

Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	27,288	0.2	2.5
Nifty-50	8,413	0.1	2.8
Nifty-M 100	15,239	0.4	6.2
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,275	0.0	1.6
Nasdaq	9,292	-0.9	0.4
FTSE 100	7,327	-0.1	2.6
DAX	11,555	-0.6	0.6
Hang Seng	9,666	-1.2	2.9
Nikkei 225	19,095	-1.0	-0.1
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	55	-0.6	-1.1
Gold (\$/OZ)	1,203	0.5	4.4
Cu (US\$/MT)	5,844	-0.7	5.8
Almn (US\$/MT)	1,798	-0.7	5.5
Currency	Close	Chg. %	YTD.%
USD/INR	68.1	-0.1	0.3
USD/EUR	1.1	-0.5	0.7
USD/JPY	114.2	-0.3	-2.4
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.4	0.0	-0.1
10 Yrs AAA Corp	7.5	-0.3	-0.1
Flows (USD b)	16-Jan	MTD	CY16
FII	-0.1	-0.5	2.9
DII	0.0	0.5	5.3
Volumes (INRb)	16-Jan	MTD*	CY16*
Cash	183	203	220
F&O	3,155	3,469	3,447

Note: YTD is calendar year, \*Avg

Quote of the day

Diversification may preserve wealth, but concentration builds wealth



Today's top research ideas

Reliance Industries reported in line SA PAT of INR80b, maintain Neutral with target of INR1,057

- RIL reported 3QFY17 standalone EBITDA lower than our estimates at INR106b (+3% YoY and flat QoQ) due to lower than estimated GRM and higher opex.
- PAT at INR80b (+11% YoY and +4% QoQ) was in line with our estimates due to higher other income and lower interest cost.
- Jio (telecom) has garnered 72.4m subscribers and commercial launch will depend on resolution of interconnect issues.
- Management guides for further delays in ROGC (mechanical completion by 1QFY18) and petcoke gasifier projects (mechanical completion by June 2017). Key drivers for stock performance in the near term would be core projects commissioning and subscriber ramp-up and ARPU in telecom.



Research covered

Cos/Sector	Key Highlights	Est Chg
Reliance Industries	Expect further delays in core projects; Further capex in RJio	↔
LIC Housing Finance	Strong performance in non-retail segments drives growth & margins	↔
DCB Bank	Healthy margin performance; GNPA down QoQ led by sale to ARC	↔
Capita Goods	Energy Efficiency Services Limited order tracker	↔
Metals Weekly	Base metals up 4-9% WoW	↔
FUND FOLIO	Jan-17 - Indian Mutual Fund Tracker—Decoding an eventful year	↔



Piping hot news

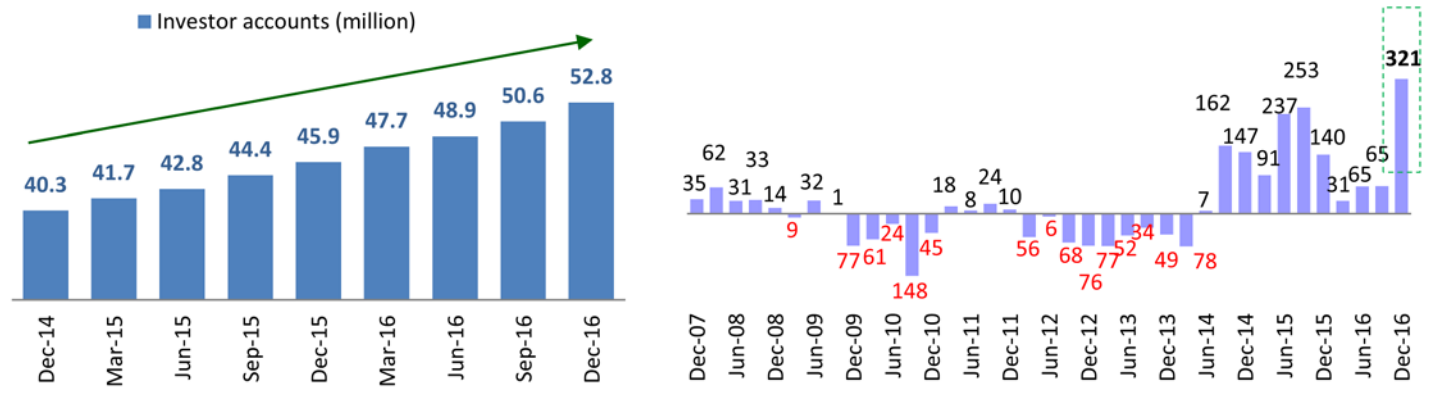
GST set for July 1 roll-out, dual control hurdle over

- The Goods and Services Tax (GST) Council on Monday broke a deadlock over issues of administrative control over assesseees and broadly agreed to roll out the GST from July 1, instead of the earlier deadline of April 1. Whether a state or the Centre will assess an entity would be decided by a computer programme. The Council also resolved a logjam over the right to tax economic activities within 12 nautical miles from India's coasts.



Chart of the Day: 6.9m investors opened mutual fund accounts over the last 12 months

6.9m investors opened mutual fund accounts over the last 12 months Domestic MFs' investments in equity market (INR b)



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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 numbers for the detailed news link

1

**Rating upgrade for Ramdev's Patanjali**

For the first time, Patanjali Ayurved, co-founded by yoga guru Ramdev and his deputy, Balkrishna, has got a rating upgrade. ICRA has revised its long-term rating upgrade for the company from the earlier 'A-' to one of 'A+', for Rs 300 crore of fund-based facilities...

2

**WPI inflation rises to 3.39% in December 2016**

The Wholesale Price Index (WPI)-based inflation for December rose to 3.39 per cent from 3.15 per cent in November, with rising prices of petrol and diesel. In December 2015, WPI inflation was a negative 1.06 per cent. Data from the commerce ministry showed while food prices fell in December by 0.7 per cent, compared with a rise of 1.54 per cent in November, diesel rose 20.25 per cent and petrol by 8.52 per cent. The overall inflation index of the fuel and power segment rose 8.65 per cent. This rise in the December WPI is in contrast to a marginal deceleration of the Consumer Price Index (CPI) for the month.

3

**RIL to pump Rs. 30,000 cr into Jio**

In a bid to improve coverage and address quality issues, Reliance Industries will invest an additional Rs. 30,000 crore to ramp up telecom arm Jio's network. These investments are proposed to be financed largely through an equity offering, via a rights issue...

4

**Incentivise supply of affordable housing, says Gruh Finance MD**

Despite a series of rate-cut announcements by public and private sector lenders after Prime Minister Narendra Modi's push for affordable housing, home loan growth may continue to face critical challenges amid lack of incentives to create adequate supply...

5

**Demonetisation hits Indian economy; IMF cuts FY18 growth 100bps, 40bps on note ban alone, to 6.6%**

The International Monetary Fund on Monday slashed India's gross domestic product (GDP) growth forecast by 100 basis points (bps) to 6.6% in FY17 and by 40 bps to 7.2% in FY18, citing a consumption slump after the demonetisation of high-value notes. The downward revision, if it translates into reality, will let China reclaim, albeit temporarily, the fastest growing major economy tag from India...

6

**Mangalore Refinery and Petrochemicals sets out massive expansion drive, to invest Rs 24,000 cr**

Mangalore Refinery and Petrochemicals Limited (MRPL), a subsidiary of ONGC, is embarking on a fourth phase expansion involving a massive investment of R24,000 crore. The company currently operates a 15 million metric tonnes per annum...

