agency

n The thick smog that has enveloped north India over the past few days is a public health emergency. The callous response by various government agencies to what has become an annual affair is nothing short of scandalous. There is a deeper problem here. As every state blames the other, the weak policy response is also an indication of an institutional vacuum to deal with public goods issues in a federal political system. The story so far is well known. Citizens living in the National Capital Region are among the millions who have been left gasping as farmers in neighbouring states burn stubble on their farms, before preparing them for the winter sowing cycle. The immediate responses include calls for a ban on such biomass burning. However, as Mridula Ramesh of the Sundaram Climate Institute has written in Firstpost, a far better alternative to a unilateral ban is to examine solutions based on an understanding of why farmers burn stubble in the first place. Any viable policy response should take into account the needs of the farmers as well as city dwellers.

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4. GOLD DEMAND IN INDIA: Here is what killed the craze for the yellow metal

- n Given how global growth prospects are looking a lot firmer than in the past, and even Europe looks more stable now, it is not surprising that demand for gold has been trending downwards for some time and is now at an eight-year low, according to data from the World Gold Council. Down to just 915 tonnes in the quarter ending September 2017, this level was last seen in the September quarter of 2009—in even the June quarter of 2016, demand was a robust 1,270 tonnes. While global growth steadying has been one reason for gold demand falling, another big reason is the collapse in demand from India that accounts for a fifth to a fourth of global demand—in the March quarter of 2012, for instance, India’s imports were 23% of global demand whereas in the September quarter of 2017, this fell to 19%.

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International

5. The real risk to the global economy

- n One of the great mysteries of today’s global markets is their irrepressible enthusiasm, even as the world around them appears on the verge of chaos or collapse. And yet, investors may be more rational than they appear when it comes to pricing in political risks. If investing is foremost about discounting future cash flows, it’s important to focus precisely on what will and will not affect those calculations. The potential crises that may be most dramatic or violent are, ironically, the ones that the market has the easiest time looking through. Far more dangerous are gradual shifts in international global institutions that upend expectations about how key players will behave. Such shifts may emerge only slowly, but they can fundamentally change the calculus for pricing in risks and potential returns.

