

Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	28,156	-0.6	5.7
Nifty-50	8,725	-0.8	6.6
Nifty-M 100	15,834	-1.6	10.3
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,349	0.5	4.9
Nasdaq	9,800	0.8	5.9
FTSE 100	7,302	0.5	2.2
DAX	11,794	0.2	2.7
Hang Seng	10,436	1.8	11.1
Nikkei 225	19,438	1.0	1.7
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	55	-0.1	-0.6
Gold (\$/OZ)	1,234	0.4	7.1
Cu (US\$/MT)	6,048	0.7	9.5
Almn (US\$/MT)	1,900	1.3	11.5
Currency	Close	Chg. %	YTD.%
USD/INR	66.9	0.0	-1.5
USD/EUR	1.1	0.2	0.6
USD/JPY	114.2	-0.2	-2.3
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.9	0.0	0.3
10 Yrs AAA Corp	7.7	0.0	0.1
Flows (USD b)	15-Feb	MTD	YTD
FII	0.0	0.4	0.4
DII	0.0	0.3	1.0
Volumes (INRb)	15-Feb	MTD*	YTD*
Cash	257	279	243
F&O	5,375	4,601	4,177

Note: YTD is calendar year, *Avg

Quote of the day

There is nothing riskier than the widespread perception that there is no risk



Today's top research ideas

Fund Folio: An encouraging start to the new year

Equity AUM up 5.5% – highest rise in 10 months

- Equity AUM grew 5.5% in January - the highest rise in the last 10 months. Notably, the rise in equity AUM was higher than the 4.6% MoM rise in the benchmark index (Nifty).
- Total AUM of the MF industry also grew 5.5% MoM to INR17.4t in January to a new high, also marking the third-quickest 1t jump.
- While gross inflows remained steady (INR161b; down 6% MoM), redemptions rose sharply by 56% MoM to INR124b ahead of the Union Budget in a volatile market environment. Consequently, net inflows declined to INR37b in January from INR92b in the previous month.
- The last three months have seen meaningful changes in allocation by domestic MFs, following concerns about the potential impact of demonetization on earnings. While allocations to Private Banks, Oil & Gas, NBFCs, Consumer, Utilities, Metals and Telecom have risen, Capital Goods, Technology, Healthcare and PSU Banks saw signs of moderation.
- After two consecutive months of increase, weight of the Technology sector decreased in January.



Research covered

Cos/Sector	Key Highlights
Fund Folio (Database)	Indian Mutual Fund Tracker— An encouraging start to the new year
Nestle India	Stellar results in demonetization period; substantial beat on all fronts
Parag Milk Foods	Significant underperformance; near-term margin pressure remains
Repcos Home	Continued pressure on growth; Asset quality deteriorates
Siti Networks	Re-aligning Phase III monetization expectations; downgrade to Neutral; Operational performance below expectations
S H Kelkar & Co.	Results broadly inline, acquires encapsulation technology



Piping hot news

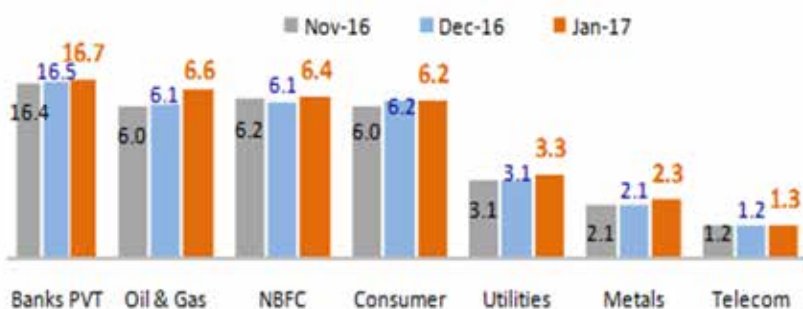
Nasscom defers infotech growth forecast for FY18

- Nasscom has unexpectedly postponed issuing a growth projection for 2017-18, a first in 25 years, in the wake of uncertainty due to regulatory changes in the US and the macroeconomic outlook.

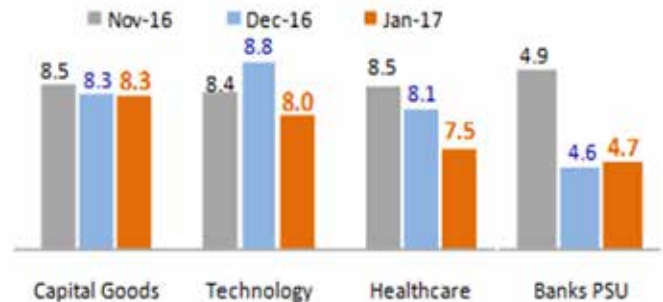


Chart of the Day: Sector allocation of domestic MFs have seen meaningful changes in last three months

Sectors with rising trend in weight allocation (%)



Sectors with signs of moderation in weight allocation (%)



Research Team (Gautam.Duggad@MotilalOswal.com)

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

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



Kindly click on numbers for the detailed news link

1

Big Bank Theory: Merger of SBI, associates cleared

Moving ahead with the long-pending reform of consolidation in the banking sector, the government on Wednesday cleared State Bank of India's acquisition of five subsidiary banks. "State Bank of India will become a global player after the merger..."

2

Data is the new oil; Trump a blessing for India: Mukesh Ambani

Reliance Industries Chairman Mukesh Ambani said US President Donald Trump could be a blessing in disguise for India's \$150 billion information services industry. "I think Trump can be blessing in disguise. It will allow Indian talent and the Indian tech industry to focus on solving India's problems," Ambani said at the 25th Nasscom India Leadership Forum. The Indian technology industry has grown increasingly apprehensive about regulatory changes in the US brought about by the Trump Administration that could affect their business in their largest overseas market....

3

Piramal lends Rs 2,000 cr under lease rental discounting scheme

Piramal Fund Management (PFM), financial services arm of Piramal Enterprises, has sanctioned investments worth about Rs 2,000 crore within three months of launching lease rental discounting (LRD) for completed commercial assets that include office and retail space, it said on Wednesday...

4

Lufthansa bets on India growth; to boost ties with Jet Airways

Bullish on Indian market, European airliner group Lufthansa plans to enhance bilateral ties with Jet Airways for increased connectivity to new cities and launch flight from Brussels to Mumbai next month. Lufthansa Group, which operates 60 flights to and from India per week, has recently introduced the fuel...

5

HAL plans capex of Rs. 17,500 cr spread over 5-6 years

Hindustan Aeronautics Limited (HAL), public sector defence aerospace major, has planned a capital expenditure of Rs. 17,500 crore spread over 5-6 years to meet aircraft upgrades, develop new aircraft and to modernise its manufacturing units. Part of the funds will be raised through loans and the balance is expected to be met by going public through an IPO, said T Suvarna Raju, Chairman of HAL. "The company will shortly announce book keeping lead managers, and will be filing DHRP by the end of this fiscal," he added...

6

Indian Oil reconsidering investment plans for Paradip refinery in Odisha

Odisha government's move to withdraw tax breaks to Indian Oil Corp. Ltd's 15 million tonne Paradip refinery is likely to cost the state about Rs50,000 crore of investments with the refinery major taking a second look at its investment plans for the state...

7

Power plants turn less tight-fisted as coal supply improves

Thermal power stations are lowering the stock amount of coal used for electricity generation, as per the latest data. On February 11, closing stock of coal at the 110 thermal power plants which have coal supply commitments through linkages, stood at 23.8 million tonnes. On the same day in 2016, total stock in the 101 linkage-committed plants was 35.8...

An encouraging start to the new year—Equity AUM up 5.5% – highest rise in 10 months

- Domestic MFs started CY17 on a positive note. Equity AUM grew 5.5% in January – the highest rise in the last 10 months. Notably, the rise in equity AUM was higher than the 4.6% MoM rise in the benchmark index (Nifty).
- Total AUM of the MF industry also grew 5.5% MoM to INR17.4t in January to a new high, also marking the third-quickest 1t jump.
- While gross inflows remained steady (INR161b; down 6% MoM), redemptions rose sharply by 56% MoM to INR124b ahead of the Union Budget in a volatile market environment. Consequently, net inflows declined to INR37b in January from INR92b in the previous month.

Some interesting facts

- The last three months have seen meaningful changes in allocation by domestic MFs, following concerns about the potential impact of demonetization on earnings. While allocations to Private Banks, Oil & Gas, NBFCs, Consumer, Utilities, Metals and Telecom have risen, Capital Goods, Technology, Healthcare and PSU Banks saw signs of moderation.
- After two consecutive months of increase, weight of the Technology sector decreased in January. As a result, the Technology sector has fallen to the fourth position in sector allocation of mutual funds.
- Of the top-10 stocks, which saw an increase in value on MoM basis, four were from Private Banks. IOCL saw a total increase of INR19.5b in value; 15 out of 20 funds bought the stock. In Private Banks, HDFC Bank (INR22b), ICICI Bank (INR19b), IndusInd (INR11b) and Yes Bank (INR10b) saw an increase in value on MoM basis.
- Value shocks were significant in Technology stocks. TCS (-INR5b), Tech Mahindra (-INR2b), HCL Tech (-INR1b), and Mindtree (-INR1b) saw the maximum decline in value.

Exhibit 1: Sectors with rising trend in weight allocation (%)

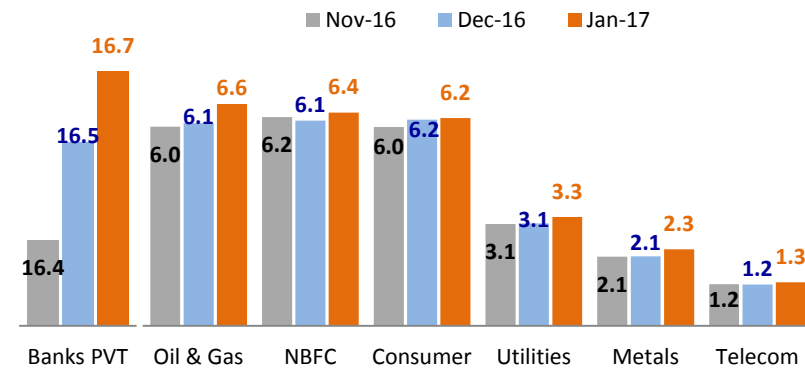


Exhibit 2: Sectors with signs of moderation in weight (%)

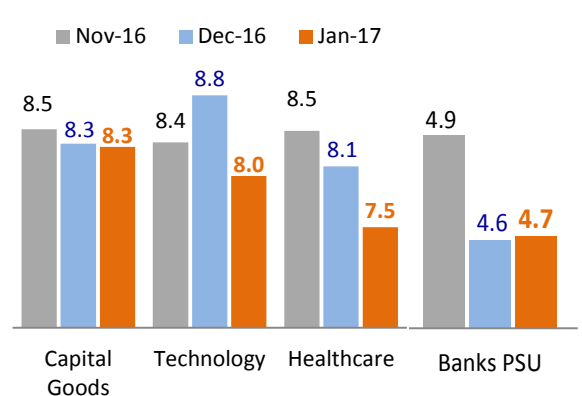
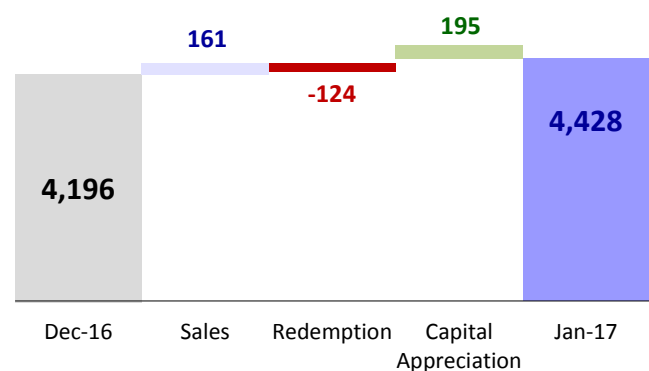
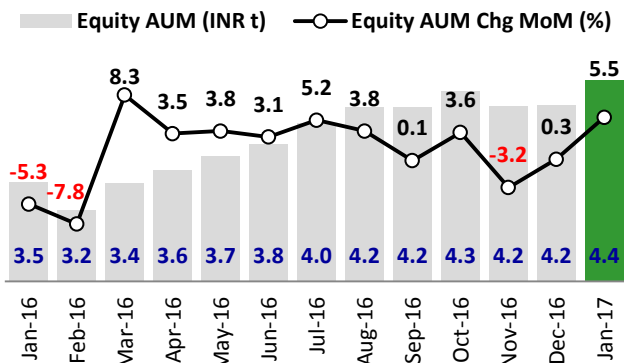