7

**Narendra Modi government targets 300 mn tonnes steel production, all set to invest whopping Rs 10 lakh crore**

The government aspires to enhance the country's steel production capacity to 300 million tonnes (mt) by 2030-31 from around 125 mt now with a projected investment of R10 lakh crore even as it, in the draft New Steel Policy (NSP)...



# Reliance Industries

<b>BSE SENSEX</b>	<b>S&amp;P CNX</b>
27,288	8,413
Bloomberg	RIL IN
Equity Shares (m)	3,242.4
M.Cap.(INRb)/(USDb)	3,520 / 52.0
52-Week Range (INR)	1129 / 889
1, 6, 12 Rel. Per (%)	-1/8/-11
Avg Val, INRm	3865
Free float (%)	54.9

**CMP: INR1,077 TP: INR1,057 (-2%) Neutral**

## Financials & Valuations (INR b)

Y/E March	2016	2017E	2018E
Net Sales	2,331.6	2,376.9	2,756.6
EBITDA	401.4	421.3	468.0
Net Profit	274.2	292.3	318.2
Adj. EPS (INR)	93.0	99.2	107.9
EPS Gr. (%)	20.5	6.6	8.9
BV/Sh. (INR)	814.7	899.7	992.1
RoE (%)	12.0	11.6	11.4
RoCE (%)	8.9	9.2	9.6
Payout (%)	13.5	14.4	14.4

Valuations			
P/E (x)	11.6	10.9	10.0
P/BV (x)	1.3	1.2	1.1
EV/EBITDA (x)	10.4	8.9	7.2
EV/Sales (x)	1.8	1.6	1.2

Estimate change	↔
TP change	↔
Rating change	↔

Reliance Industries' (RIL) reported 3QFY17 standalone EBITDA lower than our estimates at INR106b (+3% YoY and flat QoQ) due to lower than estimated GRM and higher opex. PAT at INR80b (+11% YoY and +4% QoQ) was in line with our estimates due to higher other income and lower interest cost. Jio (telecom) has garnered 72.4m subscribers and commercial launch will depend on resolution of interconnect issues. Management guides for further delays in ROGC (mechanical completion by 1QFY18) and petcoke gasifier projects (mechanical completion by June 2017). Key drivers for stock performance in the near term would be core projects commissioning and subscriber ramp-up and ARPU in telecom.

**Marginal decline in EBITDA:** Refining EBIT stood at INR61.3b (-3% YoY, +4% QoQ). 3QFY17 GRM stood at USD10.8/bbl (-6% YoY, +7% QoQ). Petchem EBIT at INR33.6b (+30% YoY, -3% QoQ) with EBIT margin at 15.5% (16.3% in 2QFY17) was lower QoQ primarily due to demonetization affecting demand.

### Expect further delay in gasifier; voice issue solution to decide Jio comm. launch

- **ROGC by 1QFY18:** ROGC has achieved 96% mechanical completion and is expected to be 100% complete by 1QFY18. Expect ramp up to start from 2QFY18. Petcoke gasifier is expected to be mechanically completed by June 2017. We expect another 3-6months for full utilization.
- **Jio capex reaches INR 1.71t:** Capex to date has reached INR1.71t. The company recently announced additional INR 300b. Jio's user base has reached 72.4m in December 2016. Commercial launch will be after resolution of voice interconnect issues. The company still sees 2-20% call failure.
- **Domestic E&P continues to shrink:** KG-D6 gas prodn at 7.5mmscmd (-30% YoY and -2.6% QoQ) and shale at 37.5bcfe (-31% YoY and -9.4% QoQ). KG field development is on cards but subject to arbitration resolution and plan approvals.
- **3QFY17 capex at INR380b;** cons. net debt at INR1,943b (vs INR1,804b in 2QFY17).
- **Valuation and view:** On FY19E basis, the stock trades at 9.5x adj. SA EPS of INR113 and EV/EBITDA of 6.3x. Our SOTP-based fair value stands at INR1,057/share. Maintain Neutral.

## Standalone - Quarterly Earning Model

Y/E March	(INR Million)											
	FY16				FY17				FY16	FY17E	3QFY17	Var v/s
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	658,170	608,170	565,670	499,570	534,960	595,770	618,060	628,122	2,331,580	2,376,912	640,982	-3.6
YoY Change (%)	-31.7	-37.0	-29.5	-10.9	-18.7	-2.0	9.3	25.7	-29.1	1.9	13.3	
Total Expenditure	565,100	509,840	462,950	392,300	426,790	490,220	512,020	526,583	1,930,190	1,955,613	521,258	-1.8
EBITDA	93,070	98,330	102,720	107,270	108,170	105,550	106,040	101,539	401,390	421,299	119,725	-11.4
Margins (%)	14.1	16.2	18.2	21.5	20.2	17.7	17.2	16.2	17.2	17.7	18.7	
Depreciation	22,650	23,720	24,050	25,240	19,500	20,290	20,770	25,613	95,660	86,173	25,613	-18.9
Interest	5,970	6,940	6,090	5,540	9,240	6,330	9,310	10,820	24,540	35,700	10,820	-14.0
Other Income	18,180	16,170	22,890	18,580	20,330	22,800	30,250	25,844	75,820	99,224	22,000	37.5
PBT	82,630	83,840	95,470	95,070	99,760	101,730	106,210	90,950	357,010	398,650	105,291	0.9
Tax	19,450	18,230	23,290	21,870	24,280	24,690	25,990	20,009	82,840	94,969	25,270	2.8
Rate (%)	24	22	24	23	24	24	24	22	23	24	24	
Adj PAT	63,180	65,610	72,180	73,200	75,480	77,040	80,220	70,941	274,170	303,681	80,021	0.2
YoY Change (%)	11.8	14.2	41.9	17.3	19.5	17.4	11.1	-3.1	20.7	10.8	10.9	
Margins (%)	9.6	10.8	12.8	14.7	14.1	12.9	13.0	11.3	11.8	12.8	12.5	

Key Assumptions			
Refining throughput (mn)	16.6	17.1	18.0
GRM (USD/bbl)	10.4	10.6	11.5
Petchem EBITDA/tonne (	273.2	259.9	260.8
Petchem volumes (mmt)	1.9	2.1	2.1

E: MOSL Estimates



# LIC Housing Finance

<b>BSE SENSEX</b>	<b>S&amp;P CNX</b>
27,288	8,413
<b>Bloomberg</b>	<b>LICHF IN</b>
Equity Shares (m)	505.0
M.Cap.(INR b)/(USD b)	263.1/3.9
52-Week Range (INR)	624 / 389
1, 6, 12 Rel. Per (%)	-5/8/4
Avg Val. (INR m)	1231
Free float (%)	59.7

## Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
NII	29.4	36.4	41.7
PPP	27.1	32.4	37.4
Adj. PAT	16.6	19.3	23.7
Adj. EPS (INR)	32.9	38.3	46.9
EPS Gr. (%)	23.3	16.5	22.3
BV/Sh (INR)	181.1	211.8	249.4
RoAA (%)	1.5	1.5	1.6
RoE (%)	19.6	19.5	20.3
Payout (%)	19.4	19.7	19.7
<b>Valuations</b>			
P/E (x)	15.8	13.6	11.1
P/BV (x)	2.9	2.5	2.1
Div. Yield (%)	1.1	1.3	1.5

