

Market snapshot



Equities - India	Close	Chg .%	YTD.%
Sensex	32,433	0.8	21.8
Nifty-50	10,167	0.7	24.2
Nifty-M 100	18,723	0.2	30.5
Equities-Global	Close	Chg .%	YTD.%
S&P 500	2,553	0.1	14.0
Nasdaq	6,606	0.2	22.7
FTSE 100	7,535	-0.3	5.5
DAX	12,992	0.1	13.2
Hang Seng	11,520	0.2	22.6
Nikkei 225	21,155	1.0	10.7
Commodities	Close	Chg .%	YTD.%
Brent (US\$/Bbl)	57	1.4	3.0
Gold (\$/OZ)	1,305	0.8	13.2
Cu (US\$/MT)	6,859	0.0	24.2
Almn (US\$/MT)	2,110	-0.6	23.8
Currency	Close	Chg .%	YTD.%
USD/INR	64.9	-0.2	-4.4
USD/EUR	1.2	-0.1	12.4
USD/JPY	111.8	-0.4	-4.4
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.7	0.0	0.2
10 Yrs AAA Corp	7.6	0.0	0.0
Flows (USD b)	13-Oct	MTD	YTD
FII	-0.3	-0.7	4.5
DII	0.2	1.3	11.1
Volumes (INRb)	13-Oct	MTD*	YTD*
Cash	340	305	294
F&O	6,240	6,014	5,451

Note: YTD is calendar year, *Avg



Today's top research idea

Reliance Industries: Standalone EBITDA in line; RJio delivers +ve EBIT from 1st quarter itself

- ✓ Reliance Industries' 2QFY18 standalone operating performance was largely in-line with our expectations. Petchem segment reported robust performance driven by favorable margin and strong volume growth. While the reported GRM of USD12/bbl was below our estimate of USD12.6/bbl led by lower light-heavy differentials, the refining throughput of 18.1mmt was ahead of our estimate of 17.5mmt.
- ✓ **RJio turns EBITDA positive in 1st quarter of reporting:** RJio reported stellar revenues of INR61.5b, led by ARPU of INR156, coming partly from 1QFY18 recharges. EBITDA of INR14.4b benefited from lower-than-expected opex, coupled with network and employee expense capitalized.
- ✓ We raise our RJio valuation to INR245/share from INR190/share. Also we increase our estimates for petchem segment on account of increase in petchem delta due to delays in US petchem expansions. Our SOTP-based fair value stands at INR1,005/share, implying an upside of 15%. We thus upgrade our rating to **Buy**.



Research covered

Cos/Sector	Key Highlights
Consumer	Ground Reality: Takeaways from Ground Zero in Central India
Ecoscope	Higher costs offset better sales for India's listed corporate sector in 1QFY18
Reliance Industries.	Standalone EBITDA in line; RJio delivers +ve EBIT from 1st quarter itself
IndusInd Bank	IIB announces merger with BHAFIN
Avenue Supermarts	Results below estimates; Gross margin expansion reflected at EBITDA level
MCX	Only a few inches away from the launch of Options
Healthcare	IPM growth restricted by price decline
Results Expectation	Bajaj Finance Colgate DCB Bank Delta Corp Dewan Hsg Federal Bank Persistent Sys



Piping hot news

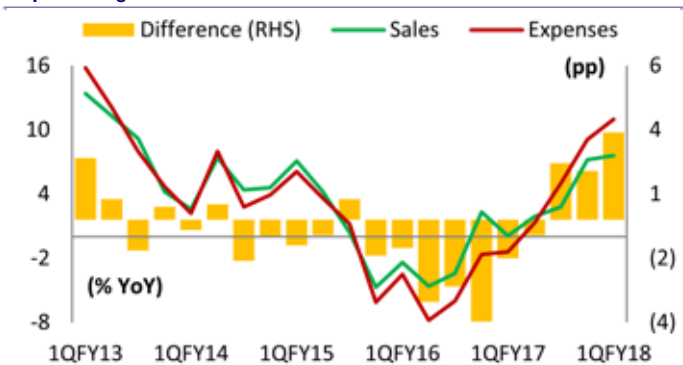
IndusInd Bank's board approves merger with Bharat Financial

- ✓ The board of IndusInd Bank Ltd has approved the merger between the bank and microfinance firm Bharat Financial Inclusion Ltd (BFIL), ...



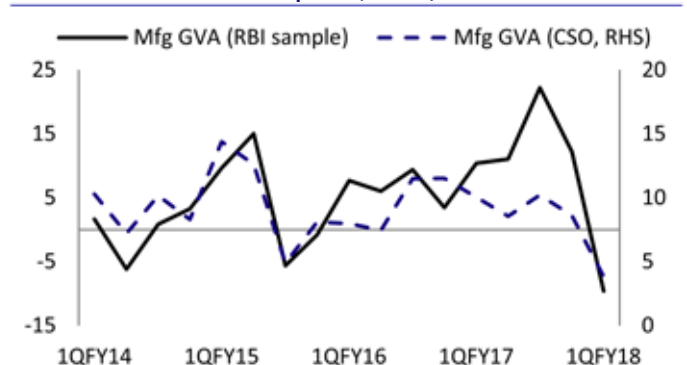
Chart of the Day: EcoScope - Higher costs offset better sales for India's listed corporate sector in 1QFY18

Expenses grew faster than sales in 1QFY18



To compute the growth rates in any quarter, a common set of companies for the current and previous period is considered

Comparison of manufacturing (nominal) GVA as per CSO data with that of RBI sample - (% YoY)



Source: RBI, MOSL

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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

Equity MF inflow triples to Rs 80,000 crore in April-September FY18

Equity mutual funds registered an inflow of over Rs 80,000 crore in April-September 2017, a three-fold growth from the year-ago period, mainly due to the ongoing shift of household savings from real estate and gold to such financial products...

2

Hindalco weighing bid to acquire Aleris Corp of US

Kumar Mangalam Birla flagship Hindalco is gearing up to mount a multi-billion dollar bid to acquire Aleris Corp. from its private equity owners, said several people aware of the development. This follows talks of more than a year between China Zhongwang Holdings Ltd, the country's biggest supplier of processed aluminium, and the Cleveland-based based aluminium parts maker having floundered on heightened US national security concerns. Despite repeated extensions, the deadline for exclusive negotiations between both parties got over on October 13, paving the way for others to enter the fray, said the people cited above...

3

Wind power capacity addition put on fast track, 4,500MW up for auction

The government is planning to auction 4,500 MW wind projects in the next four months to upscale the wind capacity addition in the country, sources say. "An additional bid of 1,500 MW wind projects will be rolled out in October..."

4

Banks rework funding strategies for MSMEs

Banks are redrawing their strategies on funding micro, small and medium enterprises (MSMEs), expecting the transition to the goods and services tax (GST) will improve their credit profiles and enhance their borrowing capacity...

5

State power companies seek to import coal to tide over supply crisis

Some state-owned power producers, who had stopped imports, are now looking at importing coal at a time when the Centre's focus is on reducing imports and eventually bringing it down to zero. They have been forced to take this move to tide over coal availability issues and the resulting dip in generation. Power generation companies in Andhra Pradesh and Bengal have been the first movers...

6

Lenders raise concern over disclosure of liquidation value in resolution process

Lenders are concerned that a provision in the insolvency and bankruptcy code (IBC), which requires the information memorandum to disclose the liquidation value of an asset that is undergoing the resolution process...

7

Reliance Industries exits all international oil and gas blocks

Reliance Industries (RIL) has sold all its conventional oil and gas exploration blocks outside India. During the July-September quarter, the company pulled out of the last two oil blocks it held in Myanmar, the company said in a presentation to analysts...

Ground Reality

Takeaways from Ground Zero in Central India

We visited a few distribution channel partners in central India to understand the demand milieu, the GST impact, and the strategy execution/product performance of various companies. Admittedly, the sample size was very small, and thus, may just be reflective of the local factors. Nevertheless, we did get a decent idea on the on-the-ground operating environment in the region.

Key takeaways:



- n For Nestle, the gains from new products appear to have tapered off, and there is disappointment in terms of new launch ad/promotion spend, both of which have been below expectations.
- n Emami's *Kesh King* seems to be making a comeback via better communication, while Patanjali's *Kesh Kanti* oils have lost some steam. For *Kesh Kanti* more than 50% of brand sales come from shampoos.
- n Patanjali's oral care sales continue to do well and are supplemented by the launch of gel variants. The other category where Patanjali has done very well in central India is face wash and soaps (under *Saundarya* brand). Patanjali's food products, particularly noodles and biscuits, are struggling to grow.
- n For Godrej Consumer, the performance of new launches has been good, with '*Aer*' doing particularly well even in central India.
- n Mondelez has started reporting strong growth again in the chocolates segment. *Bournvita* is also doing well.

Retailers still need do more preparation under GST regime

- n The queue time for trucks at check points has reduced by 3-4 hours. However, only areas like Mumbai which had octroi points will benefit more in terms of time.
- n The number of clearing and forwarding (C&F) depots under the GST regime is likely to reduce, albeit not drastically. We understand that large C&F agents will be required in many states. While companies have low inventory levels at their plants, they need adequate inventory to be held at the C&F agent level across states. C&F agents have huge warehouses, which would continue to act as hubs for every 250-300km to ensure adequate supply to distributors and others.
- n Distributors we spoke to mentioned that majority of their retailers do not even have GSTN numbers yet. There is some degree of complacency on part of the last mile channel.

Demand scenario subdued as of now

- n No company has reported less than 5-10% sales growth at C&F level. However, the problems are beyond the C&F level, particularly on the wholesale channel.
- n Markets in central India are cash-dependent. Thus, with curbs on cash post demonetization, volume growth had suffered. With the waning of the demonetization blues now, there has been heavy disruption in the wholesale channel post GST rollout.
- n Staples demand has suffered, but travel & luxury goods sales have been affected even more.

Patanjali reporting healthy growth in oral care/face wash/soaps, but not in foods

- n Growth has been muted compared to earlier years.
- n Oral care continues to do well. A new gel variant of *Dant Kanti* is now also available in central India.
- n Patanjali's *Saundarya* face wash and soaps are also doing very well, particularly the former.
- n However, the food category, mainly biscuits and noodles, has not done well in these parts.
- n Packaging of Patanjali has improved gradually, after incorporating feedback from consumers/trade partners

- n There is a lack of professionalism on Patanjali's part, according to some trade channel participants.
- n They also feel that competitors of Patanjali, after being complacent earlier, have now become smarter in terms of product launches and communication.

Emami may do better on Kesh King

- n Most channel partners agreed that Patanjali's *Kesh Kanti* had impacted Emami's *Kesh King* sales; however, the impact is now reducing.
- n The trade partners also corroborated that shampoos form more than half of *Kesh Kanti*'s overall franchise sales.
- n Advertising and word of mouth on *Kesh King* are now far stronger than earlier.

Nestle's volumes may go back to subdued levels

- n The noodles category has not recovered to previous levels. Market share for Nestle's *Maggi* has tapered off.
- n Most of the 40 odd new launches/variants are not doing so well even in modern trade.
- n Even in noodles, after the initial buzz on *Hot Heads* variants, demand has tapered off. Regional variants of *Maggi* have not yet made a foray into central India.
- n Unwillingness of management to invest more in advertising/marketing, even to support new launches, is puzzling for the trade partners.
- n HUL's *Kissan* brand has not only moved ahead of *Maggi* in the sauces/ketchup category, but has also gained considerable market leadership in B2B channels like hotels, restaurants and caterers (HoReCa).

Godrej Consumer doing well on new launches

- n Rural and general trade sales of Godrej No. 1 are doing well again after a couple of years.
- n 'Aer' brand is doing very well even in central India.
- n Other new products of GCPL launched over the past year are also performing well.

Mondelez (Cadbury's) – strong growth likely to be back in chocolates; Bournvita doing well

- n Abbot's brand *PediaSure* is more of a metro phenomenon and very small even in modern trade in central India. From our discussions with channel partners, we understand that in Mumbai's HyperCity stores, *PediaSure* has 20% market share v/s 45% for Cadbury's *Bournvita*.
- n In modern trade in western and central India, *Bournvita* reportedly has a 55% market share, followed by *Horlicks*. *Bournvita* is also gaining share in recent years. *Complan* has not been able to make any headway.
- n In Gujarat, *Bournvita* reportedly has a 70% share. *Amul Pro* is more of a threat in Gujarat compared to *PediaSure*.
- n In chocolates, *Cadbury's Dairy Milk*, its new variants and *Cadbury's Fuse* are driving sales growth back to 20% levels.
- n *Bournvita* biscuits are doing well in traditional trade.
- n *Oreo* has also seen growth coming back to double-digits in modern trade.
- n Cadbury has hired a large team from Britannia, who are working on enhancing distribution and automation.
- n Cadbury apparently has 25% of sales coming from modern trade across the country, and is less dependent on wholesale. This has helped its sales.

D- Mart doing very well; cash and carry also showing traction

- n D-Mart is doing particularly well in central India, while the Future Group is not doing as well.
- n There is huge amount of planning that FMCG companies have started doing in conjunction with D-Mart.
- n Overall modern retail is gaining considerable market share in these regions, but as of now, it is getting supplied by distributors and not directly by most FMCG companies, unlike the case in cities like Mumbai.
- n Modern wholesale (cash and carry) outlets like Walmart have also been doing very well for the past one year, with multiple times growth in sales.



Higher costs offset better sales for India's listed corporate sector in 1QFY18

RBI data confirm sharp slowdown in manufacturing GVA growth

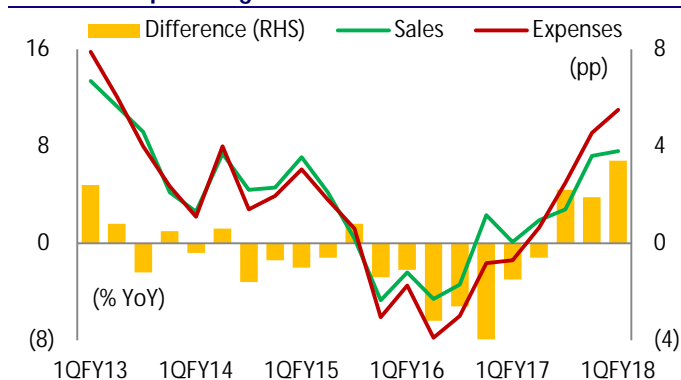
- Reserve Bank of India (RBI) data for private corporate sector (2,744 listed non-government non-finance companies) indicate that aggregate sales and expenses grew at 18-quarter high of 7.6% and 11% YoY, respectively in 1QFY18. At 3.4pp, the gap between expenses growth and sales growth was the highest in five years.
- Interest payments declined 1.5% YoY for the second consecutive quarter. Interest coverage ratio was 1x or lower for four industries – textiles, construction, iron & steel and telecommunication.
- Owing to the sharper rise in raw material expenses vis-à-vis sales, operating profits contracted by 10% YoY, marking the first decline in four years. EBITDA margin dropped to a 9-quarter low of 17.2%.
- Finally, manufacturing GVA growth – as per the RBI sample – declined by a sharp 9.6% YoY in 1QFY18, because of a sharp decline in the manufacturing sector's net profit. This confirms the slowdown in GDP growth in 1QFY18.

Corporate sales in 1QFY18 grew fastest in 18 quarters...

Sales of the private corporate sector increased by 7.6% YoY, the fastest pace in 18 quarters

As per RBI data, sales of the private corporate sector (comprising financial results of 2,744 listed non-government non-finance companies) increased by 7.6% YoY, the fastest pace in 18 quarters (*Exhibit 1*). The pick-up in growth was driven by a turnaround in sales growth of the non-IT services sector, which had contracted in each of the last four quarters. The construction and electricity & gas supply sectors also witnessed an improvement in sales growth (*Exhibit 2*). Although growth in sales of the manufacturing sector decelerated slightly to 8.9% in 1QFY18 from 10.2% in 4QFY17, it continued to be healthy. 'Petroleum products', 'iron & steel', 'precious & non-ferrous metals', 'fabricated metals', 'wholesale & retail trade', 'mining & quarrying' posted healthy growth in sales, aided by a favorable base.

