

Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	31,076	-0.3	16.7
Nifty-50	9,578	-0.4	17.0
Nifty-M 100	17,984	0.3	25.3
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,432	-0.2	8.6
Nasdaq	6,166	-0.5	14.5
FTSE 100	7,419	-0.7	3.9
DAX	12,692	-0.9	10.5
Hang Seng	10,346	-1.6	10.1
Nikkei 225	19,832	0.3	3.8
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	46	-0.4	-16.9
Gold (\$/OZ)	1,254	-0.5	8.8
Cu (US\$/MT)	5,636	-0.6	2.1
Almn (US\$/MT)	1,861	-0.6	9.2
Currency	Close	Chg. %	YTD.%
USD/INR	64.5	0.4	-5.0
USD/EUR	1.1	-1.1	6.0
USD/JPY	111.0	1.7	-5.1
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.5	0.0	0.0
10 Yrs AAA Corp	7.6	0.0	0.0
Flows (USD b)	15-Jun	MTD	YTD
FII	-0.1	0.4	8.3
DII	0.1	0.4	2.6
Volumes (INRb)	15-Jun	MTD*	YTD*
Cash	273	261	285
F&O	8,448	4,550	4,776

Note: YTD is calendar year, *Avg

Quote of the day

Financial rewards follow accomplishment, they don't precede it

Today's top research theme

Sensex reconstitution, EPS downgrade of 1.5%; Weight of Financials to rise 250bp, Tech weight to hit near-decade low

The S&P BSE Sensex composition is all set for a reshuffle on Monday, 19 June 2017. Key observations:

- ❖ KMB will be included in the benchmark with 3.5% weight, and thus, will be among the top-10 stocks by weight. Tata Motors DVR will enter with 0.5% weight, helping maintain the weight of Auto sector in the benchmark.
- ❖ With the exit of GAIL (weight: 0.8%), Oil & Gas stands to lose the most in terms of weight (-110bp to 9%). Other losers include Consumer (-40bp), Technology (-40bp), NBFCs (-30bp), Healthcare (-20bp) and Capital Goods (-20bp).
- ❖ BFSI will have weight of 36.1% (+250bp) post the reshuffle, which will be almost equivalent to the combined weights of Consumer, IT and Auto.
- ❖ Aggregate weight of the existing 29 Sensex stocks will decline by 320bp.
- ❖ Sensex EPS for FY18/FY19 will see a downgrade of 1.5%/1.4%, primarily due to a higher increase in free float market cap of 2.7%, compared to a rise of 1.1%/1.3% in free float PAT for FY18/FY19.



Research covered

Cos/Sector	Key Highlights
India Strategy	Sensex reconstitution, EPS downgrade of 1.5%; Weight of Financials to rise 250bp, Tech weight to hit near-decade low
Bharti Infratel	Healthy tenancy outlook to support growth
Cummins India	Domestic business witnessing strong demand revival



Piping hot news

RBI provides banks first list of 6 stressed accounts including Monnet Ispat, Alok Industries Bhushan Power, and Electrosteel Steels

- ❖ Bankers have received from the Reserve Bank of India (RBI) the first list of six stressed accounts that they must resolve via the Insolvency and Bankruptcy Code (IBC), senior executives familiar with the development said...



Chart of the Day: Sensex reconstitution: BFSI will have 36% weight (+250bp)

Trend in Sensex sectoral weight (%) – Financials, Autos at all-time high

Sector	FY07	FY10	FY13	FY16	FY17	Current	New w.e.f 19th June	Avg Weight FY07-17	Chg. New vs. Avg Weight (pp)
Auto	4.0	6.4	9.4	10.8	11.4	11.9	12.0	8.1	3.9
Banking/ Finance	21.1	23.0	26.2	28.9	32.0	33.6	36.1	25.5	10.5
Capital Goods	7.3	9.7	5.6	4.8	4.7	4.9	4.7	7.2	-2.5
Cement	4.2	2.2						3.1	-3.1
Consumer	7.5	7.2	13.8	12.5	13.0	13.7	13.2	10.4	2.8
Health Care	3.6	1.1	4.7	8.3	6.3	5.1	4.9	3.9	1.0
Infrastructure		1.3		1.0	1.1	1.1	1.1	1.1	0.0
Metals	3.6	7.2	3.9	0.9	1.2	1.2	1.2	4.1	-3.0
Oil & Gas	16.0	16.8	13.7	10.0	10.8	10.1	9.0	14.5	-5.6
Real Estate		1.0						0.9	-0.9
Technology	19.9	14.6	16.2	17.9	13.5	12.6	12.2	15.6	-3.4
Telecom	9.7	4.1	2.4	2.1	1.7	1.7	1.6	4.3	-2.7
Utilities	3.3	5.4	4.0	2.8	4.5	4.1	4.0	4.1	-0.2
SENSEX	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Private	88.1	86.4	87.4	91.6	89.4	90.3	91.4	87.7	3.7
PSU	11.9	13.7	12.6	8.4	10.6	9.7	8.6	12.3	-3.7

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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

BP, Mukesh Ambani tie up for Rs 40,000 crore oil plan for India

Reliance Industries and BP will invest Rs 40,000 crore (\$6 billion) to produce 30-35 million cubic metres a day of gas from new fields in the Krishna-Godavari Basin, RILBSE 2.11 % chairman Mukesh Ambani and BP chief executive Bob Dudley said...

2

Air India privatisation: Government may write off dues up to Rs 30,000 crore

The government has firmed up a plan to exit the loss-making national carrier Air India, involving the write-off of roughly half of its estimated liabilities of Rs 60,000 crore, with a possible haircut by banks reducing the cost of the exercise to the exchequer. While the write-off is of the carrier's liabilities not backed by assets, the government might also have to incur an expenditure for the settlement of the sovereign-backed part of AI's aircraft loan of about Rs 21,000 crore, sources privy to the matter told FE...

3

Revenue target of \$20 bn by 2020 seems to be out of reach: Ravi Venkatesan, co-chairman of Infosys board

The revenue target of \$20 billion was set by chief executive officer Vishal Sikka in fiscal 2015 but slowing industry growth and the company's own challenges have made it a hard one to reach...

4

PSB merger: 7 banks miss August deadline to meet 25% public float norm

As discussions on the merger of some public-sector banks (PSBs) pick up pace, seven PSBs, especially United Bank of India, could miss the August deadline to meet the 25% public float norm...

5

Adani Power wants Rs 852 crore relief for Mundra power plant over coal shortage

Adani Power on Thursday filed a petition with the Central Electricity Regulatory Authority (CERC), claiming compensatory tariff of about Rs 852 crore due to costs its 4,620-MW thermal power plant in Mundra (Gujarat) has incurred after changes in coal distribution policies...

6

Airlines call for delay in GST roll-out citing technical issues

Airlines in India have sought a delay in the roll out of the goods and services tax (GST) on technical grounds. Most airlines are dependent on global computer reservation systems for ticket bookings that are hosted abroad and need to be changed to allow for new entries, a person with knowledge of the matter said, declining to be named...

7

Centre plans to divest near 25% stake in MSTC

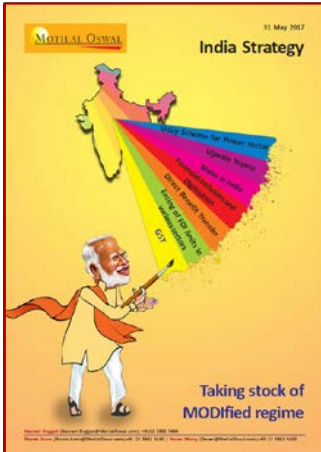
The Centre is planning to bring down its stake in MSTC, the company's Director (Finance) AK Basu said here on Thursday. The Centre's stake in the Miniratna PSU currently stands at over 89 per cent. The remaining 10-odd per cent is held by various industry associations...



BSE Sensex: 31,076

S&P CNX: 9,578

Latest Strategy Report:
Taking stock of
MODified regime



Sensex reconstitution; EPS downgrade of 1.5%

Weight of Financials to rise 250bp; Tech weight to hit near-decade low

- The S&P BSE Sensex composition is all set for a reshuffle on Monday, 19 June 2017. Kotak Mahindra Bank (KMB) will replace GAIL India, and Tata Motors Differential Voting Rights (DVR) will be included as an additional stock in the benchmark.
- In this report, we will analyze how these changes will (i) impact the earnings for the benchmark and (ii) alter the weights of various sectors.

Sensex reconstitution: BFSI will have 36% weight (+250bp)

- KMB will be included in the benchmark with 3.5% weight, and thus, will be among the top-10 stocks by weight. Tata Motors DVR will enter with 0.5% weight, helping maintain the weight of Auto sector in the benchmark.
- With the exit of GAIL (weight: 0.8%), Oil & Gas stands to lose the most in terms of weight (-110bp to 9%). Other losers include Consumer (-40bp), Technology (-40bp), NBFCs (-30bp), Healthcare (-20bp) and Capital Goods (-20bp).
- Least impacted sectors would be Utilities, PSU Banks, Telecom and Metals.
- BFSI will have a weight of 36.1% (+250bp) post the reshuffle, which will be almost equivalent to the combined weights of Consumer, IT and Auto.

Of the top-10 stocks to be most impacted, four are from Financials

- Aggregate weight of the existing 29 Sensex stocks will decline by 320bp.
- Top-10 stocks to be most impacted (in terms of weight) by the reshuffle: HDFC Bank (-40bp), HDFC (-30bp), ITC (-30bp), Reliance Inds (-30bp), Infosys (-20bp), ICICI Bank (-20bp), L&T (-20bp), TCS (-20bp), Maruti (-10bp) and SBI (-10bp).

Sensex EPS for FY18/FY19 to see downgrade of 1.5%/1.4%

- Sensex EPS for FY18/FY19 will see a downgrade of 1.5%/1.4%, primarily due to a higher increase in free float market cap of 2.7% compared to a rise of 1.1%/1.3% in free float PAT for FY18/FY19.
- Notably, Kotak Mahindra Bank's free float market cap is 4.4x of GAIL India.
- We now estimate Sensex EPS at INR1,557 for FY18 (+15.4%) and ~INR1,895 for FY19 (+21.7%).
- We have recently downgraded GAIL India to **Sell** (refer our detailed report – [A case for lower PE; US contracts pose threat of losses](#)).
- Sensex trades at a P/E of 19.7x on FY18E earnings based on current composition; this will expand to P/E of 20x post the reshuffle.

Expect higher activity in the reshuffled stocks

- Domestic MFs currently hold 0.8% of their total AUM in GAIL, which is in line with the weight of the current benchmark. However, domestic MFs are under-owned in Kotak Mahindra Bank at 1.7% of total AUM.
- DIIs hold 7.8% (-0.6% QoQ in Mar 2017) and FIIs hold 38.6% (+1.7% QoQ in March 2017) in Kotak Mahindra Bank.
- Out of top-20 domestic MFs, 15 have exposure of less than 2% of their AUM to Kotak Mahindra Bank.