**CMP: INR540**

**TP: INR693 (+33%)**

**Buy**

- LIC Housing Finance (LICHF) reported 3QFY17 net profit of INR5.0b (+20% YoY), 6% below our estimates. The miss was largely on account of higher-than-expected operating expenses (+16% YoY) and increased provisions.
- Loan book growth was 15% YoY, in line with the trend witnessed over past 4-5 quarters. Growth continues to be driven by the non-retail portfolio. The individual home loan book grew modestly by 9.2% YoY, now comprising 86% of the overall loan book. We believe the share of retail home loans will settle at ~85% of the total loan book.
- Spreads continued to improve on the back of lower cost of funds and higher share of LAP. Incremental spreads reached a high of 2.5% (v/s 2.18% in 2QFY17 and 2.1% in 3QFY16). However, this sharp rise in incremental spreads is partly on account of the skewed disbursement mix (12% of disbursements were builder loans, compared to an average of 4-5%).
- Despite the recent cut in lending rates, we believe LICHF will continue reporting incremental spreads of 1.9-2%, driven by lower cost of funds on refinancing of NCDs. Being an AAA-rated entity, LICHF is able to borrow 5-year money at ~7.5%, offsetting the pressure on loan yields.
- Notably, the share of pure floating rate loans in the total loan book increased just 1pp to 62%. Floating rate loans accounted for just 31% of the total loan book in 1QFY16 and shot up to 61% by 2QFY17 as more and more borrowers opted for floating rate loans. **With the share of the floating rate book seemingly stabilized, we anticipate less pressure on loan yields in this declining rate environment.**
- Valuation and view:** Despite being the second largest HFC, LICHF manages to grow ~15% YoY. On the margins front, the company is poised to reap significant benefits of falling GSec yields. We believe LICHF should sustain ~1.8-2% incremental spreads over next few quarters. However, we cut our EPS estimates for FY17/18 by 4%/3% to account for lower yields in the home loan segment due to the recently announced rate cuts. We may revise estimates again post concall on 17-Jan. We value LICHF based on the RI model with Rf of 7.25%, CoE of 12.8%, terminal growth rate of 5% and terminal RoE of 15.9%. Maintain **Buy** with a TP of **INR693** (2.4x FY19E BV).

## LICHF: Quarterly Performance

Y/E March	FY16				FY17				(INR Million)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY16	FY17E
Interest Income	29,174	30,260	31,018	32,057	33,263	34,283	35,125	36,117	122,508	138,788
Interest Expenses	22,585	23,091	23,549	23,843	25,018	25,626	25,972	25,793	93,068	102,408
<b>Net Interest Income</b>	<b>6,589</b>	<b>7,169</b>	<b>7,469</b>	<b>8,214</b>	<b>8,245</b>	<b>8,657</b>	<b>9,154</b>	<b>10,324</b>	<b>29,441</b>	<b>36,380</b>
YoY Growth (%)	30.2	34.8	36.2	26.4	25.1	20.8	22.6	25.7	31.6	23.6
Fees and other income	481	634	549	683	535	616	362	484	2,346	1,997
<b>Net Income</b>	<b>7,069</b>	<b>7,803</b>	<b>8,018</b>	<b>8,897</b>	<b>8,780</b>	<b>9,273</b>	<b>9,516</b>	<b>10,808</b>	<b>31,787</b>	<b>38,377</b>
YoY Growth (%)	24.6	31.3	30.0	25.3	24.2	18.8	18.7	21.5	27.7	20.7
Operating Expenses	835	1,060	1,214	1,578	1,382	1,364	1,407	1,852	4,687	6,004
<b>Operating Profit</b>	<b>6,234</b>	<b>6,743</b>	<b>6,804</b>	<b>7,319</b>	<b>7,399</b>	<b>7,909</b>	<b>8,109</b>	<b>8,955</b>	<b>27,100</b>	<b>32,372</b>
YoY Growth (%)	25.3	35.4	28.8	27.0	18.7	17.3	19.2	22.4	29.1	19.5
Provisions and Cont.	443	301	344	376	1,165	303	453	780	1,465	2,700
<b>Profit before Tax</b>	<b>5,790</b>	<b>6,442</b>	<b>6,460</b>	<b>6,943</b>	<b>6,234</b>	<b>7,606</b>	<b>7,656</b>	<b>8,176</b>	<b>25,636</b>	<b>29,672</b>
Tax Provisions	1,969	2,325	2,271	2,463	2,156	2,659	2,663	2,848	9,028	10,326
<b>Net Profit</b>	<b>3,821</b>	<b>4,117</b>	<b>4,189</b>	<b>4,480</b>	<b>4,078</b>	<b>4,948</b>	<b>4,993</b>	<b>5,328</b>	<b>16,608</b>	<b>19,346</b>
YoY Growth (%)	18.6	20.6	21.7	18.5	6.7	20.2	19.2	18.9	19.8	16.5
Loan Growth (%)	17.9	17.0	15.2	15.5	15.4	14.9	15.3	14.8	15.5	14.8
Borrowings Growth (%)	17.8	15.2	14.6	14.9	15.7	14.2	15.0	13.9	14.9	13.9
Cost to Income Ratio (%)	11.8	13.6	15.1	17.7	15.7	14.7	14.8	17.1	14.7	15.6
Tax Rate (%)	34.0	36.1	35.2	35.5	34.6	35.0	34.8	34.8	35.2	34.8

E: MOSL Estimates





<b>BSE SENSEX</b>	<b>S&amp;P CNX</b>
27,288	8,413
Bloomberg	DCBB IN
Equity Shares (m)	284.5
M.Cap.(INRb)/(USD\$b)	34.4 / 0.5
52-Week Range (INR)	133 / 69
1, 6, 12 Rel. Per (%)	9/23/48
Avg Val, INRm	149
Free float (%)	83.8

**Financials & Valuations (INR b)**

Y/E Mar	2016	2017E	2018E
NII	6.2	7.9	9.5
OP	3.5	4.2	4.9
NP	1.9	2.0	2.4
NIM (%)	3.9	4.0	3.9
EPS (INR)	6.8	7.1	8.6
EPS Gr. (%)	0.9	3.7	21.4
BV/Sh. (INR)	61.6	68.7	77.3
RoE (%)	11.8	10.9	11.8
RoA (%)	1.1	0.9	0.9
P/E (x)	17.7	17.1	14.0
P/BV (x)	2.0	1.8	1.6

**CMP: INR121 TP: INR134 (+11%) Neutral**

**Healthy margin performance; GNPA down QoQ led by sale to ARC**

- DCB Bank (DCBB) reported strong PPop growth of 30% YoY (4% beat). Strong NII growth of 31% YoY (7% beat) was led by healthy loan growth of 24% YoY and stable NIMs (3.95%). Adjusted for one-off interest on IT refund of INR45m, margins declined 8bp QoQ and NII grew 28% YoY.
- Non-interest income excluding trading gains increased 21% YoY (+3% QoQ). Trading gains (16% of PBT) were lower than our expectation, leading to in-line PAT despite beat on PPop.
- Slippages were elevated during the quarter at INR793m (annualized slippage ratio at 2.7% v/s 1.8% in 2QFY17 and 2.3% in 3QFY16). However, sale to an asset reconstruction company (ARC) of INR0.9b (recoveries of INR0.5b and INR0.4b as write-offs) led to absolute GNPA decline of 11% QoQ. GNPA in % terms declined 20bp QoQ to 1.55%.
- CASA deposits grew 27% QoQ (led by demonetization) and 51% YoY, leading to a sharp rise in the CASA ratio to 26% from 22% a quarter ago and 24% a year ago. Overall deposits grew 34% YoY and 6.5% QoQ.