Exhibit 1: Equity AUM up 5.5% - highest rise in last 10 months

Exhibit 2: What drove equity AUM in January (INR b)





Nestle India

BSE SENSEX	S&P CNX
28,156	8,725
Bloomberg	NEST IN
Equity Shares (m)	96.4
M.Cap.(INRb)/(USDb)	595.2 / 8.9
52-Week Range (INR)	7390 / 4990
1, 6, 12 Rel. Per (%)	1/-8/2
Avg Val, INRm/ Vol m	267
Free float (%)	37.2

CMP: INR6,174 TP: INR6,840 (+11%) Neutral

Stellar results in demonetization period; substantial beat on all fronts

- Net sales increased 16.2% YoY to INR22.6b (est. of flat sales) in 4QCY16. While the base quarter was favorable (had only half a quarter of sales from Maggi), we had expected demonetization to have a higher impact on the company's discretionary product portfolio than what actually panned out.
- **Gross margin contracted 90bp YoY** (est. of -20bp YoY) to 57.6% in 4QCY16. There were savings of 20bp YoY on staff costs (12.9% of sales) and of 10bp YoY on other expenses (27.3% of sales). EBITDA margin thus contracted 50bp YoY (est. flat) to 17.4%. Nevertheless, the sales beat meant that EBITDA grew 12.7% YoY (est. flat) to INR3.9b.
- **Other income came in higher than expected** (+62% YoY), while tax rates were lower than forecasted (30% v/s est. of 34%). Adj. PAT before contingencies and exceptional items grew 24.3% YoY (est. of -5.5%) to INR2.6b.
- **Management commentary:** Market share in Maggi is now 60% (v/s 57% at end-September 2016) – the highest since the crisis, but still way below 80% before the crisis. The company launched 30 products and variants in CY16, many of which saw a good response.
- **Valuation view:** We are encouraged by the much-needed strategic changes initiated by the new CEO over the past year. The spate of 30 new launches in the form of variants of existing products, some premium products and some interesting new categories has been impressive. However, there is no sign that the absence of volume growth across categories over past few years is undergoing a change for the better. Just to put things in perspective, 4QCY16 sales were actually 10% lower than pre-crisis 4QCY14 sales, in line with 4QCY13 sales and only 5% higher than 4QCY12 sales. There is also no discernable hint of any significant change in the overt premiumization strategy that had held back volume growth. Valuations are fair at 36.1x CY18E EPS. Maintain **Neutral** with a TP of INR6,840 (40x Dec-2018 EPS, 20% discount to three-year average P/E).

Financials & Valuations (INR b)

Y/E Dec	2016	2017E	2018E
Net Sales	91.6	109.0	125.0
EBITDA	18.0	22.2	25.9
PAT	11.4	13.9	16.5
EPS (INR)	118.7	144.0	171.0
Gr. (%)	-1.0	21.3	18.8
BV/Sh (INR)	315.7	365.5	443.5
RoE (%)	38.8	42.3	42.3
RoCE (%)	38.6	42.3	42.3
P/E (x)	52.0	42.9	36.1
P/BV (x)	19.6	16.9	13.9

Estimate change

TP change

Rating change

Quarterly performance

Y/E December									(INR Million)			Var.
	CY15				CY16				CY15	CY16E	Estimate	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE		
Net Sales	25,068	19,338	17,362	19,464	22,957	22,561	23,462	22,613	81,233	91,585	19,376	16.7%
YoY Change (%)	8.4	-20.1	-32.1	-22.6	-8.4	16.7	35.1	16.2	-17.2	12.7	-0.5	
COGS	10,626	8,553	7,429	8,082	9,851	9,495	9,860	9,591	34,689	38,962	8,083	
Gross Profit	14,442	10,785	9,934	11,383	13,106	13,066	13,602	13,022	46,544	52,623	11,293	15.3%
Margin (%)	57.6	55.8	57.2	58.5	57.1	57.9	58.0	57.6	57.3	57.5	58.3	
Operating Exp	8,443	7,183	7,075	7,892	7,927	8,709	9,115	9,087	30,593	34,555	7,819	
EBITDA	6,000	3,602	2,858	3,491	5,180	4,357	4,487	3,935	15,951	18,068	3,474	13.3%
Margins (%)	23.9	18.6	16.5	17.9	22.6	19.3	19.1	17.4	19.6	19.7	17.9	
YoY Growth (%)	23.5	-26.1	-46.5	-36.0	-13.7	21.0	57.0	12.7	-22.3	13.3	-0.5	
Depreciation	950	720	906	897	891	889	882	873	3,473	3,521	881	
Interest	34	1	0	-2	38	1	1	-5	33	42	3	
Other income	352	533	334	403	416	522	547	654	1,621	2,127	419	
PBT	5,367	3,414	2,286	2,999	4,666	3,989	4,151	3,721	14,067	16,632	3,010	23.6%
Tax	1,663	1,093	637	913	1,614	1,136	1,273	1,127	4,305	5,189	1,038	
Rate (%)	31.0	32.0	27.9	30.4	34.6	28.5	30.7	30.3	30.6	31.2	34.5	
Adjusted PAT	3,704	2,322	1,649	2,086	3,052	2,853	2,878	2,594	9,762	11,443	1,972	31.5%
YoY Change (%)	26.4	-21.9	-49.6	-36.7	-17.6	22.9	74.5	24.3	-21.7	17.2	-5.5	

E: MOSL Estimates



Parag Milk Foods

BSE SENSEX	S&P CNX
28,156	8,725
Bloomberg	PARAG IN
Equity Shares (m)	84.1
M.Cap.(INRb)/(USDb)	17.9 / 0.3
52-Week Range (INR)	357 / 202
1, 6, 12 Rel. Per (%)	-/-/-
Avg Val, INRm/ Vol m	123
Free float (%)	52.5

CMP: INR213

TP: INR215(+1%)

Neutral

Significant underperformance; near-term margin pressure remains

- **3QFY17 consol. sales grew 15.1% YoY to INR4.5b**, with fresh milk growing by 15% and milk products by 5%, primarily driven by volume growth. SMP grew sharply by 273% YoY, while others segment sales declined by 61%. The company took an 8% price hike in the consumer business in January 2017 to partially counter the increase in raw milk prices. EBITDA declined 137.8% YoY to a loss of INR145m. Adj. PAT loss stood at INR268m.
- **Gross margin contracted 770bp YoY to 22.1%** due to higher milk prices (+20% YoY, 14% QoQ) and a weak product mix (excess milk in 3QFY17 was converted and sold as SMP). Higher other expenses (+540bp YoY to 20.6% of sales) led to a significant EBITDA margin contraction. Increase in other expenses was likely led by higher ad and promotion spends. EBITDA thus posted a loss of INR145m (v/s profit of INR383m in 3QFY16).
- **At the net level, PARAG reported a loss of INR268m** (v/s profit of INR145m in 3QFY16) after adjusting for VAT tax liability of INR165m.
- **Key concall highlights:** 1) Price hike of 8% taken in consumer products in January; some price hike in institutional business. 2) Some adverse volume impact of price increase is likely to be witnessed in 4QFY17. 3) Full-year ad spend target maintained, even though it was significantly higher in 3Q.
- **Valuation and view:** Given the big disappointment in 3QFY17, we cut PAT for FY18E/FY19E sharply by 37%/15%. There is no clarity yet on where procurement costs will settle. Also, while management has taken a price increase in 4QFY17, it is not adequate, and even that will have an adverse initial impact on volumes in a downbeat consumption environment. Intense quarterly volatility is a negative surprise that was revealed for the first time in the brief listing history of the company. We reduce target multiple from 22x to 20x Dec'2018 EPS (35% discount to FMCG sector multiple given low RoE and high volatility). Maintain **Neutral**.

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	16.5	17.1	19.7
EBITDA	1.5	0.8	1.5
PAT	0.5	0.1	0.6
EPS (INR)	6.7	0.9	6.7
Gr. (%)	-66.7	-86.5	631.5
BV/Sh (INR)	51.4	81.2	87.9
RoE (%)	19.5	1.5	7.9
RoCE (%)	12.4	2.6	7.4
P/E (x)	31.7	234.5	32.1
P/BV (x)	4.1	2.6	2.4

Estimate change



TP change



Rating change



Consolidated - Quarterly Earning Model

Y/E March	FY16				FY17				(INR Million)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY16	FY17E	FY17	Var.
Net Sales	3,738	4,696	3,875	4,142	3,835	4,728	4,461	4,068	16,451	17,092	3,991	11.8
YoY Change (%)				19.6	2.6	0.7	15.1	-1.8	13.9	3.9	3.0	
Gross Profit	959	1,258	1,156	1,303	1,147	1,444	987	1,106	4,676	4,684	1,250	
Margin (%)	25.7	26.8	29.8	31.4	29.9	30.5	22.1	27.2	28.4	27.4	31.3	
Total Expenditure	674	844	773	904	817	1,067	1,131	856	3,200	3,871	900	
EBITDA	285	414	383	399	330	377	-145	250	1,476	813	350	-141.3
YoY Change (%)				38.1	15.8	-8.9	-137.8	-37.3	37.7	-44.9	-7.6	
Margins (%)	7.6	8.8	9.9	9.6	8.6	8.0	-3.2	6.1	9.0	4.8	8.8	
Depreciation	90	64	82	97	98	115	109	99	334	420	90	
Interest	112	146	117	120	92	64	89	48	490	293	60	
Other Income	5	-3	10	4	8	23	20	2	16	53	10	
PBT before EO expense	87	201	194	186	147	222	-322	106	668	153	210	
PBT	87	201	194	186	147	222	-322	106	668	153	210	-253.5
Tax	17	105	49	25	39	78	-54	13	195	76	64	
Rate (%)	19.3	51.9	25.1	13.4	26.5	35.4	16.8	12.5	29.2	50.0	30.5	
Adj PAT	70	97	145	161	108	143	-268	93	473	76	146	-283.7
YoY Change (%)				0.1	54.0	47.8	-284.5	-42.4	46.9	-83.8	0.4	
Margins (%)	1.9	2.1	3.7	3.9	2.8	3.0	-6.0	2.3	2.9	0.4	3.6	

E: MOSL Estimates



Repc Home Finance

BSE SENSEX	S&P CNX
28,156	8,725
Bloomberg	REPCO IN
Equity Shares (m)	62.5
M.Cap.(INR b)/(USD b)	40.4/0.6
52-Week Range (INR)	891 / 552
1, 6, 12 Rel. Per (%)	-4/-23/-11
Avg Val,(INR m)	59
Free float (%)	62.9

Financials & Valuations (INR b)

Y/E March	2016	2017E	2018E
NII	3.0	3.6	4.2
PPP	2.7	3.3	3.8
PAT	1.5	1.8	2.1
EPS (INR)	24.0	29.0	34.2
BV/Sh. (INR)	152.7	179.1	210.3
RoAA (%)	2.2	2.2	2.2
RoE (%)	17.0	17.5	17.5
Payout (%)	9.0	8.7	8.7
Valuation			
P/E (x)	26.8	22.1	18.8
P/BV (x)	4.2	3.6	3.1
Div. Yield (%)	0.3	0.3	0.4

CMP: INR642

TP: INR752 (+17%)

Buy

Continued pressure on growth; Asset quality deteriorates

- Repco Home Finance (Repc) reported 3QFY17 PAT of INR464m (13% above estimate). However, this was driven by lower-than-expected operating costs and provisions. NII grew 16% YoY to INR907m, in line with our expectations.
- While loan book grew at a healthy 21% YoY, it belies the sluggish performance in sanctions and disbursements (down 28% and 16% YoY, respectively). Besides demonetization, the High Court order mandating new construction approvals by the Chennai Municipal Corporation or the Directorate of Town and Country Planning instead of the Gram Panchayats will continue weighing on sanctions growth in the near term. Interestingly, the ratio of disbursements to sanctions was at an elevated 111%, as against an average of 85-95%. This indicates increased disbursements from the existing sanction pipeline.
- Repayment rate (on a four-quarter lag basis) declined from 21.2% in 3QFY16 to 17.6% in 3QFY17. This is reflected in the asset quality performance. GNPL ratio increased 36bp YoY to 2.65%, after availing the benefit of the RBI dispensation. Without the dispensation, the GNPL ratio would have been 4.2%.
- All segments were significantly impacted on the asset quality front. GNPL ratio for home loans was 2.2% with the dispensation and 3.7% without it. In the salaried customer segment, it was 1.3% with the dispensation and 2.4% without it. The deterioration in the LAP and self-employed customer segments was slightly worse.