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Nestle	Neutral	7,715	7,750	0	123.7	128.4	149.0	62.4	60.1	24.7	22.3	40.9	39.0	40.9
Page Inds	Buy	22,332	25,580	15	238.7	296.6	413.1	93.5	75.3	37.4	30.0	40.0	39.8	44.4
Parag Milk	Neutral	244	275	13	3.6	8.9	12.4	67.7	27.3	3.1	2.8	6.0	10.8	13.3
Pidilite Ind.	Buy	829	975	18	16.7	17.2	20.8	49.5	48.2	12.9	10.6	28.2	24.1	23.9
P&G Hygiene	Neutral	8,730	9,200	5	132.9	151.6	176.0	65.7	57.6	41.1	34.2	39.3	64.9	62.8
Prabhat Dairy	Not Rated	146	-		3.5	3.5	6.4	41.4	42.0	2.1	2.0	5.2	4.9	8.5
United Brew	Buy	1,107	1,320	19	8.7	14.7	18.0	127.5	75.5	12.5	11.0	10.2	15.5	16.5
United Spirits	Neutral	2,995	2,970	-1	26.7	34.9	53.7	112.0	85.8	22.5	15.6	21.3	18.2	20.9
Aggregate								48.5	44.1	13.4	12.5	27.6	28.3	29.4
Healthcare														
Alembic Phar	Neutral	514	540	5	21.6	21.6	24.9	23.8	23.7	5.1	4.4	23.0	19.9	19.8
Alkem Lab	Neutral	1,983	1,950	-2	74.6	68.8	90.7	26.6	28.8	5.3	4.6	21.9	17.2	19.6
Ajanta Pharma	Buy	1,205	1,606	33	57.3	52.7	64.1	21.0	22.9	6.8	5.4	36.7	26.4	25.7
Aurobindo	Buy	712	900	26	39.3	44.6	50.3	18.1	16.0	4.5	3.5	27.6	24.6	22.3
Biocon	Neutral	378	335	-11	10.2	6.1	10.5	37.0	61.9	4.7	4.4	12.3	7.2	11.4
Cadila	Buy	451	555	23	14.2	17.5	23.6	31.7	25.7	6.6	5.6	23.0	23.5	26.0
Cipla	Neutral	602	600	0	15.9	21.1	27.0	37.9	28.5	3.9	3.5	10.2	12.1	13.6
Divis Lab	Neutral	999	1,100	10	39.9	32.4	43.7	25.0	30.8	4.9	5.1	22.0	16.3	21.2
Dr Reddy's	Neutral	2,344	2,575	10	72.6	60.6	115.2	32.3	38.7	3.2	3.1	9.7	8.2	14.1
Fortis Health	Buy	133	220	66	10.3	2.2	5.6	12.8	60.8	1.4	1.2	11.3	2.1	4.9
Glenmark	Neutral	578	650	12	39.3	37.9	42.8	14.7	15.2	3.6	3.0	24.7	19.6	18.4
Granules	Buy	123	200	63	7.2	8.0	11.0	17.0	15.4	3.1	2.2	21.1	17.7	18.8
GSK Pharma	Neutral	2,629	2,500	-5	34.4	44.2	54.9	76.5	59.5	11.1	13.1	14.5	22.0	31.4
IPCA Labs	Neutral	544	430	-21	16.1	16.6	26.8	33.8	32.8	2.8	2.6	8.6	8.2	12.2
Jubilant Life	Buy	605	861	42	36.9	44.2	55.0	16.4	13.7	2.7	2.3	18.0	18.4	19.2
Lupin	Buy	829	1,000	21	56.6	37.6	42.7	14.6	22.0	2.8	2.5	20.9	12.0	12.5
Sanofi India	Buy	4,478	5,000	12	129.1	139.0	156.2	34.7	32.2	5.9	5.5	17.1	17.1	17.6
Shilpa Medicare	Buy	658	805	22	14.0	21.1	30.4	47.0	31.2	5.8	4.9	14.4	17.0	20.4
Strides Shasun	Buy	781	1,201	54	32.3	41.7	68.3	24.2	18.7	2.6	2.3	10.8	12.9	18.0
Sun Pharma	Buy	533	515	-3	26.1	15.1	23.3	20.4	35.3	3.5	3.3	18.1	9.6	13.8
Syngene Intl	Not Rated	495	-		13.0	16.1	18.0	38.0	30.7	7.7	6.3	22.2	22.5	20.7
Torrent Pharma	Neutral	1,217	1,400	15	55.2	50.0	61.4	22.1	24.3	4.7	4.2	23.8	18.3	19.9
Aggregate								23.9	27.8	4.0	3.6	16.8	13.1	15.5
Infrastructure														
Ashoka Buildcon	Buy	207	260	25	-0.5	1.8	7.1	NM	114.5	2.3	2.2	-0.6	1.9	7.1
IRB Infra	Neutral	229	240	5	20.3	22.9	23.2	11.3	10.0	1.5	1.3	14.0	14.1	12.9
KNR Constructions	Buy	267	295	10	12.0	12.7	13.6	22.4	21.0	4.2	3.6	20.7	18.4	16.7
Sadbhav Engineering	Buy	316	385	22	11.0	14.3	14.5	28.9	22.1	3.3	2.9	12.0	13.8	12.5
Aggregate								20.0	16.8	2.2	2.0	11.0	11.7	11.7
Logistics														
Allcargo Logistics	Buy	169	215	27	9.8	10.9	13.3	17.2	15.6	2.3	2.1	13.7	14.1	15.4
Blue Dart	Not Rated	4,091	-		102.5	129.9	163.2	39.9	31.5	17.7	13.5	50.5	48.6	46.8
Concor	Neutral	1,342	1,496	11	38.0	42.7	55.2	35.3	31.4	3.7	3.5	10.8	11.5	14.1
Gateway Distriparks	Buy	250	282	13	6.8	8.8	11.6	36.8	28.5	2.7	2.6	7.3	9.2	11.7
Gati	Not Rated	122	-		8.4	15.9	23.9	14.6	7.7	2.0	1.8	12.4	19.4	25.4
Transport Corp.	Not Rated	276	-		16.9	21.0	25.9	16.3	13.1	2.5	2.2	16.7	17.8	18.6
Aggregate								31.0	26.0	3.8	3.5	12.3	13.6	16.1
Media														
Dish TV	Buy	77	106	37	1.0	1.0	2.4	75.2	76.0	16.8	13.7	25.1	19.9	35.2
D B Corp	Buy	367	430	17	20.0	21.7	25.4	18.4	16.9	4.2	3.5	24.6	22.8	22.2
Den Net.	Neutral	93	90	-4	-9.3	-2.9	0.1	NM	NM	2.0	2.1	-19.1	-6.4	0.2
Ent.Network	Neutral	794	910	15	11.4	11.6	20.1	69.5	68.7	4.4	4.2	6.7	6.3	10.1
Hind. Media	Buy	240	302	26	25.8	25.6	30.2	9.3	9.4	1.5	1.3	18.2	15.0	15.3