Sensex EPS to see downgrade of 1.5%/1.4% for FY18/FY19

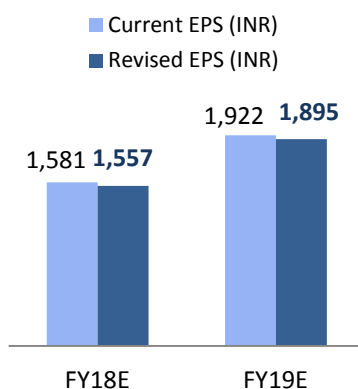


Exhibit 1: Pvt banks will see an increase in weight; Auto weight to be unchanged due to addition of Tata Motor-DVR

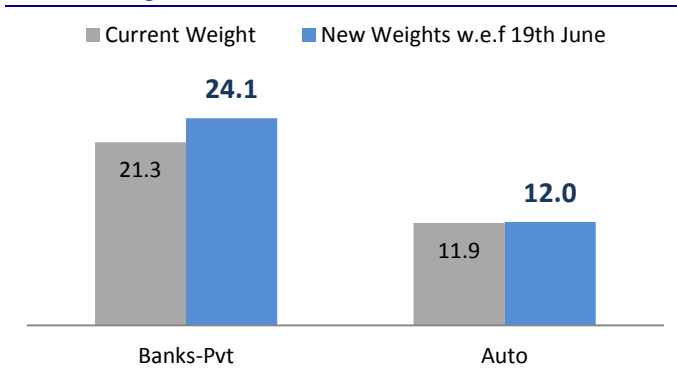
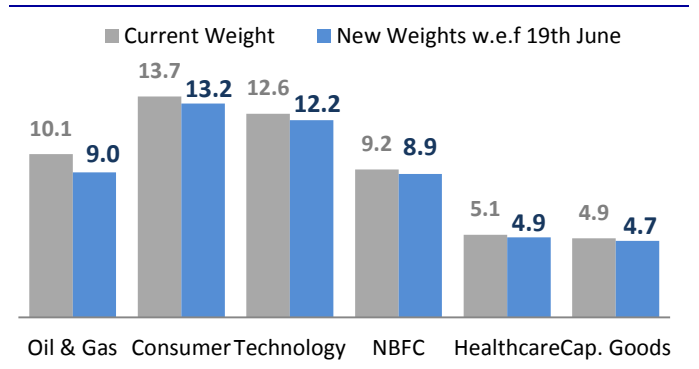


Exhibit 2: Oil & Gas, Consumer, Technology – biggest losers due to the reshuffle



Source: BSE, MOSL

Interesting observations from sectoral weight changes in the past decade: Financials, Autos at all-time high; Capital Goods, Telecom at new lows

- **Weight of Financials has kept rising.** It will touch a new high of 36.1% (+1.8x in 10 years) with the inclusion of Kotak Mahindra Bank .
- **Auto about to overtake IT:** Auto has bridged the gap versus Technology, especially over the last two years. The gap between Auto and Technology has come off from 610bp in FY16 to virtually zero now. Post the reshuffle, Auto weight will be at a new high of 12%.
- **Healthcare weight is down significantly** due to the underperformance over the last two years.
- **Weights of Capital Goods and Telecom are now at an all-time low** of 4.7% and 1.6%, respectively. Notably, Telecom weight is down from ~10% in FY07. Both the sectors will now have representation of only one stock in the benchmark (L&T and Bharti Airtel).
- **Consumer weight has remained stable** over the last four years, but has increased significantly (+570bp) over the last 10 years given its sharp outperformance v/s the index.
- Real Estate and Cement have no representation in Sensex.
- **Metals weight has bounced off its lows** of sub-1% in FY16, but it is far off from the peak of 7.2% in FY10.

Exhibit 3: Trend in Sensex sectoral weight (%) – Financials, Autos at all-time high

Sector	FY07	FY10	FY13	FY16	FY17	Current	New w.e.f 19th June	Avg Weight FY07-17	Chg. New vs. Avg Weight (pp)
Auto	4.0	6.4	9.4	10.8	11.4	11.9	12.0	8.1	3.9
Banking/ Finance	21.1	23.0	26.2	28.9	32.0	33.6	36.1	25.5	10.5
Capital Goods	7.3	9.7	5.6	4.8	4.7	4.9	4.7	7.2	-2.5
Cement	4.2	2.2						3.1	-3.1
Consumer	7.5	7.2	13.8	12.5	13.0	13.7	13.2	10.4	2.8
Health Care	3.6	1.1	4.7	8.3	6.3	5.1	4.9	3.9	1.0
Infrastructure		1.3		1.0	1.1	1.1	1.1	1.1	0.0
Metals	3.6	7.2	3.9	0.9	1.2	1.2	1.2	4.1	-3.0
Oil & Gas	16.0	16.8	13.7	10.0	10.8	10.1	9.0	14.5	-5.6
Real Estate		1.0						0.9	-0.9
Technology	19.9	14.6	16.2	17.9	13.5	12.6	12.2	15.6	-3.4
Telecom	9.7	4.1	2.4	2.1	1.7	1.7	1.6	4.3	-2.7
Utilities	3.3	5.4	4.0	2.8	4.5	4.1	4.0	4.1	-0.2
SENSEX	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Private	88.1	86.4	87.4	91.6	89.4	90.3	91.4	87.7	3.7
PSU	11.9	13.7	12.6	8.4	10.6	9.7	8.6	12.3	-3.7



Bharti Infratel

BSE SENSEX 31,156 S&P CNX 9,618

CMP: INR384 TP: INR440 (+15%) Buy



Stock Info

Bloomberg	BHIN IN
Equity Shares (m)	1,896.7
52-Week Range (INR)	413/283
1, 6, 12 Rel. Per (%)	-1/-9/-14
M.Cap. (INR b)	726.4
M.Cap. (USD b)	10.9
Avg Val, INRm	1477.0
Free float (%)	38.4

Financials Snapshot (INR b)

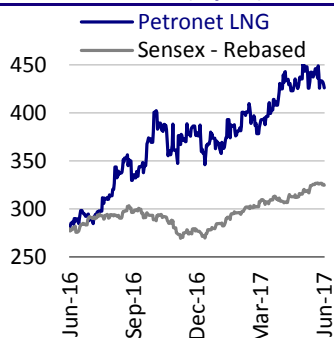
Y/E Mar	2017	2018E	2019E
Net Sales	134.2	149.4	162.4
EBITDA	59.0	65.2	70.8
NP	27.5	32.3	36.9
EPS (INR)	14.9	17.5	19.9
EPS Gr. (%)	25.3	17.7	14.0
BV/Sh. (INR)	83.7	96.6	111.9
RoE (%)	16.2	19.4	19.1
RoCE (%)	13.2	14.4	14.0
P/E (x)	25.9	22.0	19.3
P/BV (x)	4.6	4.0	3.4

Shareholding pattern (%)

As On	Mar-17	Dec-16	Mar-16
Promoter	61.7	72.0	71.7
DII	1.7	1.2	0.7
FII	34.4	25.0	25.6
Others	2.3	1.9	2.0

FII Includes depository receipts

Stock Performance (1-year)



Healthy tenancy outlook to support growth

Vodafone-Idea merger could dilute EBITDA by 15%

- Accelerated data network expansion by Bharti and RJio should keep gross tenancy additions healthy. Net additions might be moderated by the potential loss of tenancies from Aircel and TTSL.
- As cell density grows in urban areas, growth over the next two years would be tenancy driven.
- The Vodafone-Idea merger could have a negative impact of 15% on EBITDA, given a potential 35k-37k site reduction.
- We expect 11%/9% revenue growth in FY18/19 on the back of healthy 10% tenancy addition from Bharti and RJio in FY18.
- Assuming a 15% EBITDA cut due to Vodafone-Idea merger, the stock would be valued at 10.3x (FY19E). BHIN's key value proposition is its high free cash generating capability, with 6-7% FCFE yield.

Healthy order pipeline to drive revenues

Bharti Infratel (BHIN) has witnessed healthy tenancy addition over the last 2-3 quarters, led by aggressive 4g rollout by RJio and Airtel. In FY18, gross additions should remain high, as RJio and Airtel are expected to continue accelerated data network expansion. Net additions would depend on the balance 15% tenancies, with TTSL and Aircel tenancies at risk. Renewal of master service agreements (MSA) is completed by 75% tenants. Rentals are frozen for most tenants for the first three years; so, price increases are likely to be negligible.

Tenancy-to-site-addition ratio could turn favorable

Over the last five years, the ratio of cell site addition to tenancy addition has been about 4:1, implying large proportion of cell site addition through loading. In the next two years, fresh tenancy could increase, as cell density grows in urban areas on high band spectrum. This could increase tenancy v/s loading, given that a large portion of loading-led data network rollout is completed.

Risk of single RAN overblown

The prominence of single RAN cell sites using multiple technologies (2g, 3g, 4g) at one cell site is growing. This has created concerns that telcos may not require to load each technology separately on the tower, thus reducing tenancy charges. However, we understand that single RAN adoption does not impact loading revenues, as charges are technology-wise and are also incurred separately for incremental antenna space.

Vodafone-Idea merger could have 15% EBITDA impact

With reduction of 20% sites out of the total 270,000 sites, about 54,000 sites should be reduced. Of these, the first would be ~12,000 overlapping sites of Vodafone and Idea towers. Of the remaining 42,000 sites, 5,000-7,000 sites could be from other tenants. So, a net of 35,000-37,000 sites could be reduced, leading to a 10% impact on BHIN (standalone and Indus). As base rate remains high for two tenancies v/s three tenancies, any reduction in tenancy could be partly mitigated by increased tenancy rates. This could reduce the impact by 2-3%. Also, the impact could be reduced over the next 2-3 years by imposing the termination clause.

Termination clause to reduce near-term EBITDA risk

BHIN's master service agreement (MSA) mentions that if a contract is terminated prematurely, the tenant has to pay for 35% of the remaining life of the contract if the tenant has stayed for five years and for 100% if the tenant has stayed for less than five years. When small operators shut tenancy, it is often difficult to execute the termination clause. However, Vodafone-Idea's case would be different, as the combined entity would be continuing operations. In the worst case scenario, assuming 10% revenue impact and 65% rental margin, the net EBITDA impact could be 15%. This could be reduced by 2-5% due to increase in tenancy rates. If the termination clause is imposed, the impact could be delayed beyond 2020.

Indus acquisition could lead to high leverage, cash deployment source

BHIN's management has indicated its willingness to explore Indus and other acquisition opportunities in the market. Given the high supply in the tower industry with Indus, Idea, Vodafone and RCom assets, we believe valuations could be moderate at EV/tenancy of 2.5x for Indus compared to the current 2.9x. Based on this, BHIN might require INR429b with prorata co-location of 167,570 for 58% stake. Thus, from a net cash position of INR56.9b, BHIN may reach a debt of INR362b, with net-debt-to-EBITDA of 3.6x. Given BHIN's annual operating cash flow of INR50b and addition of cash flow from remaining 58% Indus stake, leverage could be reduced by ~50% in two years. This should lead to good growth potential for BHIN, which is otherwise scouting for cash deployment opportunities.

Expect 10% EBITDA growth over FY18-19

We expect 11%/9% revenue growth in FY18/19 on the back of healthy 10% tenancy addition from Bharti and RJio in FY18. We expect FY18/19 EBITDA margin to tread at 43.6% v/s 43.9% in FY17, as MSA renewal would leave limited operating leverage for margin expansion potential.

Valued at EV/EBITDA of 9x factoring Vodafone-Idea merger, 6% FCF yield to support valuations

The stock is trading at an EV of 9x FY19E EBITDA. Assuming a 15% EBITDA cut due to Vodafone-Idea merger, the stock would be valued at 10.3x (FY19E). BHIN's key value proposition is its high free cash generating capability, with 6-7% FCFE yield supporting valuations. We maintain **Buy** with a target price of INR440/sh.