Exhibit 1: Expenses grew faster than sales in 1QFY18



To compute the growth rates in any quarter, a common set of companies for the current and previous period is considered

Exhibit 2: Industry-wise sales growth (% YoY)

	Share in sales (%)	Sales (% YoY)		
		1QFY17	4QFY17	1QFY18
Manufacturing	68.9	(1.0)	10.2	8.9
Food pdts & beverages	5.5	0.1	(3.9)	5.6
Textiles	4.2	(1.7)	6.9	7.3
Petroleum Products	8.2	(18.2)	33.5	19.4
Fertilizers & Pesticides	1.2	(16.9)	(16.2)	7.2
Iron and Steel	7.9	(3.4)	26.0	20.6
Construction	5.3	2.8	(0.4)	6.4
Services (other than IT)	11.2	(0.3)	(2.9)	4.1
Wholesale & retail trade	2.9	(19.9)	0.7	24.4
Telecommunication	3.3	7.7	(11.4)	(13.2)
IT services	9.2	11.2	4.8	2.9

Source: Reserve Bank of India (RBI), MOSL

The growth in sales in 1QFY18 was led entirely by larger companies. Companies with annual sales of INR10b and above posted growth of 9.2% in the quarter (*Exhibit 3*), while the smaller companies (with sales less than INR10b) witnessed a 3.1% decline. Based on paid-up capital (PUC), bigger companies (with PUC of INR250m and above) – which account for four-fifth of total sales – grew faster, by 7.8% (*Exhibit 4*), as against 6.7% growth in companies with PUC of less than INR250m.



Reliance Industries

BSE SENSEX	S&P CNX
32,433	10,167
Bloomberg	RIL IN
Equity Shares (m)	6,502.0
M.Cap.(INRb)/(USD\$b)	5,700.3/ 85.4
52-Week Range (INR)	891 / 466
1, 6, 12 Rel. Per (%)	6/18/48
Avg Val, INRm	12124
Free float (%)	55.0

Financials & Valuations (INR b)

Y/E March	2017	2018E	2019E
Net Sales	2,420	3,146	3,723
EBITDA	433	523	581
Net Profit	314	361	416
EPS (INR)	48.3	55.5	64.0
EPS Gr. (%)	14.6	14.8	15.3
BV/Sh. (INR)	464	514	571
RoE (%)	11.6	11.9	12.3
RoCE (%)	9.1	10.1	10.9
Payout (%)	13.3	14.4	14.4

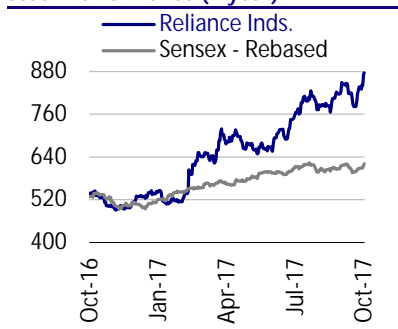
Valuations	2017	2018E	2019E
P/E (x)	18.1	15.8	13.7
P/BV (x)	1.9	1.7	1.5
EV/EBITDA (x)	15.5	11.5	9.2
EV/Sales (x)	2.8	1.9	1.4

Shareholding pattern (%)

As On	Sep-17	Jun-17	Sep-16
Promoter	46.2	45.0	45.1
DII	11.4	11.1	12.5
FII	25.8	25.6	23.7
Others	16.5	18.3	18.7

FII Includes depository receipts

Stock Performance (1-year)



CMP: INR877 TP: INR1,005 (+15%) Upgrade to Buy

Standalone EBITDA in line; RJio delivers +ve EBIT from 1st quarter itself

Reliance Industries' (RIL) 2QFY18 standalone EBITDA rose 23% YoY (+12% QoQ) to INR129.8b, largely in line with our estimate of INR126b. PAT rose 7% YoY (+1% QoQ) to INR82.6b, below our estimate of INR88.2b, due to higher interest expense of INR13b (est. of INR9.4b) and a higher tax rate at 27.9% v/s 22% in 1QFY18 and 24% in 2QFY17. Interest expense was higher due to forex loss of INR4.5b. GRM of USD12/bbl was below our estimate of USD12.6, while refining throughput of 18.1mmt was ahead of our estimate of 17.5mmt.

§ **GRM of USD12/bbl:** While Singapore complex GRM increased from USD6.4/bbl in 1QFY18 to USD8.3/bbl, RIL's GRM increased only from USD11.9/bbl to USD12/bbl due to lower light-heavy and Brent-Dubai differentials. There could also be some hedging losses as cracks moved up sharply in the quarter.

§ **Petchem drives core performance:** Refining EBIT stood at INR65.3b (+11% YoY, +2% QoQ), led by GRM of USD12/bbl (+19% YoY, +1% QoQ) and throughput of 18.1mmt (+1% YoY, +3% QoQ). Petchem EBIT rose 42% YoY (+23% QoQ) to INR49b, led by a favorable margin and strong volume growth. EBIT margin of 18.3% came in ahead of 16.3% in 2QFY17, primarily due to the strengthening of intermediates and polyester chain deltas.

§ **ROGC commissioned:** ROGC has been commissioned, while other downstream units are being commissioned and would take 60-90 days for full ramp-up. Petcoke gasifier is expected to be commissioned by early 2018.

§ **Domestic E&P continues to shrink:** E&P EBIT stood at -INR960m v/s INR240m in 2QFY17 and -INR2.3b in 1QFY18. KG-D6 gas production declined to 5.4mmscmd (-28.4% YoY, -13% QoQ). Shale gas production was down to 33.5bcfe (-19% YoY, -3.5% QoQ) due to natural decline and temporary shut-in of wells.

RJio turns EBITDA positive in 1st quarter of reporting itself

§ RJio reported stellar revenues of INR61.5b, led by ARPU of INR156, coming partly from 1QFY18 recharges. In effect, we believe that if recharges from both 1QFY18 and 2QFY18 were accounted on an accrual basis, ARPU would have been -INR130 for the quarter. Data consumption remained 4-5x of Bharti, while MOUs are 50% higher, with 3.8GB of data consumption.

§ EBITDA of INR14.4b benefited from lower-than-expected opex, coupled with network and employee expense capitalized.

§ In 2HFY18, we expect addition of 42m subscribers, taking the overall subscriber base to 181m by March'18 and 205m by March'19, from 139m in 2QFY18, with ARPU estimates of INR156/INR172 in FY18E/FY19E.

§ **2QFY18 consol. capex at INR160b:** Consol. gross debt was INR2.14t, with cash of INR770b. Consol. capex stood at INR160b, of which INR70b was on RJio.

§ **Valuation and view:** The company is coming to an end of its capex cycle in the standalone business. We believe that with strong risk management, better yield management and crude optimization, the company would clock GRM of USD11.5/bbl, going forward. Commissioning of downstream units of ROGC would boost the petchem performance further. We are increasing our petchem delta estimate due to delays in US petchem expansions. While E&P still appears to be a laggard in the near term, some light appears on the horizon with the award of long lead items for the development of R-series. RJio appears to have surprised with positive EBIT in the first quarter itself – this would remain key to stock performance. We raise our RJio valuation to INR245/share from INR190/share. On FY19E basis, the stock trades at 13.7x adj. SA EPS of INR64 and EV/EBITDA of 9.2x. Our SOTP-based fair value stands at INR1,005/share, implying an upside of 15%. We thus upgrade our rating to **Buy**.

Standalone - Quarterly Earning Model

(INR Million)

Y/E March	FY17				FY18E				FY17	FY18E	2QFY18	Var v/s	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				Est.	Est. (%)
Net Sales	534,960	595,770	618,060	671,460	642,170	685,320	905,717	912,631	2,420,250	3,145,837	737,250	-7.0	
YoY Change (%)	-18.7	-2.0	9.3	34.4	20.0	15.0	46.5	35.9	3.8	30.0	23.7		
Total Expenditure	426,790	490,220	512,020	558,660	526,280	555,490	767,458	773,403	1,987,690	2,622,632	610,803	-9.1	
EBITDA	108,170	105,550	106,040	112,800	115,890	129,830	138,258	139,227	432,560	523,206	126,447	2.7	
Margins (%)	20.2	17.7	17.2	16.8	18.0	18.9	15.3	15.3	17.9	16.6	17.2		
Depreciation	19,500	20,290	20,770	24,090	21,580	22,680	27,456	27,456	84,650	99,172	23,000	-1.4	
Interest	9,240	6,330	9,310	2,350	7,880	13,140	9,355	9,355	27,230	39,729	9,355	40.5	
Other Income	20,330	22,800	30,250	13,710	19,180	20,570	23,400	23,400	87,090	86,549	19,000	8.3	
PBT	99,760	101,730	106,210	100,070	105,610	114,580	124,848	125,816	407,770	470,854	113,092	1.3	
Tax	24,280	24,690	25,990	18,560	23,650	31,930	27,466	27,680	93,520	110,726	24,880	28.3	
Rate (%)	24.3	24.3	24.5	18.5	22.4	27.9	22.0	22.0	22.9	23.5	22.0		
Adj PAT	75,480	77,040	80,220	81,510	81,960	82,650	97,381	98,137	314,250	360,128	88,212	-6.3	
YoY Change (%)	19.5	17.4	11.1	11.4	8.6	7.3	21.4	20.4	14.6	14.6	14.5		
Margins (%)	14.1	12.9	13.0	12.1	12.8	12.1	10.8	10.8	13.0	11.4	12.0		
Key Assumptions													
Refining throughput (mmt)	16.8	18.0	17.8	17.5	17.5	18.1	17.5	17.5	70.1	70.6	17.5	3.4	
GRM (USD/bbl)	11.5	10.1	10.8	11.5	11.9	12.0	11.0	11.0	11.0	11.5	12.6	-5.0	
Petchem EBITDA/tonne (USD/MT)	303.8	314.4	329.4	313.7	348.9	435.4	300.0	300.0	315.3	346.1	370.0	17.7	
Petchem volumes (mmt)	1.9	2.1	2.0	2.1	2.2	2.1	3.0	3.0	8.1	10.3	2.3	-8.0	

E: MOSL Estimates



IndusInd Bank

BSE SENSEX 32,433 S&P CNX 10,167

CMP: INR1,750 TP: INR2,000 (+14%)

BUY

IndusInd Bank

Stock Info

Bloomberg	IIB IN
Equity Shares (m)	598
52-Week Range (INR)	1818 / 1038
1, 6, 12 Rel. Per (%)	0/12/26
M.Cap. (INR b)	1053
M.Cap. (USD b)	16.5
Avg Val, INRm	1589
Free float (%)	85.0

Financials Snapshot (INR b)

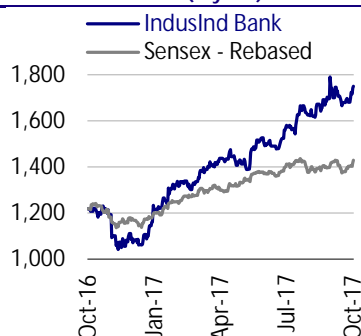
Y/E Mar	2017	2018E	2019E
NII	74.6	94.6	120.8
OP	66.7	84.8	108.7
NP	36.4	47.0	60.3
NIM (%)	4.2	4.2	4.2
EPS (INR)	60.9	78.6	100.8
EPS Gr. (%)	26.7	29.0	28.3
BV/Sh. (INR)	387	453.4	539.5
RoE (%)	16.9	19.0	20.6
RoA (%)	1.8	1.9	1.9
P/E (X)	28.6	22.2	17.3
P/BV (X)	4.5	3.8	3.2

Shareholding pattern (%)

As On	Sep-17	Jun-17	Sep-16
Promoter	15.0	15.0	14.9
DII	12.6	12.7	11.6
FII	53.8	53.9	54.7
Others	18.6	18.4	18.9

FII Includes depository receipts

Stock Performance (1-year)



IIB announces merger with BHAFIN

Gains strong edge in rural distribution; synergies to further boost earnings

IndusInd Bank (IIB) finally announced the long awaited merger with Bharat Financial Inclusion (BHAFIN). As per terms of the agreement IIB will issue 639 shares for every 1000 shares of BHAFIN to the latter's shareholders. We believe that while the merger is clearly a sweet deal for BHAFIN shareholders (swap ratio implies 11% gain for BHAFIN stock based on closing price of 13th Oct, 2017), IIB is also set to benefit as merger will be accretive on margins (~30bp), RoA (~15bp), RoE (80bp for FY20E), EPS (+3%) & Book Value (1% dilution). In the medium term we believe that synergy benefits will arise from - (i) Reduction in funding cost, (ii) Fee income opportunity arising from sale of PSL certificates, (iii) Reduced risk-weights, and, (iv) Increased cross selling opportunities, and this will further boost return ratios for the bank. Besides merger approval, board has also approved preferential allotment of warrants to the promoters to restore their shareholding back to 15%. We continue to like IIB for its strong earnings/business growth and ability to deliver industry leading margins & RoA. We reiterate our BUY rating and maintain our TP of Rs2,000 based on 4x Sept 19 BV.

Microfinance (MFI) exposure will increase to ~8% of merged loan book

IIB currently has MFI portfolio of Rs29bn (2.4% of loan book) which post the merger will increase to ~Rs107bn and correspond to ~8% of total loans. While IIB has shown very controlled growth in its MFI portfolio (~INR29b for the last few quarters) the growth rate for BHAFIN has been higher at ~24% y-y. IIB indicated that over the medium term MFI loans will form ~5% of total loans as it sees strong growth opportunities in rest of the banking business.

Merger is largely book neutral however accretive on NIMs, EPS (from next fiscal) and RoA (~15bps);

As per the swap ratio the merger is larger book neutral while it is EPS accretive from FY19E particularly as the return profile of BHAFIN improves after undergoing challenging times over recent period. We further estimate IIB to benefit on NIMs (30bp change) and RoA (15bp change) without building in any synergies from the merger. IIB also aims to refinance its MFI borrowings and which will enable it to avail complete relaxation from CRR/SLR requirements.

Mix of consumer loan increases to 52.5%

IIB has always aimed to diversify its loan mix with a retail:corporate mix of 50:50 (from 40:60 now). The merger with BHAFIN, will add ~6.3% (to IIB's existing loans and ~5% to its balance sheet. Accordingly, the share of consumer finance segment will increase to ~46% and thus takes IIB one step closer to achieve the desired business mix.

Synergy benefits to further boost earnings; estimate RoA to cross 2% mark

In the medium term we believe that synergy benefits arising from - (i) Reduction in funding cost as BHAFIN currently borrows at >10%, (ii) Fee income opportunity arising from sale of PSL certificates - the entire MFI portfolio is eligible for PSL, (iii)

Reduced risk-weights on MFI loans - 75% for a bank vs 100% for NBFC, and, (iv) Increased cross selling opportunities, will further boost return ratios for the bank. The merger will also significantly expand IIB's rural reach (Bhafin has presence in 1,00,000 villages) and help expand IIB's customer base by 6.8mn to 16.3mn customers.

MFI business via bank can earn better returns; Also addresses political risks and other uncertainties

The MFI business can generate higher sustainable RoEs under a banking set-up due to a) elimination of the need to carry excess liquidity (negative carry), which is required in day-to-day operations and first loss margins for off-balance sheet, b) lower cost of funds (difference of ~400bp between IIB and BHAFIN); c) no cap on spreads, d) higher leverage (10x v/s 5x currently), and, e) also addresses political and regulatory overhang. We note that PPoP to average assets is ~6.3% for BHAFIN and ~3.4% for IIB. Furthermore, capitalization of BHAFIN is very high, with a CAR of ~32% (leverage of just ~4.6x).

Preferential warrant to promoters will further increase book value by 7%; Maintain BUY with TP of Rs2,000

IIB board has approved preferential allotment of warrants to promoters so as to restore their shareholding back to 15%. Taking issuance price to be closer to current market price this will potentially improve IIB's book value by 7% on conversion. We continue to like IIB for its strong earnings/business growth and ability to deliver industry leading margins & RoA. We reiterate our BUY rating and maintain our TP of Rs2,000 based on Sept 19E BV.

Avenue Supermarts

BSE SENSEX	S&P CNX
32,433	10,167

CMP: INR1,234

Under Review

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

Conference Call Details



Date:

Time:

Dial-in details:

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	119.0	163.1	217.9
EBITDA	9.8	13.6	18.5
NP	4.8	7.9	11.0
EPS (INR)	7.7	12.7	17.6
EPS Gr. (%)	34.5	65.8	38.7
BV/Sh. (INR)	61.6	70.5	82.8
RoE (%)	17.9	19.3	23.0
RoCE (%)	14.2	16.5	23.2
P/E (x)	143.9	86.8	62.6
P/BV (x)	17.9	15.7	13.3

Results below estimates; Gross margin expansion reflected at EBITDA level

- n DMART reported overall revenue of INR35.08b (est INR39.1b) in 2QFY18 marking a YoY growth of 26.3%.
- n EBITDA margins expanded by 70bp to 9.1% (est 9%) in 2QFY18 as the gross margin expanded by 90bp to 16.1%. However, the gross margin expansion was partly offset by an increase of 40bp in employee expenses which stood at 2% of net sales.
- n EBITDA during the quarter stood at INR3.18b (est INR3.5b), growth of 37% YoY.
- n Accordingly, adj. PAT grew 65% YoY to INR1,910m (est. INR2,103m) in 2QFY18. The interest expense stood higher than expected at INR109m.
- n The company added 4 stores during 2QFY18, compared to 1 store addition in 1QFY18.