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
HT Media	Neutral	97	113	16	7.4	10.4	11.9	13.2	9.4	1.0	0.9	7.9	10.2	10.6
Jagran Prak.	Buy	169	225	33	10.7	12.2	13.7	15.8	13.8	2.6	2.6	18.5	18.6	19.4
Music Broadcast	Buy	384	469	22	6.4	9.0	14.2	59.8	42.6	4.0	3.7	11.2	9.0	12.6
PVR	Buy	1,395	1,640	18	20.5	27.1	43.0	68.0	51.5	6.8	6.0	10.4	12.4	17.0
Prime Focus	Buy	99	130	32	1.2	3.0	5.9	80.9	32.6	5.3	4.6	7.6	15.0	23.9
Siti Net.	Neutral	25	27	8	-1.9	-0.8	0.1	NM	NM	4.0	4.7	-29.4	-14.2	2.4
Sun TV	Buy	857	1,005	17	24.9	28.1	35.7	34.5	30.5	8.4	7.8	26.0	26.4	30.7
Zee Ent.	Buy	543	630	16	12.1	10.5	16.0	44.8	51.9	6.1	5.6	17.0	12.8	16.8
Aggregate								41.7	35.5	5.2	4.8	12.6	13.6	17.2
Metals														
Hindalco	Buy	261	326	25	8.6	18.8	26.4	30.5	13.8	2.0	1.8	7.4	13.6	16.5
Hind. Zinc	Neutral	311	322	4	19.7	22.7	33.5	15.8	13.7	4.3	4.6	24.4	32.3	42.5
JSPL	Buy	172	209	22	-20.9	-15.1	0.5	NM	NM	0.5	0.6	-7.9	-4.7	0.1
JSW Steel	Buy	264	297	12	14.8	20.3	24.9	17.8	13.0	2.8	2.4	17.3	19.8	20.2
Nalco	Neutral	87	87	0	3.7	4.7	5.8	23.4	18.7	1.7	1.6	7.2	8.6	10.1
NMDC	Buy	126	188	49	10.0	13.1	12.9	12.7	9.7	1.8	1.6	12.8	15.5	16.2
SAIL	Sell	79	43	-46	-10.1	-6.4	-4.3	NM	NM	0.8	0.9	-9.9	-6.9	-4.9
Rain Industries	Buy	396	492	24	9.6	25.5	38.9	41.2	15.5	4.4	3.5	10.9	25.2	29.7
Vedanta	Buy	315	394	25	15.1	25.5	44.4	20.8	12.4	1.9	1.8	9.7	15.1	23.8
Tata Steel	Neutral	691	672	-3	37.9	59.4	65.2	18.2	11.6	2.1	1.9	15.7	17.1	16.6
Aggregate								26.5	15.7	1.9	1.8	7.0	11.4	15.3
Oil & Gas														
BPCL	Buy	501	643	28	48.3	43.1	52.1	10.4	11.6	3.2	2.7	32.4	25.2	25.8
GAIL	Sell	455	376	-17	22.6	26.8	31.4	20.2	17.0	2.0	1.9	9.6	11.5	12.5
Gujarat Gas	Sell	874	721	-17	16.1	29.7	44.1	54.4	29.4	7.3	6.1	14.0	22.6	27.3
Gujarat St. Pet.	Neutral	215	180	-16	8.8	12.1	13.3	24.4	17.8	2.7	2.4	11.6	14.3	14.1
HPCL	Buy	420	578	38	40.7	36.5	42.9	10.3	11.5	3.1	2.7	32.4	25.1	25.1
IOC	Buy	397	554	40	41.9	39.5	43.6	9.5	10.0	1.8	1.6	20.7	17.2	16.9
IGL	Neutral	315	301	-4	8.8	9.9	11.0	35.8	31.8	7.5	6.4	21.0	21.7	20.4
MRPL	Sell	123	112	-9	14.8	10.7	11.6	8.3	11.5	2.1	1.9	31.4	17.3	16.5
Oil India	Buy	357	418	17	19.3	29.8	40.5	18.5	12.0	1.0	0.9	5.7	8.0	10.4
ONGC	Buy	184	231	25	16.4	19.0	22.8	11.2	9.7	1.1	1.0	10.1	10.8	12.5
PLNG	Buy	266	312	17	11.4	15.0	16.7	23.4	17.7	4.9	4.1	23.2	25.2	23.7
Reliance Ind.	Buy	875	1,005	15	48.3	55.5	64.0	18.1	15.8	1.9	1.7	11.6	11.9	12.3
Aggregate								14.0	13.1	1.8	1.7	13.1	12.8	13.6
Retail														
Jubilant Food	Sell	1,698	1,270	-25	10.0	21.4	27.4	169.7	79.2	13.9	13.1	8.2	16.5	20.9
Titan Co.	Buy	765	850	11	9.0	12.5	15.9	84.7	61.1	15.9	12.9	20.6	23.4	25.5
Aggregate								92.6	64.2	15.9	13.2	17.1	20.5	23.9
Technology														
Cyient	Buy	539	600	11	30.6	36.0	41.9	17.6	15.0	2.9	2.6	16.2	17.4	18.3
HCL Tech.	Neutral	869	970	12	59.8	63.2	68.2	14.5	13.8	3.6	3.5	27.5	25.9	25.6
Hexaware	Neutral	344	270	-22	13.7	16.3	17.0	25.1	21.1	6.1	5.2	26.5	26.4	23.4
Infosys	Buy	952	1,100	16	62.8	63.8	67.8	15.2	14.9	3.2	3.4	22.0	21.8	22.5
KPIT Tech	Neutral	161	160	-1	11.9	11.9	14.1	13.5	13.6	2.0	1.8	14.3	14.1	14.5
L&T Infotech	Buy	965	950	-2	55.5	61.6	66.0	17.4	15.7	6.4	4.9	41.6	35.2	29.6
Mindtree	Neutral	507	480	-5	24.9	28.5	33.6	20.4	17.8	3.3	3.2	16.8	17.3	20.4
Mphasis	Neutral	730	670	-8	38.9	42.0	46.0	18.8	17.4	2.5	2.9	13.2	14.6	17.3
NIIT Tech	Neutral	635	600	-5	38.0	43.7	50.3	16.7	14.5	2.2	2.2	13.7	15.1	16.4
Persistent Sys	Buy	644	780	21	37.7	43.3	52.4	17.1	14.9	2.6	2.5	17.0	17.9	20.8
Tata Elxsi	Buy	906	1,004	11	28.1	33.8	40.2	32.2	26.8	10.1	8.1	37.1	33.6	32.4
TCS	Neutral	2,759	2,450	-11	133.4	131.8	151.4	20.7	20.9	6.2	6.6	32.6	30.6	33.5
Tech Mah	Buy	492	560	14	30.9	35.8	37.7	15.9	13.7	2.6	2.5	18.4	18.9	18.2
Wipro	Neutral	299	280	-6	16.9	19.1	20.1	17.7	15.6	2.8	2.7	16.9	17.0	16.7
Zensar Tech	Buy	878	1,020	16	52.1	52.8	72.7	16.9	16.6	2.7	2.4	17.2	15.3	18.4