Valuation and view: RHFL has recorded loan book CAGR of 33% over FY10-16, with equally impressive earnings growth of 24%. Presence in underserved markets, pricing power on asset side, declining cost of funds and expanding reach should support its earnings over the longer term. However, on account of externalities, growth has slowed down and we expect ~20% loan and PAT growth over the medium term. However, the recent correction offers an opportunity to buy. Maintain **Buy** with a target price of INR752 (3.0x FY19E BV).

REPCO: Quarterly performance

Y/E March	(INR Million)									
	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	1,935	2,084	2,191	2,312	2,389	2,500	2,589	2,657	8,521	10,135
Interest Expenses	1,271	1,344	1,410	1,460	1,550	1,597	1,682	1,706	5,486	6,534
Net Interest Income	664	740	781	852	840	903	907	951	3,036	3,600
YoY Growth (%)	25.2	24.7	32.8	28.7	26.5	22.1	16.2	11.6	27.7	18.6
Other income	66	80	63	91	80	98	67	81	300	326
Total Income	730	820	843	943	920	1,000	974	1,032	3,336	3,926
YoY Growth (%)	24.7	28.4	32.4	26.2	26.0	22.0	15.5	9.4	27.7	17.7
Operating Expenses	154	175	160	153	149	163	163	163	643	638
YoY Growth (%)	37.0	36.8	13.0	-7.1	-3.5	-6.8	1.9	6.3	17.5	-0.8
Operating Profits	576	644	683	790	771	837	811	869	2,693	3,288
YoY Growth (%)	21.8	26.3	37.9	35.7	33.9	29.9	18.7	10.1	30.4	22.1
Provisions	113	47	92	140	179	127	96	118	392	520
Profit before Tax	463	597	591	650	592	710	714	752	2,301	2,768
Tax Provisions	161	207	205	228	196	253	250	255	800	955
Profit after tax	302	391	386	422	395	457	464	496	1,501	1,813
YoY Growth (%)	21.8	21.2	25.5	21.3	30.8	17.0	20.4	17.5	21.9	20.8
Cost to Income Ratio (%)	21.1	21.4	19.0	16.2	16.2	16.3	16.8	15.8	19.3	16.3
Tax Rate (%)	34.7	34.6	34.7	35.0	33.2	35.7	35.0	34.5	34.8	34.5

E: MOSL Estimates



SITI Network

BSE SENSEX	S&P CNX
28,156	8,725
Bloomberg	SITINET IN
Equity Shares (m)	794
M.Cap.(INRb)/(USDb)	30.9 / 0.5
52-Week Range (INR)	41 / 31
1, 6, 12 Rel. Per (%)	0/5/-5
Avg Val, INRm	15.7
Free float (%)	29.0

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	11.9	11.9	14.9
EBITDA	3.0	2.3	4.1
EBITDA#	0.9	0.5	3.3
PAT	0.0	-1.4	0.0
EPS (INR)	0.0	-1.7	0.1
Gr. (%)	NM	NM	NM
BV/Sh (INR)	9.1	8.7	10.3
RoE (%)	0.1	-19.3	0.6
RoCE (%)	6.4	-2.8	4.9
EV/EBITDA	19.3	10.9	7.2
EV/EBITDA#	86.1	13.6	8.1
EV/Sub (INR)	3,581	3,695	3,747

* Based on attributable EBITDA and subs post minority stake # (ex-activation)

Estimate change

TP change

Rating change



CMP: INR38 TP: INR40(+4%) Downgrade to Neutral

Re-aligning Phase III monetization expectations; downgrade to Neutral

Operational performance below expectations

- **EBITDA (ex-activation) misses estimates:** Consol. EBITDA grew 16% QoQ to INR550m (est. of INR637m). EBITDA (ex-activation) declined 9% QoQ to INR82m (est. of INR197m), led by lower-than-expected broadband and other operating revenue. Opex remained flat QoQ at INR2.43b (est. of INR2.39b).
- **Net billing implementation in Phase I completed; subscription up 6% QoQ:** SITINET completed net billing implementation in Phase I in 3QFY17. Consequently, subscription revenue and related distribution costs for 3Q were netted off. Subscription income grew 6% QoQ to INR1.48b (in-line).
- **Phase I/II collections stagnant; broadband disappoints:** Phase I/II collections have largely remained stagnant at INR103/INR78 per subscriber/month over past four quarters, as the MSO:LCO revenue share squabble continues. Management expects improvement in Phase II/III collections to INR90/INR50 by March 2017. Phase I collections are expected to remain flat. Broadband revenue grew 4% QoQ to INR0.26b (est. of INR0.28b) as competitive pressure from RJio's freebies kept subscriber addition under check (especially in Kolkata). SITINET added 18k broadband (BB) subscribers in 3Q, taking BB subscriber base to 213k.
- **Set-top box seeding subdued, below expectations:** SITINET seeded 0.54m set-top boxes in 3Q (est. of 0.8m). Management expects to seed ~2m boxes in FY17. We believe SITINET would exit FY17 with 10m digital subscribers.
- **3QFY17 capex at INR0.6b; STB inventory at 1.4m:** SITINET incurred capex of INR0.6b in 3QFY17 and holds an inventory of ~1.4m set-top boxes, which is largely intended to be deployed by 4QFY17.
- **85%+ underlying EBITDA CAGR over FY16-19; downgrade to Neutral:** We expect digital subscriber base to increase from 7.9m in FY16 to 11.6m in FY19. Increase in net subscription post-digitization should drive 85%+ recurring EBITDA CAGR over FY16-19E. SITINET trades at EV/EBITDA (ex-activation/minorities) of 13.6x/8.1x FY18E/FY19E. We cut EBITDA significantly for FY18E/FY19E to re-align our Phase III/IV monetization expectations and downgrade the stock to **Neutral** with a DCF-based TP of INR40 (earlier INR45). Recent stock run-up leaves limited valuation upside.

Quarterly Performance (Consolidated)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Sales	2,297	2,339	3,440	3,567	2,820	2,890	2,985	3,253	11,890	11,947
YoY (%)	9.9	6.7	55.2	39.3	22.7	23.6	-13.2	-8.8		
Operating Expenses	1,953	1,943	2,486	2,614	2,395	2,416	2,434	2,434	8900	9,680
EBITDA	344	395	954	952	425	473	550	819	2,990	2,267
YoY (%)	0.5	-4.0	97.8	913.1	23.5	19.7	-42.4	-14.0		
EBITDA margin (%)	15.0	16.9	27.7	26.7	15.1	16.4	18.4	25.2	25.1	19.0
Depreciation	358	367	391	515	547	572	625	625	1,632	2,370
Interest	344	348	351	351	297	280	360	356	1,378	1,293
Other Income	24	87	49	81	49	24	71	50	240	194
PBT	-334	-233	262	167	-370	-355	-364	-113	220	-1,202
Tax	5	35	2	89	65	22	-30	47	131	105
Effective Tax Rate (%)	-1.6	-14.9	0.8	53.1	-17.7	-6.1	8.1	-41.8	59.6	-8.7
Reported Net Profit	-367	-315	147	241	-536	-469	-263	-143	-16	-1,412



S H Kelkar and Co.

BSE SENSEX	S&P CNX
28,156	8,725
Bloomberg	SHKL IN
Equity Shares (m)	145
M.Cap.(INRb)/(USDb)	44.7 / 0.7
52-Week Range (INR)	362 / 201
1, 6, 12 Rel. Per (%)	-6/6/17
Avg Val, INRm	39
Free float (%)	42.4

CMP: INR309

TP: INR371 (+20%)

Buy

Results broadly in line; acquires futuristic encapsulation technology

- Headwinds in international business and demonetization impact growth:** Consol. revenue grew 1% YoY to INR2,319m (est. of INR2,416m). Flavors business grew 55.7% YoY, while fragrance business declined 3.2% YoY, mainly due to headwinds in international business (down ~22% YoY led by ingredients business). Domestic fragrance business grew 7%, lower than its normal trajectory, due to the impact of demonetization. EBITDA margin contracted 60bp YoY to 17.1% despite improvement in gross margin, mainly due to negative operating leverage. EBITDA declined 3% YoY to INR395m. As interest cost was lower at INR2m v/s INR44m in 3QFY16, PAT grew 16% YoY to INR254m.
- First mover in adopting encapsulation technology in India:** SHK acquired Fragrance Encapsulation Technology (FET) from Tanishka Products. FET is expensive in nature and largely prevalent in the US and Europe. SHK will have its own in-house development program for fragrance through FET. Through in-house development, SHK aims to produce FET based fragrance at lower cost, which will enable to drive sales at price points acceptable in India and Asia.
- Inventory management – key focus area:** SHK will focus on improving supply chain efficiencies through sourcing of raw material at a centralized location. Currently, it follows a plant-wise sourcing model. This is targeted to improve its inventory management (currently at ~165 days of sales).
- Valuation and view:** We believe the acquisition of FET is a step in the right direction, which can open up new avenues for growth for SHK. Additionally, the impact of demonetization is likely to be temporary, and management believes that international business will also come back on track. Thus, we continue maintaining our estimates, and expect revenue CAGR of 16% and adj. PAT CAGR of 34% over FY16-19E. Maintain **Buy** with a TP of INR371 (28x FY19E EPS).

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	9.3	10.3	12.3
EBITDA	1.5	1.8	2.4
PAT	0.8	1.1	1.5
EPS (INR)	5.5	7.7	10.3
Gr. (%)	4.2	38.8	33.9
BV/Sh (INR)	52.7	57.9	64.9
RoE (%)	12.6	13.9	16.8
RoCE (%)	16.9	20.3	25.2
P/E (x)	55.7	40.1	30.0
P/BV (x)	5.9	5.3	4.8

Estimate change	↔
TP change	↑
Rating change	↔

Consolidated - Quarterly Earning Model

Y/E March	FY16				FY17				FY17E	FY17	Var (%)
	1Q	2Q	3Q	4QE	1Q	2Q	3Q	4QE	3QE		
Net Sales	2,211	2,082	2,295	2,658	2,559	2,453	2,319	2,990	10,320	2,416	-4
YoY Change (%)	-	-	17.2	12.8	15.7	17.8	1.1	12.5	11.6	5.0	
Total Expenditure	1,807	1,827	1,887	2,210	2,085	2,036	1,924	2,452	8,497	2,012	
EBITDA	404	255	407	448	473	416	395	538	1,823	403	-2
Margins (%)	18.3	12.3	17.7	16.9	18.5	17.0	17.1	18.0	17.7	16.7	
Depreciation	74	74	72	77	44	49	48	50	191	50	
Interest	72	73	44	14	19	22	2	2	45	12	
Other Income	19	23	18	50	32	29	19	20	100	26	
PBT before EO expense	278	131	310	407	442	375	364	506	1,687	367	-1
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	
PBT	278	131	310	407	442	375	364	506	1,687	367	-1
Tax	83	61	92	147	167	132	110	167	575	125	
Rate (%)	29.8	46.4	29.6	36.2	37.7	35.1	30.2	33.0	34.1	34.0	
Minority Interest & Profit/Loss of Asso. C	0	0	0	0	0	0	0	0	0	0	
Reported PAT	195	70	218	260	275	243	254	339	1,111	242	5
Adj PAT	195	70	218	260	275	243	254	339	1,111	242	5
YoY Change (%)	-	-	378.3	24.0	41.3	246.0	16.5	30.7	49.7	3.6	
Margins (%)	8.8	3.4	9.5	9.8	10.8	9.9	11.0	11.3	10.8	10.0	

E: MOSL Estimates



1. JSPL: Committed To Reducing Debt But Earnings A Priority; Ravi Uppal, MD and CEO

- The company is committed to reducing its debt pile; need to be done progressively, with the immediate priority to steady earnings.
- Selling off disposable assets, even as the company actively looks to sell stakes in its units can be one of the ways to reduce debt levels.
- Increased volumes, higher net sales realisations and reduction in costs in JSPL's steel business had helped the company put up a positive show in the third quarter.
- The company had managed to achieve an all-time low inventory in the last quarter.
- Are very selective in the power business whereby the company is choosing Power Purchase Agreements and bilateral sales as opposed to the earlier practice of dispatching to merchant markets where the prices were low.