Key questions for the management

- n Like to like growth in the quarter
- n New store additions expected in 2HFY18

Valuation and view: We will revisit our estimates post interaction with the management. The recent run-up in stock price has stirred uncertainties that cap the upside potential. We hence keep the stock under review and would update post revision in estimates.



BSE SENSEX	S&P CNX
32,433	10,167
Bloomberg	MCX IN
Equity Shares (m)	51
M.Cap.(INRb)/(USD\$b)	57.8 / 0.9
52-Week Range (INR)	1411 / 932
1, 6, 12 Rel. Per (%)	-1/-16/-31
Avg Val, INRm	545
Free float (%)	100.0

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	2.6	2.8	4.0
EBITDA	0.8	0.9	2.0
PAT	1.3	1.3	2.2
EPS (INR)	24.8	26.5	43.4
Gr. (%)	6.2	6.6	64.2
BV/Sh (INR)	266.4	262.0	284.1
RoE (%)	10.2	10.0	15.9
RoCE (%)	10.0	9.7	15.4
P/E (x)	45.6	42.8	26.1
P/BV (x)	4.3	4.3	4.0

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR1,133 TP: INR1,300(+15%) Buy

Only a few inches away from the launch of Options...

...focused on participation enhancement and not revenue

- Yield-led operational miss:** MCX's 2QFY18 revenue stood at INR673m (below our est. of INR706m). Yield for the quarter seems to have declined ~3%, driving the revenue miss. Operating expenses were INR466m, in line with our estimate of INR468m, and stable sequentially. Thus, EBITDA stood at INR207m (30.7% margin, -7.9pp YoY), below our estimate of INR238m (33.7% margin, -4.9pp YoY). PAT of INR292m (below est. of INR363m) was dragged further lower by other income of INR243m (17% below est.).
- Volumes finally seeing uptick:** Volumes were down 14.0% YoY in 2QFY18. Volumes have been subdued for the last three quarters, dragged mainly by bullion – Gold (-39% YoY) and Silver (-34% YoY) – due to demonetization and then GST-related uncertainty. Contribution from Gold and Silver combined was 29% of overall volumes (39% in 2QFY17). However, QoQ growth of 17.0% is encouraging, signifying an end to downward pressure on volumes.
- Zero pricing on Options leads to downward revision:** MCX announced that it will launch 1kg Gold Options on 17 October 2017, with approvals for other Options expected to be in place by year-end. While we estimate volume uptick because of Options starting 3Q, MCX would refrain from levying charges till a deeper level of participation is achieved. The absence of revenue from Options, along with the miss in 2Q, has led to a cut of 11/3% in FY18/19E. We continue to be encouraged by the pace of reforms, though.
- Valuation view:** MCX has retained its market leadership position, with a share of 80-90% over FY09-17, even in the most turbulent months of FY13-15, when the parent's existence was in deep waters on issues of fraud around NSEL. With the SEBI's reforms underway, we see volumes on the path to a significant recovery, from new products and participants. Operating margin on incremental volumes at ~80% would boost operating profits for MCX. We expect earnings CAGR of 32% over FY17-19. Our price target is INR1,300, which discounts forward earnings by 30x. **Buy.**

MCX Quarterly Performance

	FY17				FY18				FY17		FY18E		Est. 2Q	Var. (%/bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Sales	676	652	686	626	592	673	748	800	2,641	2,812	706	(4.7)		
Q-o-Q Gr. (%)	18.7	7.8	5.1	-8.7	-5.5	13.6	11.2	7.0	12.4	6.5	19.3	-564bp		
Staff Costs	143	144	198	160	178	178	178	178	644	713	178	0.5		
Other expenses	265	257	296	335	282	288	294	304	1,116	1,146	291	(1.0)		
Depreciation	49	42	45	49	48	48	48	48	186	191	46	4.6		
EBIT	219	209	148	82	84	158	227	270	695	762	192	(17.3)		
Margins (%)	32.4	32.1	21.5	13.1	14.2	23.6	30.4	33.8	26.3	27.1	27.1	-360bp		
Other Income	308	302	312	243	277	243	275	288	1,164	1,083	293	(17.1)		
PBT bef. Exceptional items	527	511	459	325	361	401	502	559	1,857	1,845	484	(17.2)		
Tax	152	134	119	106	98	110	125	140	512	473	121	(9.3)		
Rate (%)	28.9	26.3	26.0	32.6	27.2	27.3	25.0	25.0	27.5	25.6	25.0	237bp		
PAT	375	376	339	219	263	292	377	419	1,346	1,372	363	(19.8)		
Q-o-Q Gr. (%)	30.3	0.5	-9.9	-35.5	20.0	11.0	29.2	11.2	221.7	4.8	38.4			
EPS (INR)	6.5	7.4	6.7	4.3	5.1	5.7	7.4	8.2	26.4	26.9	7.1	(19.8)		
Total volumes (INR t)	16.0	16.4	13.9	12.4	12.0	14.1	16.3	17.5	58.7	59.8	14.1			
Q-o-Q Gr. (%)	7.3	2.3	-15.2	-10.3	-3.4	17.0	15.6	7.7			17.0			
Y-o-Y Gr. (%)	17.7	10.3	6.4	-16.5	-24.8	-14.0	17.1	40.7	4.1	2.0	-14.0			

E: MOSL Estimates



Healthcare

Performance of top companies: September 2017

Company	MAT gr (%)	Sep-17 (%)
IPM	6.2	2.8
Sun Pharma	7.5	2.1
Abbott India	8.7	6.1
Cipla	2.3	4.1
Zydus Cadila	11.8	4.1
Mankind	6.2	11.8
Alkem	2.8	2.8
Lupin	9.3	(2.8)
GSK Pharma	3.0	8.4
Pfizer	(2.2)	(2.3)
Glenmark Pharma	10.3	10.7
Sanofi	11.7	11.2
Dr Reddy Labs	3.4	0.6
Torrent Pharma	9.6	6.3
Alembic Pharma	(0.8)	(6.8)
Ipca Labs	(0.4)	(17.5)
Natco	(11.5)	20.5
Ajanta Pharma	9.4	9.1
Merck	7.1	(0.1)
Biocon	11.5	11.1

IPM growth restricted by price decline

- Indian pharmaceutical market's (IPM) secondary sales growth came in muted in September, primarily due to lower prices and flat volume growth. IPM growth stood at 2.8% YoY in September and 1% in July-September.
- After declining by 0.5% in June-August 2017, prices in the industry witnessed further 1.8% erosion in July-September. Growth in new products too came down to 2.8% from a high of 3.9% in 1Q and 2QFY17, while volumes growth was flat. We expect industry growth to remain muted in the coming months due to GST-related issues.
- Moving annual total (MAT) growth for September came down to 6.2%, as against 7.3% in August.

Natco, Mankind and Biocon witnessed highest growth in September-2017

- Natco (+20.5%) posted robust growth for September, followed by Mankind (+11.8%), Sanofi (+11.2%) and Biocon (+11.1%). In the month, ~50% of the companies posted single-digit growth.
- IPCA's (-17.5%) secondary sales continued to decline in September, followed by Alembic (-6.8%).

Vaccines, Derma and Anti-diabetic lead among therapies

- Vaccines (1.9% of IPM) saw significant growth of 15.5% in September, followed by derma (6.3% of IPM; +12%) and anti-diabetic (9.2% of IPM; +10.7%). 50% of the therapies posted mid- to low-single-digit growth. Respiratory therapy (7.4% of IPM) grew 2.3% during the month v/s a decline of 6.1% in August. Anti-infectives (13.9% of IPM) continued to decline (-2.4%), but showed improvement from the previous month (-8% in August). Anti-neoplastics (2.1% of IPM) declined 1.6%.

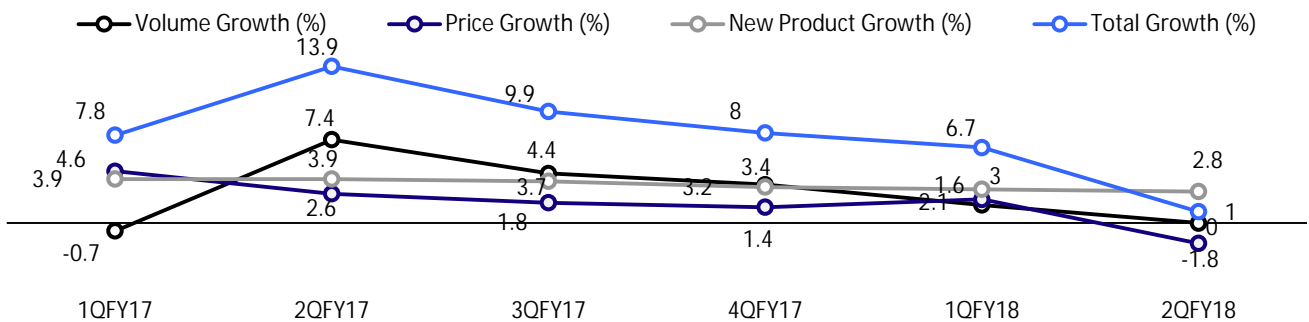
DPCO v/s non-DPCO market (Sep-17)

- In value terms, secondary sales of DPCO-listed products declined 1.7% YoY and of non-DPCO products increased 3.4% YoY. Volumes of DPCO-listed products declined 1.8% YoY and of non-DPCO products increased 1.1% YoY.

FDC ban impact (September-17)

- FDC-banned drugs (-2.4% of IPM in value terms) after a few quarters posted growth of 1.4% YoY, while non-banned drugs increased 3.3% YoY in September. Secondary sales for Indian companies increased 2.5% YoY, while MNC companies grew 3.9% YoY.

Exhibit 1: Further de-growth in price, along with muted volume growth, exerts pressure on industry



Source: AIOCD, MOSL

Indian Pharma Market - Sep 2017

Exhibit 2: Performance of top companies: Sep 2017

Company	MAT Sep -17			Last 8 Quarters in Growth (%)								1M
	Value (INR m)	Market Share (%)	Growth (%)	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	mar-17	Jun-17	Sep-17	Sep-17
IPM	1,142,174	100.0	6.2	18.4	14.2	9.6	14.4	10.0	8.1	6.7	1.0	2.8
Sun Pharma	97,347	8.5	7.5	10.8	13.5	4.0	14.8	13.9	8.9	6.9	1.1	2.1
Abbott India	71,110	6.2	8.7	14.6	5.9	8.3	10.0	13.4	8.9	6.5	6.4	6.1
Cipla	52,637	4.6	2.3	17.9	8.2	5.6	14.7	5.5	3.3	1.6	(1.0)	4.1
Zydus Cadila	49,172	4.3	11.8	12.7	11.3	7.0	12.2	16.2	16.2	11.0	4.8	4.1
Mankind	42,475	3.7	6.2	23.4	21.9	16.3	17.4	2.7	6.2	9.8	6.1	11.8
Alkem	38,765	3.4	2.8	16.2	10.9	15.4	25.0	10.3	7.2	(1.3)	(2.9)	2.8
Lupin	38,027	3.3	9.3	14.5	17.3	7.9	14.5	14.6	8.1	12.7	2.6	(2.8)
GSK Pharma	34,492	3.0	3.0	14.0	3.9	(4.8)	1.2	(6.0)	6.2	8.0	4.9	8.4
Pfizer	27,741	2.4	(2.2)	5.5	(2.3)	(1.5)	4.3	1.4	(1.3)	(2.9)	(5.7)	(2.3)
Glenmark Pharma	27,459	2.4	10.3	22.7	16.3	6.0	14.1	11.3	15.4	9.5	5.5	10.7
Sanofi	25,869	2.3	11.7	(0.6)	(6.9)	(0.6)	12.8	14.6	11.8	15.5	5.8	11.2
Dr Reddy Labs	25,599	2.2	3.4	26.8	21.0	(1.2)	15.0	2.9	2.4	7.9	0.8	0.6
Torrent Pharma	26,722	2.3	9.6	11.6	10.8	4.4	15.3	15.7	11.7	7.7	4.6	6.3
Alembic Pharma	14,585	1.3	(0.8)	23.5	15.4	10.3	19.6	4.8	2.4	1.7	(10.7)	(6.8)
Ipca Labs	15,840	1.4	(0.4)	34.7	22.6	13.4	20.6	9.1	9.4	2.5	(16.8)	(17.5)
Natco	9,630	0.8	(11.5)	(4.8)	48.1	20.4	2.0	6.1	(29.4)	(9.0)	(5.8)	20.5
Ajanta Pharma	7,192	0.6	9.4	(2.5)	(4.9)	13.1	12.7	11.4	13.9	6.5	6.4	9.1
Merck	6,769	0.6	7.1	27.9	9.8	9.5	4.7	8.3	5.9	9.8	4.4	(0.1)
Biocon	3,877	0.3	11.5	(29.3)	(29.2)	(19.2)	7.4	12.5	5.8	17.8	9.7	11.1

Exhibit 3: Performance of top therapies: Sep 2017

Therapy	MAT Sep -17			Last 8 Quarters in Growth (%)								1M
	Value (INR m)	Market Share (%)	Growth (%)	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	mar-17	Jun-17	Sep-17	Sep-17
IPM	1,142,174	100.0	6.2	18.4	14.2	9.6	14.4	10.0	8.1	6.7	1.0	2.8
Anti-Infectives	158,391	13.9	(3.5)	17.8	11.7	7.5	19.0	0.9	(3.9)	(1.0)	(8.8)	(2.4)
Cardiac	141,522	12.4	9.7	13.7	12.8	8.8	10.8	13.9	10.5	8.6	6.3	5.9
Gastro Intestinal	132,046	11.6	6.1	17.8	14.9	9.2	13.1	9.1	9.2	6.1	1.0	2.4
Vitamins / Minerals / Nutrients	99,821	8.7	5.4	11.3	12.5	10.3	12.0	11.4	7.9	3.7	(0.1)	(0.3)
Anti Diabetic	104,661	9.2	17.3	23.5	18.5	17.1	18.7	21.6	20.1	17.1	11.3	10.7
Respiratory	84,036	7.4	0.6	20.0	9.4	3.5	27.0	4.1	1.9	3.2	(5.8)	2.3
Pain / Analgesics	77,572	6.8	4.8	18.2	12.5	8.1	15.2	9.3	8.0	5.5	(2.3)	(0.9)
Derma	71,888	6.3	12.7	19.6	18.1	12.1	13.1	13.7	15.9	11.0	10.6	12.0
Neuro / Cns	69,185	6.1	6.3	17.2	17.5	11.4	11.9	11.0	6.5	5.0	3.3	1.8
Gynaecological	58,744	5.1	7.8	16.8	14.4	9.8	9.3	12.3	11.6	7.4	1.1	1.3
Anti-Neoplastics	23,909	2.1	7.3	52.6	45.0	9.2	(3.2)	15.7	7.0	5.8	1.5	(1.6)
Vaccines	21,716	1.9	18.7	35.8	(1.3)	2.7	9.6	12.5	25.4	28.7	10.3	15.5
Ophthal	21,191	1.9	6.1	10.9	17.7	12.7	6.9	6.9	5.5	6.4	5.5	6.2
Hormones	19,884	1.7	7.6	22.7	17.3	8.7	11.3	9.9	5.6	10.2	5.0	4.1

Source: AIOCD, MOSL



Bajaj Finance

Bloomberg	BAF IN
Equity Shares (m)	546.9
M. Cap. (INR b)/(USD b)	1020 / 16
52-Week Range (INR)	1989 / 762
1,6,12 Rel Perf. (%)	5 / 54 / 62

Financial Snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
NII	54.7	77.6	102.7	135.2
PPP	36.4	52.5	70.8	96.4
PAT	18.4	26.0	36.1	49.6
EPS (INR)	33.6	45.4	62.9	86.6
EPS Gr. (%)	40.7	35.1	38.7	37.6
BV/Sh. (INR)	176	285	338	412
RoA (%)	3.5	3.6	3.7	3.9
RoE (%)	21.6	20.1	20.2	23.1
Payout (%)	14.0	12.5	12.5	12.5
Valuations				
P/E (x)	55.5	41.1	29.7	21.5
P/BV (x)	10.6	6.6	5.5	4.5
Div. Yield (%)	0.1	0.2	0.2	2.9

CMP: INR1,865 TP: INR2,300 (+23%) Buy

- n We expect AUM growth of 35% YoY, driven by strong growth in consumer and commercial lending. Rural business too should register strong growth, albeit off a low base. The company continues to increase its market share in consumer durables lending.
- n With investments into upgradation of systems, C/I is expected to remain largely stable at 44%.
- n Asset quality is likely to remain stable. We expect provisions of INR2.8b, as against INR2.9b in 1QFY18 and INR1.7b in 2QFY17.
- n Net profit is likely to grow 39% YoY to INR5.7b.
- n The stock trades at 6.6x FY18E and 5.5x FY19E BV (post capital raise). Maintain Buy.