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Aggregate								17.9	17.6	4.1	4.3	22.9	24.4	23.2
Telecom														
Bharti Airtel	Buy	498	680	37	11.3	3.8	6.5	44.0	132.7	3.0	2.9	6.8	2.2	3.7
Bharti Infratel	Neutral	411	440	7	14.9	16.8	19.2	27.7	24.4	4.9	4.9	16.2	20.2	22.8
Idea Cellular	Buy	94	105	12	-1.1	-15.5	-14.9	NM	NM	1.4	1.8	-1.6	-25.6	-32.6
Tata Comm	Buy	694	780	12	10.0	5.4	18.2	69.6	127.8	12.4	13.5	48.4	10.1	30.0
Aggregate								46.9	-402.7	3.1	3.2	6.6	-0.8	1.3
Utilities														
Coal India	Buy	276	335	21	14.9	17.5	20.7	18.5	15.8	7.0	6.7	37.8	42.4	47.7
CESC	Buy	1,020	1,360	33	51.9	88.9	99.3	19.7	11.5	1.3	1.2	6.5	10.6	10.8
JSW Energy	Sell	82	51	-38	3.8	4.0	3.3	21.3	20.3	1.3	1.3	6.3	6.3	5.0
NTPC	Buy	177	211	19	12.0	13.5	15.7	14.8	13.1	1.5	1.4	10.5	11.0	11.9
Power Grid	Buy	211	261	23	14.0	17.4	20.4	15.1	12.1	2.2	1.9	15.6	17.0	17.4
Tata Power	Sell	82	72	-12	7.4	7.3	7.5	11.1	11.3	1.9	1.7	17.1	16.0	14.6
Aggregate								16.6	14.0	2.4	2.2	14.4	15.7	16.8
Others														
Arvind	Neutral	415	425	2	12.4	10.5	16.5	33.5	39.4	3.0	2.9	10.3	7.4	10.9
Avenue Supermarts	Sell	1,158	873	-25	7.7	12.0	17.5	151.0	96.7	18.8	16.6	17.9	18.2	22.9
Bata India	Under Review	789	-		13.5	15.7	19.4	58.4	50.2	7.7	6.9	13.9	14.4	15.8
BSE	Neutral	978	1,100	12	41.0	45.3	46.1	23.9	21.6	2.0	2.0	8.3	9.3	8.0
Castrol India	Buy	395	467	18	13.6	12.6	13.3	29.1	31.3	33.0	29.9	115.0	100.3	96.1
Century Ply.	Neutral	293	323	10	8.7	9.8	12.9	33.7	29.8	9.1	7.5	31.1	27.7	29.6
Coromandel Intl	Buy	500	523	5	16.6	24.1	29.0	30.1	20.7	5.0	4.4	17.5	22.5	23.4
Delta Corp	Buy	266	257	-3	3.1	5.7	8.0	87.0	46.9	6.7	4.5	8.1	12.1	12.9
Dynamatic Tech	Buy	2,054	3,334	62	67.6	112.9	166.7	30.4	18.2	4.2	3.4	15.1	20.7	24.3
Eveready Inds.	Buy	371	400	8	12.9	14.3	17.4	28.8	25.9	9.3	7.5	37.7	32.1	31.5
Interglobe	Neutral	1,176	1,291	10	43.2	63.2	75.4	27.2	18.6	11.9	6.9	51.0	46.8	43.0
Indo Count	Neutral	112	118	5	13.0	8.9	10.8	8.6	12.6	2.6	2.1	34.8	18.6	18.3
Info Edge	Buy	1,179	1,300	10	15.7	23.6	26.2	75.2	49.8	7.2	6.5	10.2	13.7	13.7
Inox Leisure	Sell	262	240	-8	3.3	8.0	12.0	78.6	32.6	4.6	4.0	5.9	12.5	16.2
Jain Irrigation	Under Review	99	-		5.5	7.6	10.0	17.8	13.0	1.5	1.5	8.6	11.7	14.8
Just Dial	Neutral	533	465	-13	17.5	18.5	21.1	30.5	28.9	4.1	3.7	14.8	13.4	13.7
Kaveri Seed	Buy	520	738	42	19.1	34.1	41.0	27.3	15.2	3.5	3.7	13.6	23.3	27.4
Kitex Garm.	Buy	309	394	27	18.6	22.1	26.2	16.6	14.0	4.5	3.6	29.8	28.6	27.6
Manpasand	Buy	436	534	22	6.3	9.7	15.3	68.7	44.8	4.3	4.0	7.3	8.2	13.4
MCX	Buy	952	1,300	37	24.8	26.5	43.4	38.3	36.0	3.6	3.6	10.2	10.0	15.9
Monsanto	Buy	2,523	3,295	31	86.2	105.0	126.6	29.3	24.0	8.2	7.4	31.5	32.5	34.5
Navneet Education	Buy	159	209	31	7.3	8.4	10.4	21.8	18.8	5.4	4.6	26.7	26.3	27.9
Qess Corp	Buy	829	1,040	26	10.0	27.7	29.1	82.9	29.9	11.2	4.6	19.0	21.9	15.0
PI Inds.	Buy	843	890	6	33.4	29.9	35.6	25.3	28.2	7.1	6.0	32.8	23.0	22.9
Piramal Enterp.	Buy	2,633	3,266	24	72.6	104.6	149.7	36.3	25.2	3.1	2.8	9.0	11.7	15.3
SRF	Buy	1,751	1,992	14	85.9	76.7	104.9	20.4	22.8	3.2	2.9	16.6	13.2	16.3
S H Kelkar	Buy	263	298	13	7.2	7.6	9.9	36.2	34.5	4.7	4.3	13.7	12.9	15.2
Symphony	Sell	1,574	1,288	-18	23.7	35.1	42.9	66.5	44.8	24.7	21.7	43.3	51.6	54.5
Team Lease Serv.	Buy	1,894	2,300	21	38.8	43.0	66.4	48.8	44.0	8.5	7.1	19.2	17.6	22.2
Trident	Buy	88	114	30	6.6	8.3	10.4	13.3	10.6	1.6	1.5	13.0	14.5	16.1
TTK Prestige	Neutral	6,561	5,281	-20	132.1	137.8	176.1	49.7	47.6	9.0	8.2	19.5	18.0	20.7
V-Guard	Neutral	222	167	-25	3.6	4.5	6.0	62.1	49.5	14.8	12.1	27.4	26.9	28.8
Wonderla	Buy	389	393	1	7.0	11.9	16.0	55.7	32.6	5.1	4.6	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	4.8	14.2	-18.2
Ashok Ley.	1.2	-9.5	29.6
Bajaj Auto	-1.1	1.5	21.3
Bharat Forge	-2.3	7.7	59.8
Bosch	-2.5	-7.4	-0.6
CEAT	0.7	1.0	37.1
Eicher Mot.	0.3	-2.6	40.5
Endurance Tech.	-0.9	1.1	87.9
Escorts	-2.1	-3.7	103.2
Exide Ind	0.2	-1.8	11.0
Hero Moto	-0.6	-4.5	20.2
M&M	1.3	6.4	13.6
Mahindra CIE	-1.1	1.9	27.0
Maruti Suzuki	-0.7	3.0	57.9
Tata Motors	-1.1	-1.5	-17.6
TVS Motor	-1.2	0.1	94.1
Banks - Private			
Axis Bank	-1.2	1.6	7.9
DCB Bank	-3.1	-5.2	54.2
Equitas Hold.	0.0	-8.1	-13.6
Federal Bank	1.9	-2.3	47.9
HDFC Bank	-0.3	-2.1	42.2
ICICI Bank	-1.4	15.8	24.8
IDFC Bank	-0.6	-6.2	-25.1
IndusInd	0.1	-5.1	39.2
J&K Bank	-1.8	3.6	17.5
Kotak Mah. Bk	0.2	-8.0	22.2
RBL Bank	0.2	-1.4	34.6
South Indian	-0.3	-5.7	44.5
Yes Bank	-0.1	-17.8	24.9
Banks - PSU			
BOB	1.3	23.1	6.9
BOI	1.4	46.3	63.0
Canara	-1.4	24.4	26.5
IDBI Bk	-4.4	14.5	-15.1
Indian Bk	0.2	48.5	62.4
OBC	-1.9	10.7	2.9
PNB	-1.4	38.8	20.4
SBI	-0.6	31.2	21.4
Union Bk	0.7	31.4	16.7
NBFCs			
Bajaj Fin.	-1.0	-11.5	101.7
Bharat Fin.	0.4	-1.4	43.2
Capital First	-0.3	-5.9	19.1
Cholaman.Inv.&Fn	-2.0	9.4	33.3
Dewan Hsg.	-0.9	17.6	151.7
GRUH Fin.	1.1	-2.6	69.3
HDFC	-2.1	-5.3	31.4
Indiabulls Hsg	-2.3	-6.9	71.1
L&T Fin.Holdings	-2.9	-11.1	92.0
LIC Hsg Fin	-0.5	-10.3	12.4
Manappuram	-2.1	-7.9	7.4
M&M Fin.	4.8	3.6	51.1
Muthoot Fin	-3.3	-6.0	37.5