[➔ Read More](#)

2. Jain Irrigation: Increased Sugarcane Plantation To Boost Biz; Anil Jain, MD

- Expecting an uptick in business in FY18 owing to increased plantation by sugarcane farmers.
- The note ban enforced by the government had brought life in rural areas to standstill for two months, reducing the demand for PVC pipes delaying a policy on mandatory micro-irrigation systems in Maharashtra.
- The government's proposal to increase plantation would benefit the company more as it has 60% market share.
- Expect Rs 300 crore business from sugarcane next year based on current levels.
- Would have to grow at 40% in this quarter to maintain the 16% growth guidance for the MIS business.
- However, we expect a growth of around 20% this quarter which combined with postponement of business for next year, we should achieve whole year growth of 12%.

[➔ Read More](#)

3. SH Kelkar: After Subdued Q3, Hope The Export Pain Is Over; Kedar Vaze, Group CEO

- The international fragrance business had been facing headwinds and fell 2% in the third quarter on the back of currencies being devalued and general disruption in higher credit rates.
- The domestic business continued to do well despite the impact of the note ban that was imposed last November.
- The export business pain is behind us in terms of decline in the volume and margin profile where we had low value products.
- We have improved our margins from our formulation exports from India and we will continue to grow on this space.
- There is a base erosion on the low margin product which we was allowed to decline in this period.

[➔ Read More](#)



1. The basics of designing a bad bank. by TB Kapali

- A solution to Indian banks' bad loan problem calls for a creative and pragmatic approach, RBI Governor Urjit Patel said some time back. The latest talk about formation of a "bad bank" to take over the bad loans and administering/selling them into the private markets seems to be part of the creative and pragmatic approach to this issue. New RBI Deputy Governor Viral Acharya, a globally acclaimed scholar on credit risk/systemic risk in banking, has also offered his first views on the subject. "I don't think a bad bank just by itself will necessarily work, I think it has to be designed right," Viral Acharya has indicated.

[→ Read More](#)

2. Does India really need a giant oil psu? by The Financial Express

- The idea of merging state-owned oil companies germinated during the AB Vajpayee years and surfaced during Mani Shankar Iyer's tenure as the UPA petroleum minister. An advisory committee on Synergy in Energy, chaired by V Krishnamurthy in 2005, strongly recommended against such a merger. After the NDA came to power in 2014, petroleum minister Dharmendra Pradhan floated the idea of a giant company in July 2016. Surprisingly, it did not feature on the national agenda as significantly as it has after the presentation of Budget 2017.

[→ Read More](#)

3. If Supreme Court Had Ruled Earlier On Sasikala Case, It May Have Changed State's Politics Decisively. by The Financial Express

- The Supreme Court verdict sentencing AIADMK chief VK Sasikala—the sentence against deceased Tamil Nadu chief minister J Jayalalithaa was abated due to her death last December—in the "assets disproportionate to income" case, predictably, sent the state into a tizzy, more so since after the judgment, Sasikala expelled acting chief minister O Paneerselvam and his supporters from the party and nominated Edappadi K Palanisamy for the chief minister's job.

[→ Read More](#)

4. Perils of the global monetary non-system. by Livemint

- Uncertainty seems to be the only certainty for the global economy after the 2008 financial crisis. While the period preceding the financial crisis is termed as the great moderation because of underlying stability and expansion of economic activity in various parts of the world, the phase after the crisis—which still continues—can perhaps be dubbed as of being one of continued chaos. The global economy has not been able to attain the desired level of economic growth and is dealing with one risk after another.

[→ Read More](#)

5. Look beyond tata and infosys. by Sundeep Khanna

- The shockers coming out of boardrooms at the Tata group first and Infosys Ltd now, remind us that even the mighty have feet of clay. But they should also point us to our own vulnerabilities. We are shocked to learn that the country's most respected business house and its most admired software services company are both afflicted by the same frailties as any other Indian company; the shock is amplified because we placed them on a pedestal. After all, they were like no other. But there is a bigger problem. There are no others like them either.

[→ Read More](#)

6. Single and successful. by Swaminathan S Anklesaria Aiyar

- In 1947, many foreigners expected India to break up into fragments. Cleavages of language, region and religion seemed enough to doom unity. India's greatest achievement -owing a great debt to Nehru -has been to survive and thrive as a unified country (notwithstanding breakaway movements in Kashmir and Nagaland). Bollywood was another great unifier. Hindi films and songsters like Lata Mangeshkar found ready audiences in non-Hindi states. Tamil Nadu had a violent anti-Hindi agitation in 1965, but later Tamil stars like Rajinikanth and Kamal Haasan became big Hindi film names.

[➔ Read More](#)

International

7. Conflict and commonality between donald trump and xi jinping. by Yukon Huang

- Donald Trump's recent conciliatory call with Xi Jinping on the "One China" issue came as tensions between the two were escalating. Contrasting political systems and cultural norms have always made it difficult for the two nations to work together. Ironically, with President Trump's election and President Xi's consolidation of authority, the potential for conflict is now greater not because of these differences but because of commonalities in their aspirations. Both seek to elevate the profile of their countries — Mr Xi by achieving his "Chinese Dream" and Mr Trump by fulfilling his promise to "Make America Great Again".

[➔ Read More](#)



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Automobiles														
Amara Raja	Buy	848	1,087	28	28.7	29.2	37.7	29.0	22.5	5.8	4.7	25.8	21.6	23.1
Ashok Ley.	Buy	93	114	23	3.9	4.8	6.4	19.3	14.5	4.2	3.5	20.9	23.1	26.3
Bajaj Auto	Buy	2,790	3,432	23	131.8	136.2	160.6	20.5	17.4	5.8	5.0	33.2	30.0	31.0
Bharat Forge	Buy	1,018	1,110	9	28.1	25.7	37.5	39.6	27.1	6.0	5.2	18.7	15.9	20.6
Bosch	Neutral	22,139	22,049	0	483.3	489.0	639.6	45.3	34.6	8.9	7.5	19.4	18.8	23.4
Eicher Mot.	Buy	24,719	29,172	18	492.9	625.6	870.8	39.5	28.4	14.0	10.1	35.8	41.2	41.3
Endurance Tech.	Buy	664	732	10	20.7	24.2	30.2	27.4	22.0	5.3	4.4	22.4	21.2	21.8
Escorts	Buy	407	469	15	11.1	21.8	32.8	18.7	12.4	2.1	1.8	6.1	11.4	15.6
Exide Ind	Buy	208	205	-2	7.4	8.2	9.7	25.3	21.5	3.6	3.2	14.1	14.2	14.9
Hero Moto	Neutral	3,098	3,190	3	158.3	175.2	190.7	17.7	16.2	6.5	5.5	43.6	40.1	36.8
M&M	Buy	1,301	1,506	16	53.6	60.7	75.0	21.5	17.4	1.6	1.5	15.4	14.3	13.6
Mahindra CIE	Not Rated	194	-		4.2	6.2	9.7	31.3	20.0	2.2	2.0	4.5	7.7	10.3
Maruti Suzuki	Buy	5,861	6,808	16	177.6	247.5	307.5	23.7	19.1	5.4	4.4	19.9	22.8	23.2
Tata Motors	Buy	437	653	50	36.9	12.8	35.5	34.2	12.3	1.7	1.5	18.3	5.2	13.3
TVS Motor	Buy	411	462	13	9.1	11.9	15.4	34.6	26.7	8.3	6.7	24.1	26.4	27.9
Aggregate								26.9	18.7	4.0	3.4	18.8	14.7	18.3
Banks - Private														
Axis Bank	Neutral	488	535	10	34.5	14.1	25.0	34.7	19.5	2.1	1.9	17.1	6.3	10.3
DCB Bank	Neutral	134	134	0	6.8	7.1	8.6	18.9	15.6	2.0	1.7	11.8	10.9	11.8
Equitas Hold.	Buy	173	240	39	6.2	6.1	6.9	28.5	24.9	2.6	2.3	13.3	11.3	9.9
Federal Bank	Buy	81	105	30	2.8	4.6	5.5	17.6	14.8	1.6	1.5	6.0	9.4	10.4
HDFC Bank	Buy	1,322	1,510	14	48.6	56.9	68.3	23.2	19.4	4.0	3.5	18.3	18.6	19.3
ICICI Bank	Buy	281	345	23	16.7	17.2	17.9	16.3	15.7	1.3	1.2	11.3	10.4	9.9
IDFC Bank	Neutral	62	68	10		3.1	3.9	20.2	15.7	1.4	1.4		7.4	8.9
IndusInd	Buy	1,316	1,535	17	38.4	48.4	58.7	27.2	22.4	4.0	3.4	16.6	15.5	16.4
J&K Bank	Neutral	68	75	10	8.6	Loss	13.0	Loss	5.3	0.6	0.6	6.6	Loss	11.6
Kotak Mah. Bk	Buy	784	940	20	18.9	26.3	32.3	29.9	24.3	3.8	3.3	10.9	13.5	14.5
RBL Bank	Buy	396	450	14	9.0	12.4	17.5	31.8	22.6	3.5	3.1	11.2	12.6	14.4
South Indian	Neutral	23	21	-7	2.5	2.8	3.1	8.1	7.3	0.8	0.7	9.3	9.7	10.0
Yes Bank	Buy	1,431	1,575	10	60.4	79.3	97.0	18.0	14.8	3.7	3.1	19.9	22.1	22.6
Aggregate								23.7	18.7	2.8	2.5	13.7	12.0	13.6
Banks - PSU														
BOB	Buy	163	221	35	Loss	7.5	18.3	21.7	8.9	1.1	1.0	Loss	5.0	11.5
BOI	Neutral	124	123	0	Loss	Loss	17.1	Loss	7.2	0.5	0.5	Loss	Loss	7.0
Canara	Neutral	293	300	3	Loss	23.9	36.7	12.2	8.0	0.6	0.6	Loss	4.9	7.2
IDBI Bk	Neutral	81	49	-39	Loss	1.5	6.4	52.9	12.6	0.7	0.7	Loss	1.4	5.8
Indian Bk	Buy	279	330	18	14.8	30.4	32.2	9.2	8.7	0.9	0.8	5.5	10.4	10.2
OBC	Neutral	120	114	-5	4.9	6.6	19.6	18.2	6.1	0.3	0.3	1.2	1.7	4.8
PNB	Buy	140	185	32	Loss	6.7	12.7	20.8	11.0	0.8	0.7	Loss	3.9	6.8
SBI	Buy	269	350	30	15.7	8.6	21.6	31.2	12.4	1.2	1.1	7.6	7.0	9.0
Union Bk	Neutral	142	172	21	19.7	8.5	30.5	16.8	4.6	0.5	0.4	7.0	2.8	9.7
Aggregate								20.9	11.5	0.8	0.8	-2.7	4.0	6.9
NBFCs														
Bajaj Fin.	Buy	1,040	1,276	23	23.9	34.1	44.6	30.5	23.3	6.3	5.1	21.1	22.5	24.1
Bharat Fin.	Buy	820	883	8	23.8	45.2	43.2	18.1	19.0	4.1	3.4	24.9	30.0	19.4
Dewan Hsg.	Buy	294	405	38	25.0	30.7	35.6	9.6	8.3	1.5	1.3	15.1	16.6	16.6
GRUH Fin.	Neutral	384	348	-9	6.7	7.9	9.8	48.9	39.0	13.9	11.4	31.5	31.0	32.1
HDFC	Buy	1,398	1,580	13	32.6	36.1	38.4	38.7	36.5	5.6	5.1	20.9	19.6	19.6
Indiabulls Hsg	Buy	813	1,015	25	55.7	69.5	86.2	11.7	9.4	2.9	2.6	27.1	26.0	28.9
LIC Hsg Fin	Buy	550	693	26	32.9	37.6	44.7	14.6	12.3	2.6	2.2	19.6	19.1	19.5
Manappuram	Not Rated	99	-		3.5	3.8	4.3	25.8	23.0	2.9	2.7	10.8	11.4	12.2
M&M Fin.	Buy	287	323	12	11.9	8.4	11.1	34.1	26.0	2.6	2.4	11.4	7.7	9.7
Muthoot Fin	Buy	331	409	23	20.3	29.7	34.7	11.1	9.5	2.1	1.8	15.1	19.8	20.3