Quarterly Performance

	(INR Million)									
Y/E March	FY16				FY17				FY16	FY17
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenue from operations	30,031	30,410	31,056	31,817	32,106	32,919	34,007	35,204	123,314	134,237
YoY Change (%)	5.6	3.8	5.3	8.0	6.9	8.3	9.5	10.6	5.7	8.9
Total Expenditure	17,135	17,315	17,433	17,322	18,159	18,421	19,206	19,481	69,205	75,268
EBITDA	12,896	13,095	13,623	14,495	13,947	14,498	14,801	15,723	54,109	58,969
Margins (%)	42.9	43.1	43.9	45.6	43.4	44.0	43.5	44.7	43.9	43.9
Depreciation	5,450	5,562	5,526	5,697	5,648	5,629	5,664	5,684	22,235	22,626
Interest	566	-1,675	292	-1,029	-1,281	-2,472	-947	287	-1,847	-4,414
Other Income	564	564	487	433	352	333	357	414	2,048	1,455
PBT	7,444	9,772	8,292	10,260	9,932	11,674	10,441	10,166	35,769	42,212
Tax	3,020	3,855	3,342	3,076	2,369	3,936	4,237	4,200	13,293	14,742
Rate (%)	40.6	39.4	40.3	30.0	23.9	33.7	40.6	41.3	37.2	34.9
Reported PAT	4,424	5,917	4,950	7,184	7,563	7,738	6,204	5,966	22,476	27,470
Adj PAT	4,424	5,917	4,950	7,184	7,563	7,738	6,204	5,966	22,476	27,470
YoY Change (%)	-4.4	27.2	-2.3	28.9	71.0	30.8	25.3	-17.0	12.8	22.2
Margins (%)	14.7	19.5	15.9	22.6	23.6	23.5	18.2	16.9	18.2	20.5



Cummins India

BSE SENSEX 31,156 S&P CNX 9,618

CMP: INR921 TP: INR950(+3%) Neutral



Stock Info

Bloomberg	KKC IN
Equity Shares (m)	277.2
52-Week Range (INR)	1096/748
1,6,12 Rel. Perf. (%)	-16/-3/-3
M.Cap. (INR b)	255.3
M.Cap. (USD b)	3.9
Avg Val, INRm	291
Free float (%)	49.0

Financials Snapshot (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	50.8	56.6	65.5
EBITDA	8.0	9.0	11.3
Adj PAT	7.3	8.0	9.9
EPS (INR)	26.5	28.8	35.5
EPS Gr. (%)	-2.6	8.8	23.3
BV/Sh. (INR)	135.0	146.1	159.8
RoE (%)	21.2	20.5	23.2
RoCE (%)	20.0	19.6	22.2
Payout (%)	52.8	52.8	52.8

Valuations

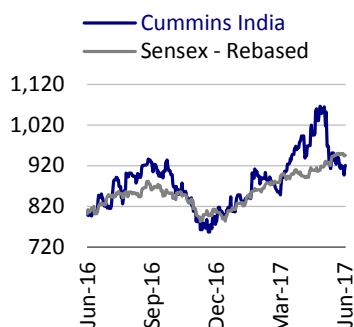
P/E (x)	34.4	31.6	25.7
P/BV (x)	6.7	6.2	5.7
EV/EBITDA (x)	31.3	27.7	21.9
Div Yield (%)	1.6	1.7	2.1

Shareholding pattern (%)

As On	Mar-17	Dec-16	Mar-16
Promoter	51.0	51.0	51.0
DII	20.9	20.3	18.3
FII	15.0	15.7	16.5
Others	13.2	13.0	14.2

FII Includes depository receipts

Stock Performance (1-year)



Domestic business witnessing strong demand revival

Competitive intensity remains fierce

We recently met multiple channel partners/dealers/OEMs of diesel genset manufacturers in India to understand the domestic demand scenario. Key takeaways from our meetings are as follows.

HHP witnessing strong revival; ~50% of Cummins India's (KKC) power gen sales come from this segment

- The high horsepower (HHP; >750kva) market has started witnessing increased enquiries from customers, who appear willing to convert those into firm orders. Similar trends are being witnessed in the medium horsepower (MHP; 250-650kva) market.
- Key end-markets that are leading to a revival in the genset market include: a) Datacenters (>1000kva), b) IT/ITES, c) Roads (200/500/600kva), d) Metros (500/750kva), e) Hospitals, f) Hotels, g) Educational institutions and h) Rail generators (500/750kva).
- Dealers expect 10-15% growth in MHP/HHP sales in FY18 for the industry, while low horsepower (LHP; <160kva) sales are likely to remain subdued due to lower telecom genset sales.

KOEL posing credible threat to KKC and Perkins in HHP segment

- KOEL has emerged as a credible competitor in the HHP segment, which was earlier dominated by only four players (Cummins, MTU, Perkins and Caterpillar). Cummins, Perkins and CAT together command ~75-80% share in the HHP segment. Annual size of this market is ~2,400 units, of which KKC accounts for ~60-70%.
- KOEL's 750kva and above range is primarily being preferred by real estate developers and government tenders, wherein an order is won by the lowest bidder. However, in case of critical applications, KKC continues to be the preferred brand.
- KOEL has been quite aggressive in pricing, which has forced KKC to cut prices. Perkins has maintained its prices in this segment.
- Within critical areas of HHP like datacenters, factors such as product reliability, quality and service are paramount, where KKC, CAT and Perkins are ahead of KOEL.
- Supplies in the 750kva range are not just a product – they are more of a project involving installation of exhaust systems, controls and space requirements. Hence, KOEL may lose out on this.

Limited impact of GST

- The LHP segment is likely to see a bigger impact of GST. However, in HHP, the impact is not expected to be material as taxes are a pass-through and added to the base price.

Valuation and view

- We have a **Neutral** rating on the stock with a target price of INR950 (27x FY19E EPS). The stock trades at 34x FY17E EPS of INR26.5, 31x FY18E EPS of INR30.9 and 25x FY19E EPS of 35.5. Key risks to our rating: (a) faster-than-expected revival in the domestic power generation market, and (b) sharp rise in commodity prices leading to a pick-up in LHP exports.

Operating metrics

Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18E	FY19E
Segmental Revenue (INR m)								
Power	12,562	16,065	11,150	10,550	12,500	13,500	15,255	17,543
- MHP / HHP	9,002	16,065	7,850	8,050	9,250	10,088	11,672	13,781
- LHP	3,560	4,000	3,300	2,500	3,250	3,413	3,583	3,762
Industrial	5,673	5,060	5,248	5,070	5,600	6,960	8,352	10,022
Auto	2,837	1,659	1,162	1,100	700	850	510	510
Distribution	7,699	9,080	9,090	9,050	10,000	11,610	13,352	15,354
- Spare Parts	7,699	9,080	9,090	8,800	9,600	10,810	12,551	14,552
- Recon		nm	nm	250	400	800	801	802
Domestic	28,770	31,864	26,650	25,770	28,800	32,920	37,469	43,430
Exports	11,720	12,690	12,040	17,253	16,670	16,110	17,680	20,487
- HH / HHP	9,520	8,810	8,240	9,003	7,770	8,306	8,160	9,287
- MHP / LHP	2,200	3,880	3,800	8,250	8,900	7,804	9,520	11,200
Net Sales	41,172	45,894	39,767	44,058	47,088	50,773	56,624	65,457
Growth (%)	2%	11%	-13%	11%	7%	7%	12%	16%
RM Costs (%)	64.3%	62.9%	61.0%	61.8%	62.9%	64.5%	63.8%	63.3%
Gross Margins (%)	35.7%	37.1%	39.0%	38.2%	37.1%	35.5%	36.2%	36.7%
EBITDA margin (%)	16.9%	18.2%	17.5%	16.7%	16.5%	15.8%	15.9%	17.3%
Net Working Capital (Days)	63.4	65.5	81.0	82.9	97.8	85.9	85.9	85.9
Net Cash / (Debt), INR M	2,088	3,547	865	799	897	-1,217	-405	919



1. Prepared for transformation to BS-VI, says Bosch; Soumitra Bhattacharya, MD

- Important to look at trends but not on a QoQ basis, however, we have a slight improvement in the yearly figure. It's a big of efficiency, improvement and also product mix
- There are two-and-a-half years to get act right for transformation from BS-IV to BS-VI. A leap from BS-IV to BS-VI has to happen jointly between OEM's and us
- Bosch is prepared for the transformation to BS-VI, he added.

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2. Welspun deal value accretive; not inclined to do an IPO in renewable biz: Tata Power; Anil Sardana, MD & CEO

- Above news regarding Welspun deal was highly speculative. However, for the benefit of their stakeholders, clarified that their spokesperson has said the deal is very value accretive and the transaction has been squeaky clean as always.
- They have been operating Welspun assets for the last nine-months now. Tata Power Renewable Energy Ltd (TPREL), an arm of Tata Power, in September 2016, had completed 100 percent share purchase in Welspun Renewable Energy Pvt Ltd (WREPL) and its subsidiaries.
- Welspun Renewables is a 100% subsidiary of Welspun Energy which in turn is co-owned by the listed Welspun Enterprises.
- Losses at Mundra unit, were basically on account of under recovery of fuel and the company is attempting to reduce fuel cost at Mundra.
- Looking at all possible options so that they don't have sustained losses on account of Mundra UMPP alone,
- On other business front, they are keen to add more power distribution opportunities. The distribution business in Delhi is profitable.
- However, clarified that there is no inclination to do an IPO in renewable portfolio.

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3. See pickup in road projects execution; expect 15-18% revenue growth in FY18: Sdbhav Engg; Nitin Patel, ED

- Execution in road projects has picked up and more particularly EPC projects, which have been awarded one-and-a-half to two years back, are there in fast track of execution
- NHAI has bid out almost 50 projects, out of which around 24-25 have achieved financial closure
- Current order book of the company's construction business is Rs 7,800 crore. NHAI has identified three projects for toll in coming days and the company is interested to submit bids for all three projects
- Considering the order book and execution, expect 15-18% revenue growth over FY17 numbers can be achieved.
- Company's current debt is around Rs 1,700 crore and believes by FY18, debt will be reduced to Rs 1,100-1,150 crore.

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1. Solutions beyond farm loan waivers

- In 2004, Atal Bihari Vajpayee's electoral march to victory was stopped cold by his government's failure to adequately recognize and address the problems of the rural economy. His heir, Prime Minister Narendra Modi, seems to have unfortunately learnt only half a lesson from that. Farmer distress is a real and pressing problem, as evidenced by the protests currently taking place in various parts of the country. But by announcing a farm loan waiver on the Uttar Pradesh campaign trail, Modi took the easy way out—and left the real problems unaddressed. The numbers go some way towards explaining farmer resentment. Consumer price inflation in May dropped to a low of 2.18%, while food price inflation slipped into negative territory. At the index level, vegetable prices fell by 13.44% and inflation in pulses was at (-) 19.45%. After two successive years of below par rainfall, production shot up in the last financial year on the back of a normal monsoon and has resulted in a steep decline in prices.

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2. The perils of a larger public sector

- As the Narendra Modi government completes three years in office, there is a lot of debate on its achievements and shortcomings. While supporters point to macroeconomic stability, foreign direct investment inflows and infrastructure building, critics talk about tepid job creation, intolerance and centralization of power. However, there is unanimous agreement on both sides of the aisle about a key challenge for the Indian economy: stressed assets in the banking sector. Stressed assets on the books of Indian banks are now higher than the net worth of the entire banking sector, according to a recently released McKinsey & Co. report, "Mastering New Realities: A Blueprint To Transform Indian Banking". One of the contributing factors in this crisis is the inability of private asset reconstruction companies (ARCs) to play a meaningful role, in spite of enabling regulations and support from the central bank.

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3. CPEC: The need for a second look by India

- Most narratives on the subject published in India stress that as the proposed China-Pakistan Economic Corridor (CPEC) traverses through Indian sovereign territory in Gilgit-Baltistan (GB) which is a part of Pakistan-occupied Kashmir (PoK), India is well within its rights to refuse any participation. This stand is a principled one with considerable merit. While this position meets with the short-term tactical requirements it does not answer what should be India's long-term strategy on this issue. When India gained independence in August 1947, the state of Jammu and Kashmir had an area of 222,236 sq. km. Since then, due to conflict and aggression, Pakistan occupies about 78,114 sq. km and China about 42,685 sq. km, including 5,180 sq. km illegally ceded by Pakistan to China. About 101,437 sq. km remains with India. Thus three states are now in contention in Kashmir, with China denying strenuously that Aksai Chin, the area that it occupies, was ever a part of Kashmir.