Company	1 Day (%)	1M (%)	12M (%)
Bharat Elec.	-1.7	4.6	50.8
BHEL	-3.0	6.0	-1.6
Blue Star	1.6	-9.9	38.8
CG Cons. Elec.	-2.7	15.8	53.4
CG Power & Inds Sol.	-0.5	5.7	5.3
Cummins	-1.4	-5.2	6.6
GE T&D	0.2	3.1	13.7
Havells	1.5	-5.7	43.2
K E C Intl	-4.5	-3.9	106.4
L&T	-1.9	8.9	33.9
Pennar Eng.	0.8	7.4	-36.3
Siemens	-1.5	-3.3	6.4
Solar Ind	2.2	10.3	60.7
Suzlon Energy	-5.8	-5.8	0.6
Thermax	0.3	7.2	13.1
Va Tech Wab.	-2.0	-2.6	10.8
Voltas	1.0	8.3	72.8
Cement			
Ambuja Cem.	0.5	-2.4	23.4
ACC	0.0	-0.7	25.4
Birla Corp.	-9.6	9.2	45.2
Dalmia Bharat	2.0	8.8	62.0
Grasim Inds.	-2.0	6.8	63.2
India Cem	-3.3	-8.3	24.7
J K Cements	1.2	9.9	26.0
JK Lakshmi Ce	-1.0	14.1	6.0
Ramco Cem	-0.4	1.2	19.1
Orient Cem	-2.4	3.7	11.9
Prism Cem	-2.0	4.7	21.4
Shree Cem	0.4	-2.4	19.5
Ultratech	-2.1	8.7	19.7
Consumer			
Asian Paints	-0.1	0.3	21.9
Britannia	0.2	6.7	58.8
Colgate	0.9	-4.0	10.4
Dabur	-1.4	4.7	19.9
Emami	0.4	12.1	14.3
Godrej Cons.	-2.7	-3.7	29.2
GSK Cons.	-0.3	21.8	12.7
HUL	-0.9	2.6	59.7
ITC	-1.1	-2.8	6.3
Jyothy Lab	-0.3	-11.5	-3.5
Marico	-0.9	-2.6	23.3
Nestle	-0.7	5.1	23.0
Page Inds	0.4	19.7	58.4
Parag Milk	-2.2	-7.5	-18.8
Pidilite Ind.	1.2	2.7	26.8
P&G Hygiene	-1.1	0.7	26.5
Prabhat Dairy	-0.7	-2.6	33.1
United Brew	-0.5	31.4	27.4
United Spirits	-1.1	23.2	51.2
Healthcare			
Alembic Phar	0.5	3.8	-19.5
Alkem Lab	2.4	8.7	21.1
Ajanta Pharma	-0.2	2.4	-33.4