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
PFC	Neutral	128	117	-8	23.8	24.0	25.5	5.3	5.0	0.9	0.8	18.3	16.8	16.2
Repco Home	Buy	642	842	31	24.0	25.7	37.7	25.0	17.0	3.7	3.1	17.0	15.7	19.6
REC	Neutral	140	134	-4	28.5	29.4	35.3	4.8	4.0	0.8	0.7	21.0	18.8	19.5
Shriram City Union	Buy	1,894	2,500	32	80.4	91.2	130.5	20.8	14.5	2.5	2.2	12.3	12.7	16.1
STF	Buy	934	1,225	31	53.3	58.1	77.9	16.1	12.0	1.9	1.7	12.2	12.3	14.7
Aggregate								15.8	13.6	2.7	2.4	17.7	17.3	17.8
Capital Goods														
ABB	Neutral	1,172	1,190	2	15.8	18.4	26.1	63.7	44.9	7.6	6.5	11.1	11.9	14.4
Bharat Elec.	Buy	1,524	1,800	18	56.9	61.9	73.3	24.6	20.8	4.5	3.9	15.6	19.7	19.0
BHEL	Sell	152	115	-24	Loss	5.5	5.7	27.5	26.6	1.1	1.1	Loss	4.0	4.0
CG Cons. Elec.	Buy	190	205	8	1.9	4.6	5.5	41.6	34.8	31.5	21.4	52.1	94.3	73.3
Crompton Grv.	Sell	65	45	-31	2.1	0.3	1.7	241.3	39.1	0.9	0.9	3.1	3.9	5.9
Cummins	Neutral	885	990	12	27.2	26.6	30.5	33.2	29.0	7.1	6.4	24.9	22.6	23.2
GE T&D	Neutral	295	340	15	3.0	6.0	11.0	49.0	26.7	5.8	5.2	5.9	11.7	20.7
Havells	Buy	419	440	5	7.8	8.9	12.0	46.9	35.0	9.2	8.3	19.0	19.5	23.6
Inox Wind	Neutral	172	175	2	20.7	19.4	16.5	8.9	10.4	1.7	1.5	27.9	21.2	15.3
K E C Intl	Buy	159	175	10	7.4	10.5	12.3	15.1	13.0	2.4	2.0	13.5	16.6	16.8
L&T	Buy	1,480	1,620	9	44.7	53.1	63.7	27.9	23.2	2.9	2.7	9.9	10.8	12.0
Pennar Eng.	Not Rated	130	-		8.8	10.5	12.4	12.3	10.5	1.8	1.5	14.2	14.5	14.6
Siemens	Neutral	1,199	1,340	12	16.9	17.0	25.7	70.5	46.6	6.5	5.6	11.8	9.2	11.9
Solar Ind	Neutral	724	800	10	18.4	19.0	22.3	38.1	32.5	6.5	5.6	20.2	18.4	18.6
Suzlon Energy	Not Rated	17	-		Loss	Loss	0.6	Loss	29.6	Loss	Loss	Loss	Loss	Loss
Thermax	Sell	843	781	-7	23.5	24.4	27.9	34.5	30.3	4.0	3.7	12.5	12.1	12.6
Va Tech Wab.	Buy	486	645	33	16.3	26.5	34.5	18.4	14.1	2.5	2.2	9.7	8.9	16.7
Voltas	Neutral	338	370	10	11.7	11.8	14.0	28.6	24.0	4.2	3.7	15.3	15.4	16.4
Aggregate								31.4	25.6	3.4	3.1	7.6	10.8	12.2
Cement														
Ambuja Cem.	Buy	235	246	5	5.5	5.7	6.9	41.4	34.0	1.7	1.7	8.3	5.9	7.1
ACC	Neutral	1,442	1,339	-7	37.6	33.7	46.7	42.7	30.9	3.2	3.3	8.5	7.5	10.4
Birla Corp.	Buy	707	869	23	20.4	21.5	41.2	32.8	17.1	2.0	1.8	5.9	6.0	10.9
Dalmia Bharat	Buy	1,911	2,246	18	21.5	32.3	50.7	59.2	37.7	4.1	3.7	5.5	7.2	10.4
Grasim Inds.	Neutral	1,006	1,067	6	48.3	70.2	86.5	14.3	11.6	1.6	1.4	9.2	12.0	13.1
India Cem	Neutral	153	138	-10	4.4	7.3	10.7	20.9	14.4	1.2	1.1	3.9	5.8	7.6
J K Cements	Buy	823	938	14	14.5	32.6	37.2	25.2	22.1	3.2	2.9	6.3	13.3	13.6
JK Lakshmi Ce	Buy	381	455	19	0.4	5.9	12.2	64.3	31.1	3.3	3.2	0.3	5.2	10.5
Ramco Cem	Buy	657	815	24	23.4	29.0	31.9	22.7	20.6	4.2	3.6	19.5	20.3	18.9
Orient Cem	Buy	132	167	27	3.0	Loss	3.2	Loss	41.7	2.8	2.6	6.2	Loss	6.6
Prism Cem	Buy	90	112	25	0.1	-0.6	2.6	-147.4	34.1	4.7	4.3	0.7	-3.1	13.1
Shree Cem	Buy	15,417	19,006	23	238.5	387.1	582.8	39.8	26.5	7.3	5.8	14.5	19.9	24.4
Ultratech	Buy	3,677	4,058	10	79.3	93.5	129.6	39.3	28.4	4.4	3.9	11.0	11.7	14.5
Aggregate								31.8	23.5	3.5	3.0	9.6	11.1	12.8
Consumer														
Asian Paints	Neutral	981	1,035	5	18.7	20.2	22.9	48.5	42.8	14.8	13.0	34.7	32.5	32.3
Britannia	Buy	3,195	3,775	18	70.1	71.9	83.0	44.4	38.5	17.0	13.5	55.9	42.9	39.1
Colgate	Buy	882	1,115	26	22.7	21.7	25.8	40.7	34.2	21.3	19.9	68.9	54.9	60.1
Dabur	Neutral	265	300	13	7.1	7.3	8.3	36.3	31.9	9.5	8.1	33.3	28.3	27.3
Emami	Buy	1,098	1,260	15	25.2	24.5	29.8	44.9	36.8	13.3	11.2	43.4	33.8	33.0
Godrej Cons.	Neutral	1,610	1,655	3	33.2	36.8	42.8	43.7	37.6	9.1	7.7	23.4	22.4	22.2
GSK Cons.	Neutral	5,115	5,300	4	167.1	157.7	178.8	32.4	28.6	7.6	6.6	30.8	25.1	24.7
HUL	Neutral	849	865	2	19.0	19.3	21.5	44.1	39.5	30.3	31.6	82.4	67.6	78.4
ITC	Buy	273	295	8	7.7	8.4	9.5	32.6	28.8	8.6	7.6	29.3	28.4	28.1
Jyothy Lab	Neutral	356	365	3	4.1	7.6	9.0	47.0	39.6	7.1	6.5	9.1	15.7	17.2
Marico	Buy	265	300	13	5.6	6.1	7.1	43.6	37.4	13.1	11.3	36.9	33.3	32.4
Nestle	Neutral	6,174	6,410	4	119.9	111.5	139.2	55.3	44.4	18.7	16.2	40.9	35.9	39.2