Key issues to watch for

- ⊗ Commentary on business growth momentum.
- ⊗ Guidance on margins due to changing product mix.
- ⊗ Asset quality trends, especially in LAP and 2W/3W businesses.
- ⊗ Traction in cross-sell franchise.

Quarterly Performance

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from operations	22,864	23,470	26,930	26,650	31,505	31,820	36,275	36,374	92,723	125,045
YoY Growth (%)	38.9	39.7	30.6	39.1	37.8	35.6	34.7	36.5	34.4	34.9
Interest expenses	8,833	9,562	9,802	9,837	10,780	11,426	12,112	13,113	38,034	47,430
Net Income	14,031	13,909	17,128	16,813	20,725	20,393	24,163	23,261	54,690	77,614
YoY Growth (%)	44.8	41.2	30.5	51.4	47.7	46.6	41.1	38.3	37.6	41.9
Other income	147	190	109	79	140	250	160	168	260	719
Total Income	14,178	14,098	17,237	16,892	20,866	20,643	24,323	23,429	54,949	78,333
Operating Expenses	5,865	6,144	6,939	7,099	8,755	9,120	9,580	9,337	25,642	36,792
Operating Profit	8,312	7,954	10,297	9,794	12,110	11,523	14,743	14,092	29,047	40,822
YoY Growth (%)	58.1	40.8	33.5	51.7	45.7	44.9	43.2	43.9	40.0	40.5
Provisions and Cont.	1,797	1,691	1,797	2,897	2,856	2,800	2,600	4,193	8,182	12,449
Profit before Tax	6,515	6,263	8,500	6,897	9,254	8,723	12,143	9,900	20,865	28,373
Tax Provisions	2,275	2,185	2,943	2,406	3,234	3,053	4,250	3,470	9,810	14,007
Net Profit	4,240	4,078	5,557	4,492	6,020	5,670	7,893	6,430	18,366	26,013
YoY Growth (%)	53.8	45.9	36.0	42.6	42.0	39.1	42.0	43.2	43.6	41.6
Loan Growth (%)	39.5	37.8	32.6	36.1	38.9	35.0	36.0	35.0	34.5	35.0
Borrowings Growth (%)	40.5	43.4	30.2	33.0	33.4	32.0	38.0	36.3	33.0	36.3
Cost to Income Ratio (%)	41.4	43.6	40.3	42.0	42.0	44.2	39.4	39.9	46.9	47.4
Tax Rate (%)	34.9	34.9	34.6	34.9	34.9	35.0	35.0	35.1	35.1	35.1

E: MOSL Estimates



Colgate

Bloomberg	CLGT IN
Equity Shares (m)	272.0
M. Cap. (INR b)/(USD b)	296 / 5
52-Week Range (INR)	1176 / 862
1,6,12 Rel Perf. (%)	-1 / 3 / -1

CMP: INR1,088 TP: INR1,385 (+27%)

Buy

- n We expect Colgate's (CLGT) sales to grow 4% YoY to INR10.9b, with 7% toothpaste volume growth. We have factored in GST related accounting impact of 7.5% on sales and no impact on absolute EBITDA.
- n We estimate EBITDA margin expansion of 320bp YoY to 29.2%. Hence, we have modeled EBITDA growth of 17.1% and adjusted PAT growth of 10.7% for the quarter.
- n The stock trades at 36.6x FY19E EPS of INR29.8; we have a Buy rating on the stock.

Financial Snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
Sales	39.5	40.4	48.5	57.1
EBITDA	9.4	10.9	13.0	15.5
Adj. PAT	5.8	6.7	8.1	9.8
Adj. EPS (INR)	21.2	24.5	29.8	36.1
EPS Gr. (%)	-5.7	15.2	21.7	21.2
BV/Sh.(INR)	46.8	49.4	52.9	57.6
RoE (%)	50.4	50.8	58.2	65.3
RoCE (%)	49.3	49.8	57.1	64.1
Payout (%)	47.0	70.0	70.0	70.0

Valuations

P/E (x)	51.3	44.5	36.6	30.2
P/BV (x)	23.2	22.0	20.6	18.9
EV/EBITDA (x)	31.0	26.9	22.2	18.6
Div. Yield (%)	0.9	1.6	1.9	2.3

Key issues to watch for

- Ø Volume growth in toothpaste and market share movement.
- Ø Ad spends and competitive intensity in toothpaste, especially from Patanjali.

Standalone - Quarterly Earning Model

(INR Million)

Y/E March	FY17				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	534,960	595,770	618,060	671,460	642,170	737,250	905,717	912,631	2,420,250	3,197,768
YoY Change (%)	-18.7	-2.0	9.3	34.4	20.0	23.7	46.5	35.9	3.8	32.1
Total Expenditure	426,790	490,220	512,020	558,660	526,280	610,803	767,458	777,291	1,987,690	2,681,833
EBITDA	108,170	105,550	106,040	112,800	115,890	126,447	138,258	135,339	432,560	515,935
Margins (%)	20.2	17.7	17.2	16.8	18.0	17.2	15.3	14.8	17.9	16.1
Depreciation	19,500	20,290	20,770	24,090	21,580	23,000	27,456	27,456	84,650	99,492
Interest	9,240	6,330	9,310	2,350	7,880	9,355	9,355	9,355	27,230	35,944
Other Income	20,330	22,800	30,250	13,710	19,180	19,000	24,558	24,558	87,090	87,295
PBT	99,760	101,730	106,210	100,070	105,610	113,092	126,006	123,087	407,770	467,795
Tax	24,280	24,690	25,990	18,560	23,650	24,880	27,721	27,079	93,520	103,331
Rate (%)	24	24	24	19	22	22	22	22	23	22
Adj PAT	75,480	77,040	80,220	81,510	81,960	88,212	98,284	96,008	314,250	364,464
YoY Change (%)	19.5	17.4	11.1	11.4	8.6	14.5	22.5	17.8	14.6	16.0
Margins (%)	14.1	12.9	13.0	12.1	12.8	12.0	10.9	10.5	13.0	11.4
Key Assumptions										
Refining throughput (mmt)	16.8	18.0	17.8	17.5	17.3	17.5	17.5	17.5	70.1	69.8
GRM (USD/bbl)	11.5	10.1	10.8	11.5	11.9	12.6	11.0	11.0	11.0	11.6
Petchem EBITDA/tonne (USD/MT)	303.8	314.4	329.4	313.7	348.9	370.0	300.0	280.0	315.3	324.7
Petchem volumes (mmt)	1.9	2.1	2.0	2.1	2.2	2.3	3.0	3.0	8.1	10.5

E: MOSL Estimates



DCB Bank

Bloomberg	DCBB IN
Equity Shares (m)	307.1
M. Cap. (INR b)/(USD b)	57 / 1
52-Week Range (INR)	213 / 100
1,6,12 Rel Perf. (%)	1 / 4 / 36

Financial Snapshot (INR b)

Y/E MARCH	2017	2018E	2019E	2020E
NII	8.0	9.7	11.9	14.5
OP	4.2	5.1	6.3	7.8
NP	2.0	2.6	3.2	3.8
EPS (INR)	7.0	8.4	10.4	12.5
EPS Gr. (%)	2.3	19.5	24.3	20.6
BV/Sh. (INR)	68.2	83.4	92.8	104.2
RoE (%)	10.8	11.4	11.8	12.7
RoA (%)	0.9	1.0	1.0	0.9

Valuations

P/E (x)	26.7	22.4	18.0	14.9
P/BV (x)	2.7	2.2	2.0	1.8

CMP: INR185 TP: INR188 (+2%) Neutral

- n Loan growth (19% YoY) and deposit growth (14% YoY) are expected to be significantly above industry average. Growth will be driven by retail; management intends to curb corporate growth below 20%.
- n We expect NII to grow 24% YoY, led by strong loan growth and margin expansion of 15bp YoY owing to lower cost of funds from healthy CASA accretion post demonetization.
- n Non-interest income is expected to grow ~10% YoY. While fee income is expected to remain healthy, trading gains would be sequentially lower, as 1QFY18 had one-off treasury gains of ~INR214m.
- n Overall, we expect PPP growth to be ~23% YoY. We model opex growth of 22% YoY, lower than previous quarters, as the pace of branch addition will slow down. Credit costs may be elevated owing to potential stress in the retail and SME segments (we factor in 1.7% slippage ratio). We expect PBT growth of 27% YoY.
- n DCBB trades at 2x FY19E BV and 18.0x FY19E EPS. Expensive valuations leave room for limited upside. Maintain Neutral.

Key issues to watch for

- Ø Management commentary on slippages in SME segment.
- Ø Update and commentary on balance sheet growth strategy.
- Ø CASA ratio and NIM performance.

Quarterly Performance

	FY17				FY18E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY17	FY18E
Interest Income	4,706	5,063	5,502	5,491	5,660	5,966	6,360	7,135	20,761	25,121
Interest Expense	2,936	3,160	3,407	3,288	3,329	3,612	3,919	4,513	12,791	15,372
Net Interest Income	1,770	1,903	2,095	2,203	2,332	2,355	2,441	2,622	7,971	9,749
% Change (Y-o-Y)	26.1	26.9	30.5	30.6	31.7	23.7	16.5	19.0	28.7	22.3
Other Income	601	616	641	636	858	725	728	725	2,495	3,035
Net Income	2,372	2,519	2,736	2,839	3,189	3,080	3,169	3,347	10,465	12,784
Operating Expenses	1,444	1,511	1,643	1,685	1,825	1,843	1,939	2,059	6,283	7,666
Operating Profit	927	1,009	1,093	1,153	1,364	1,237	1,229	1,288	4,182	5,119
% Change (Y-o-Y)	3.4	29.2	29.7	18.9	47.1	22.6	12.5	11.7	19.8	22.4
Other Provisions	205	265	305	339	355	290	270	311	1,115	1,226
Profit before Tax	722	744	787	814	1,009	947	959	977	3,067	3,893
Tax Provisions	252	259	274	286	357	317	321	328	1,070	1,323
Net Profit	470	485	513	529	652	630	638	649	1,997	2,569
% Change (Y-o-Y)	0.3	31.3	24.5	-24.0	38.7	29.9	24.4	22.8	2.6	28.7
Operating Parameters										
NIM (Reported,%)	4.1	4.0	4.0		4.2					
Deposit Growth (%)	18.2	30.4	33.8	29.2	22.2	13.7	14.2	25.0	29.2	25.0
Loan Growth (%)	27.9	29.1	24.3	22.4	22.0	19.4	25.3	25.0	22.4	25.0
CD Ratio (%)	85.1	81.6	77.4	82.0	84.9	0.0	0.0	0.0	82.0	82.0
Asset Quality										
Gross NPA (INR B)	2.3	2.6	2.3	2.5	2.9	3.0	3.2	3.0	2.5	3.2
Gross NPA (%)	1.7	1.8	1.6	1.6	1.7	1.7	1.7	1.5	1.6	1.6

E: MOSL Estimates



Delta Corp

Bloomberg	DELTA IN
Equity Shares (m)	267.1
M. Cap. (INR b)/(USD b)	56 / 1
52-Week Range (INR)	218 / 95
1,6,12 Rel Perf. (%)	11 / -2 / 6

CMP: INR209 TP: INR232 (+11%) Buy

- We expect revenue to grow 34% YoY to INR1,800m, driven by the casino business in Goa and Sikkim, as well as the amalgamation of Adda52.
- EBITDA margin is likely to shrink 420bp YoY to 38%, and EBITDA should grow 20.6% YoY to INR684m.
- Net profit is likely to increase 27.6% YoY to INR413m. Buy.

Financial Snapshot (INR Billion)

Y/E March	2017	2018E	2019E	2020E
Sales	4.5	6.8	8.7	10.6
EBITDA	1.6	2.5	3.3	4.1
Adj. PAT	0.7	1.5	2.1	2.7
Adj. EPS (INR)	3.1	5.6	7.7	9.9
EPS Gr. (%)	125.5	82.8	38.8	28.4
BV/Sh.(INR)	39.7	59.2	65.4	73.6
RoE (%)	8.1	11.9	12.4	14.3
RoCE (%)	8.7	11.4	12.5	21.1
Payout (%)	13.2	25.9	20.2	16.9

Valuations

P/E (x)	68.4	37.4	27.0	21.0
P/BV (x)	5.3	3.5	3.2	2.8
EV/EBITDA (x)	35.2	21.6	15.8	12.1
Div. Yield (%)	0.2	0.6	0.6	0.7

Key issues to watch for

- Commencement of Sikkim airport.
- Expansion plans of online business.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	1,087	1,343	1,036	1,081	1,286	1,800	1,864	1,892	4,547	6,827
YoY Change (%)	34.6	43.8	3.4	5.3	18.4	34.0	80.0	75.0	21.2	50.1
Total Expenditure	671	776	723	737	833	1,116	1,230	1,230	2,907	4,369
EBITDA	415	567	313	344	453	684	634	662	1,640	2,458
Margins (%)	38.2	42.2	30.2	31.8	35.2	38.0	34.0	35.0	36.1	36.0
Depreciation	91	93	89	87	89	105	112	112	361	423
Interest	87	87	82	94	70	33	0	0	350	80
Other Income	9	11	11	19	37	70	70	70	49	210
PBT before EO expense	246	399	152	182	332	616	592	620	978	2,165
Extra-Ord expense	-46	2	5	0	-18	0	0	0	42	0
PBT	292	397	147	181	350	616	592	620	936	2,165
Tax	85	91	40	64	127	203	178	186	280	671
Rate (%)	29.2	22.9	27.2	35.4	36.1	33.0	30.0	30.0	29.9	31.0
MI & P/L of Asso. Cos.	4	-16	6	3	1	0	0	0	2	3
Reported PAT	202	322	101	114	223	413	414	434	654	1,491
Adj PAT	170	323	105	114	211	413	414	434	683	1,491
YoY Change (%)	2,539.9	494.1	-9.4	-29.3	24.4	27.6	296.2	281.3	118.8	118.2
Margins (%)	15.6	24.1	10.1	10.5	16.4	22.9	22.2	23.0	15.0	21.8

E: MOSL Estimates



Dewan Housing Finance

Bloomberg	DEWH IN
Equity Shares (m)	313.2
M. Cap. (INR b)/(USD b)	175 / 3
52-Week Range (INR)	651 / 214
1,6,12 Rel Perf. (%)	2 / 40 / 77

Financial Snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
NII	15.1	19.3	24.9	30.3
PPP	16.2	21.2	26.7	31.9
Adj. PAT	9.3	11.8	14.7	17.6
EPS (INR)	29.6	37.7	47.1	56.2
EPS Gr. (%)	18.5	27.4	24.9	19.3
BV (INR)	252	282	321	367
RoAA (%)	1.2	1.2	1.3	1.3
RoE (%)	14.4	14.1	15.6	16.3
Payout (%)	15.7	17.4	17.4	17.4
Valuations				
P/E (x)	18.9	14.8	11.9	9.9
P/BV (x)	2.2	2.0	1.7	1.5
P/ABV (x)	2.2	2.0	1.7	1.5
Div. Yield (%)	0.7	1.0	1.3	1.5

CMP: INR559 TP: INR690 (+23%) Buy

- n Business growth has been good, despite the implementation of GST and RERA. We expect 20% YoY growth in disbursements to drive 4%/22% QoQ/YoY growth in AUM in the quarter.
- n Margins are likely to remain largely stable. As a result, we expect 26% YoY growth in NII in the quarter.
- n Calculated cost-to-income ratio will continue to decline. We expect it to reach 24.5% in 2QFY18 v/s 25.3% in 1QFY18 and 26% in 2QFY17.
- n Asset quality is likely to remain stable, with GNPA's of 0.95%. We factor in provisions of INR600m for 2QFY18.
- n Net profit is likely to grow 27% YoY to INR2.9b.
- n The stock trades at 2.0x FY18E and 1.7x FY19E BV. Maintain Buy.

Key issues to watch for

- Ø Business growth trends and momentum, and management commentary on the same.
- Ø Impact of RERA.
- Ø Asset quality trends in non-retail and LAP segments.
- Ø Guidance on cost structure.