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4. Inflation targetting: government has a role in working towards this goal

- With farmers agitating over low prices, and the government needing to make good on its promises to raise their incomes/profits, chances are the government will start raising the MSP of various crops by larger amounts than in the past, and possibly also increase the number of crops covered by this. Indeed, if the past is anything to go by, prices of certain items like onions could go up sharply over a period of time—after a bumper crop causes prices to crash, farmers sow less the next season, as a result of which, prices shoot up. If food inflation starts rising, especially if there is a return of pricing power in the manufacturing sector, the central bank will find another reason to not lower rates since, though core inflation has also fallen steadily, the really sharp reduction in inflation has been the result of food inflation falling sharply.

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International

5. A path that would avoid brexit calamity

- Emmanuel Macron could have chosen to humiliate Theresa May when the two leaders met in Paris. Wise beyond his years, the French president told the prime minister that the door was still open to rethink Britain's relationship with the EU. Britain should take Mr Macron at his word. There is a path out of the Brexit mess. It requires the reassertion of the national interest over that of the Conservative party. In the pantheon of prime ministerial failures, Mrs May runs a close race with her predecessor David Cameron. As things stand, Mr Cameron claims the prize. The purpose of his premiership never reached beyond a sense of entitlement. His Brexit referendum reflected at once weakness and insouciant self-regard. He would first bow to the Tory Eurosceptics and then beat them.

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Automobiles														
Amara Raja	Buy	837	1,044	25	28.0	34.5	41.8	29.9	24.3	5.5	4.7	20.3	20.8	21.2
Ashok Ley.	Buy	94	117	24	4.6	5.5	7.1	20.5	17.2	4.5	3.9	23.3	24.4	26.9
Bajaj Auto	Buy	2,815	3,422	22	132.3	150.4	178.2	21.3	18.7	4.8	4.3	25.3	24.1	25.6
Bharat Forge	Buy	1,164	1,242	7	26.2	37.7	49.7	44.5	30.9	6.6	5.8	16.2	19.9	22.5
Bosch	Neutral	24,300	23,287	-4	473.1	650.7	776.2	51.4	37.3	8.4	7.4	15.8	21.2	22.2
CEAT	Buy	1,873	1,741	-7	93.3	104.9	133.9	20.1	17.9	3.1	2.7	16.9	16.3	17.9
Eicher Mot.	Buy	28,805	30,402	6	613.8	892.0	1,135.1	46.9	32.3	16.3	11.6	40.3	41.9	38.5
Endurance Tech.	Buy	921	948	3	23.5	30.8	37.9	39.2	29.9	7.5	6.2	20.8	22.6	23.1
Escorts	Neutral	709	711	0	23.2	35.9	44.4	30.6	19.7	3.6	3.1	12.3	16.8	17.9
Exide Ind	Buy	221	274	24	8.2	9.5	11.8	27.1	23.4	3.8	3.4	14.0	14.5	15.8
Hero Moto	Neutral	3,779	3,622	-4	169.1	198.1	201.2	22.3	19.1	7.5	6.3	35.7	35.9	31.3
M&M	Buy	1,389	1,603	15	54.3	69.6	81.7	25.6	20.0	3.2	2.9	14.2	14.2	14.4
Mahindra CIE	Not Rated	242	-		5.4	9.9	11.8	45.2	24.5	2.8	2.5	6.4	10.8	11.5
Maruti Suzuki	Buy	7,311	8,060	10	248.6	300.0	370.9	29.4	24.4	6.1	5.3	20.3	21.2	22.3
Tata Motors	Buy	448	635	42	19.8	30.8	65.8	22.6	14.6	2.6	2.2	9.8	16.5	27.8
TVS Motor	Buy	542	581	7	11.7	16.7	26.7	46.1	32.4	10.7	8.5	25.6	29.2	35.9
Aggregate								28.5	21.8	4.9	4.2	17.1	19.3	22.8
Banks - Private														
Axis Bank	Neutral	508	525	3	15.4	23.4	41.2	33.1	21.7	2.2	2.1	6.9	9.9	15.7
DCB Bank	Neutral	210	170	-19	7.0	8.8	11.2	30.0	23.8	3.1	2.8	10.9	12.4	14.0
Equitas Hold.	Buy	152	210	38	4.7	4.8	7.5	32.2	31.4	2.3	2.2	8.9	7.1	10.1
Federal Bank	Buy	119	125	5	4.8	5.8	7.3	24.7	20.7	2.3	2.2	9.9	10.9	12.5
HDFC Bank	Buy	1,662	1,790	8	56.8	67.1	79.4	29.3	24.8	5.0	4.3	17.9	18.2	19.0
ICICI Bank	Buy	317	365	15	16.8	16.8	19.2	18.8	18.8	2.1	2.0	10.1	9.1	9.8
IDFC Bank	Neutral	58	62	7	3.0	3.3	4.3	19.3	17.5	1.3	1.3	7.2	7.4	9.0
IndusInd	Buy	1,494	1,700	14	50.1	59.4	72.0	29.8	25.1	4.5	3.9	16.0	16.5	17.3
J&K Bank	Neutral	90	89	-1	-31.3	4.4	8.0	NM	20.4	0.8	0.8	-27.0	4.0	7.0
Kotak Mah. Bk	Buy	965	1,050	9	26.8	32.3	40.5	35.9	29.9	4.7	4.0	13.8	14.5	15.7
RBL Bank	Under Review	514	-		11.9	17.6	23.8	43.3	29.1	4.5	4.0	12.3	14.6	17.3
South Indian	Buy	29	31	6	2.2	2.9	3.6	13.4	10.2	1.1	1.0	9.4	10.6	12.2
Yes Bank	Buy	1,446	2,110	46	73.0	90.5	114.0	19.8	16.0	3.7	3.1	18.9	17.9	19.4
Aggregate								28.2	22.8	3.2	2.9	11.4	12.9	14.5
Banks - PSU														
BOB	Buy	170	217	28	6.0	19.0	24.9	28.3	8.9	1.1	1.0	4.1	12.3	14.5
BOI	Neutral	139	147	6	-14.8	13.7	22.0	NM	10.1	0.6	0.6	-6.7	6.1	9.0
Canara	Neutral	352	380	8	18.8	33.0	48.9	18.7	10.7	0.8	0.7	4.2	6.8	9.4
IDBI Bk	Neutral	59	49	-17	1.5	6.4	8.6	38.8	9.2	0.5	0.5	1.4	5.8	7.3
Indian Bk	Buy	310	360	16	29.3	33.3	38.1	10.6	9.3	1.0	0.9	10.1	10.6	11.1
OBC	Neutral	151	150	-1	-31.6	17.1	21.4	NM	8.8	0.4	0.4	-8.4	4.6	5.4
PNB	Buy	148	184	25	6.2	10.3	14.5	23.7	14.4	0.8	0.8	3.6	5.6	7.5
SBI	Buy	284	375	32	0.3	19.7	25.9	938.9	14.4	1.3	1.2	-0.2	8.9	10.7
Union Bk	Neutral	153	174	14	7.6	24.6	34.5	20.0	6.2	0.5	0.5	2.7	8.1	10.5
Aggregate								101.0	12.0	0.9	0.9	0.9	7.4	9.3
NBFCs														
Bajaj Fin.	Buy	1,402	1,550	11	33.6	47.0	63.6	41.7	29.8	8.0	6.5	21.7	24.0	26.2
Bharat Fin.	Neutral	703	769	9	21.0	32.4	45.3	33.5	21.7	4.0	3.4	15.1	16.7	19.5
Cholaman.Inv.&FnBuy		1,114	1,250	12	46.0	56.7	70.6	24.2	19.7	4.1	3.4	18.1	19.0	19.9
Dewan Hsg.	Buy	463	559	21	29.6	38.6	45.5	15.6	12.0	1.8	1.6	14.4	14.5	15.2
GRUH Fin.	Neutral	446	421	-6	8.1	10.3	12.5	54.8	43.4	14.6	12.1	30.4	30.6	30.9
HDFC	Buy	1,638	1,797	10	46.8	50.7	55.9	35.0	32.3	6.5	5.9	19.3	18.3	17.4
Indiabulls Hsg	Buy	1,150	1,227	7	69.0	82.2	101.6	16.7	14.0	4.0	3.6	25.5	27.0	29.6
LIC Hsg Fin	Neutral	777	723	-7	38.2	44.6	51.2	20.3	17.4	3.6	3.1	19.4	19.3	19.0
Manappuram	Not Rated	93	-		8.2	11.1	14.0	11.3	8.4	2.6	2.3	23.9	29.0	32.2
M&M Fin.	Buy	350	400	14	7.1	12.9	16.4	49.5	27.1	3.1	2.9	6.4	10.9	12.9