**Valuation and view:** We expect loan growth (24% CAGR) to be 2x of system loan growth. Strong branch expansion would keep near-term CIR elevated at ~60%. Return ratios are likely to remain muted in the near term, with RoA at ~1% and RoE at 11-13%. Valuations at 1.5x/13.5x December 2018 BV/EPS leave limited upside and largely factor in strong growth. We maintain **Neutral**, with a revised TP (based on RI model) of INR134 (1.6x December 2018 BV) v/s INR128 earlier (due to a quarter roll forward).

**Quarterly Performance**

	FY16				FY17				(INR Million)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY16	FY17E
<b>Net Interest Income</b>	<b>1,404</b>	<b>1,500</b>	<b>1,605</b>	<b>1,687</b>	<b>1,770</b>	<b>1,903</b>	<b>2,095</b>	<b>2,096</b>	<b>6,195</b>	<b>7,864</b>
% Change (Y-o-Y)	1.0	27.4	31.6	30.1	26.1	26.9	30.5	24.2	21.9	26.9
Other Income	631	487	472	615	601	616	641	750	2,205	2,609
<b>Net Income</b>	<b>2,035</b>	<b>1,987</b>	<b>2,077</b>	<b>2,301</b>	<b>2,372</b>	<b>2,519</b>	<b>2,736</b>	<b>2,845</b>	<b>8,400</b>	<b>10,472</b>
Operating Expenses	1,138	1,206	1,234	1,331	1,444	1,511	1,643	1,661	4,909	6,259
<b>Operating Profit</b>	<b>897</b>	<b>781</b>	<b>843</b>	<b>970</b>	<b>927</b>	<b>1,009</b>	<b>1,093</b>	<b>1,184</b>	<b>3,490</b>	<b>4,213</b>
% Change (Y-o-Y)	10.4	30.5	23.3	42.6	3.4	29.2	29.7	22.1	25.8	20.7
Other Provisions	180	217	210	273	205	265	305	342	879	1,118
<b>Profit before Tax</b>	<b>716</b>	<b>564</b>	<b>633</b>	<b>698</b>	<b>722</b>	<b>744</b>	<b>787</b>	<b>842</b>	<b>2,611</b>	<b>3,095</b>
Tax Provisions	248	195	221	2	252	259	274	292	666	1,077
<b>Net Profit</b>	<b>469</b>	<b>369</b>	<b>412</b>	<b>695</b>	<b>470</b>	<b>485</b>	<b>513</b>	<b>550</b>	<b>1,945</b>	<b>2,018</b>
% Change (Y-o-Y)	5.0	-10.1	-3.1	10.4	0.3	31.3	24.5	-20.9	1.7	3.7
<b>Operating Parameters</b>										
NIM (Reported,%)	3.8	3.8	4.0	3.9	4.1	4.0	4.0		3.9	
Deposit Growth (%)	25.8	24.4	18.9	18.4	18.2	30.4	33.8	28.0	18.4	28.0
Loan Growth (%)	25.7	27.2	23.7	23.5	27.9	29.1	24.3	22.0	23.5	22.0
CD Ratio (%)	78.6	82.5	83.3	86.6	85.1	81.6	77.4	82.5	86.6	82.5
<b>Asset Quality</b>										
Gross NPA (INR B)	2.1	2.2	2.3	2.0	2.3	2.6	2.3	2.6	2.0	2.6
Gross NPA (%)	2.0	2.0	2.0	1.5	1.7	1.8	1.6	1.6	1.5	1.6

E: MOSL Estimates



# India Electricals

Please refer our detailed report dated June 2016



## Energy Efficiency Services Limited (EESL) order tracker

### Awards worth INR16b in April-November 2016

#### EESL broadens product basket, with introduction of tube lights and pumps in FY17

EESL has placed orders worth INR16b during April-November 2016 v/s INR23b in FY16. The share of lighting products was 48% – lamps at 32%, tube lights at 9%, and streetlights at 7%. In FY17, EESL has launched orders for two new product categories – pumps and tube lights. Pumps' share in overall ordering was 32%; tube lights garnered 9% share. With the upcoming summer season, we expect orders for air conditioners (inverter air conditioners with ISEER>5.2) to increase meaningfully. EESL is looking to buy 0.2m (4% of the market) inverter air conditioners by March 2017 and is in talks with Voltas, Daikin, Hitachi, Blue Star, Godrej, Whirlpool and Panasonic for the same.

#### Lamps continue to dominate, with 32% share in overall tendering

EESL placed orders worth INR5.1b for 9W LED lamps during April-November 2016. Phillips won a 50m-unit LED order at INR38/unit, translating into an order size of INR1.9b in September 2016. Interestingly, Phillips has not won any orders in the recent tender for LED lamps in November 2016.

#### Crompton grabs 22% share in fans category

EESL placed orders worth INR0.8b for fans over April-November 2016, with procurement price of INR764/unit (INR900-1,000/unit cost to customer including taxes) versus retail price of INR1,400-1,500/unit. Its orders have been for five-star-rated fans, with 2.5 years' warranty. Crompton Greaves' share in FY17 YTD orders is 22%; Usha, which had a share of 70% in FY16, has not bagged any order in FY17.

#### EESL orders 10m tube lights in August 2016

EESL finalized orders worth INR1.4b over April-November 2016; it plans to procure 50m tube lights during FY17. In August 2016, it procured 10m tube lights at INR140/unit. Surya Roshni and HQ Lamps were the leaders, with 20% share, while Crompton grabbed 12% share.

#### Starts ordering pumps in FY17

Ordering for pumps has begun in FY17, with orders worth INR5.1b placed in November alone. EESL intends to replace 7HP pumps with 5HP pumps (30% energy savings), which it procures at ~INR35,000/unit v/s retail price of INR45,000-50,000/unit. Orders worth INR5.2b have been placed till November 2016. CRI Pumps is the leader in this segment, 45% share. Crompton, with 16% share, ranks third.

#### Streetlight ordering slows meaningfully in FY17

Ordering for streetlights has slowed meaningfully in FY17. Orders worth INR1.1b were placed over April-November 2016 against INR5b in FY16. Apart from one large order of INR775m, which was bagged by BVG India, ordering activity was muted. In FY16, five players had achieved over 10% share of EESL's orders. In FY17, only one player – BVG India – has achieved over 10% share.



# Metals Weekly

## Base metals up 4-9% WoW

- **Indian steel market:** Long product (TMT Mumbai) prices were up 0.7% WoW. Sponge iron prices were down 1.3% WoW while scarp prices were down 0.5% WoW. Domestic iron ore prices were unchanged after an INR125-200/t increase in prices last week. Domestic steel HRC prices were unchanged.
- **Raw Materials:** Iron ore prices (China cfr) were up 6% WoW. Thermal coal prices were unchanged. Coking coal prices were down 2% WoW (to USD208/t). Pellet prices in China were unchanged but premium over iron ore was lower on increase in iron ore prices.
- **Europe:** HRC prices were up 1.1% WoW. Steel spreads improved on lower coking coal and higher steel prices. CIS export HRC prices were down 0.5% WoW. Rotterdam scrap prices were down 2.8% WoW.
- **China:** local steel HRC/rebar prices were up 3%/5.9% WoW. Export HRC/rebar prices were up 2.1%/0.6% WoW.
- **Base metals:** Aluminum (cash LME) was up 4% WoW. Alumina was down 2% WoW on lower demand. Zinc (cash LME) was up 5% WoW while lead was up 9% WoW. Copper was up 5% WoW. Crude oil (Brent) prices were down 3% WoW.