Company	1 Day (%)	1M (%)	12M (%)
PNB Housing	-0.1	-6.7	49.5
PFC	0.6	2.8	7.7
Repco Home	0.4	-7.1	-0.6
REC	-0.4	3.7	20.8
STF	1.9	16.7	44.8
Shriram City Union	-2.1	-0.9	0.0
Capital Goods			
ABB	0.2	0.8	27.2

Company	1 Day (%)	1M (%)	12M (%)
Aurobindo	-3.8	-4.4	-7.7
Biocon	-3.3	2.1	28.7
Cadila	-3.1	-10.1	18.3
Cipla	-1.1	1.7	9.5
Divis Lab	-1.7	14.5	-18.8
Dr Reddy's	-0.1	-0.3	-28.1
Fortis Health	-1.5	-12.6	-18.9
Glenmark	-1.2	-4.2	-34.2



Company	1 Day (%)	1M (%)	12M (%)
Granules	-3.0	-9.6	13.1
GSK Pharma	-0.1	7.2	-0.3
IPCA Labs	-6.4	8.7	-2.8
Jubilant Life	-3.1	-7.7	-1.8
Lupin	-0.6	-21.9	-43.3
Sanofi India	0.2	6.1	5.0
Shilpa Medicare	-1.6	-3.8	15.6
Strides Shasun	-2.2	-9.9	-26.6
Sun Pharma	1.0	-0.4	-22.7
Syngene Intl	-0.9	0.4	-13.2
Torrent Pharma	-0.6	-4.1	-6.8
Infrastructure			
Ashoka Buildcon	-5.1	9.4	29.7
IRB Infra.Devl.	0.7	10.8	11.4
KNR Construct.	1.8	28.4	87.5
Sadbhav Engg.	-0.1	13.2	14.2
Logistics			
Allcargo Logistics	1.3	2.0	-8.5
Blue Dart	0.3	-0.4	-18.2
Concor	-0.5	-1.4	24.4
Gateway Distriparks	-2.5	4.8	2.7
Gati	0.6	4.8	-2.5
Transport Corp.	-0.8	-1.5	53.3
Media			
Dish TV	0.0	7.6	-11.8
D B Corp	0.2	-0.9	-0.9
Den Net.	-0.8	9.0	22.8
Ent.Network	-5.1	-4.1	5.3
Hind. Media	1.7	-3.8	-15.9
HT Media	-2.1	3.7	24.6
Jagran Prak.	-1.6	-2.7	-7.1
Music Broadcast	2.5	-2.7	
PVR	0.3	-0.6	20.1
Prime Focus	-1.2	7.8	30.8
Siti Net.	-1.2	1.2	-28.9
Sun TV	-1.8	7.2	70.9
Zee Ent.	0.1	6.3	12.6
Metals			
Hindalco	-1.3	-2.0	51.3
Hind. Zinc	-0.8	-3.1	24.1
JSPL	3.8	5.7	130.1
JSW Steel	-1.8	4.2	53.8
Nalco	0.3	2.5	71.8
NMDC	0.0	4.8	0.3
Rain Industries	2.2	92.1	689.6
SAIL	-2.7	36.6	53.7
Vedanta	-2.8	-2.1	37.0
Tata Steel	-1.5	-2.8	61.8
Oil & Gas			
BPCL	-2.3	2.4	15.7
GAIL	-0.4	4.2	38.4
Gujarat Gas	-0.9	-1.0	58.5
Gujarat St. Pet.	0.7	9.4	40.0
HPCL	0.6	-8.6	40.5
IOC	0.6	-4.3	27.9
IGL	-2.1	3.3	84.3