Quarterly performance

Y/E March	FY17				FY18				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY17	FY18E
Interest Income	19,319	21,227	23,151	22,835	23,529	24,705	25,446	26,209	86,531	99,889
Interest Expenses	14,754	16,307	18,001	17,475	17,869	18,494	18,772	18,987	66,536	74,122
Net Interest Income	4,565	4,920	5,150	5,360	5,660	6,211	6,675	7,221	19,995	25,767
YoY Growth (%)	14.5	21.0	20.8	22.6	24.0	26.2	29.6	34.7	19.8	28.9
Fees and other income	275	451	514	943	549	500	600	806	2,182	2,455
Net Income	4,840	5,371	5,664	6,303	6,209	6,711	7,275	8,027	22,177	28,222
YoY Growth (%)	15.5	18.3	21.6	29.1	28.3	25.0	28.4	27.4	21.4	27.3
Operating Expenses	1,361	1,398	1,497	1,717	1,570	1,646	1,743	2,018	5,973	6,977
YoY Growth (%)	8.4	6.1	9.1	10.8	15.4	17.7	16.4	17.6	8.7	16.8
Operating Profits	3,479	3,972	4,167	4,586	4,640	5,065	5,532	6,009	16,204	21,245
YoY Growth (%)	18.6	23.2	26.9	37.7	33.4	27.5	32.8	31.0	26.9	31.1
Provisions	450	450	450	830	830	600	800	1,258	2,180	3,488
Profit before Tax	3,029	3,522	3,717	3,756	3,810	4,465	4,732	4,751	14,024	17,757
Tax Provisions	1,015	1,196	1,269	1,273	1,205	1,518	1,609	1,617	4,754	5,949
Profit after tax	2,014	2,326	2,448	2,483	2,605	2,947	3,123	3,134	9,270	11,809
YoY Growth (%)	16.2	29.0	31.7	30.9	29.3	26.7	27.6	26.2	27.1	27.4
Loan growth (%)	18.3	16.0	16.9	16.7	19.8	21.0	21.0	20.9	18.5	18.0
Borrowings growth (%)	20.4	38.5	28.0	33.1	34.4	12.0	16.0	12.5	45.7	23.9
Cost to Income Ratio (%)	28.1	26.0	26.4	27.2	25.3	24.5	24.0	25.1	26.9	24.7
Tax Rate (%)	33.5	34.0	34.2	33.9	31.6	34.0	34.0	34.0	33.9	33.5

E: MOSL Estimates



Federal Bank

Bloomberg	FB IN
Equity Shares (m)	1719.0
M. Cap. (INR b)/(USD b)	196 / 3
52-Week Range (INR)	122 / 62
1,6,12 Rel Perf. (%)	3 / 20 / 42

Financial Snapshot (INR b)

Y/E Mar	2017	2018E	2019E	2020E
NII	30.5	35.4	43.4	52.0
OP	19.2	23.4	27.5	33.9
NP	8.3	10.4	13.3	16.7
NIM (%)	3.3	3.1	3.1	3.0
EPS (INR)	4.8	5.4	6.8	8.6
EPS Gr. (%)	74.1	11.6	27.0	25.7
BV/Sh. (INR)	50.8	62.3	67.7	74.6
ABV/Sh. (INR)	47.2	58.9	64.1	71.7
ROE (%)	9.9	10.0	10.5	12.1
ROA (%)	0.8	0.8	0.9	0.9
Payout (%)	26.1	20.3	19.7	19.7

Valuations

P/E(X)	23.7	21.2	16.7	13.3
P/BV (X)	2.2	1.8	1.7	1.5
P/ABV (X)	2.4	1.9	1.8	1.6
Div. Yield (%)	1.0	0.8	1.0	1.3

CMP: INR114 TP: INR139 (+22%) Buy

- n We expect FB to report ~24% YoY (5% QoQ) loan growth, aided by renewed focus on corporate growth. Traction in SME and retail loans would be maintained. We expect NIM to expand by 16bp QoQ, as 1QFY18 margin was impacted by an interest reversal.
- n Other income growth is likely to moderate to 20% YoY, driven by healthy fee income growth.
- n Overall PPop growth is expected to be ~24% YoY, led by strong revenue growth and controlled opex (+16% YoY).
- n We expect slippages to decline to INR3.2b (at 1.7% annualized slippage ratio) v/s INR4.3b in 1QFY18, which had a bulky restructured account slipping into NPA. GNPA is expected to decline marginally to 2.38%.
- n We expect PAT of INR2.8b v/s INR2b in 2QFY17 and -INR2.1b in 1QFY18. FB trades at 1.7x FY19E BV and 16.7x FY19E EPS. Buy.

Key issues to watch for

- ⊗ Outlook on asset quality.
- ⊗ Strategy on balance sheet growth, particularly corporate growth.

Quarterly Performance

	(INR m)									
	FY17				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	6,927	7,262	7,914	8,424	8,007	8,707	9,059	9,657	30,526	35,429
% Change (YoY)	14.5	19.4	30.7	22.8	15.6	19.9	14.5	14.6	21.7	16.1
Other Income	2,370	2,616	2,747	2,821	3,291	3,148	3,461	3,952	10,818	13,851
Net Income	9,297	9,878	10,661	11,245	11,298	11,855	12,519	13,609	41,345	49,280
Operating Expenses	5,039	5,128	5,912	5,753	5,719	5,951	6,599	7,604	22,095	25,874
Operating Profit	4,259	4,750	4,749	5,492	5,579	5,904	5,920	6,005	19,249	23,406
% Change (YoY)	16.0	41.1	45.9	39.2	31.0	24.3	24.7	9.3	35.2	21.6
Other Provisions	1,685	1,684	1,588	1,227	2,364	1,600	1,800	1,569	6,184	7,334
Profit before Tax	2,574	3,066	3,161	4,265	3,214	4,304	4,120	4,435	13,065	16,073
Tax Provisions	901	1,053	1,104	1,699	1,113	1,506	1,442	1,564	4,757	5,625
Net Profit	1,673	2,013	2,057	2,566	2,102	2,798	2,678	2,871	8,308	10,447
% Change (YoY)	18.3	24.8	26.4	2,400.9	25.6	39.0	30.2	11.9	74.7	25.7
Operating Parameters										
NIM (Reported,%)	3.3	3.3	3.3	3.4					3.3	
Deposit Growth (%)	12.5	17.0	23.3	23.4	18.1	17.7	18.4	21.0	23.4	21.0
Loan Growth (%)	19.3	27.2	32.0	26.2	29.1	23.9	22.0	25.0	26.2	25.0
CASA Ratio (%)	32.8	31.0	34.7	32.6					32.8	33.3
Asset Quality										
Gross NPA (INR b)	17.5	18.2	19.5	17.3	18.7	19.3	19.6	19.6	17.3	19.6
Gross NPA (%)	2.9	2.8	2.8	2.3	2.4	2.4	2.3	2.1	2.3	2.1

E: MOSL Estimates



Persistent Systems

Bloomberg	PSYS IN
Equity Shares (m)	80.0
M. Cap. (INR b)/(USD b)	51 / 1
52-Week Range (INR)	707 / 558
1,6,12 Rel Perf. (%)	5 / 4 / -20

Financial Snapshot (INR b)

Y/E march	2017	2018E	2019E	2020E
Sales	28.8	31.0	35.0	38.5
EBITDA	4.7	5.0	5.9	6.7
Adj. PAT	3.1	3.4	4.2	4.8
Adj. EPS (INR)	37.7	42.9	51.9	60.4
EPS Gr. (%)	1.4	13.8	21.1	16.4
BV/Sh.(INR)	244.5	254.1	264.0	269.5
RoE (%)	17.0	17.7	20.6	23.3
RoCE (%)	16.7	16.0	16.9	19.9
Payout (%)	23.9	28.0	27.0	26.5

Valuations

P/E (x)	16.9	14.8	12.3	10.5
P/BV (x)	2.6	2.5	2.4	2.4
EV/EBITDA (x)	8.9	8.1	6.7	5.8
Div. Yield (%)	1.4	1.9	2.2	2.5

CMP: INR636 TP: INR750 (18%) Buy

- n We expect 4.0% QoQ revenue growth in 2QFY18, driven by [1] double-digit sequential growth in Digital, [2] moderate growth in IBM IoT, led by a high base of 1Q caused by seasonal strength, [3] stability in Services and Accelerite.
- n With the come-back in Digital, and increased traction in the IBM deal, we see revenue growth picking up to 12% YoY in 2QFY18 from 7.8% YoY in the previous quarter.
- n We are modeling EBITDA margin of 15.4% (+90bp QoQ). We expect a pick-up in revenue growth, improved operational efficiencies and the absence of visa expenses to lead to better margins during the quarter.
- n Our PAT estimate for the quarter is INR764m, up 1.7% QoQ. The improved operational performance is being offset by lower other income, leading to moderate growth on the bottom line.
- n The stock trades at 15.3x FY18E and 12.6x FY19E earnings. Buy

Key issues to watch for

- ⊗ Performance and outlook for top clients in ISV (ex-IBM).
- ⊗ Commentary on traction with Enterprise customers and potential of winning large deals in Digital.
- ⊗ Outlook on sustainable profit margins in the near-to-medium term.

Quarterly Performance (IFRS)

Y/E March	FY17				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	104.8	105.2	110.0	109.0	113.0	117.9	123.9	121.9	429	477
QoQ (%)	4.3	0.4	4.6	-0.9	3.6	4.3	5.1	-1.6	22.0	11.1
Revenue (INR m)	7,018	7,040	7,455	7,271	7,280	7,578	8,115	8,044	28,784	31,017
QoQ (%)	3.6	0.3	5.9	-2.5	0.1	4.1	7.1	-0.9		
YoY (%)	40.2	29.7	25.9	7.4	3.7	7.6	8.8	10.6	24.5	7.8
GPM (%)	34.7	35.5	36.3	36.1	34.3	35.0	37.4	34.9	35.7	35.4
SGA (%)	19.6	19.8	20.4	18.2	20.0	19.3	19.2	18.3	19.5	19.3
EBITDA	1,058	1,108	1,187	1,302	1,044	1,167	1,461	1,330	4,653	5,001
EBITDA Margin (%)	15.1	15.7	15.9	17.9	14.3	15.4	18.0	16.5	16.2	16.1
EBIT Margin (%)	10.2	10.5	10.7	12.5	9.0	10.1	13.1	11.5	11.0	11.0
Other income	253	243	318	143	368	255	283	284	958	1,189
ETR (%)	24.3	25.3	26.7	19.9	26.3	25.0	25.0	25.0	24.1	25.3
PAT	733	735	819	842	751	764	1,007	909	3,129	3,430
QoQ (%)	-9.3	0.3	11.4	2.8	-10.8	1.7	31.9	-9.8		
YoY (%)	9.0	2.3	5.7	4.2	2.5	3.9	23.0	7.9	5.2	9.6
EPS (INR)	9.2	9.2	10.2	9.1	9.4	9.5	12.6	11.4	37.7	42.9
Headcount	9,389	9,305	9,229	9,460	9,401	9,537	9,593	9,724	9,460	9,724
Util excl. trainees (%)	75.3	74.2	78.9	77.8	77.2	78.0	78.5	78.5	76.5	77.7
Attrition (%)	16.7	15.9	15.8	15.7	15.5					
IP rev. proportion(%)	28.2	27.8	28.4	27.6	27.2	26.7	28.0	26.4	28.0	27.1

E: MOSL Estimates



1. Shriram Group: IDFC deal good for community & shareholders; bullish on insurance biz; R Thyagarajan, Founder

- n Regarding the IDFC deal, discussions are going on and it would likely get finalised in few weeks. If deal goes through it will be good for the community and the shareholders.
- n Commercial vehicle segment is a part of infrastructure and therefore growth, prosperity of the segment depends on how the economy is going to perform in the coming months and years. The CV industry growth will be in-line with economic growth.
- n With regards to the transport finance business, has been observed over the last 30-35 years that the volatility of the business has been minimal.
- n Although cost of funds have come down at an accelerated pace and is positive for the CV customers, money becoming cheap will not lead to them lending aggressively.
- n Cheaper short-term money could lead to better performance.
- n With regards to goods and services tax (GST), does not see stress for truck operators due to its implementation.
- n Very happy about the performance of the insurance business. Will remain the most profitable Life and General Insurance company in India. Currently booking more profits than peers

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2. TCS: Difficult to call timeframe but definitely see optimism returning; Rajesh Gopinathan, CEO & MD, NG Subramaniam, COO, V Ramakrishnan, CFO, Ajoyendra Mukerjee, Executive VP & Head-Global HR

- n Customers are much more specific about the projects that they are speaking about and they are working towards a strategy, a plan. Seeing in retail an emergence of strategy on how to counter the e-commerce play and early success from the leading ones. That is something that company expects more and more investment to collate around.
- n Diligenta will start growing here onwards, the pipeline still continues to be good for Diligenta.
- n Difficult to call timeframe but directionally definitely see optimism returning.
- n Demand environment remains stable. Due to the way company has structured itself, they will be able to more positively participate in some of the digital initiatives. Digital services growth of 5.7% QoQ a direct result of some of those initiatives that have been taken.
- n Q1 and Q2 time attrition generally is high and Q3 and Q4 attrition tends to come down. As far as this particular quarter is concerned, happy with the kind of retention that company has been able to achieve.
- n There is a case for utilisation to definitely improve which will aid margins. From a margin perspective, to get higher growth in some of the sectors which have been muted over the last one year is important. Digital technologies has got quite significant opportunities across segments. Important to unlock the value which has been created in some of the platforms and where traction is being seen whether it is in cognitive learning or in the retail space.

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3. Man Industries: Expect 50% topline growth; bottom-line will be much better in FY18; RC Mansukhani, Chairman

- n Received GAIL order for the first phase of expansion of pipeline, which is going from north to east. Have to complete the GAIL project by July 2018.
- n On raw material front, said it was booked and arranged prior to this tender, so no threat of steel price going up or down.
- n 50 percent growth in topline is expected in FY18 and bottomline will be much better in FY18.
- n Will execute 60 percent of revenue booking in FY18 itself.
- n Current debt is around Rs 200 crore.

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4. Gujarat Borosil: Hits record high, up 14% on strong management outlook; Pradeep Kheruka, Vice Chairman

- n Actively considering doubling capacity.
- n Expect to sell glass on a decent premium than normal glass and expects revenue around Rs 200 crore in FY18.
- n Had reported total revenue at Rs 184 crore in FY17, up 0.6 percent compared with Rs 182.9 crore in previous financial year. Profit during the year was at Rs 14.1 crore, increased from Rs 7.4 crore in previous year.
- n All options open for funding the capital expansion.

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1. Why interest rates in India are best left to free market forces; competition, not diktat is the way forward

- n If bankers in the country were hoping that their prayers would be answered and the RBI Committee on the Marginal Cost of Funds based Lending Rate (MCLR) would ditch the very concept of MCLR, they are in for a disappointment. The draft report of the Study Group (placed on RBI's website after the monetary policy announcement last week) suggests the central bank has not understood the fundamental difference between the cost of funds for banks in advanced economies vis-a-vis banks in India. In India, the main determinant of the cost of funds, and hence of banks' lending rates, is the cost of bank deposits. In the West, in contrast, it is the cost of funds in the interbank market. And this makes all the difference. The suggestion to move to an externally-determined benchmark in the absence of such a market is like comparing apples and oranges. LIBOR (London Interbank Offered Rate) is not the same as MIBOR (Mumbai Interbank Offered Rate). And to gloss over the difference is to miss the woods for the trees.

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2. Government won't resist pressure to spend

- n India's slowdown—recently confirmed by the International Monetary Fund (IMF), which sharply reduced its estimate of growth during the current financial year—has set off a couple of energetic and oddly contradictory responses from the government in New Delhi. On the one hand, Prime Minister Narendra Modi has aggressively defended his record, comparing it positively to the stagnation presided over by the previous government at various points and attacking “pessimists” who were “exaggerating” problems. The prime minister talked of “one bad quarter”, although growth has slowed since January 2016; other data he presented was criticized for being cherry-picked as well. On the other hand, there was good news. The government has taken steps to ease the burden of complying with an overly complicated new goods and services tax (GST), which has dampened economic activity. And Modi expanded the sorely limited pool of economic expertise available to his government, setting up an advisory council that included several smart economists.