### Metal Prices

	CMP	change since						
		13-Jan	%	6-Jan	%	1-Oct	%	1-Apr
<b>STEEL</b>								
TMT- Mumbai (INR/ton)	30,600	1	30,400	13	27,000	11	27,600	
HRC- Mumbai (INR/ton)	40,444	0	40,444	21	33,333	32	30,667	
HRC (USD/ton) fob CIS	493	-1	495	46	338	34	368	
Sponge iron - Raipur (INR/ton)	15,550	-1	15,750	4	14,900	17	13,300	
<b>METALLICS</b>								
Pig iron - Raipur (INR/ton)	23,500	2	23,000	7	21,967	22	19,300	
Iron ore spot (USD/ton) cfr China	81	6	76	41	57	46	55	
Coking coal (USD/ton) fob Aus.	208	-2	212	1	206	154	82	
Shred. scrap (USD/ton) Rotterdam	274	-3	282	34	204	17	235	
<b>ALUM.</b>								
LME Spot (USD/ton)	1,791	4	1,722	9	1,638	17	1,524	
Indian prices (INR '000/ton)	122	4	117	12	109	21	101	
LME inventories ('000 ton)	2,244	1	2,216	5	2,147	-19	2,783	
<b>ZINC</b>								
LME Spot (USD/ton)	2,720	5	2,579	20	2,272	48	1,842	
Indian prices (INR '000/ton)	186	6	175	23	151	-85	1,222	
LME inventories ('000 ton)	423	-1	427	-4	443	-3	435	
<b>COPPER</b>								
LME Spot (USD/ton)	5,797	5	5,547	20	4,815	19	4,880	
Indian prices (INR '000/ton)	401	5	381	24	323	26	319	
LME inventories ('000 ton)	282	-4	295	-21	357	97	143	
<b>OTHERS</b>								
Gold (INR/10gms)	28,809	2	28,319	-8	31,316	-1	29,080	
Sliver (INR/1kg)	40,694	2	40,000	-13	46,541	11	36,651	
Lead Spot LME (USD/ton)	2,221	9	2,041	16	1,912	29	1,720	
Brent crude (USD/bbl)	55.5	-3	57.1	21	45.9	43	38.7	
<b>MISC.</b>								
INR/USD	68.2	0	68.2	2	66.7	3	66.2	
BDI	910	-4	949	-3	941	102	450	

### Valuations: Indian companies

Company	Price (INR)	EV/EBITDA (x) FY17E	EV/EBITDA (x) FY18E	P/B (x) FY17E
<b>Steel</b>				
Tata Steel	446	9.9	8.0	3.8
JSW Steel	189	8.2	6.5	2.2
JSPL	78	11.9	11.1	0.5
SAIL	58	nm	nm	0.7
<b>Non-Ferrous</b>				
Hindalco	172	6.6	5.9	1.5
Nalco	72	9.2	6.1	1.3
Vedanta	238	6.5	5.3	1.2
<b>Mining</b>				
Coal India	315	9.6	7.0	6.5
HZL	277	8.4	6.3	2.7
NMDC	144	9.4	8.6	1.9

Note: Detailed table on pg 25 Source: MOSL

### Valuations: Global companies

	Price	EV/EBITDA (x) CY16	EV/EBITDA (x) CY17	P/B (x) CY16
<b>Mining</b>				
BHP	AUD 26.33	6.9	7.3	nm
FMG	AUD 6.16	4.4	6.2	nm
Rio Tinto	AUD 62.09	7.6	6.7	2.1
Vale	USD 28.14	7.0	6.4	1.0
Teck Res.	USD 24.69	7.6	4.0	1.1
<b>Steel</b>				
A. Mittal	EUR 7.621	6.4	5.8	0.8
Posco	KRW 267.5	6.0	5.8	0.5
US Steel	USD 32.7	14.9	6.1	2.2
Nucor	USD 60.37	10.7	7.9	2.5
JFE	JPY 1850	10.4	7.7	nm
Gerdau	BRL 13.06	8.5	7.1	1.1
Angang	CNY 5.46	9.1	9.0	0.8
<b>Non Ferrous</b>				
Alcoa	USD 33.01	9.3	7.4	0.9
Hydro	NOK 43.26	7.7	6.8	1.2
Rusal	HKD 3.45	10.2	10.0	nm

Note: Detailed on pg 25 Source: Bloomberg

### Decoding an eventful year—Average AUM up 26.2%, but Net inflows down 46% in CY16

- CY16 was an eventful year, with several disruptive events causing significant volatility in the markets. As a result, net inflows in domestic mutual funds declined 46% to INR463b in CY16 from INR852b in CY15.
- Equity mutual funds continued to witness steady flows, largely due to the participation through systematic investment plans (SIPs). According to the AMFI, 6.9m investors (+15% YoY) opened mutual fund accounts over the last 12 months.
- Average AUM increased 26.2% YoY (INR3.5t) in CY16. On a five-year basis, average AUM witnessed 20% CAGR v/s 12% CAGR of the benchmark index (Nifty).
- Equity AUM was up 15% in CY16 and flat MoM in December. Equity AUM accounts for 4% of India's market capitalization.
- In CY16, domestic MFs accounted for INR482b of equity market inflows; two thirds of MF flows were received in the last quarter (INR321b), the highest ever in a single quarter.

### Some interesting facts for the month of December

- The month saw the following changes in the sector and stock allocation of funds. Technology sector weight increased for the second straight month, climbing to the third position in sector allocation of mutual funds. Allocation in Consumer and Private Banks, which had seen signs of moderation in Nov-16, increased in Dec-16. Healthcare, PSU Banks, Cement, Capital Goods and NBFCs saw signs of moderation.
- Of the Top-10 stocks, which saw an increase in value, four were from Technology and three from Financials. ITC saw a total increase of INR13b in value; 15 out of 20 funds bought the stock.
- HDFC Bank became the preferred stock among banks in December, with net buying by 12 funds. Value increased by INR9b, despite the stock remaining flat in the month.
- In Technology, Infosys (INR10b), HCL Tech (INR4b), TCS (INR4b) and Tech Mahindra (INR2b) saw an increase in value on MoM basis.
- Divis Lab saw a decline of INR10b in value, with the stock down 33% in December; 9 out of the top 20 funds sold the stock.