Company	Reco	CMP	TP	% Upside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
		(INR)	(INR)	Downside	FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Page Inds	Buy	14,219	16,910	19	208.6	235.6	305.1	60.4	46.6	24.9	19.7	46.0	41.3	42.2
Parag Milk	Neutral	213	285	34	6.7	7.0	9.7	30.3	22.0	2.4	2.2	19.5	10.8	10.5
Pidilite Ind.	Neutral	668	720	8	14.8	16.6	18.3	40.2	36.5	10.3	8.4	29.9	28.0	25.4
P&G Hygiene	Buy	7,015	8,250	18	129.9	145.7	167.7	48.1	41.8	13.0	11.2	30.8	29.0	28.8
Radico Khaitan	Not Rated	120	-		6.9	6.4	6.6	18.7	18.2	1.6	1.5	10.3	8.9	8.5
United Brew	Buy	784	1,044	33	11.3	10.7	15.4	73.4	51.0	8.8	7.6	15.1	12.6	16.0
United Spirits	Buy	2,313	2,885	25	16.7	28.6	47.0	80.8	49.2	15.2	11.8	19.8	20.8	24.0
Aggregate								40.6	35.1	11.9	10.4	31.9	29.3	29.6
Healthcare														
Alembic Phar	Neutral	546	630	15	38.2	23.2	27.9	23.5	19.5	5.3	4.4	38.8	24.8	24.7
Alkem Lab	Neutral	1,970	1,850	-6	64.7	79.3	85.7	24.8	23.0	5.5	4.7	23.8	24.4	22.0
Aurobindo	Buy	636	1,050	65	33.9	40.5	48.1	15.7	13.2	4.0	3.1	32.5	29.0	26.5
Biocon	Sell	1,057	750	-29	23.2	33.2	35.6	31.9	29.7	4.7	4.2	11.5	14.7	14.1
Cadila	Buy	358	425	19	15.4	12.0	16.9	29.8	21.2	6.0	4.9	32.8	21.4	25.5
Cipla	Neutral	573	550	-4	18.8	18.1	24.1	31.6	23.8	3.5	3.1	12.8	11.2	13.2
Divis Lab	Neutral	709	815	15	41.9	45.4	51.0	15.6	13.9	4.0	3.4	28.6	26.7	26.5
Dr Reddy's	Neutral	2,910	3,050	5	132.3	77.7	129.4	37.4	22.5	3.6	3.1	18.8	10.0	14.9
Fortis Health	Buy	192	240	25	Loss	Loss	3.2	Loss	60.3	2.2	1.8	Loss	Loss	3.3
Glenmark	Neutral	927	990	7	24.9	41.6	49.2	22.3	18.8	4.6	3.6	16.4	20.5	18.9
Granules	Buy	122	160	31	5.5	7.0	8.0	17.5	15.2	3.0	2.1	21.6	19.9	16.6
GSK Pharma	Neutral	2,678	2,700	1	44.2	34.5	55.5	77.6	48.2	17.4	20.7	22.1	22.4	43.0
IPCA Labs	Neutral	520	540	4	10.5	15.8	27.9	32.9	18.6	2.7	2.4	5.9	8.4	13.5
Lupin	Buy	1,432	1,850	29	50.4	61.8	79.0	23.2	18.1	4.8	3.9	22.9	22.9	23.9
Sanofi India	Buy	4,094	5,200	27	103.2	142.2	172.8	28.8	23.7	5.1	4.6	14.2	17.8	19.4
Sun Pharma	Buy	623	850	37	19.6	27.4	35.1	22.7	17.7	4.3	3.6	16.5	20.0	22.3
Syngene Intl	Not Rated	476	-		11.1	13.0	16.1	36.6	29.5	7.4	6.0	23.3	22.2	22.5
Torrent Pharma	Buy	1,233	1,700	38	59.7	56.8	76.3	21.7	16.2	5.2	4.3	34.4	26.0	29.2
Aggregate								25.0	19.5	5.9	4.9	25.8	23.6	24.9
Logistics														
Allcargo Logistics	Buy	161	191	18	10.5	9.5	11.1	17.0	14.6	2.3	2.0	12.8	12.0	14.9
Blue Dart	Not Rated	4,175	-		84.4	102.5	129.9	40.7	32.1	18.1	13.8	55.5	50.5	48.6
Concor	Neutral	1,230	1,309	6	40.1	36.0	45.8	34.2	26.9	2.9	2.7	10.1	8.6	10.3
Gateway Distriparks	Buy	257	314	22	11.4	8.8	15.7	29.4	16.4	2.2	2.0	10.1	7.6	12.9
Gati	Not Rated	120	-		3.2	9.3	17.6	12.9	6.8	2.0	1.7	5.1	12.4	19.4
Transport Corp.	Not Rated	190	-		13.5	16.9	21.0	11.2	9.0	1.7	1.5	15.4	16.7	17.8
Aggregate								29.0	22.0	3.2	2.9	11.4	11.0	13.3
Media														
Dish TV	Buy	86	115	34	6.5	1.7	3.2	51.0	27.3	Loss	10.2	NM	38.2	46.1
D B Corp	Buy	377	450	19	16.2	21.1	23.9	17.9	15.8	4.5	4.0	22.6	27.0	27.1
Den Net.	Neutral	83	75	-10	Loss	Loss	1.9	Loss	44.8	1.0	0.9	Loss	Loss	2.1
Hathway Cab.	Buy	35	47	34	Loss	Loss	-0.8	Loss	-45.1	2.7	2.9	Loss	Loss	-6.1
Hind. Media	Buy	269	355	32	24.6	26.5	29.4	10.2	9.2	1.8	1.5	21.9	19.3	17.8
HT Media	Neutral	83	85	3	7.3	8.0	8.2	10.3	10.1	0.8	0.7	7.7	7.7	7.1
Jagran Prak.	Buy	187	215	15	10.5	10.8	12.2	17.4	15.3	3.4	2.9	24.7	20.7	20.6
PVR	Buy	1,268	1,533	21	25.5	20.8	35.7	61.1	35.5	6.2	5.4	18.7	10.6	16.3
Siti Net.	Buy	38	45	16	Loss	Loss	2.7	Loss	14.2	4.0	2.7	0.1	Loss	23.5
Sun TV	Neutral	719	735	2	21.1	25.1	29.7	28.6	24.2	7.2	6.6	23.4	25.1	27.3
Zee Ent.	Buy	521	600	15	10.6	12.2	17.6	42.7	29.6	10.0	8.1	27.0	31.3	30.3
Aggregate								33.9	24.4	5.9	5.0	18.2	17.3	20.6
Metals														
Hindalco	Buy	185	240	30	12.0	17.2	22.9	10.7	8.1	1.7	1.4	11.6	16.1	18.8
Hind. Zinc	Neutral	293	307	5	19.8	19.8	28.2	14.8	10.4	2.9	2.4	20.7	20.9	25.2
JSPL	Neutral	90	88	-2	Loss	Loss	Loss	Loss	Loss	0.5	0.5	Loss	Loss	Loss
JSW Steel	Buy	184	226	23	Loss	Loss	19.0	Loss	9.7	2.1	1.7	Loss	16.4	19.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Nalco	Buy	65	83	28	2.7	3.6	5.3	18.2	12.2	1.2	1.1	5.4	6.9	9.7
NMDC	Buy	136	179	32	8.4	12.2	12.3	11.1	11.1	1.8	1.7	15.9	13.5	15.6
SAIL	Sell	59	28	-53	Loss	Loss	Loss	Loss	Loss	0.7	0.8	Loss	Loss	Loss
Vedanta	Neutral	248	279	13	10.8	18.9	31.1	13.1	8.0	1.3	1.2	7.9	11.7	17.1
Tata Steel	Sell	460	401	-13	7.7	17.4	43.8	26.5	10.5	3.8	2.9	4.6	12.6	31.3
Aggregate								18.4	11.8	1.5	1.4	4.9	7.9	11.4
Oil & Gas														
BPCL	Buy	675	778	15	55.2	56.6	55.5	11.9	12.2	3.1	2.6	31.6	27.5	23.4
Cairn India	Neutral	275	-		11.4	14.0	12.5	19.7	22.0	1.0	1.0	4.0	5.3	4.6
GAIL	Neutral	494	446	-10	18.0	31.8	38.1	15.5	13.0	1.9	1.7	7.6	14.1	13.7
Gujarat St. Pet.	Neutral	163	163	0	7.9	8.8	11.0	18.4	14.7	2.1	1.9	11.7	12.0	13.5
HPCL	Buy	525	620	18	38.0	53.8	45.0	9.8	11.7	2.6	2.3	22.4	27.9	20.7
IOC	Buy	368	458	25	20.3	43.5	39.9	8.5	9.2	2.0	1.8	13.6	25.9	20.7
IGL	Neutral	1,051	1,032	-2	29.7	43.0	42.6	24.5	24.7	5.1	4.4	18.4	22.1	19.3
MRPL	Neutral	102	114	12	7.6	12.9	12.7	7.9	8.1	2.2	1.8	22.6	31.0	24.7
Oil India	Buy	336	382	14	28.7	27.5	39.0	12.2	8.6	1.1	1.1	10.4	9.5	12.7
ONGC	Neutral	195	204	5	13.6	12.6	21.1	15.5	9.2	1.3	1.2	9.6	8.6	13.8
PLNG	Buy	381	460	21	11.2	22.8	26.9	16.7	14.2	3.8	3.2	14.0	24.4	24.2
Reliance Ind.	Neutral	1,051	1,057	1	93.0	99.2	107.9	10.6	9.7	1.2	1.1	12.0	11.6	11.4
Aggregate								11.1	9.8	1.4	1.3	11.4	13.0	13.4
Retail														
Jubilant Food	Neutral	973	1,008	4	15.0	12.8	22.4	75.9	43.5	7.9	8.6	13.4	10.4	19.9
Shopper's Stop	Neutral	318	300	-6	5.8	4.1	8.0	77.6	39.6	3.1	2.9	6.3	4.2	7.7
Titan Co.	Neutral	412	420	2	8.0	9.2	9.7	44.6	42.7	8.8	7.8	21.3	21.2	19.3
Aggregate								48.6	42.5	7.9	7.2	16.8	16.2	16.8
Technology														
Cyient	Buy	466	600	29	30.7	32.8	39.1	14.2	11.9	2.2	2.0	16.5	15.7	16.5
HCL Tech.	Buy	829	980	18	40.1	58.1	64.7	14.3	12.8	3.6	3.2	21.5	27.3	26.7
Hexaware	Neutral	210	220	5	12.9	13.7	15.3	15.4	13.7	3.7	3.2	28.9	26.5	25.0
Infosys	Buy	982	1,250	27	59.0	62.8	67.8	15.6	14.5	3.3	2.9	24.7	23.2	22.5
KPIT Tech	Neutral	130	150	15	14.1	11.7	13.8	11.1	9.4	1.6	1.4	21.0	14.0	15.9
L&T Infotech	Buy	685	800	17	52.4	54.2	57.5	12.6	11.9	4.8	3.9	45.3	41.8	36.2
Mindtree	Neutral	456	530	16	35.9	25.1	33.7	18.1	13.5	3.0	2.7	27.4	17.1	21.0
Mphasis	Neutral	574	550	-4	34.5	42.6	41.4	13.5	13.8	2.0	1.9	12.3	14.1	14.4
NIIT Tech	Neutral	418	470	12	45.7	38.2	49.3	10.9	8.5	1.5	1.3	19.0	14.2	16.5
Persistent Sys	Neutral	621	730	18	37.2	38.9	46.2	15.9	13.4	2.5	2.4	19.5	17.5	18.9
Tata Elxsi	Buy	1,431	1,780	24	49.7	59.3	72.1	24.1	19.8	9.2	7.4	46.3	42.5	41.3
TCS	Neutral	2,416	2,500	3	123.2	135.2	145.3	17.9	16.6	5.6	4.8	37.1	33.8	31.1
Tech Mah	Buy	496	550	11	35.1	32.5	36.6	15.3	13.5	2.8	2.5	23.4	20.1	20.0
Wipro	Neutral	475	560	18	36.1	33.4	37.2	14.2	12.8	2.3	2.1	20.3	17.0	17.0
Zensar Tech	Buy	931	1,250	34	68.2	68.6	85.0	13.6	11.0	2.5	2.1	24.0	20.0	21.1
Aggregate								16.2	14.9	3.8	3.4	24.4	23.7	22.7
Telecom														
Bharti Airtel	Buy	365	410	12	11.9	11.3	7.9	32.3	46.3	2.1	2.0	7.4	6.7	4.5
Bharti Infratel	Buy	322	435	35	11.8	15.6	16.7	20.7	19.3	3.3	3.0	12.7	15.7	15.9
Idea Cellular	Under Review	107	-		8.6	Loss	Loss	Loss	Loss	1.6	1.9	12.6	Loss	Loss
Tata Comm	Buy	729	811	11	1.6	8.5	31.4	85.8	23.2	-92.4	31.0	-91.6	-75.4	402.2
Aggregate								40.8	100.3	2.4	2.4	9.3	5.8	2.3
Utilites														
Coal India	Neutral	320	315	-2	22.6	17.2	20.0	18.6	16.0	6.6	6.6	42.2	35.2	41.0
CESC	Buy	848	970	14	27.8	50.2	74.5	16.9	11.4	1.9	1.7	3.1	4.8	6.5
JSW Energy	Buy	60	83	39	7.6	4.1	3.3	14.6	18.4	1.1	1.1	15.5	7.7	6.0
NTPC	Buy	169	199	18	12.3	12.0	14.3	14.1	11.8	1.5	1.4	11.9	10.8	11.9
Power Grid	Buy	201	238	18	11.5	14.3	17.1	14.1	11.8	2.1	1.9	14.6	16.0	16.8
Aggregate								15.8	13.4	2.4	2.3	17.6	15.5	16.9



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Others														
Arvind	Buy	368	430	17	14.0	13.5	21.8	27.2	16.9	2.5	2.2	12.9	10.4	14.0
Bata India	Buy	488	483	-1	11.2	10.9	14.2	44.9	34.4	4.9	4.4	13.1	11.3	13.4
Castrol India	Buy	413	499	21	9.6	12.8	13.4	32.2	30.9	35.5	31.9	76.0	118.4	108.8
Century Ply.	Buy	228	211	-8	7.5	4.6	8.8	49.9	26.0	8.7	7.0	36.3	18.2	29.8
Coromandel Intl	Under Review	344	-		11.8	16.3	20.0	21.1	17.2	3.7	3.3	14.9	18.5	20.4
Dynamatic Tech	Buy	2,897	3,388	17	19.4	67.6	112.9	42.9	25.7	5.9	4.8	4.7	15.1	20.7
Eveready Inds.	Buy	248	287	16	9.2	12.4	13.9	20.0	17.9	6.6	5.3	16.2	37.8	33.1
Interglobe	Neutral	820	1,010	23	55.2	39.3	54.1	20.9	15.2	14.4	12.5	176.5	72.8	88.1
Indo Count	Buy	165	205	24	13.4	13.7	17.1	12.1	9.7	3.5	2.5	48.9	33.8	30.2
Info Edge	Buy	838	1,075	28	13.0	16.9	19.0	49.5	44.1	5.3	4.9	9.2	11.1	11.5
Inox Leisure	Sell	238	207	-13	8.4	2.5	8.2	95.1	29.2	3.7	3.3	14.9	3.8	11.5
Jain Irrigation	Under Review	95	-		2.2	5.5	7.6	17.1	12.4	1.5	1.4	4.0	8.6	11.7
Just Dial	Buy	426	443	4	20.4	17.2	18.5	24.8	23.1	3.8	3.3	21.1	16.5	15.5
Kaveri Seed	Buy	453	577	27	24.9	23.4	28.6	19.3	15.9	3.3	3.0	20.7	17.3	19.8
Kitex Garm.	Buy	423	551	30	23.6	26.0	31.0	16.3	13.7	4.4	3.6	35.5	29.9	28.7
Manpasand	Buy	688	843	23	10.1	14.9	23.1	46.1	29.7	3.4	3.1	11.4	8.6	9.6
MCX	Buy	1,099	1,400	27	23.4	28.3	40.8	38.8	26.9	4.2	3.9	3.5	11.4	15.2
Monsanto	Under Review	2,288	-		60.1	68.4	87.2	33.4	26.2	9.7	9.1	26.4	28.8	35.9
PI Inds.	Buy	881	959	9	22.1	31.3	38.4	28.2	23.0	7.9	6.2	29.2	31.7	30.1
SRF	Buy	1,529	1,825	19	73.7	82.4	99.9	18.6	15.3	2.9	2.5	17.0	16.5	17.4
S H Kelkar	Buy	309	338	9	5.5	7.5	10.1	41.4	30.5	5.4	4.8	12.6	13.5	16.6
Symphony	Sell	1,270	1,053	-17	15.6	27.0	35.1	47.0	36.2	25.6	21.8	35.0	56.8	65.0
TTK Prestige	Neutral	5,409	4,896	-9	100.7	107.8	139.9	50.2	38.7	50.2	38.7	17.2	16.6	19.7
V-Guard	Neutral	207	179	-14	3.7	4.5	5.8	45.9	35.9	10.9	8.9	26.3	26.1	27.4
Wonderla	Buy	374	392	5	10.6	7.0	11.9	53.5	31.3	4.9	4.4	15.8	9.5	14.8