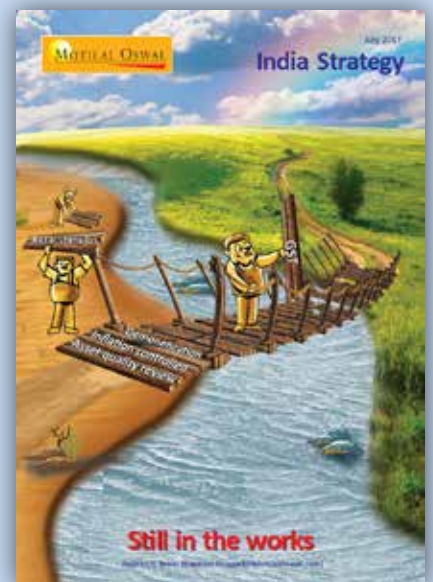
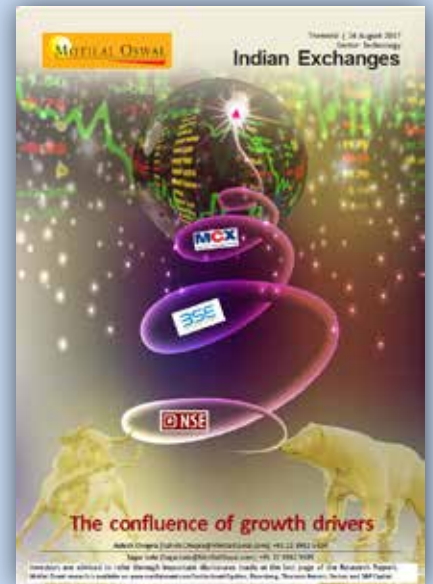
Company	1 Day (%)	1M (%)	12M (%)
Titan Co.	-2.2	22.3	128.7
Technology			
Cyient	-0.3	0.0	18.2
HCL Tech.	0.2	-5.9	13.9
Hexaware	1.4	25.1	79.5
Infosys	-0.9	2.1	3.2
KPIT Tech	0.3	26.1	26.1
L&T Infotech	2.1	18.9	55.9
Mindtree	2.7	4.7	19.7
Mphasis	-0.8	13.7	45.9
NIIT Tech	1.5	1.8	60.5
Persistent Sys	-0.5	-2.1	0.5
Tata Elxsi	0.7	5.0	58.9
TCS	2.1	7.9	31.1
Tech Mah	0.3	3.5	14.4
Wipro	-1.1	2.4	35.4
Zensar Tech	0.9	15.5	-7.9
Telecom			
Bharti Airtel	-0.7	15.4	65.1
Bharti Infratel	-3.4	-8.7	12.3
Idea Cellular	-3.6	18.6	33.7
Tata Comm	-1.0	0.6	11.1
Utilities			
Coal India	-3.0	-4.1	-14.8
CESC	0.8	-2.2	71.2
JSW Energy	-2.1	2.4	33.6
NTPC	0.2	0.6	16.4
Power Grid	0.1	2.8	15.4
Tata Power	-1.0	0.5	13.8
Others			
Arvind	-2.2	6.7	11.6
Avenue Super.	0.1	-6.2	
Bata India	-1.3	0.0	82.4
BSE	0.5	0.1	
Castrol India	-0.4	7.4	-5.9
Century Ply.	-1.3	9.4	44.5
Coromandel Intl	-2.3	3.6	98.6
Delta Corp	0.6	16.4	149.7
Dynamatic Tech	-1.1	-2.4	-36.4
Eveready Inds.	5.8	9.0	54.5
Interglobe	-0.3	4.2	29.0
Indo Count	-4.3	1.3	-26.2
Info Edge	-0.9	10.0	32.0
Inox Leisure	-0.6	7.9	10.2
Jain Irrigation	2.9	6.5	0.8
Just Dial	6.5	29.4	32.2
Kaveri Seed	-2.1	-5.6	31.5
Kitex Garm.	2.1	39.6	6.6
Manpasand	0.4	-2.4	25.6
MCX	-1.5	-16.0	-26.9
Monsanto	-0.5	1.4	10.3
Navneet Educat.	-1.8	-6.4	54.3
PI Inds.	2.8	12.2	0.1
Piramal Enterp.	-0.5	-4.0	73.0
Quess Corp	0.2	0.6	42.7
SRF	1.1	1.2	3.8

Company	1 Day (%)	1M (%)	12M (%)
MRPL	-2.8	-5.6	41.4
Oil India	-1.6	2.2	17.4
ONGC	-3.4	8.3	1.1
PLNG	0.9	5.8	47.0
Reliance Ind.	-0.9	-0.2	74.8
Retail			
Jubilant Food	2.2	12.3	89.2

Company	1 Day (%)	1M (%)	12M (%)
S H Kelkar	-1.3	-5.1	-12.1
Symphony	-0.7	11.9	26.1
Team Lease Serv.	1.3	17.3	93.3
Trident	-2.9	-10.3	60.0
TTK Prestige	-0.1	9.0	16.6
V-Guard	-1.3	15.6	57.0
Wonderla	0.4	5.4	7.7

NOTES

THEMATIC/STRATEGY RESEARCH GALLERY



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RECENT INITIATING COVERAGE REPORTS