Exhibit 1: 20% CAGR in AUM in last 5 years

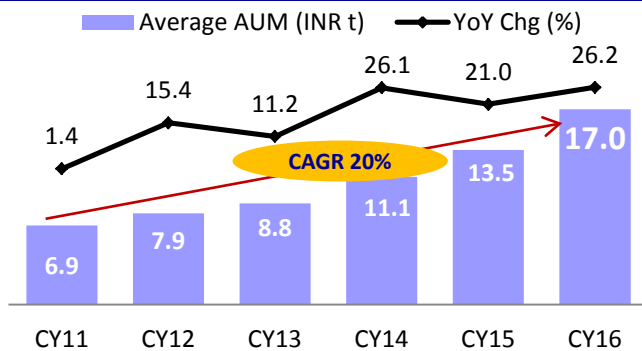


Exhibit 2: CAGR of equity AUM double that of Nifty in 5-Year

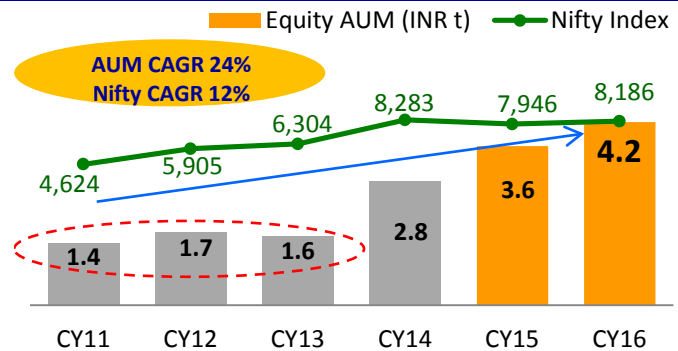


Exhibit 3: Gross inflows up 7% YoY and 26% in five years

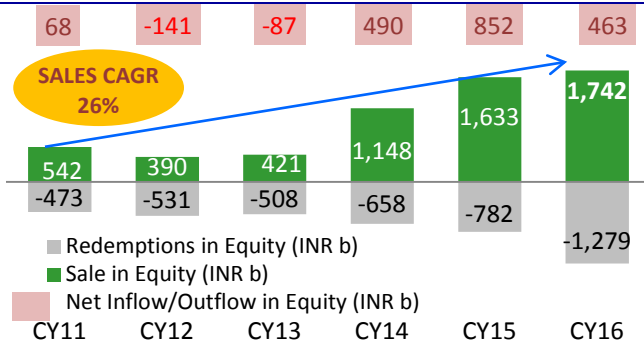
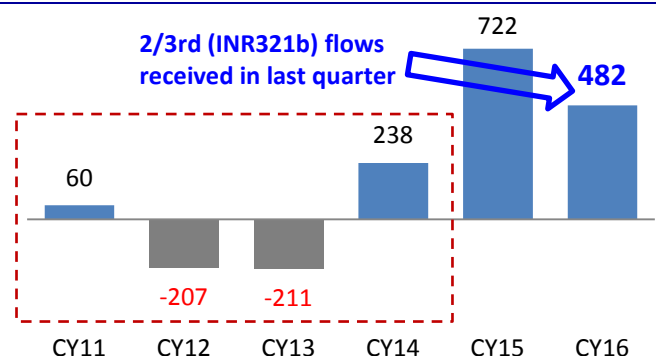


Exhibit 4: Domestic MFs' investments in equity market (INR b)





## GST roll out likely by July 1,2017

### Deadlock over dual control ends

In yet another step to inch closer for the roll out of GST; the GST council today agreed on the contentious issue of dual control for administering the tax. Further, there seemed to be a broad view that July 1,2017 seems to be a more realistic date for rollout of GST.

- ❖ On dual control it was agreed that:
  1. All assesses with GST turnover of INR 1.5 crore or less, 90 percent of them will be assessed by States and 10 percent by administrative machinery of Centre.
  2. GST turnover of above INR 1.5 crore will be assessed in the ratio of 50:50 by States and Centre.
  3. Power to levy and collect IGST tax is with Centre but by special provision in law states to be cross empowered in same manner as ratio mentioned.
  4. States will be empowered to tax any economic activity in territorial water up to 12 nautical miles
- ❖ **As next step** to this, **the product / service wise applicable rates needs to be finalized and the GST law needs to be passed** by appropriate legislatures to eventually roll out the GST.
- ❖ The **next GST council meeting** is scheduled **on February 18,2017** to take the discussions forward.



### 1. Monte Carlo: Demonetisation blues to keep revenue flat this fisc; Sandeep Jain, Executive Director

- Revenues were hit hard by demonetisation; year-on-year basis revenue could stay flat in the current fiscal.
- 65% of the company's revenue traditionally comes in the third quarter; the government's demonetisation decision came bang in the middle of the peak period for sales.
- Were on track to achieve the projected 10% y-o-y growth before demonetisation; however, there would be no growth albeit no drastic decline either, as sales picked up in December.
- 95% of sales were done through cards in November, as opposed to the previous 50%. The figure had stabilised to around 85% over the past month.
- Highly optimistic that sales would further pick up; demonetisation would make the unorganised sector more organised, increasing product competitiveness.

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### 2. JK Tyre: Cashless economy has helped local tyre companies substantially; Vivek Kamra, President – India

- Do not see real drop in profitability going forward as prices would move up with increase in the raw material prices. Other companies too have followed the practice of increasing the price of tyres.
- See a strong demand in the commercial vehicle space as well as the two wheeler & other four wheeler space.
- Have passed on most of the drop in rubber prices to the consumers; 40-50% of tyre supplies are to OEMs.
- The last two months have seen record sales for a lot of the truck radial tyre companies who have the product basket; seen record sales in the replacement market in commercial vehicles.

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### 3. Westlife development: Good response to dosa burger, mcdonald's sales set to double; Amit Jatia, Vice Chairman

- Even as the introduction of a Masala Dosa Burger was widely ridiculed on social media, the response to the new item on the McDonald's menu has been encouraging.
- Expect the fast food chain's sales would double in the next 12-18 months. Hoping the addition of Masala Dosa Burger to McDonald's existing breakfast menu of Indian staples would replicate the success of the McAloo Tikki burger.
- There would be a 3-5% hike in prices in 2017, however, the price points would still remain attractive and affordable.
- McDonald's had lost nearly 10% of its business soon after demonetisation was announced in November, but recovered after moving quickly to enable cashless transaction.
- McDonald's typically opens 30-35 new outlets a year, and were on track to the same in the current financial year.

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### 1. India stuck with an archaic trade policy. by Pritam Banerjee

- The world is quietly undergoing a seismic change that would re-define the very concepts of productivity and employment. This change is both technological and socio-economic. Diffusion of technology means new innovation spreads very quickly and renders older products redundant. In the last century, developing country firms had a longer time to adapt to change. They do not have that luxury any more. An illustrative example is the time taken to complete the transition between VHS and DVD in India in 1990s (several years) and DVD and new media more recently (very rapid).

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### 2. Credit card fiasco at petrol pumps shows not OMCs, govt or banks willing to bear cost of digital payments. by Madan Sabnavis

- The recent controversy over charges on fuel purchased with plastic cards is interesting as it underscores a larger issue when it comes to digitisation. The customer will not use cards if there is a charge of 2%, while the OMC would not accept the deal in case the charge is waived as it will have to pay the bank and card company the amount. The government says that it will not bear this cost, and hence if the arrangement has to go through the bank and card company have to compromise. And they cannot because charging this fee is the *raison d'être* of card business.

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### 3. The many challenges of natarajan chandrasedkaran. by Livemint

- Natarajan Chandrasekaran is the first man with no family links to the Tatas to head the sprawling eponymous group. Even the two chairmen of Tata Sons who did not share their surnames with the founding family had close ties with it. Nowroji Saklatwala was at the helm of the Tata empire for six years. He was the nephew of Jamsetji Tata. Cyrus Mistry had a short stint of just four years. He is the brother-in-law of Noel Tata. Chandrasekaran is 53 years old right now. He could thus be in charge for the next 17 years given the fact that the retirement age for senior Tata group executives is currently 70.

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### 4. Stirring the pot question. by Debkumar Mitra

- You can be high on it, but that's another story . According to a 395-page report published recently by the US National Academies of Sciences, Engineering, and Medicine, there is "conclusive or substantial evidence" that marijuana and its related compounds can effectively treat nausea caused by chemotherapy treatment for cancer chronic pain, "tightness", stiffness, or "pull" of muscles caused by multiple sclerosis and chronic pain. This isn't the opinion of a bunch of potheads. It is the work of an expert committee that considered more than 10,000 research abstracts in their review of the scientific literature on cannabis.