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
Muthoot Fin	Buy	473	465	-2	29.7	34.5	40.0	16.0	13.7	3.0	2.6	19.7	20.2	20.6
PFC	Neutral	131	117	-10	25.7	27.2	30.2	5.1	4.8	0.9	0.8	17.9	17.0	16.8
Repco Home	Buy	901	900	0	29.1	36.0	43.3	31.0	25.0	5.0	4.2	17.4	18.2	18.5
REC	Neutral	186	134	-28	31.4	35.0	40.4	5.9	5.3	1.1	0.9	19.9	19.1	19.1
Shriram City Union	Buy	2,431	2,689	11	84.3	130.4	164.7	28.8	18.6	3.2	2.8	11.8	16.2	17.8
STF	Buy	974	1,269	30	55.6	77.4	98.6	17.5	12.6	2.0	1.7	11.7	14.5	16.3
Aggregate								19.0	16.3	3.3	2.9	17.2	17.7	17.9
Capital Goods														
ABB	Sell	1,505	1,200	-20	19.7	25.1	32.2	76.4	60.1	9.7	8.4	12.7	13.9	15.8
Bharat Elec.	Buy	167	200	20	6.9	7.2	8.1	24.1	23.3	5.0	3.8	20.6	16.5	16.8
BHEL	Sell	139	100	-28	2.0	4.4	5.0	68.7	31.9	1.1	1.0	1.5	3.3	3.6
Blue Star	Neutral	659	610	-7	12.9	17.9	26.6	51.2	36.7	8.3	7.8	18.0	21.9	30.1
CG Cons. Elec.	Buy	220	240	9	4.7	5.6	6.7	47.1	39.5	25.6	18.4	76.4	54.2	50.3
CG Power & Indu.	Sell	82	65	-21	4.1	2.3	4.5	20.0	35.9	1.2	1.2	6.2	3.4	4.2
Cummins	Neutral	915	950	4	26.5	29.3	35.2	34.5	31.2	6.8	6.3	21.2	20.8	23.0
GE T&D	Neutral	334	320	-4	5.7	8.9	10.6	58.3	37.4	8.3	7.3	12.4	20.7	21.5
Havells	Neutral	487	480	-2	9.6	12.1	14.5	51.0	40.4	9.3	8.2	18.2	20.4	21.4
Inox Wind	Under Review	144	-		12.8	-3.2	15.5	11.2	NM	1.5	1.5	14.9	-3.3	15.1
K E C Intl	Neutral	250	250	0	11.9	13.6	16.8	21.1	18.4	4.1	3.4	21.2	20.3	21.2
L&T	Buy	1,736	2,000	15	63.3	68.0	78.3	27.4	25.5	3.2	3.1	12.6	12.5	13.6
Pennar Eng.	Not Rated	137	-		5.8	7.5	10.0	23.5	18.2	2.0	1.8	8.6	10.0	11.8
Siemens	Neutral	1,322	1,355	3	17.8	24.3	33.3	74.2	54.4	6.9	6.0	9.3	11.0	13.7
Solar Ind	Neutral	824	825	0	20.6	22.0	27.5	40.0	37.5	7.3	6.3	19.8	18.1	19.5
Suzlon Energy	Not Rated	19	-		0.6	0.9	1.0	29.8	21.4	-1.7	-1.9	NM	-8.8	-11.0
Thermax	Sell	962	850	-12	30.8	32.3	34.0	31.2	29.8	4.3	3.8	14.3	13.6	12.9
Va Tech Wab.	Buy	689	800	16	28.9	34.9	39.8	23.8	19.8	3.8	3.3	16.3	17.7	17.5
Voltas	Sell	494	400	-19	15.5	16.0	18.1	31.9	30.8	4.9	4.4	18.0	15.1	15.3
Aggregate								34.6	30.9	3.9	3.6	11.2	11.7	12.9
Cement														
Ambuja Cem.	Buy	236	283	20	4.9	6.6	7.2	48.3	35.6	2.4	2.3	5.0	6.7	7.1
ACC	Neutral	1,609	1,521	-5	33.7	49.2	63.6	47.7	32.7	3.6	3.6	7.5	11.0	14.2
Birla Corp.	Buy	920	998	8	29.4	40.9	58.9	31.3	22.5	2.1	2.0	7.5	9.2	12.2
Dalmia Bharat	Buy	2,491	3,162	27	38.8	66.7	87.1	64.3	37.4	4.5	4.0	7.2	11.3	13.1
Grasim Inds.	Neutral	1,112	1,234	11	67.9	86.9	114.5	16.4	12.8	1.8	1.6	11.5	13.1	15.1
India Cem	Neutral	211	210	0	5.6	9.3	12.9	37.5	22.6	1.3	1.2	3.4	5.5	7.2
J K Cements	Buy	1,030	1,322	28	33.7	46.4	59.5	30.5	22.2	4.1	3.5	14.4	17.0	18.6
JK Lakshmi Ce	Buy	481	550	14	7.0	11.4	20.5	69.1	42.2	4.0	3.7	6.0	9.2	14.7
Ramco Cem	Buy	701	823	17	27.3	31.1	37.5	25.7	22.6	4.6	3.9	19.2	18.6	19.1
Orient Cem	Buy	148	185	25	-1.6	4.5	6.8	NM	32.9	3.1	2.8	-3.2	9.0	12.3
Prism Cem	Buy	118	138	17	0.3	3.7	5.8	338.9	31.8	5.9	5.1	1.8	17.2	22.6
Shree Cem	Buy	17,921	23,316	30	384.4	480.7	621.0	46.6	37.3	8.9	7.3	20.2	21.5	22.6
Ultratech	Buy	4,047	4,928	22	96.1	121.4	159.1	42.1	33.3	4.8	4.3	12.0	13.6	15.7
Aggregate								36.0	27.0	3.5	3.2	9.7	11.8	13.7
Consumer														
Asian Paints	Neutral	1,141	1,210	6	21.0	23.1	27.4	54.3	49.3	14.4	13.8	28.5	28.6	30.6
Britannia	Buy	3,563	4,050	14	73.7	82.1	101.3	48.3	43.4	15.9	14.7	36.9	35.2	37.2
Colgate	Buy	1,079	1,180	9	21.2	25.7	31.1	50.8	42.1	23.0	21.7	50.4	53.2	60.3
Dabur	Neutral	289	295	2	7.2	7.7	9.1	39.8	37.3	10.5	9.0	28.4	26.0	26.3
Emami	Buy	1,132	1,250	10	26.5	29.2	34.7	42.7	38.7	14.6	11.8	35.8	33.8	32.2
Godrej Cons.	Neutral	1,869	1,950	4	37.8	43.6	50.0	49.4	42.8	12.0	9.3	24.6	24.5	23.0
GSK Cons.	Sell	5,350	4,380	-18	156.1	169.7	185.5	34.3	31.5	7.2	7.1	22.2	22.6	23.0
HUL	Buy	1,104	1,215	10	19.6	22.8	27.0	56.2	48.4	35.8	34.7	65.6	72.8	82.5
ITC	Buy	302	355	18	8.4	9.6	11.5	36.0	31.5	8.1	8.0	23.5	25.6	28.9
Jyothy Lab	Neutral	375	390	4	11.2	8.9	11.0	33.4	41.9	6.3	6.4	21.1	15.1	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
Marico	Neutral	315	335	6	6.3	6.9	8.4	50.1	45.3	17.5	14.9	36.7	35.5	38.1
Nestle	Sell	6,677	5,715	-14	118.0	118.6	139.5	56.6	56.3	21.4	19.7	39.0	36.4	39.0
Page Inds	Buy	16,761	18,000	7	238.7	313.9	400.0	70.2	53.4	28.1	22.2	40.0	41.6	42.8
Parag Milk	Neutral	226	245	8	3.6	7.4	12.3	62.7	30.4	2.9	2.6	5.9	9.1	13.4
Pidilite Ind.	Neutral	817	762	-7	16.7	18.4	21.2	48.8	44.3	12.7	10.3	28.2	25.6	24.0
P&G Hygiene	Buy	7,958	8,760	10	144.9	155.8	181.6	54.9	51.1	45.4	36.2	45.3	78.9	74.0
United Brew	Neutral	792	830	5	8.7	9.7	14.7	91.1	81.6	9.1	8.3	10.4	10.7	14.6
United Spirits	Neutral	2,308	2,415	5	26.7	37.4	51.8	86.3	61.8	17.3	11.9	21.3	19.3	19.7
Aggregate								46.1	40.8	12.8	11.9	27.7	29.2	30.7
Healthcare														
Alembic Phar	Neutral	528	640	21	21.6	26.0	32.1	24.5	20.3	5.3	4.4	23.1	23.6	24.1
Alkem Lab	Neutral	1,864	1,900	2	75.7	80.0	94.9	24.6	23.3	5.3	4.5	23.4	20.8	21.0
Ajanta Pharma	Buy	1,581	2,028	28	58.4	66.4	79.9	27.1	23.8	8.9	6.8	37.7	32.3	30.0
Aurobindo	Buy	643	750	17	39.3	44.1	50.2	16.4	14.6	4.1	3.2	28.3	24.8	22.5
Biocon	Sell	344	300	-13	20.4	22.0	29.9	16.9	15.6	2.3	2.1	13.6	13.3	16.1
Cadila	Buy	532	510	-4	14.2	18.1	23.2	37.5	29.4	8.5	7.0	24.8	26.1	27.1
Cipla	Neutral	549	500	-9	15.9	20.0	25.0	34.5	27.5	3.5	3.2	10.2	11.5	12.8
Divis Lab	Neutral	657	600	-9	39.7	35.8	39.8	16.6	18.3	3.7	3.3	23.5	19.2	19.2
Dr Reddy's	Neutral	2,699	2,625	-3	72.6	107.1	144.5	37.2	25.2	3.6	3.0	9.6	13.3	15.1
Fortis Health	Buy	198	240	21	10.3	2.1	6.1	19.1	93.7	2.0	1.8	11.3	2.0	5.3
Glenmark	Neutral	637	800	26	39.3	45.0	53.5	16.2	14.2	4.0	3.2	24.7	22.4	21.3
Granules	Buy	143	200	40	7.3	8.1	11.4	19.7	17.6	3.3	2.4	20.0	16.4	17.6
GSK Pharma	Neutral	2,455	2,700	10	34.4	51.9	60.1	71.4	47.3	15.4	18.7	21.5	39.7	54.4
IPCA Labs	Neutral	513	480	-6	16.1	22.4	29.9	31.9	22.9	2.6	2.4	8.6	11.0	13.2
Lupin	Buy	1,183	1,475	25	59.2	60.2	73.7	20.0	19.7	4.0	3.4	22.0	18.9	19.7
Sanofi India	Buy	4,041	4,850	20	129.1	131.0	173.4	31.3	30.8	5.4	5.0	17.1	16.3	19.3
Sun Pharma	Buy	544	650	19	26.1	25.4	30.8	20.8	21.4	3.6	3.4	18.5	16.3	17.9
Syngene Intl	Not Rated	458	-		13.0	16.1	18.0	35.2	28.4	7.1	5.8	22.2	22.5	20.7
Torrent Pharma	Buy	1,236	1,450	17	55.2	59.8	73.2	22.4	20.7	5.2	4.5	25.3	23.5	24.6
Aggregate								23.7	21.9	4.2	3.6	17.5	16.6	17.6
Logistics														
Allcargo Logistics	Buy	174	228	31	9.8	12.2	14.3	17.7	14.3	2.6	2.3	12.6	17.2	17.8
Blue Dart	Not Rated	4,255	-		102.5	129.9	163.2	41.5	32.8	18.4	14.0	50.5	48.6	46.8
Concor	Neutral	1,137	1,162	2	38.0	41.2	45.8	29.9	27.6	3.1	3.0	10.8	11.1	11.7
Gateway Distriparks	Buy	258	310	20	6.8	11.6	14.3	37.9	22.2	2.2	2.1	5.9	9.9	11.7
Gati	Not Rated	125	-		8.4	15.9	23.9	15.0	7.9	2.0	1.8	12.4	19.4	25.4
Transport Corp.	Not Rated	308	-		16.9	21.0	25.9	18.2	14.6	2.8	2.4	16.7	17.8	18.6
Aggregate								28.7	23.7	3.5	3.3	12.2	13.7	15.0
Media														
Dish TV	Buy	80	106	32	1.0	2.1	3.8	81.4	39.1	17.4	12.1	24.1	36.5	44.1
D B Corp	Buy	372	460	24	20.4	24.1	28.7	18.3	15.4	4.3	3.8	25.5	26.2	27.6
Den Net.	Neutral	83	90	9	-8.6	-2.7	0.3	NM	NM	1.5	1.7	-12.0	-5.3	0.7
Hind. Media	Buy	276	360	30	26.4	27.1	29.9	10.5	10.2	1.8	1.6	19.3	16.6	15.6
HT Media	Neutral	81	85	5	7.4	7.9	8.3	10.9	10.3	0.7	0.7	7.1	6.9	6.6
Jagran Prak.	Buy	183	225	23	10.8	12.2	14.0	17.0	15.0	2.5	2.5	17.6	16.3	17.3
PVR	Buy	1,522	1,666	9	20.5	36.1	54.7	74.1	42.2	7.4	6.3	10.4	16.1	20.5
Siti Net.	Neutral	30	36	21	-1.8	-0.5	0.1	NM	NM	4.1	4.5	-23.5	-7.8	1.5
Sun TV	Neutral	825	860	4	24.9	29.5	38.4	33.2	27.9	8.3	7.6	25.0	27.3	31.9
Zee Ent.	Buy	508	600	18	23.1	16.4	19.5	22.0	31.1	8.1	6.8	23.7	23.8	23.8
Aggregate								41.0	29.2	5.9	5.3	14.3	18.1	20.6
Metals														
Hindalco	Buy	197	250	27	16.2	22.6	25.9	12.2	8.7	1.5	1.2	14.0	15.6	15.1
Hind. Zinc	Sell	243	235	-3	19.7	21.5	23.7	12.3	11.3	3.3	2.8	24.4	27.2	25.4
JSPL	Buy	126	184	47	-20.9	-16.0	-2.5	NM	NM	0.4	0.4	-7.9	-5.0	-0.8