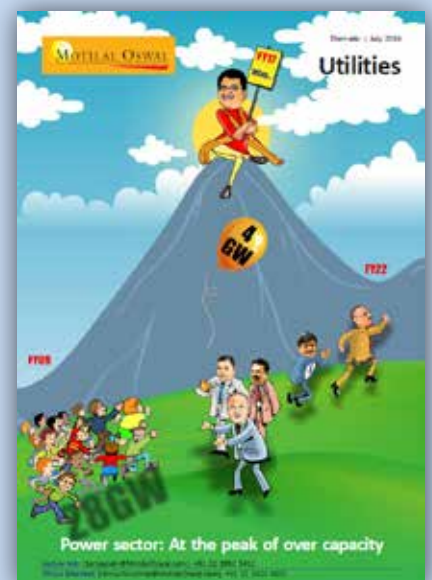
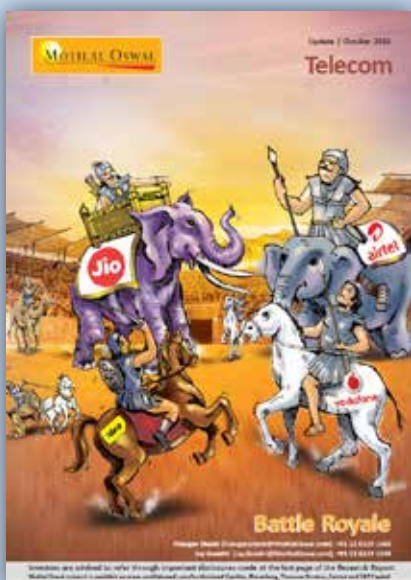
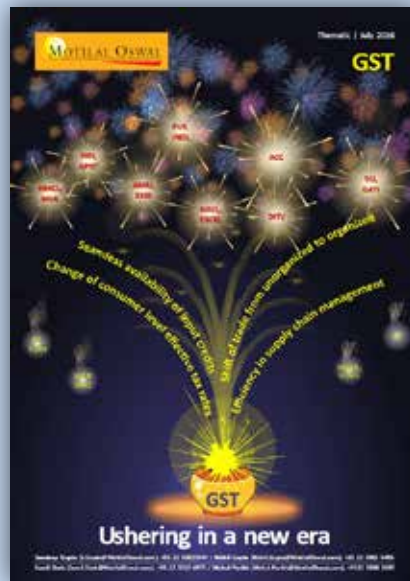
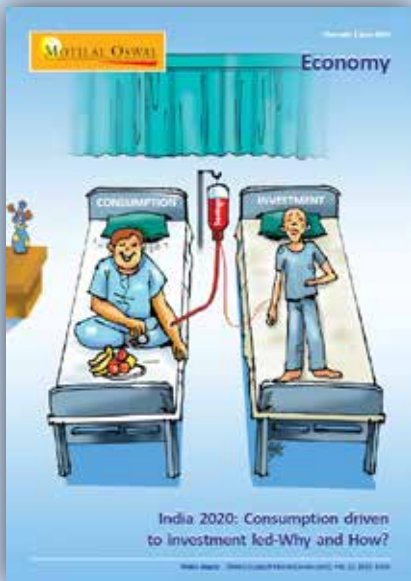
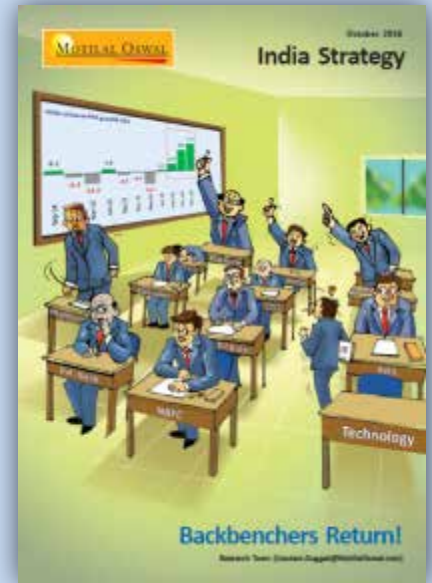
Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	-1.5	-5.9	-3.0
Ashok Ley.	0.8	9.9	3.8
Bajaj Auto	0.4	3.0	19.1
Bharat Forge	-2.0	7.8	29.6
Bosch	-1.3	4.1	35.1
Eicher Mot.	-2.4	8.5	31.8
Endurance Tech.	-0.9	12.9	
Escorts	5.9	13.4	225.8
Exide Ind	-2.5	14.4	61.7
Hero Moto	-2.0	1.8	23.2
M&M	0.0	6.9	6.4
Mahindra CIE	-1.5	-4.0	0.0
Maruti Suzuki	-1.3	2.8	57.9
Tata Motors	-10.3	-15.2	38.0
TVS Motor	0.3	7.1	44.0
Banks - Private			
Axis Bank	0.2	3.2	16.9
DCB Bank	-0.5	8.3	73.5
Equitas Hold.	-3.5	15.8	
Federal Bank	-2.5	11.5	82.6
HDFC Bank	0.9	7.3	35.7
ICICI Bank	-1.5	4.9	38.0
IDFC Bank	-1.0	-2.5	14.2
IndusInd	-1.1	8.2	60.0
J&K Bank	0.5	10.4	0.4
Kotak Mah. Bk	-0.8	7.8	25.7
RBL Bank	-1.9	8.1	
South Indian	-0.7	5.9	24.2
Yes Bank	-1.7	8.6	90.4
Banks - PSU			
BOB	-3.4	3.5	16.9
BOI	-4.0	8.4	38.0
Canara	-3.6	5.7	63.3
IDBI Bk	-3.6	9.9	50.7
Indian Bk	-3.0	13.1	222.8
OBC	-3.1	4.2	38.4
PNB	-3.0	11.8	82.0
SBI	-0.7	7.1	60.6
Union Bk	-2.4	2.0	18.0
NBFCs			
Bajaj Fin.	-1.8	15.5	65.7
Bharat Fin.	-2.1	25.5	56.3
Dewan Hsg.	-3.2	8.7	85.1
GRUH Fin.	5.3	16.0	55.2
HDFC	0.0	12.4	29.3
Indiabulls Hsg	-1.2	8.9	27.8
LIC Hsg Fin	0.8	3.6	28.4
Manappuram	0.2	34.3	210.5
M&M Fin.	-2.5	0.4	39.3
Muthoot Fin	-1.0	11.3	79.6
PFC	-3.3	-6.7	65.7
Repco Home	-3.8	-0.9	8.2
REC	-3.2	0.3	63.9
STF	-1.6	-2.2	14.9
Shriram City Union	0.3	3.2	28.7

Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	-1.8	3.7	6.0
Bharat Elec.	0.9	-0.2	31.3
BHEL	-3.1	18.1	40.9
CG Cons. Elec.	2.2	20.5	
Crompton Grv.	-1.8	1.2	49.6
Cummins	-0.2	4.3	-2.0
GE T&D	-1.7	-5.3	-28.2
Havells	-2.0	12.7	43.6
Inox Wind	-3.7	-6.4	-30.9
K E C Intl	-2.2	8.6	46.1
L&T	-0.9	2.9	28.8
Pennar Eng.	-0.5	-13.2	-11.3
Siemens	-1.1	1.9	15.2
Solar Ind	-0.6	3.7	15.5
Suzlon Energy	-2.9	10.7	16.8
Thermax	-1.5	0.7	9.4
Va Tech Wab.	-1.1	-2.5	-9.2
Voltas	-1.3	-1.7	41.9
Cement			
Ambuja Cem.	-1.1	10.1	18.8
ACC	-1.7	8.4	14.9
Birla Corp.	-1.2	4.0	86.1
Dalmia Bharat	-0.8	9.6	172.3
Grasim Inds.	-0.5	19.0	45.4
India Cem	-2.7	16.4	106.8
J K Cements	-2.4	20.8	81.6
JK Lakshmi Ce	-1.5	4.7	41.5
Ramco Cem	-1.9	8.8	75.0
Orient Cem	-3.9	2.7	-2.5
Prism Cem	-8.1	-0.5	37.3
Shree Cem	1.5	3.3	46.5
Ultratech	-1.0	10.8	31.1
Consumer			
Asian Paints	0.1	5.2	14.4
Britannia	-0.8	8.7	19.7
Colgate	0.2	-1.9	4.0
Dabur	-1.6	-5.9	6.8
Emami	-3.3	2.7	4.6
Godrej Cons.	0.5	2.7	29.3
GSK Cons.	0.3	1.7	-11.8
HUL	0.1	2.5	5.5
ITC	1.0	9.6	35.0
Jyothy Lab	1.2	4.9	30.4
Marico	-1.1	2.2	15.4
Nestle	-0.6	4.5	22.0
Page Inds	-0.9	1.3	32.2
Parag Milk	-19.5	-21.7	
Pidilite Ind.	-0.4	4.4	13.0
P&G Hygiene	0.0	4.2	20.4
Radico Khaitan	-3.8	4.2	20.7
United Brew	0.7	-4.9	-2.5
United Spirits	-1.8	20.9	-2.7
Healthcare			
Alembic Phar	-2.4	-9.2	-12.3
Alkem Lab	5.1	17.3	50.4
Aurobindo	-3.5	-9.7	-2.7

Company	1 Day (%)	1M (%)	12M (%)
Biocon	-1.7	6.3	131.1
Cadila	-2.0	2.4	13.7
Cipla	-0.6	-1.9	6.1
Divis Lab	-2.2	-4.7	-28.4
Dr Reddy's	-1.3	-2.4	1.9
Fortis Health	-1.7	1.3	22.8
Glenmark	-2.0	3.7	30.4
Granules	-3.0	17.1	9.1
GSK Pharma	-0.2	-1.1	-16.9
IPCA Labs	-0.3	-4.9	-15.4
Lupin	-0.2	-4.2	-20.3
Sanofi India	-1.7	-2.9	-4.4
Sun Pharma	-4.3	-4.4	-26.7
Syngene Intl	-2.1	-21.1	25.3
Torrent Pharma	-2.1	-7.7	-5.2
Logistics			
Allcargo Logistics	-3.2	-11.3	0.8
Blue Dart	-0.3	-6.2	-28.4
Concor	-3.7	2.1	6.5
Gateway Distriparks	-2.3	10.5	4.7
Gati	-1.1	1.6	11.1
Transport Corp.	-1.0	22.6	34.1
Media			
Dish TV	-1.7	-1.9	14.9
D B Corp	-0.9	0.0	19.7
Den Net.	-1.4	2.8	12.8
Hathway Cab.	-1.9	-5.4	-0.7
Hind. Media	-1.5	-4.3	-1.1
HT Media	-2.6	5.1	4.1
Jagran Prak.	-0.3	2.2	20.3
PVR	-1.6	8.2	77.8
Siti Net.	-1.7	3.2	14.5
Sun TV	-1.9	35.4	107.8
Zee Ent.	1.2	9.0	35.9
Metals			
Hindalco	-1.5	7.1	176.0
Hind. Zinc	-3.4	5.8	74.6
JSPL	1.9	14.5	42.2
JSW Steel	1.0	-2.8	76.4
Nalco	-3.7	-9.3	102.0
NMDC	-2.1	-5.5	51.4
SAIL	-3.0	2.4	64.3
Vedanta	-2.3	3.9	230.8
Tata Steel	-2.6	3.1	86.9
Oil & Gas			
BPCL	-2.4	2.7	72.8
Cairn India	-1.4	4.0	119.9
GAIL	-0.3	9.3	47.6
Gujarat St. Pet.	-2.3	18.5	23.6
HPCL	-3.7	7.7	116.4
IOC	-1.6	4.9	89.3
IGL	2.8	13.5	94.6
MRPL	-3.5	-4.8	68.0
Oil India	-0.3	-3.4	38.8
ONGC	-0.5	-3.2	45.9
PLNG	-0.8	3.5	47.8
Reliance Ind.	0.3	-3.6	11.2