MOTILAL OSWAL Initiating Coverage | 1 November 2017
Sector: Metals

Rain Industries

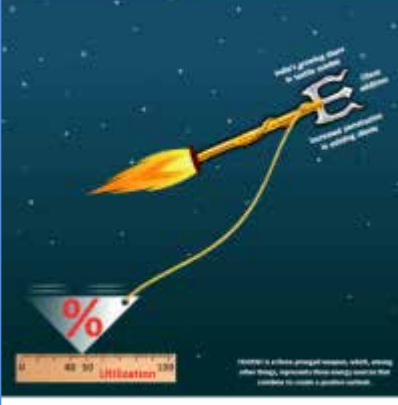


Enduring Tailwinds

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MOTILAL OSWAL Initiating Coverage | 22 August 2017
Sector: Metals

Trident



An attractive utilization play

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MOTILAL OSWAL Initiating Coverage | 7 Aug 2017
Sector: Healthcare

Strides Shasun



Making great strides

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MOTILAL OSWAL Initiating Coverage | 10 Aug 2017
Sector: Healthcare

Shilpa Medicare



Injecting Growth

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MOTILAL OSWAL Initiating Coverage | 18 Aug 2017
Sector: Insurance

Capital First



Capitalizing on multiple opportunities

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MOTILAL OSWAL Initiating Coverage | 19 Aug 2017
Sector: Finance

L&T Finance Holdings

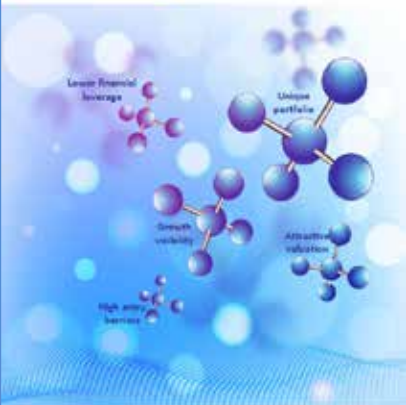


Focused approach

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MOTILAL OSWAL Initiating Coverage | 14 Aug 2017
Sector: Healthcare

Jubilant Life Sciences

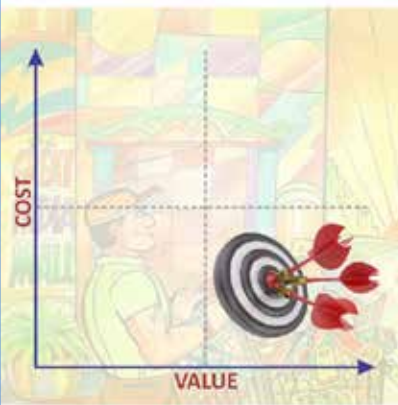


Promising formulation

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MOTILAL OSWAL Initiating Coverage | 22 Aug 2017
Sector: Retail

Avenue Supermarts



Delivering Value

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MOTILAL OSWAL Initiating Coverage | 22 Aug 2017
Sector: Finance

Cholamandam Finance



Prepared, Equipped and Armed

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DIFFERENTIATED PRODUCT GALLERY

MOTILAL OSWAL

Annual Report Threadbare

30 October 2017

INTERGLOBE AVIATION FY17

INTERGLOBE AVIATION (IGAV) 2017 Annual Report highlights IGAV's performance for FY17. The report is available at www.igavi.com. The report is available in PDF format. The report is available in PDF format. The report is available in PDF format.

Key highlights:

- IGAV's FY17 annual revenue highlights IGAV's performance for FY17. The report is available at www.igavi.com.
- IGAV's FY17 annual revenue highlights IGAV's performance for FY17. The report is available at www.igavi.com.

Key Financials:

Revenue	1000000
Profit	100000
EPS	1.00
Dividend	0.50

Shareholding pattern (%)

IGAV	50.00
Public	50.00

Download our Annual Report at www.igavi.com

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CornerOffice

Interaction with the CEO

24 October 2017

Focused growth strategy leveraging on trends in 2Ws

Special events in major – focused capital allocation – enhancing B&B

Executive: Tarun Kaushik

Key highlights:

- IGAV's FY17 annual revenue highlights IGAV's performance for FY17. The report is available at www.igavi.com.
- IGAV's FY17 annual revenue highlights IGAV's performance for FY17. The report is available at www.igavi.com.

Key Financials:

Revenue	1000000
Profit	100000
EPS	1.00
Dividend	0.50

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VOICES

20 October 2017

India Inc on Call

Key highlights:

- India Inc on Call
- India Inc on Call

Key Financials:

Revenue	1000000
Profit	100000
EPS	1.00
Dividend	0.50

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EcoKnowlEdge

Driving into Trading Tables

16 October 2017

India Inc on Call

Key highlights:

- India Inc on Call
- India Inc on Call

Key Financials:

Revenue	1000000
Profit	100000
EPS	1.00
Dividend	0.50

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BULLS & BEARS

INDIA VALUATIONS HANDBOOK

24 October 2017

Key highlights:

- India Inc on Call
- India Inc on Call

Key Financials:

Revenue	1000000
Profit	100000
EPS	1.00
Dividend	0.50

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FUND FOLIO

Indian Mutual Fund Tracker

24 October 2017

Key highlights:

- India Inc on Call
- India Inc on Call

Key Financials:

Revenue	1000000
Profit	100000
EPS	1.00
Dividend	0.50

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