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
JSW Steel	Buy	197	241	22	14.8	20.1	22.6	13.3	9.8	2.1	1.8	17.3	19.7	18.8
Nalco	Neutral	65	65	-1	3.7	3.6	4.0	17.8	18.3	1.2	1.2	7.2	6.7	7.3
NMDC	Under Review	113	-		10.0	12.0	12.7	11.3	9.3	1.6	1.5	12.4	14.9	15.7
SAIL	Sell	56	30	-47	-6.2	-12.6	0.4	NM	NM	0.6	0.7	-6.7	-15.2	0.5
Vedanta	Neutral	236	225	-5	15.1	24.5	27.4	15.6	9.6	1.5	1.4	9.7	14.8	15.3
Tata Steel	Sell	503	451	-10	37.0	39.5	45.7	13.6	12.7	1.5	1.4	15.4	11.4	12.1
Aggregate								17.0	13.8	1.4	1.3	8.0	9.4	11.8
Oil & Gas														
BPCL	Neutral	670	779	16	72.5	64.5	70.3	9.2	10.4	2.9	2.4	32.4	25.1	23.3
GAIL	Sell	377	357	-5	22.6	27.4	31.6	16.7	13.7	1.7	1.6	10.2	11.7	12.5
Gujarat Gas	Sell	790	699	-12	20.4	38.5	46.6	38.7	20.6	6.6	5.2	17.8	28.5	27.5
Gujarat St. Pet.	Neutral	167	171	3	8.8	11.2	13.4	18.9	14.9	2.2	1.9	11.9	13.7	14.6
HPCL	Buy	519	632	22	61.0	45.6	45.8	8.5	11.4	2.6	2.3	32.4	21.2	18.7
IOC	Neutral	407	457	12	41.0	41.9	43.3	9.9	9.7	1.9	2.0	22.3	20.2	19.9
IGL	Neutral	1,064	1,067	0	43.1	46.7	51.8	24.7	22.8	5.1	4.3	21.0	20.6	19.5
MRPL	Neutral	128	124	-3	11.7	12.8	13.3	10.9	10.0	2.2	1.9	24.8	20.5	18.4
Oil India	Buy	299	363	21	19.3	34.7	37.4	15.5	8.6	0.8	0.8	5.7	9.3	9.6
ONGC	Buy	168	229	37	16.4	20.6	23.9	10.2	8.1	1.0	0.9	10.4	11.7	13.0
PLNG	Buy	426	547	28	22.7	25.9	35.1	18.7	16.5	3.9	3.4	23.6	22.1	25.2
Reliance Ind.	Neutral	1,385	1,264	-9	106.6	121.7	127.8	13.0	11.4	1.4	1.3	11.9	11.8	11.2
Aggregate								11.9	10.9	1.6	1.5	13.2	13.4	13.4
Retail														
Jubilant Food	Sell	961	680	-29	10.0	12.2	17.9	96.1	79.0	7.9	7.4	8.2	9.3	12.6
Titan Co.	Neutral	518	505	-2	9.0	10.3	12.1	57.3	50.4	10.9	9.6	20.6	20.2	20.9
Aggregate								60.6	53.0	10.4	9.3	17.2	17.6	18.5
Technology														
Cyient	Buy	506	620	23	30.6	38.3	44.2	16.5	13.2	2.7	2.3	16.2	17.8	17.9
HCL Tech.	Buy	846	960	13	59.8	61.9	67.6	14.1	13.7	3.5	3.5	27.5	25.4	26.0
Hexaware	Neutral	249	235	-6	13.7	15.4	16.7	18.2	16.2	4.4	3.9	26.5	25.3	23.5
Infosys	Buy	952	1,200	26	62.9	64.7	71.1	15.1	14.7	3.2	2.8	23.3	21.4	21.2
KPIT Tech	Neutral	124	150	21	11.9	13.4	15.2	10.4	9.2	1.6	1.3	14.3	15.6	15.2
L&T Infotech	Buy	802	850	6	55.5	59.7	65.0	14.5	13.4	5.0	3.9	40.4	32.8	28.3
Mindtree	Neutral	519	475	-9	24.9	30.5	36.5	20.9	17.0	3.4	3.1	16.8	18.9	20.5
Mphasis	Neutral	598	600	0	38.9	41.7	45.0	15.4	14.3	2.0	2.4	13.2	14.0	15.7
NIIT Tech	Neutral	565	470	-17	42.8	42.5	46.1	13.2	13.3	2.1	1.9	16.1	14.8	14.7
Persistent Sys	Buy	660	700	6	37.7	43.9	51.4	17.5	15.0	2.7	2.6	17.0	18.1	20.3
Tata Elxsi	Buy	1,542	1,607	4	56.3	68.0	80.4	27.4	22.7	8.6	6.9	37.1	33.7	32.3
TCS	Neutral	2,411	2,400	0	133.4	139.7	149.6	18.1	17.3	5.7	5.8	33.5	32.4	32.3
Tech Mah	Buy	394	500	27	30.9	32.3	36.9	12.8	12.2	2.1	1.9	18.4	16.7	17.0
Wipro	Neutral	261	250	-4	16.9	17.3	19.1	15.4	15.1	2.5	2.2	16.9	15.5	15.7
Zensar Tech	Buy	869	1,020	17	54.9	65.5	76.0	15.8	13.3	2.4	2.1	16.3	17.2	17.4
Aggregate								16.4	16.1	3.8	3.6	23.2	22.6	22.0
Telecom														
Bharti Airtel	Buy	365	430	18	11.1	6.3	11.5	32.8	58.1	2.2	2.1	6.7	3.7	6.4
Bharti Infratel	Buy	375	435	16	14.9	17.5	19.9	25.2	21.4	4.6	4.0	16.2	19.4	19.1
Idea Cellular	Buy	77	110	44	-1.1	-12.9	-13.6	NM	NM	1.1	1.4	-1.6	-20.8	-27.4
Tata Comm	Buy	745	811	9	26.0	18.1	36.0	28.7	41.1	13.3	10.1	126.2	27.9	39.1
Aggregate								35.6	166.4	2.5	2.4	6.9	1.5	3.9
Utilities														
Coal India	Buy	254	316	24	14.9	18.3	20.7	17.0	13.9	6.4	6.4	37.8	46.2	52.1
CESC	Buy	893	1,040	17	51.9	73.4	80.6	17.2	12.2	2.0	1.8	11.4	15.5	15.0
JSW Energy	Buy	64	88	38	3.9	2.1	1.8	16.5	30.1	1.0	1.0	6.7	3.3	2.8
NTPC	Buy	159	198	24	13.0	13.4	16.2	12.3	11.9	1.3	1.3	11.5	10.9	12.3
Power Grid	Buy	210	242	15	14.2	17.6	20.5	14.8	11.9	2.2	2.0	16.2	17.5	17.8
Tata Power	Sell	77	67	-13	5.2	6.7	7.0	14.9	11.4	1.8	1.6	11.2	14.6	13.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Aggregate								14.7	12.9	2.3	2.1	15.3	16.3	17.4
Others														
Arvind	Neutral	379	382	1	12.4	16.6	23.6	30.6	22.8	2.7	2.5	10.3	11.5	14.7
Bata India	Under Review	540	-		13.5	15.6	19.3	40.1	34.6	5.3	4.7	13.9	14.5	15.9
Castrol India	Buy	410	531	30	13.6	14.6	15.2	30.0	28.1	34.0	30.4	115.2	114.1	106.8
Century Ply.	Neutral	303	323	7	8.7	9.8	12.9	34.8	30.8	9.4	7.8	31.1	27.7	29.6
Coromandel Intl	Under Review	429	-		16.0	18.3	23.6	26.9	23.4	4.7	4.2	18.2	18.9	21.7
Delta Corp	Buy	167	229	37	4.2	5.3	7.1	39.6	31.6	4.2	2.8	11.1	11.3	11.5
Dynamic Tech	Buy	2,489	3,334	34	67.6	112.9	166.7	36.8	22.0	5.1	4.1	15.1	20.7	24.3
Eveready Inds.	Buy	338	368	9	12.9	14.4	17.5	26.3	23.4	8.5	6.8	37.7	32.3	31.6
Interglobe	Neutral	1,184	1,234	4	46.0	65.6	88.2	25.7	18.1	21.2	18.8	86.2	110.2	129.8
Indo Count	Buy	180	229	27	13.0	14.6	17.6	13.8	12.4	4.2	3.1	34.8	28.8	25.9
Info Edge	Buy	1,007	1,050	4	15.7	20.3	22.9	64.3	49.7	6.2	5.7	10.2	11.9	12.3
Inox Leisure	Sell	283	240	-15	3.3	8.0	12.0	84.9	35.2	4.9	4.3	5.9	12.5	16.2
Jain Irrigation	Under Review	107	-		5.5	7.6	10.0	19.3	14.1	1.6	1.6	8.6	11.7	14.8
Just Dial	Neutral	406	465	14	17.5	18.5	21.1	23.3	22.0	3.1	2.8	14.8	13.4	13.7
Kaveri Seed	Buy	658	653	-1	19.1	29.5	36.3	34.5	22.3	4.5	4.9	13.6	20.5	25.4
Kitex Garm.	Buy	410	551	34	26.0	31.0	36.7	15.8	13.3	4.3	3.4	29.9	28.7	27.7
Manpasand	Buy	782	900	15	12.7	21.0	30.0	61.6	37.2	3.9	3.6	7.3	8.8	13.1
MCX	Buy	1,079	1,300	21	24.8	30.5	42.9	43.5	35.3	4.0	3.8	9.9	11.1	14.6
Monsanto	Buy	2,864	2,841	-1	72.9	89.3	109.3	39.3	32.1	11.9	11.1	30.4	35.9	39.6
Navneet Education	Buy	183	226	24	7.8	9.4	11.3	23.6	19.4	5.9	5.0	26.8	27.8	28.2
PI Inds.	Buy	814	952	17	33.4	33.4	38.1	24.4	24.4	6.9	5.6	32.8	25.4	23.8
Piramal Enterp.	Buy	2,988	3,044	2	72.6	104.1	144.6	41.2	28.7	3.9	3.6	9.8	13.0	16.4
SRF	Buy	1,622	1,816	12	85.9	89.0	111.5	18.9	18.2	3.0	2.6	16.6	15.1	17.0
S H Kelkar	Buy	284	367	29	7.2	9.6	12.2	39.2	29.6	5.1	4.5	13.7	16.1	18.2
Symphony	Sell	1,305	1,288	-1	27.0	35.1	42.9	48.3	37.2	26.3	22.4	56.8	65.0	66.3
TTK Prestige	Neutral	6,580	5,281	-20	106.9	137.7	176.0	61.5	47.8	9.8	8.8	16.5	19.4	22.2
V-Guard	Neutral	180	167	-7	3.6	4.5	6.0	50.5	40.3	12.0	9.8	27.4	26.9	28.8
Wonderla	Buy	367	393	7	7.0	11.9	16.0	52.5	30.7	4.8	4.3	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	-0.9	-10.0	-4.2
Ashok Ley.	-0.4	9.4	-8.5
Bajaj Auto	-0.6	-5.9	8.2
Bharat Forge	-0.7	3.8	56.6
Bosch	-0.3	0.6	11.2
CEAT	0.7	14.3	115.9
Eicher Mot.	-0.8	-0.5	54.6
Endurance Tech.	3.3	12.4	
Escorts	-1.1	9.1	290.0
Exide Ind	-2.2	-10.3	37.9
Hero Moto	-0.2	7.5	23.2
M&M	-1.2	0.9	2.5
Mahindra CIE	0.2	-1.6	23.9
Maruti Suzuki	-0.5	7.3	73.8
Tata Motors	-0.7	3.8	-0.8
TVS Motor	-0.7	3.3	85.8
Banks - Private			
Axis Bank	0.0	1.6	-3.9
DCB Bank	1.6	9.5	112.4
Equitas Hold.	-0.3	-6.7	-11.7
Federal Bank	2.4	1.8	101.4
HDFC Bank	-0.5	6.9	42.1
ICICI Bank	-0.7	4.9	27.6
IDFC Bank	-0.1	-9.1	22.6
IndusInd	-0.4	5.6	33.1
J&K Bank	2.1	9.7	31.2
Kotak Mah. Bk	-0.3	-0.9	26.4
RBL Bank	-0.8	-8.6	
South Indian	0.5	18.5	57.0
Yes Bank	-0.2	-1.7	35.0
Banks - PSU			
BOB	-2.0	-10.1	11.8
BOI	-0.5	-23.2	52.2
Canara	-1.0	-3.3	81.7
IDBI Bk	-1.1	-20.9	-16.0
Indian Bk	1.2	-13.6	161.2
OBC	0.4	-5.8	62.3
PNB	-2.8	-11.6	63.3
SBI	-0.1	-5.5	31.7
Union Bk	-0.9	-12.0	23.2
NBFCs			
Bajaj Fin.	2.9	5.2	83.3
Bharat Fin.	1.3	-13.2	4.2
Cholaman.Inv.&Fn	1.8	6.1	21.1
Dewan Hsg.	3.8	7.4	124.2
GRUH Fin.	1.4	7.1	62.4
HDFC	-0.8	5.1	35.8
Indiabulls Hsg	-0.9	8.2	62.9
LIC Hsg Fin	0.3	13.3	62.7
Manappuram	-1.7	-3.5	60.9
M&M Fin.	-0.2	5.8	7.8
Muthoot Fin	-0.5	20.7	76.4
PFC	0.5	-18.5	59.7
Repco Home	2.4	19.6	23.1
REC	0.5	-15.1	125.7
STF	1.7	-2.2	-16.0
Shriram City Union	1.2	9.6	43.0