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3. The wrong approach to environmental regulation


- n The Supreme Court order on Monday banning the sale of firecrackers in Delhi and the National Capital Region (NCR) has expectedly turned into a controversy. The period of the ban—till 31 October—covers the festival of Diwali, which is celebrated with elaborate fireworks. Some of those disappointed have gone to the extent of arguing that the court order is “anti-Hindu” in nature. Others point to judicial overreach that they think this order best exemplifies. In essence, there are two distinct issues that need to be separately analysed: a) the scope of the state's regulatory power vis-à-vis a religious celebration, and b) the agency of the state that such regulation should vest with. On the first count, the matter is relatively clear. The bursting of firecrackers releases a heavy dose of carcinogens in the atmosphere, presenting a public health challenge for the entire city.

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International

4. Talk it over - on Catalonia crisis

n Catalan President Carles Puigdemont's call for a dialogue with the federal government is the first sign in many months of an attempt to break the stalemate in Spain's continuing crisis. Prime Minister Mariano Rajoy, who has remained steadfast in his defence of Spanish sovereignty and integrity, should seize the opening, slight though it is. In his address to the regional parliament in Barcelona on Tuesday, Mr. Puigdemont insisted that he would act on the popular mandate for a declaration of independence in the October 1 referendum. But he also expressed a willingness, not necessarily shared by allies in the ruling coalition, to defer such a proclamation so as to negotiate with the Spanish government and to explore international mediation. There are conflicting interpretations on the essence of that address. But Mr. Rajoy seems to be in no mood whatsoever to relent. He has said that he wants to ascertain whether Mr. Puigdemont's speech amounts to a declaration of independence before Madrid triggers Article 155 to exercise direct control over Catalonia. While it is an option he has been weighing for some months, this obduracy is hard to understand in today's altered circumstance.

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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	689	854	24	28.0	25.6	32.9	24.6	26.9	4.5	4.0	20.3	15.8	17.7
Ashok Ley.	Buy	125	145	16	4.6	5.3	7.0	27.5	23.5	6.0	5.3	23.1	23.8	27.0
Bajaj Auto	Buy	3,165	3,589	13	132.3	144.4	174.3	23.9	21.9	5.4	4.8	25.3	23.2	25.3
Bharat Forge	Buy	640	726	13	13.1	18.3	25.5	48.9	35.0	7.2	6.3	16.2	19.3	22.9
Bosch	Neutral	21,552	22,781	6	473.1	540.8	698.6	45.6	39.9	7.5	6.7	15.8	17.8	20.5
CEAT	Buy	1,728	2,029	17	93.3	94.2	126.8	18.5	18.3	2.9	2.5	16.9	14.8	17.3
Eicher Mot.	Buy	31,368	36,487	16	612.7	826.7	1,119.2	51.2	37.9	16.0	12.0	37.1	36.1	36.4
Endurance Tech.	Buy	1,111	1,229	11	23.5	29.6	39.3	47.3	37.5	9.0	7.5	20.8	21.8	24.0
Escorts	Neutral	709	732	3	20.0	37.1	45.8	35.5	19.1	3.6	3.1	10.6	17.3	18.3
Exide Ind	Buy	205	279	36	8.1	8.9	10.8	25.2	22.9	3.5	3.2	13.9	13.8	14.8
Hero Moto	Neutral	3,754	3,868	3	169.1	185.0	197.1	22.2	20.3	7.4	6.4	35.7	34.0	31.4
M&M	Buy	1,326	1,585	19	54.3	69.5	81.7	24.4	19.1	3.1	2.8	14.2	13.5	14.3
Mahindra CIE	Not Rated	237	-		5.4	9.9	11.8	44.2	24.0	2.7	2.5	6.4	10.8	11.5
Maruti Suzuki	Buy	7,872	9,417	20	248.6	285.5	381.7	31.7	27.6	6.6	5.7	20.3	20.4	23.0
Tata Motors	Buy	424	562	32	19.8	20.0	61.3	21.4	21.2	2.5	2.2	9.8	11.0	27.4
TVS Motor	Buy	699	719	3	11.7	15.1	24.5	59.5	46.3	13.8	11.2	25.6	26.7	34.2
Aggregate								29.2	25.6	5.0	4.4	17.1	17.2	22.6
Banks - Private														
Axis Bank	Neutral	529	524	-1	15.4	21.8	38.1	34.5	24.2	2.3	2.2	6.9	9.3	14.7
DCB Bank	Neutral	191	188	-2	7.0	8.4	10.4	27.3	22.9	2.8	2.3	10.8	11.4	11.8
Equitas Hold.	Buy	152	212	39	5.0	1.7	6.1	30.2	89.6	2.3	2.3	9.5	2.5	8.6
Federal Bank	Buy	117	139	19	4.8	5.4	6.8	24.3	21.8	2.3	1.9	9.9	10.0	10.5
HDFC Bank	Buy	1,853	2,066	11	56.8	68.2	82.6	32.6	27.2	5.5	4.8	18.3	18.8	19.7
ICICI Bank	Buy	271	366	35	15.3	14.5	16.6	17.7	18.8	2.0	1.9	10.2	8.6	9.3
IDFC Bank	Neutral	59	56	-5	3.0	2.8	3.2	19.7	21.3	1.4	1.3	7.2	6.3	6.9
IndusInd	Buy	1,750	1,948	11	48.1	60.9	78.6	36.4	28.7	5.1	4.5	15.3	16.9	19.0
J&K Bank	Neutral	73	91	24	-31.3	3.9	8.3	NM	19.0	0.7	0.7	-27.0	3.5	7.2
Kotak Mah. Bk	Buy	1,082	1,197	11	26.8	32.4	41.0	40.3	33.3	5.2	4.7	13.8	15.0	16.3
RBL Bank	Buy	518	651	26	11.9	17.2	22.5	43.5	30.1	4.6	3.2	12.3	13.0	13.3
South Indian	Buy	32	36	11	2.5	1.9	3.8	13.0	17.4	1.2	1.2	9.0	6.7	12.6
Yes Bank	Buy	370	446	21	14.6	18.5	22.9	25.3	20.0	3.9	3.4	18.9	18.3	19.5
Aggregate								30.1	24.7	3.5	3.1	11.5	12.4	14.2
Banks - PSU														
BOB	Buy	140	217	55	6.0	9.5	20.8	23.3	14.6	0.9	0.9	4.0	6.1	12.4
BOI	Neutral	136	141	4	-14.8	-11.2	6.6	NM	NM	0.6	0.6	-6.7	-5.2	3.0
Canara	Neutral	308	323	5	18.8	30.1	47.0	16.4	10.2	0.7	0.6	4.2	6.2	9.1
IDBI Bk	Neutral	53	49	-7	1.5	6.4	8.6	34.6	8.2	0.5	0.5	1.4	5.8	7.3
Indian Bk	Buy	274	333	22	29.3	34.4	38.3	9.4	8.0	0.9	0.8	10.1	10.9	11.2
OBC	Neutral	115	150	31	-31.6	17.1	21.4	NM	6.7	0.3	0.3	-8.4	4.6	5.4
PNB	Buy	135	184	36	6.2	5.8	11.0	21.7	23.1	0.8	0.7	3.6	3.2	5.9
SBI	Buy	252	341	35	0.3	14.6	26.8	848.7	17.3	1.2	1.1	-0.2	7.0	11.4
Union Bk	Neutral	128	135	6	8.1	9.0	19.1	15.8	14.1	0.4	0.4	2.7	3.0	6.1
Aggregate								92.6	16.4	0.8	0.8	0.9	4.6	8.3
NBFCs														
Bajaj Fin.	Buy	1,955	2,300	18	32.0	45.4	62.9	61.0	43.1	11.7	6.9	21.6	20.1	20.2
Bharat Fin.	Neutral	1,003	900	-10	21.0	29.9	54.9	47.8	33.6	5.7	4.6	15.1	15.1	22.4
Capital First	Buy	754	925	23	24.6	32.8	42.4	30.6	23.0	3.2	2.9	12.0	13.2	15.0
Cholaman.Inv.&Fn	Buy	1,138	1,400	23	46.0	56.0	68.1	24.7	20.3	4.1	3.5	18.0	18.6	19.2
Dewan Hsg.	Buy	538	690	28	29.6	37.7	47.1	18.2	14.3	2.1	1.9	14.4	14.1	15.6
GRUH Fin.	Neutral	522	490	-6	8.1	9.9	11.7	64.2	52.5	19.2	15.7	32.5	33.0	31.8
HDFC	Buy	1,765	2,020	14	46.8	52.2	58.2	37.7	33.8	7.0	6.3	18.9	18.6	17.8
Indiabulls Hsg	Buy	1,285	1,450	13	69.0	84.2	105.6	18.6	15.3	4.5	4.0	25.5	27.6	30.6
L&T Fin Holdings	Buy	204	230	13	5.2	6.8	10.1	39.0	29.8	4.6	4.0	12.4	14.7	18.5
LIC Hsg Fin	Neutral	651	730	12	38.2	41.6	48.9	17.0	15.7	3.1	2.7	19.4	18.2	18.5

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
Manappuram	Not Rated	105	-		8.6	9.2	9.7	12.1	11.4	2.7	2.4	24.0	22.3	21.4
M&M Fin.	Buy	420	481	15	7.1	13.9	17.8	59.2	30.2	3.8	3.5	6.5	12.0	14.2
Muthoot Fin	Buy	497	550	11	29.5	38.7	44.4	16.8	12.8	3.0	2.6	19.4	21.8	21.2
PNB Housing	Buy	1,491	1,750	17	31.6	48.1	65.1	47.2	31.0	4.5	4.1	13.8	13.8	16.6
Repco Home	Buy	636	800	26	29.1	33.7	38.4	21.8	18.9	3.5	3.0	17.4	17.1	16.7
Shriram City Union	Buy	2,061	2,700	31	84.3	118.3	155.3	24.4	17.4	2.7	2.4	11.7	14.6	16.8
STF	Buy	1,096	1,320	20	55.6	80.0	102.4	19.7	13.7	2.2	2.0	11.7	15.0	16.9
Aggregate								31.6	25.6	5.1	4.4	16.1	17.1	18.0
Capital Goods														
ABB	Sell	1,346	1,235	-8	19.7	22.4	31.6	68.3	60.1	8.7	7.6	12.7	12.6	15.8
Bharat Elec.	Buy	171	187	9	6.3	6.7	7.4	27.2	25.4	5.6	4.3	20.6	17.1	17.0
BHEL	Sell	84	75	-11	1.3	2.7	3.8	63.1	31.1	1.0	0.9	1.5	3.1	4.1
Blue Star	Neutral	785	690	-12	12.9	17.1	25.5	61.0	46.0	9.9	9.3	18.0	20.9	28.9
CG Cons. Elec.	Buy	210	240	14	4.7	5.0	6.3	44.9	41.8	24.4	18.1	76.4	49.7	48.8
CG Power & Indu.	Neutral	78	80	2	4.1	2.0	2.5	19.1	38.5	1.2	1.1	6.2	3.0	3.7
Cummins	Buy	909	1,170	29	26.5	27.7	35.0	34.3	32.9	6.7	6.2	21.2	19.7	22.8
GE T&D	Neutral	382	395	3	5.7	9.3	11.3	66.7	41.1	9.5	8.3	12.4	21.5	22.7
Havells	Neutral	540	460	-15	9.6	10.7	13.9	56.5	50.3	10.3	9.2	18.2	18.3	20.9
K E C Intl	Neutral	302	295	-2	11.9	13.1	16.4	25.5	23.1	4.9	4.2	21.2	19.5	20.9
L&T	Buy	1,139	1,400	23	42.3	46.5	56.6	26.9	24.5	3.2	2.9	12.5	12.4	13.8
Pennar Eng.	Not Rated	99	-		7.1	9.1	11.2	14.0	10.9	1.4	1.3	10.2	11.6	12.6
Siemens	Neutral	1,240	1,355	9	17.8	21.7	33.4	69.6	57.3	6.5	5.6	9.3	9.8	13.8
Solar Ind	Neutral	992	900	-9	20.6	24.2	30.0	48.1	41.0	8.8	7.5	19.8	19.8	20.9
Suzlon Energy	Not Rated	16	-		0.6	0.9	1.0	24.5	17.6	-1.4	-1.5	NM	-8.8	-11.0
Thermax	Neutral	929	840	-10	30.8	30.1	33.4	30.1	30.8	4.1	3.7	14.3	12.7	12.8
Va Tech Wab.	Buy	582	800	37	29.8	34.6	39.8	19.5	16.8	3.2	2.8	16.8	17.6	17.4
Voltas	Sell	532	470	-12	15.5	16.8	19.1	34.4	31.7	5.3	4.7	18.0	15.8	16.0
Aggregate								34.9	30.6	3.9	3.6	11.2	11.6	13.1
Cement														
Ambuja Cem.	Buy	277	317	14	4.9	7.0	8.2	56.8	39.9	2.9	2.7	5.1	7.0	7.9
ACC	Neutral	1,767	1,706	-3	36.1	51.0	66.9	48.9	34.6	3.8	3.7	7.9	10.8	13.5
Birla Corp.	Buy	1,007	1,150	14	28.5	40.9	58.9	35.3	24.6	2.3	2.2	7.1	9.2	12.2
Dalmia Bharat	Buy	2,727	3,272	20	38.8	62.9	88.3	70.4	43.3	4.9	4.4	7.2	10.7	13.3
Grasim Inds.	Neutral	1,145	1,276	11	67.8	70.6	101.2	16.9	16.2	1.7	1.6	10.8	10.0	12.9
India Cem	Neutral	180	198	10	5.6	7.5	10.8	32.0	23.9	1.1	1.0	3.4	4.4	6.1
J K Cements	Buy	955	1,196	25	33.7	39.7	54.4	28.3	24.0	3.8	3.3	14.4	14.8	17.5
JK Lakshmi Ce	Buy	384	485	26	7.0	9.7	16.4	55.3	39.5	3.3	3.1	6.1	8.0	12.3
Ramco Cem	Buy	687	832	21	27.3	27.4	34.4	25.2	25.1	4.4	3.8	19.0	16.1	17.5
Orient Cem	Buy	157	182	16	-1.6	4.4	7.1	NM	35.5	3.3	3.0	-3.2	8.8	12.8
Prism Cem	Buy	107	140	31	0.3	3.5	5.6	392.7	30.8	5.6	4.9	1.4	17.0	22.9
Shree Cem	Buy	18,531	22,084	19	384.4	507.1	547.8	48.2	36.5	8.4	6.9	18.4	20.8	18.8
Ultratech	Buy	4,003	4,937	23	96.1	92.1	138.8	41.7	43.5	4.6	4.2	11.6	10.1	14.0
Aggregate								36.9	31.3	3.5	3.2	9.4	10.2	12.4
Consumer														
Asian Paints	Neutral	1,172	1,315	12	21.0	22.2	26.5	55.8	52.8	14.8	13.5	28.5	26.7	28.1
Britannia	Buy	4,575	5,165	13	73.7	85.3	104.6	62.1	53.6	20.4	16.8	36.9	34.3	34.5
Colgate	Buy	1,092	1,385	27	21.2	24.5	29.8	51.4	44.7	23.3	22.1	50.4	50.8	58.2
Dabur	Neutral	322	330	3	7.2	7.7	9.1	44.4	41.6	11.7	10.0	28.4	26.0	26.3
Emami	Buy	1,124	1,400	25	26.5	26.9	33.1	42.4	41.8	14.5	12.4	35.8	32.0	33.9
Godrej Cons.	Neutral	971	1,005	3	18.9	21.5	24.7	51.4	45.1	12.5	9.7	24.6	24.2	22.8
GSK Cons.	Neutral	4,951	4,630	-6	156.1	158.1	182.1	31.7	31.3	6.7	6.5	22.2	21.1	22.6
HUL	Buy	1,247	1,400	12	19.6	22.9	27.4	63.5	54.3	41.6	41.2	66.5	76.2	87.2
ITC	Neutral	266	290	9	8.4	9.3	10.3	31.7	28.7	7.2	7.1	23.5	24.8	26.3
Jyothy Lab	Neutral	387	410	6	11.2	9.8	11.1	34.5	39.4	6.5	6.5	21.1	16.5	18.4
Marico	Neutral	316	350	11	6.3	6.8	8.2	50.3	46.4	17.6	15.1	36.7	34.9	37.7