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## 5. Mayawati the dark horse? by Arati R Jerath

- With demonetisation and the unending soap opera in Samajwadi Party's first family dominating current headlines, it's not surprising that Mayawati and her BSP have slipped under the radar in Uttar Pradesh. The fall has been quite dramatic. Early opinion polls had projected her as the front runner in the forthcoming assembly elections. They now show her a distant third with many giving the BJP a clear edge. Opinion polls have gone wrong so often that they can no longer be accepted as an accurate barometer of voter mood. In any case, the picture in UP is far from clear.

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## International

## 6. A warning for the losers of the liberal elite. by Wolfgang Münchau

- If you have two strong arguments, the surest way to lose a debate is to add a third one. The superfluous argument of our time is, more often than not, the finger-wagging warning of economic doom. Starting this week, we need to get our heads around the possibility that US President-elect Donald Trump is simultaneously reprehensible and economically successful — at least for some time. The instinct has often been to conflate political decency and economic efficiency because this is what has been done for such a long time. Fortuitously, our open, liberal systems also happened to be the most efficient.

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
<b>Automobiles</b>														
Amara Raja	Buy	894	1,061	19	28.7	29.7	38.8	30.2	23.1	6.1	5.0	25.8	21.9	23.6
Ashok Ley.	Buy	86	92	7	3.9	4.9	6.6	17.3	13.0	3.8	3.2	20.9	23.5	26.5
Bajaj Auto	Buy	2,722	3,097	14	131.8	133.0	158.9	20.5	17.1	5.7	5.0	33.2	29.4	30.9
Bharat Forge	Buy	937	1,096	17	28.1	25.8	36.4	36.3	25.7	5.5	4.8	18.7	15.9	20.0
Bosch	Neutral	21,323	20,937	-2	483.3	507.6	657.7	42.0	32.4	8.8	7.3	19.4	19.7	24.5
Eicher Mot.	Buy	22,327	28,755	29	492.9	608.7	869.5	36.7	25.7	12.8	9.1	35.8	40.3	41.6
Endurance Tech.	Buy	585	715	22	20.7	22.6	28.7	25.8	20.4	4.7	3.9	22.4	19.9	21.1
Escorts	Buy	360	410	14	11.1	20.7	34.2	17.4	10.6	1.8	1.6	6.1	10.9	16.3
Exide Ind	Buy	185	205	11	7.3	7.8	9.4	23.7	19.6	3.2	2.9	14.0	13.6	14.7
Hero Moto	Neutral	3,091	3,011	-3	158.3	169.5	192.2	18.2	16.1	6.6	5.6	43.6	39.0	37.5
M&M	Buy	1,212	1,497	23	53.6	66.0	83.7	18.4	14.5	1.5	1.4	15.4	14.5	14.5
Mahindra CIE	Not Rated	196	-		4.2	6.2	9.7	31.6	20.2	2.2	2.0	4.5	7.7	10.3
Maruti Suzuki	Buy	5,689	6,415	13	177.6	252.2	306.9	22.6	18.5	5.2	4.3	19.9	23.1	23.1
Tata Motors	Buy	527	613	16	36.9	29.0	45.6	18.1	11.5	2.0	1.7	18.3	11.5	15.9
TVS Motor	Buy	383	407	6	9.1	11.9	16.5	32.1	23.2	7.8	6.1	24.1	26.5	29.5
<b>Aggregate</b>								<b>22.8</b>	<b>17.2</b>	<b>3.9</b>	<b>3.3</b>	<b>18.8</b>	<b>17.0</b>	<b>19.2</b>
<b>Banks - Private</b>														
Axis Bank	Neutral	477	519	9	34.5	13.0	23.2	36.7	20.5	2.1	1.9	17.1	5.8	9.7
DCB Bank	Neutral	121	128	6	6.8	7.2	8.5	16.9	14.2	1.8	1.6	11.8	11.0	11.7
Equitas Hold.	Buy	152	240	58	6.2	6.0	6.8	25.3	22.2	2.3	2.1	13.3	11.2	9.7
Federal Bank	Buy	75	106	42	2.8	4.5	5.5	16.5	13.7	1.5	1.4	6.0	9.3	10.4
HDFC Bank	Buy	1,248	1,510	21	48.6	57.9	69.8	21.5	17.9	3.8	3.2	18.3	18.7	19.5
ICICI Bank	Buy	269	332	23	16.7	17.2	18.0	15.6	15.0	1.3	1.2	11.3	10.4	10.0
IDFC Bank	Under Review	64	-			3.1	4.2	20.5	15.2	1.5	1.4		7.5	9.5
IndusInd	Buy	1,217	1,430	18	38.4	48.4	58.7	25.2	20.7	3.7	3.2	16.6	15.5	16.4
J&K Bank	Neutral	62	68	10	8.6	Loss	14.5	Loss	4.3	0.6	0.5	6.6	Loss	12.4
Kotak Mah. Bk	Buy	731	932	27	18.9	26.6	32.4	27.5	22.6	3.5	3.1	10.9	13.6	14.5
RBL Bank	Buy	376	450	20	9.0	12.2	14.8	30.9	25.4	3.3	3.0	11.2	12.4	12.3
South Indian	Neutral	21	21	-2	2.5	2.8	3.1	7.7	6.9	0.7	0.7	9.3	9.7	10.0
Yes Bank	Buy	1,330	1,500	13	60.4	74.5	95.8	17.8	13.9	3.4	2.9	19.9	20.9	22.6
<b>Aggregate</b>								<b>22.4</b>	<b>17.6</b>	<b>2.7</b>	<b>2.4</b>	<b>13.7</b>	<b>11.9</b>	<b>13.6</b>
<b>Banks - PSU</b>														
BOB	Buy	160	223	40	Loss	12.3	18.8	13.0	8.5	1.0	0.9	Loss	8.1	11.5
BOI	Neutral	116	125	8	Loss	Loss	18.5	Loss	6.2	0.5	0.5	Loss	Loss	7.5
Canara	Under Review	279	-		Loss	27.2	37.9	10.2	7.4	0.6	0.5	Loss	5.6	7.4
IDBI Bk	Neutral	74	49	-34	Loss	1.5	6.4	48.6	11.5	0.7	0.7	Loss	1.4	5.8
Indian Bk	Buy	247	314	27	14.8	30.4	31.9	8.1	7.7	0.8	0.8	5.5	10.4	10.1
OBC	Neutral	116	108	-7	4.9	19.3	21.3	6.0	5.4	0.3	0.3	1.2	4.8	5.1
PNB	Buy	128	172	34	Loss	8.5	13.2	15.1	9.8	0.7	0.7	Loss	4.8	7.0
SBI	Buy	256	338	32	15.7	9.8	23.3	26.0	11.0	1.1	1.0	7.6	7.5	9.2
Union Bk	Buy	138	168	22	19.7	15.6	30.4	8.8	4.5	0.4	0.4	7.0	5.2	9.5
<b>Aggregate</b>								<b>16.5</b>	<b>10.6</b>	<b>0.8</b>	<b>0.7</b>	<b>-2.7</b>	<b>4.7</b>	<b>7.0</b>
<b>NBFCs</b>														
Bajaj Fin.	Buy	917	1,096	20	23.9	31.8	41.3	28.9	22.2	5.6	4.6	21.1	21.1	22.8
Bharat Fin.	Buy	672	893	33	23.8	42.7	38.5	15.7	17.4	3.4	2.8	24.9	28.6	17.7
Dewan Hsg.	Buy	288	413	43	25.0	29.0	36.8	9.9	7.8	1.4	1.3	15.1	15.8	17.2
GRUH Fin.	Neutral	330	348	6	6.7	7.9	9.8	42.0	33.5	11.9	9.8	31.5	31.0	32.1
HDFC	Buy	1,256	1,553	24	30.6	34.3	36.9	36.6	34.0	5.1	4.6	21.4	19.5	18.9
Indiabulls Hsg	Buy	765	1,015	33	55.7	69.5	87.7	11.0	8.7	2.7	2.4	27.1	26.0	29.3
LIC Hsg Fin	Buy	540	719	33	32.9	39.4	48.1	13.7	11.2	2.5	2.1	19.6	20.0	20.7
Manappuram	Not Rated	78	-		3.5	3.8	4.3	20.5	18.3	2.3	2.2	10.8	11.4	12.2
M&M Fin.	Buy	287	339	18	11.9	12.7	14.6	22.7	19.7	2.5	2.3	11.4	11.3	11.9
Muthoot Fin	Buy	303	373	23	20.3	27.5	32.0	11.0	9.5	1.9	1.7	15.1	18.4	19.0
PFC	Neutral	138	117	-15	23.8	24.0	25.5	5.8	5.4	0.9	0.8	18.3	16.8	16.2