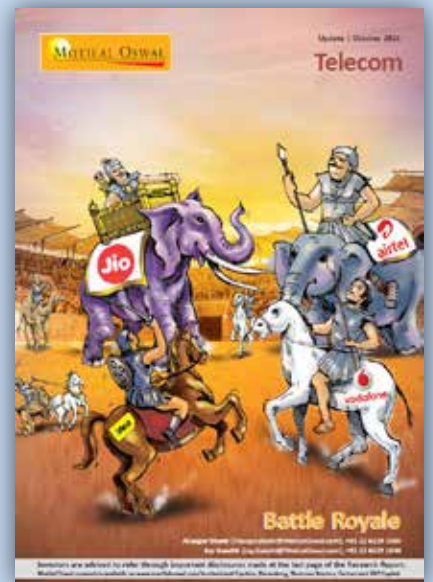
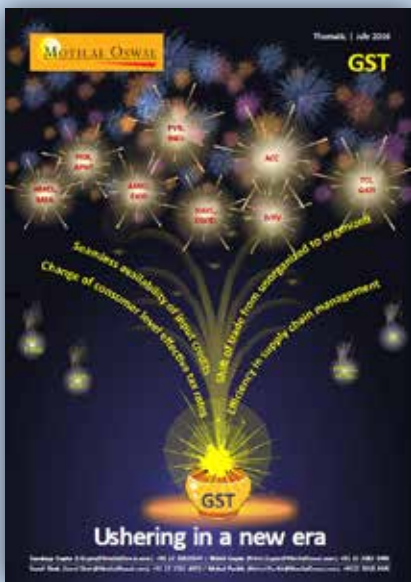
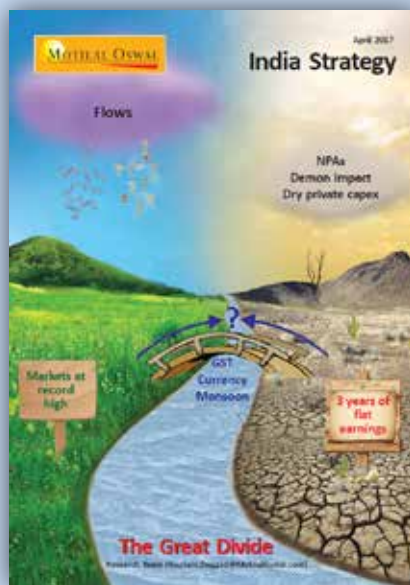
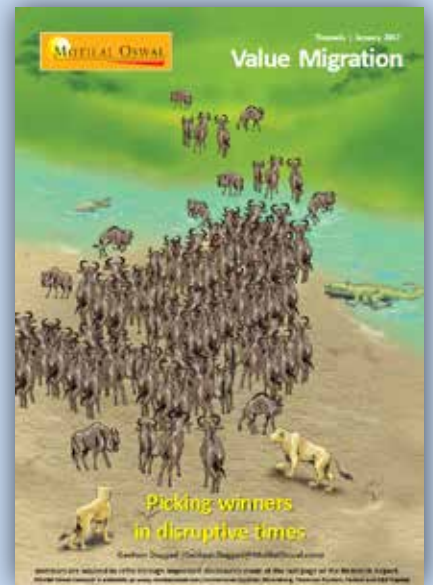
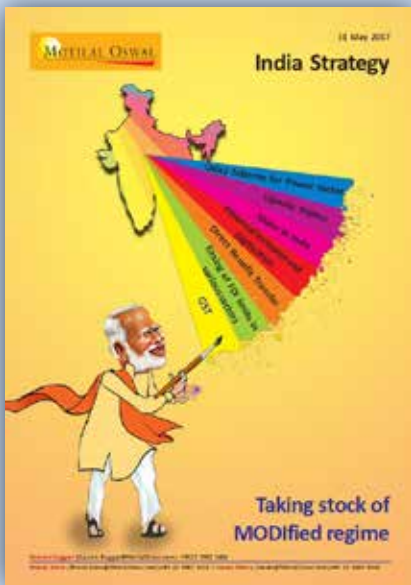
Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	3.3	-3.7	21.7
Bharat Elec.	0.4	-7.3	32.3
BHEL	0.3	-19.1	13.5
Blue Star	2.2	-1.2	52.2
CG Cons. Elec.	-0.9	-8.1	63.5
CG Power & Inds Sol.	0.4	-12.8	10.5
Cummins	-0.7	-14.1	14.6
GE T&D	0.0	-8.0	-9.4
Havells	-1.0	-5.1	35.3
Inox Wind	5.3	-13.9	-41.5
K E C Intl	-2.8	8.2	84.1
L&T	-1.5	-0.1	15.0
Pennar Eng.	0.3	0.7	-9.7
Siemens	-1.2	-6.9	5.2
Solar Ind	-0.1	-0.2	32.3
Suzlon Energy	0.5	-3.8	4.1
Thermax	-0.1	-6.5	20.1
Va Tech Wab.	0.9	3.4	13.8
Voltas	0.4	14.2	49.6
Cement			
Ambuja Cem.	1.0	-8.6	-0.8
ACC	0.6	-4.3	3.2
Birla Corp.	0.0	18.7	108.9
Dalmia Bharat	1.2	-1.5	147.7
Grasim Inds.	-0.5	-5.2	28.5
India Cem	0.9	-4.2	104.5
J K Cements	-1.7	-7.8	63.1
JK Lakshmi Ce	0.0	-5.9	28.4
Ramco Cem	0.2	-0.1	29.4
Orient Cem	-0.5	-10.1	-10.8
Prism Cem	-3.0	-5.1	25.6
Shree Cem	0.2	-11.5	33.2
Ultratech	-0.1	-8.7	20.4
Consumer			
Asian Paints	-0.6	-0.5	14.3
Britannia	-1.3	-4.6	32.8
Colgate	0.6	8.5	25.6
Dabur	-0.4	4.3	-7.4
Emami	1.1	3.3	15.0
Godrej Cons.	-1.1	-3.0	26.1
GSK Cons.	0.3	1.2	-4.3
HUL	-0.8	12.3	26.1
ITC	0.7	8.9	25.9
Jyothy Lab	-1.0	-2.3	28.2
Marico	-0.5	1.8	24.8
Nestle	0.0	1.0	3.0
Page Inds	2.4	8.6	24.7
Parag Milk	-0.3	-9.1	-2.0
Pidilite Ind.	0.7	8.8	17.7
P&G Hygiene	-0.2	-1.8	28.7
United Brew	0.1	-4.4	4.0
United Spirits	-2.5	7.1	-5.0
Healthcare			
Alembic Phar	-1.3	-12.1	-3.1
Alkem Lab	0.3	-2.7	34.1
Ajanta Pharma	-0.2	-3.0	3.1
Aurobindo	6.9	4.8	-13.4



Company	1 Day (%)	1M (%)	12M (%)
Biocon	1.1	1.9	43.5
Cadila	0.6	9.1	66.9
Cipla	1.7	-3.0	12.2
Divis Lab	2.2	5.3	-41.4
Dr Reddy's	1.3	0.9	-12.5
Fortis Health	5.7	-3.7	20.9
Glenmark	0.9	-11.0	-18.4
Granules	-0.1	1.1	0.8
GSK Pharma	-0.1	1.1	-29.5
IPCA Labs	0.9	-7.8	9.3
Lupin	0.2	-7.9	-19.1
Sanofi India	-0.9	-3.8	-4.1
Sun Pharma	1.1	-16.6	-27.6
Syngene Intl	-0.7	1.9	14.6
Torrent Pharma	0.3	-4.9	-7.8
Logistics			
Allcargo Logistics	-0.2	-6.0	2.8
Blue Dart	-0.9	-6.7	-27.0
Concor	-1.1	-4.1	5.3
Gateway Distriparks	2.5	3.4	-19.7
Gati	-0.3	-7.0	-20.7
Transport Corp.	-1.2	21.6	63.1
Media			
Dish TV	-1.5	-17.7	-13.1
D B Corp	-0.9	2.9	-0.5
Den Net.	0.3	-17.7	-7.7
Hind. Media	0.2	-2.1	0.1
HT Media	-0.6	-4.1	1.2
Jagran Prak.	-0.1	-5.7	6.7
PVR	0.2	0.1	58.2
Siti Net.	0.2	-7.9	-20.8
Sun TV	-0.1	-9.6	116.6
Zee Ent.	-0.9	-3.2	10.9
Metals			
Hindalco	-1.6	-0.9	69.9
Hind. Zinc	-0.2	-5.4	39.1
JSPL	2.6	9.9	93.2
JSW Steel	-0.5	-2.5	40.6
Nalco	0.7	-1.7	55.8
NMDC	0.8	-12.4	22.7
SAIL	1.0	-8.7	26.2
Vedanta	-0.1	-2.3	96.8
Tata Steel	0.0	10.3	52.4
Oil & Gas			
BPCL	-3.1	-7.9	32.6
GAIL	-1.1	-8.9	32.8
Gujarat Gas	0.2	1.7	53.2
Gujarat St. Pet.	1.0	-5.8	24.4
HPCL	-5.0	-3.3	69.3
IOC	-3.1	-7.8	94.9
IGL	-1.1	6.0	73.1
MRPL	0.1	-4.6	93.9
Oil India	1.5	-6.7	13.9
ONGC	-1.2	-10.4	17.6
PLNG	-0.7	-5.6	52.6
Reliance Ind.	2.1	3.0	40.9
Retail			
Jubilant Food	-0.1	-6.0	-8.6

Company	1 Day (%)	1M (%)	12M (%)
Titan Co.	-0.6	7.1	41.2
Technology			
Cyient	-2.9	-5.1	3.1
HCL Tech.	-0.8	-0.6	12.0
Hexaware	4.5	-2.3	16.8
Infosys	-0.7	0.0	-19.9
KPIT Tech	0.1	-3.5	-30.5
L&T Infotech	1.3	5.1	
Mindtree	-0.7	2.3	-18.9
Mphasis	-0.9	3.5	14.2
NIIT Tech	0.3	8.4	2.0
Persistent Sys	1.2	13.0	-6.2
Tata Elxsi	-0.3	-1.0	-14.5
TCS	-2.4	2.0	-5.7
Tech Mah	-0.7	-10.9	-26.9
Wipro	1.9	3.0	-4.6
Zensar Tech	0.4	-3.3	-8.9
Telecom			
Bharti Airtel	0.0	0.3	3.8
Bharti Infratel	-2.8	1.0	2.6
Idea Cellular	-0.7	-10.9	-23.9
Tata Comm	-0.4	8.3	65.5
Utilities			
Coal India	-1.1	-8.4	-17.8
CESC	-0.4	-9.3	54.5
JSW Energy	1.5	-6.9	-22.3
NTPC	-0.3	-0.2	3.5
Power Grid	0.1	1.8	36.1
Tata Power	-0.6	-7.5	0.7
Others			
Arvind	0.8	-3.8	21.1
Bata India	-1.4	-6.2	-0.7
Castrol India	3.1	-8.9	8.9
Century Ply.	-1.8	13.5	57.8
Coromandel Intl	0.5	7.4	71.7
Delta Corp	3.5	0.0	95.8
Dynamatic Tech	2.6	-13.4	0.2
Eveready Inds.	1.3	5.2	31.7
Interglobe	2.5	6.6	17.5
Indo Count	0.3	-7.1	-0.9
Info Edge	-1.7	18.0	23.0
Inox Leisure	-0.5	0.7	27.1
Jain Irrigation	-0.6	10.4	57.2
Just Dial	-0.7	-20.5	-36.9
Kaveri Seed	-1.3	20.1	45.5
Kitex Garm.	0.7	3.0	-12.5
Manpasand	1.7	1.0	45.2
MCX	1.0	0.4	8.2
Monsanto	4.6	5.3	8.0
Navneet Educat.	-0.9	11.1	102.9
PI Inds.	-2.5	-2.2	19.7
Piramal Enterp.	-0.2	4.3	117.1
SRF	-0.7	-9.9	26.5
S H Kelkar	0.0	-2.3	33.5
Symphony	-0.5	-12.4	10.8
TTK Prestige	-2.2	3.5	46.4
V-Guard	0.6	-14.1	92.9
Wonderla	-0.4	-4.8	-7.3

THEMATIC/STRATEGY RESEARCH GALLERY



REPORT GALLERY

RECENT INITIATING COVERAGE REPORTS

MOTILAL OSWAL Initiating Coverage | 23 June 2017
Sector: Finance - Retail

Cholamandalam Finance

Prepared, Equipped and Armed

Source: Motilal Oswal Research & Analytics Pvt. Ltd. (MSRA) | MSRA is a registered company in India. MSRA is not a SEBI registered broker. MSRA is not a SEBI registered research analyst. MSRA is not a SEBI registered investment advisor. MSRA is not a SEBI registered portfolio manager. MSRA is not a SEBI registered mutual fund distributor. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary.