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Nestle	Neutral	7,341	6,160	-16	118.0	115.0	133.6	62.2	63.8	23.5	21.9	39.0	35.5	38.1
Page Inds	Buy	18,661	21,310	14	238.7	294.7	398.4	78.2	63.3	31.3	25.1	40.0	39.6	43.1
Parag Milk	Neutral	264	280	6	3.6	9.1	12.5	73.1	28.9	3.4	3.0	6.0	11.0	13.3
Pidilite Ind.	Neutral	807	865	7	16.7	18.1	20.6	48.2	44.7	12.5	10.2	28.2	25.2	23.5
P&G Hygiene	Neutral	8,670	9,200	6	132.9	151.6	176.0	65.2	57.2	40.8	33.9	39.3	64.9	62.8
Prabhat Dairy	Not Rated	150	-		3.5	3.5	6.4	42.4	43.1	2.1	2.1	5.2	4.9	8.5
United Brew	Buy	843	980	16	8.7	9.9	14.0	97.1	85.2	9.5	8.7	10.2	10.7	13.6
United Spirits	Neutral	2,432	2,600	7	26.7	34.5	51.5	91.0	70.5	18.2	12.7	21.3	18.0	20.3
Aggregate								47.0	42.5	13.0	12.0	27.5	28.3	29.3
Healthcare														
Alembic Phar	Neutral	495	510	3	21.6	19.8	25.5	22.9	25.0	4.9	4.3	23.0	18.4	20.5
Alkem Lab	Neutral	1,824	1,830	0	75.7	72.5	93.3	24.1	25.2	5.2	4.5	23.4	19.0	20.9
Ajanta Pharma	Buy	1,176	1,605	36	58.4	52.8	64.2	20.1	22.3	6.6	5.3	37.7	26.5	25.9
Aurobindo	Buy	745	850	14	39.3	44.9	50.0	19.0	16.6	4.7	3.7	27.6	24.8	22.1
Biocon	Sell	370	330	-11	10.2	9.7	14.2	36.3	38.1	4.6	4.2	12.3	11.1	14.5
Cadila	Buy	501	555	11	14.2	17.5	23.6	35.3	28.6	7.4	6.2	23.0	23.5	26.0
Cipla	Neutral	592	520	-12	15.9	21.1	26.0	37.2	28.1	3.8	3.4	10.2	12.1	13.2
Divis Lab	Neutral	872	720	-17	39.9	33.9	40.4	21.8	25.7	4.3	4.5	22.0	17.0	19.5
Dr Reddy's	Neutral	2,352	2,400	2	72.6	72.6	119.9	32.4	32.4	3.2	3.0	9.7	9.7	14.4
Fortis Health	Buy	152	220	45	10.3	2.2	5.6	14.7	69.5	1.6	1.4	11.3	2.1	4.9
Glenmark	Neutral	603	775	28	39.3	39.7	49.1	15.4	15.2	3.8	3.1	24.7	20.3	20.4
Granules	Buy	136	200	47	7.2	8.0	11.0	18.8	17.0	3.4	2.4	21.1	17.7	18.8
GSK Pharma	Neutral	2,453	2,500	2	34.4	46.8	54.9	71.4	52.4	10.4	12.1	14.5	23.0	30.9
IPCA Labs	Neutral	500	430	-14	16.1	16.6	26.8	31.1	30.2	2.6	2.4	8.6	8.2	12.2
Jubilant Life	Buy	656	905	38	37.0	47.1	56.7	17.7	13.9	3.0	2.5	18.1	19.5	19.6
Lupin	Buy	1,061	1,125	6	56.6	41.4	58.0	18.7	25.6	3.6	3.2	20.9	13.2	16.4
Sanofi India	Buy	4,220	4,850	15	129.1	133.6	160.6	32.7	31.6	5.6	5.2	17.1	16.6	18.1
Shilpa Medicare	Buy	685	805	18	14.0	21.1	30.4	48.8	32.4	6.0	5.1	14.4	17.0	20.4
Strides Shasun	Buy	867	1,300	50	32.3	47.4	74.8	26.9	18.3	2.9	2.5	10.7	14.7	20.2
Sun Pharma	Buy	535	515	-4	26.1	15.1	23.3	20.5	35.5	3.5	3.3	18.1	9.6	13.8
Syngene Intl	Not Rated	493	-		13.0	16.1	18.0	37.9	30.6	7.6	6.3	22.2	22.5	20.7
Torrent Pharma	Neutral	1,270	1,350	6	55.2	53.4	67.3	23.0	23.8	4.9	4.4	23.8	19.5	21.5
Aggregate								24.3	27.1	4.1	3.7	16.9	13.6	16.1
Logistics														
Allcargo Logistics	Buy	166	206	24	9.8	10.3	12.9	16.9	16.1	2.3	2.1	13.7	13.4	15.1
Blue Dart	Not Rated	4,106	-		102.5	129.9	163.2	40.0	31.6	17.8	13.5	50.5	48.6	46.8
Concor	Neutral	1,361	1,214	-11	38.0	42.4	48.6	35.8	32.1	3.7	3.6	10.8	11.4	12.4
Gateway Distriparks	Buy	239	280	17	6.8	8.8	12.2	35.1	27.2	2.6	2.4	7.3	9.2	12.1
Gati	Not Rated	117	-		8.4	15.9	23.9	13.9	7.4	1.9	1.7	12.4	19.4	25.4
Transport Corp.	Not Rated	280	-		16.9	21.0	25.9	16.5	13.3	2.6	2.2	16.7	17.8	18.6
Aggregate								31.1	26.3	3.8	3.5	12.3	13.5	15.1
Media														
Dish TV	Buy	72	106	48	1.0	1.0	2.4	69.9	70.6	15.6	12.8	25.1	19.9	35.2
D B Corp	Buy	371	450	21	20.4	23.7	28.0	18.2	15.6	4.3	3.5	25.1	24.7	23.9
Den Net.	Neutral	86	90	5	-9.3	-2.9	0.1	NM	NM	1.8	1.9	-19.1	-6.4	0.2
Ent.Network	Neutral	805	928	15	11.4	12.2	20.6	70.5	66.1	4.5	4.2	6.7	6.6	10.3
Hind. Media	Buy	249	350	41	25.8	28.5	33.6	9.6	8.8	1.6	1.3	18.2	16.5	16.6
HT Media	Neutral	94	90	-4	7.4	7.3	7.8	12.7	12.8	1.0	0.9	7.9	7.3	7.3
Jagran Prak.	Buy	174	225	29	10.7	12.2	13.4	16.3	14.2	2.6	2.7	18.5	18.6	19.0
Music Broadcast	Buy	395	469	19	6.4	9.3	14.0	61.5	42.4	4.1	3.7	11.2	9.3	12.4
PVR	Buy	1,403	1,597	14	20.5	26.5	43.6	68.4	52.9	6.8	6.1	10.4	12.1	17.3
Siti Net.	Neutral	25	32	30	-1.8	-0.4	0.4	NM	NM	4.0	4.3	-28.7	-7.5	6.4
Sun TV	Neutral	799	860	8	24.9	28.8	36.9	32.1	27.8	7.8	7.2	26.0	27.0	31.6
Zee Ent.	Buy	510	630	23	13.9	12.2	17.8	36.8	42.0	5.7	5.3	19.3	14.7	18.7

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								37.0	31.9	5.0	4.6	13.4	14.5	17.8
Metals														
Hindalco	Buy	266	308	16	8.6	19.8	24.5	31.1	13.4	2.0	1.8	7.4	14.3	15.4
Hind. Zinc	Neutral	320	322	0	19.7	22.4	29.3	16.3	14.3	4.4	4.7	24.4	31.8	37.9
JSPL	Buy	163	192	18	-20.9	-17.4	2.0	NM	NM	0.5	0.5	-7.9	-5.5	0.6
JSW Steel	Buy	254	298	18	14.8	22.3	25.7	17.1	11.4	2.7	2.3	17.3	21.6	20.8
Nalco	Neutral	85	87	2	3.7	4.5	5.8	22.9	19.0	1.6	1.5	7.2	8.3	10.1
NMDC	Buy	120	188	56	10.0	13.1	12.9	12.1	9.2	1.7	1.6	12.8	15.5	16.2
SAIL	Sell	58	30	-48	-6.2	-7.7	-4.2	NM	NM	0.6	0.7	-6.7	-9.1	-5.3
Vedanta	Buy	321	360	12	15.1	25.4	37.5	21.2	12.7	2.0	1.8	9.7	15.0	20.3
Tata Steel	Neutral	711	665	-6	37.9	66.9	63.4	18.7	10.6	2.2	1.9	15.7	19.1	15.9
Aggregate								23.6	15.0	1.8	1.7	7.6	11.5	14.1
Oil & Gas														
BPCL	Buy	489	644	32	48.3	49.2	52.0	10.1	9.9	3.1	2.6	32.4	28.5	25.2
GAIL	Sell	437	634	45	22.6	26.5	30.0	19.4	16.5	1.9	1.8	9.6	11.3	11.9
Gujarat Gas	Sell	883	712	-19	16.2	31.6	44.0	54.5	28.0	7.4	6.1	14.2	23.9	27.0
Gujarat St. Pet.	Neutral	196	180	-8	8.8	12.1	13.3	22.3	16.2	2.5	2.2	11.6	14.3	14.1
HPCL	Buy	460	585	27	40.7	45.9	42.9	11.3	10.0	3.4	2.8	32.4	31.0	24.2
IOC	Buy	414	559	35	43.0	51.1	46.5	9.6	8.1	1.9	1.6	21.2	21.9	17.4
IGL	Neutral	1,523	1,295	-15	44.0	49.6	54.8	34.6	30.7	7.3	6.2	21.0	21.7	20.4
MRPL	Sell	130	112	-14	14.8	10.7	11.6	8.8	12.2	2.3	2.0	31.4	17.3	16.5
Oil India	Buy	349	340	-3	19.3	29.1	34.1	18.1	12.0	1.0	0.9	5.7	7.9	8.8
ONGC	Buy	170	190	12	16.4	17.8	19.2	10.4	9.5	1.0	1.0	10.1	10.2	10.5
PLNG	Buy	251	275	10	11.4	14.1	18.0	22.1	17.8	4.7	3.9	23.2	23.9	25.5
Reliance Ind.	Neutral	877	938	7	48.3	54.7	62.6	18.1	16.0	1.9	1.7	11.6	11.7	12.1
Aggregate								13.6	12.1	1.8	1.6	13.2	13.5	13.0
Retail														
Jubilant Food	Sell	1,513	960	-37	10.0	14.8	20.7	151.2	102.2	12.4	11.4	8.2	11.1	14.0
Titan Co.	Neutral	625	590	-6	9.0	10.5	12.6	69.3	59.8	13.1	12.0	20.6	21.0	22.2
Aggregate								75.2	63.6	13.0	11.9	17.2	18.6	19.6
Technology														
Cyient	Buy	539	600	11	30.6	36.0	41.9	17.6	15.0	2.9	2.6	16.2	17.4	18.3
HCL Tech.	Neutral	924	950	3	59.8	63.5	68.9	15.4	14.5	3.9	3.4	27.5	25.5	24.6
Hexaware	Neutral	275	250	-9	13.7	15.6	16.5	20.1	17.6	4.9	4.2	26.5	25.6	23.1
Infosys	Buy	932	1,050	13	62.9	62.3	66.3	14.8	15.0	3.1	2.8	22.0	19.6	19.1
KPIT Tech	Neutral	128	140	10	11.9	10.8	13.6	10.7	11.8	1.6	1.5	14.3	13.3	14.7
L&T Infotech	Buy	812	880	8	55.5	60.9	65.3	14.6	13.3	5.1	3.9	40.4	33.3	28.3
Mindtree	Neutral	484	450	-7	24.9	28.4	32.9	19.5	17.1	3.2	3.1	16.8	17.2	20.1
Mphasis	Neutral	642	610	-5	38.9	40.2	43.0	16.5	16.0	2.2	2.3	13.2	14.4	16.2
NIIT Tech	Neutral	623	540	-13	38.0	43.3	50.8	16.4	14.4	2.2	2.1	13.7	14.7	16.0
Persistent Sys	Buy	657	750	14	37.7	42.9	51.9	17.4	15.3	2.7	2.6	17.0	17.7	20.6
Tata Elxsi	Buy	862	996	15	28.1	33.8	40.2	30.6	25.5	9.6	7.7	37.1	33.6	32.4
TCS	Neutral	2,557	2,450	-4	133.4	131.8	151.4	19.2	19.4	5.7	6.1	32.6	30.6	33.5
Tech Mah	Buy	475	490	3	30.9	34.8	37.3	15.4	13.6	2.5	2.3	18.4	17.9	17.1
Wipro	Neutral	292	270	-7	16.9	18.2	19.5	17.3	16.0	2.8	2.7	16.9	16.2	16.4
Zensar Tech	Buy	761	950	25	52.1	51.5	70.0	14.6	14.8	2.3	2.1	17.2	14.9	17.9
Aggregate								17.1	17.0	3.9	3.9	22.9	22.7	22.1
Telecom														
Bharti Airtel	Buy	432	470	9	11.1	2.4	3.2	38.8	180.1	2.6	2.5	6.7	1.4	1.9
Bharti Infratel	Buy	450	440	-2	14.9	17.3	19.7	30.3	26.0	5.4	5.4	16.2	20.7	23.2
Idea Cellular	Buy	79	105	33	-1.1	-15.5	-14.9	NM	NM	1.2	1.5	-1.6	-25.6	-32.6
Tata Comm	Buy	690	775	12	27.2	8.3	25.4	25.3	83.4	12.4	10.8	132.2	13.8	33.1
Aggregate								38.1	-237.7	2.6	2.8	6.9	-1.2	0.3
Utilities														
Coal India	Buy	288	335	16	14.9	17.5	20.7	19.3	16.5	7.3	7.0	37.8	42.4	47.7