Company	1 Day (%)	1M (%)	12M (%)
Retail			
Jubilant Food	-1.7	15.3	-5.3
Shopper's Stop	-0.5	8.0	-13.1
Titan Co.	-3.6	15.5	14.9
Technology			
Cyient	0.2	-7.1	17.0
HCL Tech.	-0.1	-2.2	0.5
Hexaware	0.8	5.0	-9.9
Infosys	-0.5	0.7	-10.0
KPIT Tech	-1.6	-8.4	7.4
L&T Infotech	-0.3	1.2	
Mindtree	0.1	-6.9	-36.6
Mphasis	-1.1	9.0	30.9
NIIT Tech	-2.1	-1.7	-16.5
Persistent Sys	-1.0	-2.2	0.7
Tata Elxsi	-3.1	2.3	-25.1
TCS	0.5	7.3	6.4
Tech Mah	-1.7	1.4	14.9
Wipro	-0.1	-2.1	-9.8
Zensar Tech	-1.2	1.6	5.4
Telecom			
Bharti Airtel	-1.0	14.2	14.7
Bharti Infratel	1.3	-8.9	-16.9
Idea Cellular	-2.5	55.2	-1.6
Tata Comm	-1.7	8.6	102.4
Utilities			
Coal India	0.0	1.7	-1.2
CESC	-1.0	25.6	96.3
JSW Energy	-2.4	-8.3	-8.9
NTPC	-1.1	-1.2	35.2
Power Grid	0.3	2.1	45.1
Others			
Arvind	-2.7	-0.2	28.5
Bata India	-2.7	2.3	1.5
Castrol India	-0.7	4.5	3.2
Century Ply.	-0.7	28.3	53.0
Coromandel Intl	-1.9	4.8	103.5
Dynamatic Tech	-1.8	-2.1	67.4
Eveready Inds.	-0.1	5.4	14.5
Interglobe	0.2	-6.6	-2.1
Indo Count	-2.6	-4.6	-15.6
Info Edge	-1.8	-1.4	14.2
Inox Leisure	0.2	4.9	28.3
Jain Irrigation	0.3	1.2	76.8
Just Dial	0.0	14.9	-8.5
Kaveri Seed	-2.2	-1.1	29.0
Kitex Garm.	-1.3	-0.9	3.9
Manpasand	0.3	22.1	56.1
MCX	-2.7	-7.6	45.1
Monsanto	-0.4	1.5	14.9
PI Inds.	-1.6	6.3	39.7
SRF	-3.3	-5.8	34.1
S H Kelkar	-2.6	-2.6	36.4
Symphony	-1.6	8.4	22.3
TTK Prestige	-3.7	-3.7	27.4
V-Guard	-1.0	26.5	141.3
Wonderla	0.1	6.3	9.4

THEMATIC/STRATEGY RESEARCH GALLERY



REPORT GALLERY

RECENT INITIATING COVERAGE REPORTS

MOTILAL OSWAL

Initiating Coverage | 10 December 2016
Sector: Consumer Product

SH Kelkar



Adding flavor to fragrance

Chetan Modi (chetan.modi@motilaloswal.com) +91 22 3962 5422
Vishal Shah (vishal.shah@motilaloswal.com) +91 22 3962 5426
Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 16 December 2016
Sector: Automobile

Endurance Technologies



Gaining ground

Vishal Shah (vishal.shah@motilaloswal.com) +91 22 6129 1534
Rishabh Gadhikar (rishabh.gadhikar@motilaloswal.com) +91 22 6129 1537
Aditya Vora (aditya.vora@motilaloswal.com)
Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 14 December 2016
Sector: Technology

L&T Infotech



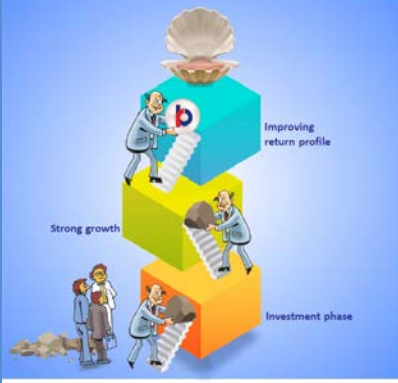
Proficient miner

Sagar Lohar (sagar.lohar@motilaloswal.com) +91 22 3962 5585
Rishabh Chandra (rishabh.chandra@motilaloswal.com) +91 22 3962 5424
Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 10 November 2016
Sector: Financials

RBL Bank




A unique model - on a fast lane

Sohail Hakeel (sohail.hakeel@motilaloswal.com) +91 22 3962 5505
Ajayesh Mishra (ajayesh.mishra@motilaloswal.com) +91 22 3962 5415
Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 10 November 2016
Sector: Utilities

CESC



Best fully integrated power DISCOM

Dhruv Muralidhar (dhruv.muralidhar@motilaloswal.com) +91 22 6129 1549
Sanjay Jain (sanjay.jain@motilaloswal.com) +91 22 6129 1533
Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 3 October 2016
Sector: Consumer

United Breweries



Cheers to growth

Rishabh Sambamurti (rishabh.sambamurti@motilaloswal.com) +91 22 3962 5428
Vishal Pawar (vishal.pawar@motilaloswal.com) +91 22 3962 4265
Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 14 October 2016
Sector: Healthcare

Fortis Healthcare



Fortifying growth

Rohini Sawhney (rohini.sawhney@motilaloswal.com) +91 22 6129 1518
Gaurav Tripathi (gaurav.tripathi@motilaloswal.com) +91 22 6129 1532
Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 28 July 2016
Sector: Financials

Equitas Holdings



Fixing the missing link

Rishabh Mishra (rishabh.mishra@motilaloswal.com) +91 22 6129 1520
Rishabh Chandra (rishabh.chandra@motilaloswal.com) +91 22 6129 1536
Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 18 November 2015
Sector: Consumer

Page Industries



Getting into the big league

Manish Puri (manish.puri@motilaloswal.com) +91 22 3027 8029
Gautam Duggad (gautam.duggad@motilaloswal.com) +91 22 3962 5404
Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

DIFFERENTIATED PRODUCT GALLERY

MOTILAL OSWAL

SUN PHARMACEUTICAL

Our research team into annual report season highlights several performance highlights from Sun Pharma's 2016-17 annual report. Revenue grew just 2.2% to INR 2,450 crore, but gross margin expansion, favourable conditions on tax expenses (increased to 100% from 90.5%) and low cost of capital (WACC) was significantly higher than expected (see below). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore).

Key highlights:

- Operating performance metrics: Revenue grew just 2.2% to INR 2,450 crore, but gross margin expansion, favourable conditions on tax expenses (increased to 100% from 90.5%) and low cost of capital (WACC) was significantly higher than expected (see below). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore).
- Operating performance metrics: Revenue grew just 2.2% to INR 2,450 crore, but gross margin expansion, favourable conditions on tax expenses (increased to 100% from 90.5%) and low cost of capital (WACC) was significantly higher than expected (see below). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore).

ART ANNUAL REPORT TREADBARE

The ART of Threadbare is to be a business in the art world.

Key highlights:

- Revenue increased to INR 1,000 crore (up from INR 900 crore).
- Operating performance metrics: Revenue grew just 2.2% to INR 2,450 crore, but gross margin expansion, favourable conditions on tax expenses (increased to 100% from 90.5%) and low cost of capital (WACC) was significantly higher than expected (see below). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore).

MOTILAL OSWAL

CornerOffice

Subscriptions with the CEO

Democratization: A milestone task for India's largest bank

India's largest bank, State Bank of India (SBI), has taken a significant step towards democratization by launching its first-ever 'CornerOffice' subscription service. This service allows investors to interact directly with the bank's top management, providing a unique opportunity to gain insights into the bank's strategy and operations.

Key highlights:

- Revenue increased to INR 1,000 crore (up from INR 900 crore).
- Operating performance metrics: Revenue grew just 2.2% to INR 2,450 crore, but gross margin expansion, favourable conditions on tax expenses (increased to 100% from 90.5%) and low cost of capital (WACC) was significantly higher than expected (see below). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore).

MOTILAL OSWAL

VOICES

India Inc on Call

VOICES is a monthly podcast from Motilal Oswal Research, providing a weekly reference for all the post results earnings calls attended by our research analysts during the quarter. It offers a unique opportunity to gain insights into the company's strategy and operations.

Key highlights:

- Revenue increased to INR 1,000 crore (up from INR 900 crore).
- Operating performance metrics: Revenue grew just 2.2% to INR 2,450 crore, but gross margin expansion, favourable conditions on tax expenses (increased to 100% from 90.5%) and low cost of capital (WACC) was significantly higher than expected (see below). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore).

MOTILAL OSWAL

EcoKnowledge

Living into trading theory

Identify data confirm 6.5% growth is for real in India

Based on monthly macroeconomic indicators, we conclude India's economic activity index (EAI), which shows that the economy grew 6.5% in Q3, is the first time since Q3 of 2014 to show a 6.5% growth over the previous three quarters. It shows a continuation of momentum, along with some deceleration in consumption. We concluded this is a good sign for the economy in the next quarter.

Key highlights:

- Revenue increased to INR 1,000 crore (up from INR 900 crore).
- Operating performance metrics: Revenue grew just 2.2% to INR 2,450 crore, but gross margin expansion, favourable conditions on tax expenses (increased to 100% from 90.5%) and low cost of capital (WACC) was significantly higher than expected (see below). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore).

MOTILAL OSWAL

BULLS & BEARS

INDIA WALLSTREET HANDBOOK

Highlights of November edition:

- Nifty ended November with a 7% loss, closing at 8,225 after recovering from an intra-month low of 7,935 post Trump's victory and demonetization.
- Metals, Utilities and PSU Banks only sectors to give positive returns.
- Real Estate, Media and Cement top negative performers.

Key highlights:

- Revenue increased to INR 1,000 crore (up from INR 900 crore).
- Operating performance metrics: Revenue grew just 2.2% to INR 2,450 crore, but gross margin expansion, favourable conditions on tax expenses (increased to 100% from 90.5%) and low cost of capital (WACC) was significantly higher than expected (see below). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore).

MOTILAL OSWAL

FUND FOLIO

Indian Mutual Fund Tracker

A MONTH INTO DEMONETIZATION

Key highlights:

- Significant change in sector and stock allocation of funds.
- Technology, Healthcare and IT funds saw big increase.
- Consumer, Private Equity, Auto, Consumer and Media saw signs of moderation.

Key highlights:

- Revenue increased to INR 1,000 crore (up from INR 900 crore).
- Operating performance metrics: Revenue grew just 2.2% to INR 2,450 crore, but gross margin expansion, favourable conditions on tax expenses (increased to 100% from 90.5%) and low cost of capital (WACC) was significantly higher than expected (see below). Operating with low net interest expense from 2016-17 to 2017-18 is an indication of our success in primarily operating volatile markets for long-term returns. However, this was partly offset by net debt increase in 2017-18, not reflected in EBITDA. EBITDA increased to INR 1,000 crore (up from INR 900 crore) and net profit (NP) increased to INR 200 crore (up from INR 150 crore).

Disclosures

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

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

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

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

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

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

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

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

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

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

Pending Regulatory inspections against Motilal Oswal Securities Limited:

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

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

Analyst Certification

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

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

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

Regional Disclosures (outside India)

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

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

For U.S

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

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

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

For Singapore

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

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

Varun Kumar

Varun.kumar@motilalosal.com

Contact : (+65) 68189232

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



Motilal Oswal Securities Ltd

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

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