MOTILAL OSWAL Initiating Coverage | 20 April 2017
Sector: Telecom

Tata Power

Struggling for RoE

Source: Motilal Oswal Research & Analytics Pvt. Ltd. (MSRA) | MSRA is a registered company in India. MSRA is not a SEBI registered broker. MSRA is not a SEBI registered research analyst. MSRA is not a SEBI registered investment advisor. MSRA is not a SEBI registered portfolio manager. MSRA is not a SEBI registered mutual fund distributor. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary.

MOTILAL OSWAL Initiating Coverage | 28 April 2017
Sector: Oil and Gas

Gujarat Gas

Long road ahead

Source: Motilal Oswal Research & Analytics Pvt. Ltd. (MSRA) | MSRA is a registered company in India. MSRA is not a SEBI registered broker. MSRA is not a SEBI registered research analyst. MSRA is not a SEBI registered investment advisor. MSRA is not a SEBI registered portfolio manager. MSRA is not a SEBI registered mutual fund distributor. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary.

MOTILAL OSWAL Initiating Coverage | 28 March 2017
Sector: Publishing

Navneet Education

Steadfast; growth gaining momentum

Source: Motilal Oswal Research & Analytics Pvt. Ltd. (MSRA) | MSRA is a registered company in India. MSRA is not a SEBI registered broker. MSRA is not a SEBI registered research analyst. MSRA is not a SEBI registered investment advisor. MSRA is not a SEBI registered portfolio manager. MSRA is not a SEBI registered mutual fund distributor. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary.

MOTILAL OSWAL Initiating Coverage | 23 March 2017
Sector: Entertainment

Delta Corp

Favorable odds

Source: Motilal Oswal Research & Analytics Pvt. Ltd. (MSRA) | MSRA is a registered company in India. MSRA is not a SEBI registered broker. MSRA is not a SEBI registered research analyst. MSRA is not a SEBI registered investment advisor. MSRA is not a SEBI registered portfolio manager. MSRA is not a SEBI registered mutual fund distributor. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary.

MOTILAL OSWAL Initiating Coverage | 27 March 2017
Sector: Healthcare

Ajanta Pharma

Promising growth trajectory

Source: Motilal Oswal Research & Analytics Pvt. Ltd. (MSRA) | MSRA is a registered company in India. MSRA is not a SEBI registered broker. MSRA is not a SEBI registered research analyst. MSRA is not a SEBI registered investment advisor. MSRA is not a SEBI registered portfolio manager. MSRA is not a SEBI registered mutual fund distributor. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary.

MOTILAL OSWAL Initiating Coverage | 14 February 2017
Sector: Automobiles

Piramal Enterprises

Winner's Edge

Source: Motilal Oswal Research & Analytics Pvt. Ltd. (MSRA) | MSRA is a registered company in India. MSRA is not a SEBI registered broker. MSRA is not a SEBI registered research analyst. MSRA is not a SEBI registered investment advisor. MSRA is not a SEBI registered portfolio manager. MSRA is not a SEBI registered mutual fund distributor. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary.

MOTILAL OSWAL Initiating Coverage | 23 February 2017
Sector: Automobiles

CEAT

Well balanced

Source: Motilal Oswal Research & Analytics Pvt. Ltd. (MSRA) | MSRA is a registered company in India. MSRA is not a SEBI registered broker. MSRA is not a SEBI registered research analyst. MSRA is not a SEBI registered investment advisor. MSRA is not a SEBI registered portfolio manager. MSRA is not a SEBI registered mutual fund distributor. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary.

MOTILAL OSWAL Initiating Coverage | 23 December 2016
Sector: Consumer Product

SH Kelkar

Adding flavor to fragrance

Source: Motilal Oswal Research & Analytics Pvt. Ltd. (MSRA) | MSRA is a registered company in India. MSRA is not a SEBI registered broker. MSRA is not a SEBI registered research analyst. MSRA is not a SEBI registered investment advisor. MSRA is not a SEBI registered portfolio manager. MSRA is not a SEBI registered mutual fund distributor. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary. MSRA is not a SEBI registered insurance broker. MSRA is not a SEBI registered insurance agent. MSRA is not a SEBI registered insurance intermediary.

DIFFERENTIATED PRODUCT GALLERY

MOTILAL OSWAL 27 March 2017

Annual Report Threadbare

JC LAKSHMI CEMENT
 After a record year in 2016, JC Lakshmi Cement (JCL) delivered another year of steady growth performance, with revenue doubling to INR 1,700 crore (up from INR 800 crore in 2015) on the back of an 8% YoY increase in sales volume, and volume growth of 23% in cement. Strong financial and operational performance of the group also led to a 10% increase in EBITDA (up from INR 100 crore in 2015 to INR 110 crore in 2016). The company reported 8% YoY growth in EBITDA, which is an excellent achievement in view of the high cost and inflationary pressure in the cement industry. This is due to the 10% increase in EBITDA, which is an excellent achievement in view of the high cost and inflationary pressure in the cement industry. This is due to the 10% increase in EBITDA, which is an excellent achievement in view of the high cost and inflationary pressure in the cement industry.

Key Highlights:

- Operating performance remains steady (EBITDA of INR 110 crore in FY16 vs INR 100 crore in FY15), as EBITDA 23% volume growth contribution from the Group's cement sales (INR 1,700 crore) offset by a 10% increase in EBITDA (up from INR 100 crore in FY15 to INR 110 crore in FY16).
- High financial and operational performance: EBITDA 23% volume growth contribution from the Group's cement sales (INR 1,700 crore) offset by a 10% increase in EBITDA (up from INR 100 crore in FY15 to INR 110 crore in FY16).
- EBITDA margin remains steady (6.5% in FY16 vs 6.5% in FY15) due to the 10% increase in EBITDA, which is an excellent achievement in view of the high cost and inflationary pressure in the cement industry.
- Revenue remains steady (INR 1,700 crore in FY16 vs INR 800 crore in FY15) due to the 10% increase in EBITDA, which is an excellent achievement in view of the high cost and inflationary pressure in the cement industry.

Key Metrics:

Particulars	2016	2015
Revenue	1,700	800
EBITDA	110	100
EBITDA Margin (%)	6.5	6.5
Operating Profit	110	100
Operating Profit Margin (%)	6.5	6.5

Key Metrics (continued):

Particulars	2016	2015
Operating Profit	110	100
Operating Profit Margin (%)	6.5	6.5
Operating Profit	110	100
Operating Profit Margin (%)	6.5	6.5

Key Metrics (continued):

Particulars	2016	2015
Operating Profit	110	100
Operating Profit Margin (%)	6.5	6.5
Operating Profit	110	100
Operating Profit Margin (%)	6.5	6.5

MOTILAL OSWAL 23 June 2017

Infrastructure spending drives domestic demand

Competition intensifies as demand for infrastructure spending grows. The government's push to increase infrastructure spending is expected to drive domestic demand for infrastructure spending. The government's push to increase infrastructure spending is expected to drive domestic demand for infrastructure spending. The government's push to increase infrastructure spending is expected to drive domestic demand for infrastructure spending.

Key Highlights:

- Infrastructure spending drives domestic demand: The government's push to increase infrastructure spending is expected to drive domestic demand for infrastructure spending. The government's push to increase infrastructure spending is expected to drive domestic demand for infrastructure spending.
- Competition intensifies as demand for infrastructure spending grows: The government's push to increase infrastructure spending is expected to drive domestic demand for infrastructure spending. The government's push to increase infrastructure spending is expected to drive domestic demand for infrastructure spending.
- Government's push to increase infrastructure spending: The government's push to increase infrastructure spending is expected to drive domestic demand for infrastructure spending. The government's push to increase infrastructure spending is expected to drive domestic demand for infrastructure spending.

Key Metrics:

Particulars	2017	2016
Infrastructure Spending	1,000	800
Infrastructure Spending Growth (%)	25	25
Infrastructure Spending	1,000	800
Infrastructure Spending Growth (%)	25	25

MOTILAL OSWAL 19 July 2017

VOICES

India Inc on Call

India Inc on Call: A quarterly review of the Indian economy, providing a clear view of the post monsoon growth rate, and the challenges ahead for the Indian economy. India Inc on Call: A quarterly review of the Indian economy, providing a clear view of the post monsoon growth rate, and the challenges ahead for the Indian economy.

Key Highlights:

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Key Metrics:

Particulars	2017	2016
India Inc on Call	1,000	800
India Inc on Call Growth (%)	25	25
India Inc on Call	1,000	800
India Inc on Call Growth (%)	25	25

MOTILAL OSWAL 17 March 2017

EcoKnowledge

One Two Three: Budget 2017 - Key Takeaways

One Two Three: Budget 2017 - Key Takeaways: A quarterly review of the Indian economy, providing a clear view of the post monsoon growth rate, and the challenges ahead for the Indian economy. One Two Three: Budget 2017 - Key Takeaways: A quarterly review of the Indian economy, providing a clear view of the post monsoon growth rate, and the challenges ahead for the Indian economy.

Key Highlights:

- One Two Three: Budget 2017 - Key Takeaways: A quarterly review of the Indian economy, providing a clear view of the post monsoon growth rate, and the challenges ahead for the Indian economy. One Two Three: Budget 2017 - Key Takeaways: A quarterly review of the Indian economy, providing a clear view of the post monsoon growth rate, and the challenges ahead for the Indian economy.
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Key Metrics:

Particulars	2017	2016
One Two Three	1,000	800
One Two Three Growth (%)	25	25
One Two Three	1,000	800
One Two Three Growth (%)	25	25

MOTILAL OSWAL

BULLS & BEARS

INDIA VALUATIONS HANDBOOK

Highlights of May edition:

- Another positive month for Bull's - up 3.4% in May
- Private Banks, Consumer, Technology and Auto top performers for May
- Eight sectors delivered negative returns in May
- Midcaps underperformed large caps for the first time in last four months

Key Metrics:

Particulars	2017	2016
Bulls & Bears	1,000	800
Bulls & Bears Growth (%)	25	25
Bulls & Bears	1,000	800
Bulls & Bears Growth (%)	25	25

MOTILAL OSWAL

FUND FOLIO

Indian Mutual Fund Tracker

Equity AUM of ₹1 lakh crore in May, up 40% in 12 months

Key Metrics:

Particulars	2017	2016
Fund Folio	1,000	800
Fund Folio Growth (%)	25	25
Fund Folio	1,000	800
Fund Folio Growth (%)	25	25

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