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
CESC	Buy	1,043	1,360	30	51.9	88.9	99.3	20.1	11.7	1.3	1.2	6.5	10.6	10.8
JSW Energy	Sell	80	49	-39	3.8	3.3	2.7	20.8	23.9	1.3	1.2	6.3	5.3	4.2
NTPC	Buy	176	211	20	12.0	13.5	15.7	14.7	13.1	1.5	1.4	10.5	11.0	11.9
Power Grid	Buy	206	262	27	14.2	17.4	20.6	14.4	11.8	2.2	1.9	16.2	17.3	17.8
Tata Power	Sell	82	71	-13	7.4	7.3	7.3	11.0	11.3	1.9	1.7	17.1	15.8	14.2
Aggregate								16.3	13.8	2.4	2.2	14.5	15.7	16.8
Others														
Arvind	Neutral	389	376	-3	12.4	12.9	18.6	31.4	30.1	2.8	2.6	10.3	9.1	12.0
Avenue Supermarts	Neutral	1,234	882	-29	7.7	12.7	17.6	160.9	97.1	20.0	17.5	17.9	19.3	23.0
Bata India	Under Review	788	-		13.5	15.7	19.4	58.3	50.2	7.7	6.8	13.9	14.4	15.8
BSE	Neutral	977	1,100	13	41.0	42.2	44.6	23.8	23.2	2.0	2.0	8.3	8.5	7.7
Castrol India	Buy	368	467	27	13.6	12.6	13.3	27.0	29.1	30.5	27.7	115.2	99.8	95.8
Century Ply.	Neutral	268	323	20	8.7	9.8	12.9	30.8	27.3	8.3	6.9	31.1	27.7	29.6
Coromandel Intl	Buy	482	523	8	16.6	24.1	29.0	29.0	20.0	4.9	4.2	17.5	22.5	23.4
Delta Corp	Buy	228	232	2	3.1	5.6	7.7	74.7	40.9	5.7	3.9	8.1	11.9	12.4
Dynamatic Tech	Buy	2,105	3,334	58	67.6	112.9	166.7	31.1	18.6	4.3	3.5	15.1	20.7	24.3
Eveready Inds.	Buy	340	358	5	12.9	13.6	16.3	26.4	25.0	8.5	7.0	37.7	30.8	30.1
Interglobe	Neutral	1,128	1,142	1	43.2	55.2	81.6	26.1	20.4	11.5	6.6	51.0	41.1	46.6
Indo Count	Neutral	111	118	7	13.0	8.9	10.8	8.5	12.4	2.6	2.1	34.8	18.6	18.3
Info Edge	Buy	1,071	1,130	5	15.7	21.8	24.7	68.4	49.2	6.6	6.0	10.2	12.7	13.1
Inox Leisure	Sell	243	240	-1	3.3	8.0	12.0	72.9	30.3	4.2	3.7	5.9	12.5	16.2
Jain Irrigation	Under Review	93	-		5.5	7.6	10.0	16.8	12.2	1.4	1.4	8.6	11.7	14.8
Just Dial	Neutral	412	465	13	17.5	18.5	21.1	23.6	22.3	3.2	2.8	14.8	13.4	13.7
Kaveri Seed	Buy	551	738	34	19.1	34.1	41.0	28.9	16.1	3.7	4.0	13.6	23.3	27.4
Kitex Garm.	Buy	221	394	78	18.6	22.1	26.2	11.9	10.0	3.2	2.6	29.8	28.6	27.6
Manpasand	Buy	447	534	19	6.3	9.7	15.3	70.4	45.9	4.4	4.1	7.3	8.2	13.4
MCX	Buy	1,133	1,230	9	24.8	29.4	40.7	45.6	38.6	4.3	4.0	9.9	10.7	13.9
Monsanto	Buy	2,489	3,295	32	86.2	105.0	126.6	28.9	23.7	8.1	7.3	31.5	32.5	34.5
Navneet Education	Buy	170	209	23	7.3	8.4	10.4	23.3	20.1	5.7	4.9	26.7	26.3	27.9
Qess Corp	Buy	824	990	20	10.0	19.1	27.8	82.4	43.2	11.2	4.8	19.0	15.6	15.0
PI Inds.	Buy	752	894	19	33.4	30.4	35.8	22.5	24.7	6.4	5.3	32.8	23.4	22.9
Piramal Enterp.	Buy	2,744	3,266	19	72.6	104.6	149.7	37.8	26.2	3.2	2.9	9.0	11.7	15.3
SRF	Buy	1,730	1,751	1	85.9	80.2	103.0	20.1	21.6	3.2	2.9	16.6	13.7	16.0
S H Kelkar	Buy	277	298	8	7.2	7.6	9.9	38.2	36.4	4.9	4.5	13.7	12.9	15.2
Symphony	Sell	1,407	1,288	-8	23.7	35.1	42.9	59.5	40.1	22.1	19.4	43.3	51.6	54.5
Team Lease Serv.	Buy	1,615	1,990	23	38.8	36.8	56.0	41.6	43.8	7.2	6.2	19.2	15.3	19.5
Trident	Buy	98	114	17	6.6	8.3	10.4	14.8	11.8	1.8	1.6	13.0	14.5	16.1
TTK Prestige	Neutral	6,019	5,281	-12	132.1	137.8	176.1	45.6	43.7	8.2	7.5	19.5	18.0	20.7
V-Guard	Neutral	192	167	-13	3.6	4.5	6.0	53.7	42.8	12.8	10.5	27.4	26.9	28.8
Wonderla	Buy	369	393	6	7.0	11.9	16.0	52.8	30.9	4.8	4.3	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	-0.6	-11.8	-33.5
Ashok Ley.	-0.1	6.5	57.9
Bajaj Auto	0.3	8.0	12.1
Bharat Forge	-1.3	4.4	39.6
Bosch	2.1	-2.1	-5.2
CEAT	0.0	-1.8	24.6
Eicher Mot.	0.3	-2.6	21.6
Endurance Tech.	2.7	9.2	
Escorts	1.3	6.3	84.0
Exide Ind	-0.4	-5.9	9.2
Hero Moto	0.3	-3.6	7.5
M&M	-0.9	1.7	-3.1
Mahindra CIE	0.1	-3.2	24.5
Maruti Suzuki	-0.4	-3.1	37.5
Tata Motors	1.0	8.9	-22.0
TVS Motor	0.4	9.6	82.0
Banks - Private			
Axis Bank	0.9	6.1	2.1
DCB Bank	1.4	1.9	55.0
Equitas Hold.	0.4	-8.6	-11.9
Federal Bank	-0.7	3.7	66.1
HDFC Bank	2.1	0.6	46.6
ICICI Bank	1.4	-7.0	23.8
IDFC Bank	-0.1	0.9	-20.1
IndusInd	0.4	0.4	43.6
J&K Bank	-0.1	-8.8	-2.0
Kotak Mah. Bk	2.2	6.1	40.3
RBL Bank	0.3	-3.1	68.8
South Indian	3.3	12.5	55.6
Yes Bank	1.2	0.4	47.3
Banks - PSU			
BOB	0.7	-3.0	-9.5
BOI	2.3	-8.8	22.5
Canara	1.3	-9.4	2.1
IDBI Bk	1.5	-4.8	-23.1
Indian Bk	0.4	-3.4	30.8
OBC	0.8	-12.2	-6.9
PNB	1.0	-5.5	-2.1
SBI	0.3	-7.6	1.1
Union Bk	0.9	-6.1	-10.2
NBFCs			
Bajaj Fin.	0.2	2.6	85.3
Bharat Fin.	0.4	5.3	13.8
Capital First	-0.5	-5.7	1.7
Cholaman.Inv.&Fn	-1.4	-2.9	-4.4
Dewan Hsg.	0.9	-2.8	89.1
GRUH Fin.	-0.4	-0.1	46.3
HDFC	0.6	-0.7	31.9
Indiabulls Hsg	1.0	1.2	55.8
L&T Fin.Holdings	0.7	1.1	121.1
LIC Hsg Fin	0.0	-1.4	11.7
Manappuram	2.6	-3.1	11.4
M&M Fin.	-0.5	-4.8	13.3
Muthoot Fin	0.4	-2.3	44.6
PNB Housing	-0.5	-10.1	
PFC	2.9	-3.8	0.5
Repc Home	-0.9	-4.1	-15.5
REC	1.2	-9.3	19.3
STF	-0.5	3.0	-4.9
Shriram City Union	5.1	-0.2	-9.5

Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	-1.0	-2.8	16.0
Bharat Elec.	1.2	-3.6	51.1
BHEL	-0.2	-4.4	-4.3
Blue Star	-0.5	-1.3	38.0
CG Cons. Elec.	-0.3	-5.1	17.1
CG Power & Inds Sol.	-0.2	-8.3	4.2
Cummins	1.6	-2.2	3.9
GE T&D	0.0	-5.8	10.6
Havells	1.7	7.8	22.4
K E C Intl	-0.6	-6.4	141.7
L&T	-0.4	-6.9	18.9
Pennar Eng.	0.4	-11.6	-45.5
Siemens	-0.4	-7.2	1.4
Solar Ind	-1.1	10.1	48.0
Suzlon Energy	-1.6	-9.1	5.6
Thermax	0.8	3.4	4.1
Va Tech Wab.	-0.4	-8.2	4.1
Voltas	-0.6	-3.1	39.8
Cement			
Ambuja Cem.	0.0	-2.9	9.8
ACC	1.4	-4.0	8.2
Birla Corp.	-0.4	5.7	34.7
Dalmia Bharat	0.2	-1.9	45.3
Grasim Inds.	0.7	-6.9	38.1
India Cem	0.6	-4.8	16.6
J K Cements	-2.1	-9.3	1.7
JK Lakshmi Ce	0.2	-9.5	-20.2
Ramco Cem	-0.5	-8.0	9.1
Orient Cem	3.0	-3.8	-18.4
Prism Cem	-1.0	-1.8	-2.2
Shree Cem	0.0	-1.5	6.7
Ultratech	2.1	-4.1	0.5
Consumer			
Asian Paints	1.0	-6.4	-3.2
Britannia	0.4	5.8	37.6
Colgate	-1.6	-4.5	16.7
Dabur	-1.1	4.5	13.8
Emami	0.0	-2.1	-0.3
Godrej Cons.	-0.3	3.4	23.9
GSK Cons.	-1.0	-2.8	-20.4
HUL	0.7	-0.3	44.6
ITC	-0.4	-2.1	11.2
Jyothy Lab	-0.6	-5.6	8.7
Marico	-1.1	-6.3	14.2
Nestle	-0.5	1.2	12.2
Page Inds	0.1	0.5	19.0
Parag Milk	-1.9	6.1	-10.8
Pidilite Ind.	0.1	-3.0	11.3
P&G Hygiene	0.7	4.3	30.5
Prabhat Dairy	1.3	12.4	26.8
United Brew	-1.0	8.0	-10.8
United Spirits	-0.7	-8.4	-0.8
Healthcare			
Alembic Phar	0.2	-3.0	-27.2
Alkem Lab	-0.4	1.6	9.5
Ajanta Pharma	1.8	-2.0	-39.1
Aurobindo	0.0	-1.9	-9.2
Biocon	-0.3	9.2	18.1
Cadila	0.0	4.2	27.0
Cipla	0.3	6.8	1.8



Company	1 Day (%)	1M (%)	12M (%)
Divis Lab	-1.2	5.2	-29.9
Dr Reddy's	-1.2	6.4	-22.9
Fortis Health	1.1	0.5	-10.4
Glenmark	-0.2	1.4	-32.9
Granules	1.4	8.5	14.2
GSK Pharma	1.1	1.5	-16.2
IPCA Labs	-0.1	4.7	-18.5
Jubilant Life	-0.8	-7.1	1.8
Lupin	0.2	7.0	-28.3
Sanofi India	-0.6	3.9	0.2
Shilpa Medicare	-1.7	16.3	20.8
Strides Shasun	0.4	-9.2	-11.3
Sun Pharma	-0.9	6.3	-27.8
Syngene Intl	0.5	5.7	-1.7
Torrent Pharma	-0.7	4.7	-22.1
Logistics			
Allcargo Logistics	0.4	-3.7	-5.5
Blue Dart	-1.7	-2.1	-23.0
Concor	0.3	-0.7	25.0
Gateway Distriparks	0.3	1.9	-6.0
Gati	2.5	0.1	-11.1
Transport Corp.	2.8	-3.7	57.1
Media			
Dish TV	-0.6	-9.4	-23.3
D B Corp	-1.2	1.6	-6.5
Den Net.	-0.8	-4.8	21.5
Ent.Network	1.7	-4.8	-1.4
Hind. Media	0.8	-4.0	-15.8
HT Media	-1.3	-3.0	9.8
Jagran Prak.	-3.0	-3.0	-12.8
Music Broadcast	-1.0	-1.2	
PVR	3.9	6.0	17.9
Siti Net.	-1.0	-4.1	-28.0
Sun TV	0.7	-1.8	49.0
Zee Ent.	-1.4	-4.2	-6.7
Metals			
Hindalco	1.0	7.3	71.7
Hind. Zinc	1.8	4.4	43.9
JSPL	0.6	14.7	109.2
JSW Steel	-0.9	-3.9	43.3
Nalco	-1.4	3.5	68.0
NMDC	0.8	-9.6	2.6
SAIL	2.8	-6.6	19.6
Vedanta	0.5	-1.7	64.4
Tata Steel	2.9	4.5	71.7
Oil & Gas			
BPCL	-0.4	-2.2	14.4
GAIL	-2.1	7.2	40.8
Gujarat Gas	-0.7	6.0	54.2
Gujarat St. Pet.	-0.5	-0.4	29.3
HPCL	0.7	0.5	60.3
IOC	-0.1	-0.4	32.4
IGL	-0.1	8.8	80.2
MRPL	0.4	-3.2	39.2
Oil India	0.8	8.0	12.5
ONGC	0.1	5.5	-6.2
PLNG	-0.8	7.2	31.9
Reliance Ind.	0.5	3.3	65.8
Retail			
Jubilant Food	0.7	14.5	46.0
Titan Co.	0.3	-0.8	60.8

Company	1 Day (%)	1M (%)	12M (%)
Technology			
Cyient	3.2	2.6	0.1
HCL Tech.	1.2	6.0	15.0
Hexaware	0.3	-0.2	50.4
Infosys	0.5	5.5	-11.4
KPIT Tech	-2.1	5.1	-0.7
L&T Infotech	0.4	6.3	34.3
Mindtree	0.8	9.2	-1.1
Mphasis	1.6	6.3	18.0
NIIT Tech	1.7	24.5	48.0
Persistent Sys	0.0	6.2	-2.9
Tata Elxsi	1.2	-5.1	30.2
TCS	0.3	2.8	9.8
Tech Mah	0.2	8.1	12.9
Wipro	-0.2	-1.4	22.3
Zensar Tech	2.4	-5.4	-24.5
Telecom			
Bharti Airtel	7.9	7.6	40.8
Bharti Infratel	4.1	21.5	20.3
Idea Cellular	5.9	-4.5	3.8
Tata Comm	0.3	1.0	6.2
Utilities			
Coal India	2.0	12.5	-8.8
CESC	0.1	-0.2	73.6
JSW Energy	-1.5	3.7	13.8
NTPC	-0.4	4.2	21.9
Power Grid	1.4	-3.8	17.8
Tata Power	-0.1	-3.8	4.7
Others			
Arvind	-1.3	-5.4	12.5
Avenue Super.	-2.8	13.2	
Bata India	1.8	10.8	59.2
BSE	-0.3	-4.1	
Castrol India	-0.9	-5.7	-20.7
Century Ply.	-0.4	7.3	5.3
Coromandel Intl	-0.5	14.1	80.6
Delta Corp	-1.1	17.8	35.5
Dynamatic Tech	-0.9	-14.1	-35.3
Eveready Inds.	1.9	11.5	32.3
Interglobe	-0.4	-5.7	20.5
Indo Count	-0.9	-10.5	-21.0
Info Edge	1.9	4.0	19.4
Inox Leisure	3.8	3.7	-8.2
Jain Irrigation	-0.5	-11.7	-0.2
Just Dial	0.3	5.7	-9.4
Kaveri Seed	1.4	-3.6	32.8
Kitex Garm.	1.2	-5.2	-28.2
Manpasand	-0.4	0.1	26.5
MCX	0.2	1.2	-14.0
Monsanto	-0.3	-2.0	4.2
Navneet Educat.	1.0	0.8	69.9
PI Inds.	-0.1	0.7	-7.7
Piramal Enterp.	0.1	-0.4	52.9
Quess Corp	-0.1	-1.8	40.2
SRF	-1.8	10.3	-7.8
S H Kelkar	-1.5	4.7	-6.7
Symphony	-0.2	0.3	22.6
Team Lease Serv.	1.3	0.5	57.4
Trident	-1.9	0.4	79.4
TTK Prestige	0.6	-5.1	7.6
V-Guard	0.1	-0.9	48.3
Wonderla	0.7	4.6	-6.8

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Motilal Oswal Annual Report Threadbare

30 December 2017

ALROBIPOO PHARMA FY17

Alrobiipo Pharma FY17 annual report highlights a year of accelerating growth. FY17 revenue grew 42% to INR 1,166.57 crore from INR 819.21 crore in FY16. Earnings before tax increased 55% to INR 165.57 crore from INR 106.78 crore. Net profit after tax grew 60% to INR 101.57 crore from INR 63.48 crore. The improvement was primarily due to increase in manufacturing of drugs. Manufacturing revenue rose 57% to INR 605.20 crore. Trade revenue contributed 41% of the year end result. At end of FY, the total cash and receivable from bank, notes held (excluding bank overdrafts) stood at INR 1,070.20 crore. Long term debt stood at INR 1,300.00 crore. Net debt stood at INR 229.80 crore. Equity stood at INR 840.40 crore. Net worth stood at INR 610.60 crore. Dividend stood at INR 20.00 crore.

The ART of Annual Report Threadbare

ART stands for Annual Report Threadbare. It is a report on the financial performance of the company. It is a report on the financial performance of the company. It is a report on the financial performance of the company.

Key Highlights:

- Revenue grew 42% to INR 1,166.57 crore from INR 819.21 crore in FY16.
- Earnings before tax increased 55% to INR 165.57 crore from INR 106.78 crore.
- Net profit after tax grew 60% to INR 101.57 crore from INR 63.48 crore.
- Manufacturing revenue rose 57% to INR 605.20 crore.
- Trade revenue contributed 41% of the year end result.
- Total cash and receivable from bank, notes held (excluding bank overdrafts) stood at INR 1,070.20 crore.
- Long term debt stood at INR 1,300.00 crore.
- Net debt stood at INR 229.80 crore.
- Equity stood at INR 840.40 crore.
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India Inc on Call

India Inc on Call is a quarterly report on the financial performance of the company. It is a report on the financial performance of the company. It is a report on the financial performance of the company.

Key Highlights:

- Revenue grew 42% to INR 1,166.57 crore from INR 819.21 crore in FY16.
- Earnings before tax increased 55% to INR 165.57 crore from INR 106.78 crore.
- Net profit after tax grew 60% to INR 101.57 crore from INR 63.48 crore.
- Manufacturing revenue rose 57% to INR 605.20 crore.
- Trade revenue contributed 41% of the year end result.
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Motilal Oswal VOICES

30 December 2017

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Motilal Oswal EcoKnowLedger

30 December 2017

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Motilal Oswal The CornerOffice

30 December 2017

Confidence on long term prospects intact

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Motilal Oswal BULLS & BEARS

30 December 2017

INDIA VALUATIONS HANDBOOK

Highlights of August edition

- Nifty down 1.8% in August – Just two months of negative return in CY17
- Global Cyclical outperforms PSU
- Banks underperform
- Technology stocks near historical averages, cheap month led by Infosys
- EB selling of US02b during the month

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Motilal Oswal FUND FOLIO

30 December 2017

Indian Mutual Fund Tracker

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