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Repco Home	Buy	660	842	28	24.0	25.7	37.7	25.7	17.5	3.8	3.2	17.0	15.7	19.6
REC	Neutral	143	134	-6	28.5	29.4	35.3	4.9	4.1	0.9	0.7	21.0	18.8	19.5
STF	Buy	961	1,282	33	53.3	63.5	82.3	15.1	11.7	1.9	1.7	12.2	13.4	15.4
<b>Aggregate</b>								<b>14.5</b>	<b>12.4</b>	<b>2.6</b>	<b>2.3</b>	<b>18.0</b>	<b>17.6</b>	<b>18.1</b>
<b>Capital Goods</b>														
ABB	Neutral	1,124	1,125	0	15.8	18.2	26.9	61.8	41.7	7.0	6.0	11.1	11.4	14.5
Bharat Elec.	Buy	1,529	1,600	5	56.9	60.0	69.9	25.5	21.9	4.5	4.0	15.6	19.2	18.3
BHEL	Sell	129	110	-14	Loss	3.9	5.5	32.6	23.4	0.9	0.9	Loss	2.9	3.9
CG Cons. Elec.	Buy	161	180	12	1.9	3.7	5.1	43.2	31.4	28.9	19.5	52.1	80.9	74.2
Crompton Grv.	Sell	65	48	-26	2.1	0.6	1.9	116.1	34.9	0.9	0.9	3.0	4.2	6.0
Cummins	Neutral	848	836	-1	27.2	26.0	30.2	32.7	28.1	6.8	6.2	24.9	22.0	23.1
GE T&D	Neutral	310	320	3	3.0	5.6	10.7	54.9	29.1	6.2	5.5	5.9	-6.8	20.1
Havells	Buy	381	390	2	7.8	7.5	11.3	50.9	33.7	8.6	7.8	19.0	16.9	23.3
Inox Wind	Neutral	182	200	10	20.7	17.5	20.0	10.4	9.1	1.8	1.6	27.9	19.3	18.6
K E C Intl	Buy	150	160	7	7.4	10.1	12.1	14.8	12.4	2.2	1.9	13.5	16.0	16.7
L&T	Buy	1,443	1,600	11	44.7	53.6	62.2	26.9	23.2	2.8	2.6	9.9	10.9	11.7
Pennar Eng.	Not Rated	153	-		8.8	10.5	12.4	14.6	12.4	2.1	1.8	14.2	14.5	14.6
Siemens	Neutral	1,178	1,260	7	16.9	17.0	25.3	69.3	46.5	6.4	5.9	11.8	9.2	12.6
Solar Ind	Neutral	704	690	-2	18.4	19.3	22.9	36.5	30.8	6.3	5.4	20.2	18.6	19.0
Suzlon Energy	Not Rated	15	-		Loss	Loss	0.6	Loss	27.0	Loss	Loss	Loss	Loss	Loss
Thermax	Sell	823	706	-14	23.5	24.8	27.6	33.2	29.9	3.9	3.6	12.5	12.2	12.5
Va Tech Wab.	Buy	495	620	25	16.3	25.2	32.6	19.6	15.2	2.5	2.2	9.7	13.2	15.4
Voltas	Buy	345	370	7	11.7	11.8	14.0	29.2	24.5	4.3	3.8	15.3	15.4	16.4
<b>Aggregate</b>								<b>31.5</b>	<b>25.1</b>	<b>3.3</b>	<b>3.0</b>	<b>7.6</b>	<b>10.4</b>	<b>12.0</b>
<b>Cement</b>														
Ambuja Cem.	Buy	213	246	15	5.5	5.7	6.9	37.6	30.8	1.6	1.5	8.3	5.9	7.1
ACC	Neutral	1,334	1,321	-1	32.0	32.6	48.9	40.9	27.3	3.0	3.0	7.2	7.2	10.9
Birla Corp.	Buy	685	759	11	20.4	33.8	44.5	20.3	15.4	1.5	1.5	5.9	8.5	9.8
Dalmia Bharat	Buy	1,757	1,736	-1	21.5	34.2	50.4	51.4	34.8	3.8	3.4	5.5	7.6	10.3
Grasim Inds.	Under Review	853	-		48.3	76.1	88.7	11.2	9.6	1.4	1.2	9.2	12.9	13.3
India Cem	Neutral	136	118	-13	4.4	8.9	10.6	15.2	12.8	1.1	1.0	3.9	7.0	7.4
J K Cements	Buy	701	767	9	14.5	26.4	36.5	26.5	19.2	2.8	2.5	6.3	10.9	13.7
JK Lakshmi Ce	Buy	368	440	20	0.4	4.7	12.2	77.9	30.2	3.2	3.1	0.3	4.2	10.5
Ramco Cem	Buy	603	698	16	23.4	29.4	31.5	20.5	19.2	3.9	3.3	19.5	20.6	18.6
Orient Cem	Buy	127	175	37	3.0	Loss	3.3	Loss	38.2	2.7	2.5	6.2	Loss	6.8
Prism Cem	Buy	90	102	14	0.1	0.9	3.5	100.4	25.5	4.4	3.8	0.7	4.5	16.0
Shree Cem	Buy	14,726	17,096	16	201.1	394.3	582.0	37.3	25.3	6.9	5.5	12.2	20.2	24.3
Ultratech	Buy	3,336	3,749	12	79.3	94.6	134.8	35.3	24.7	4.0	3.5	11.0	11.9	15.0
<b>Aggregate</b>								<b>27.7</b>	<b>20.9</b>	<b>3.2</b>	<b>2.7</b>	<b>9.3</b>	<b>11.6</b>	<b>12.9</b>
<b>Consumer</b>														
Asian Paints	Neutral	935	1,020	9	18.7	20.2	22.6	46.3	41.3	14.1	12.4	34.7	32.4	32.0
Britannia	Buy	2,958	3,380	14	70.1	70.6	82.1	41.9	36.0	15.8	12.5	55.9	42.2	38.8
Colgate	Buy	913	1,200	31	22.3	22.3	27.2	41.0	33.5	22.0	20.4	67.9	56.3	63.2
Dabur	Neutral	277	300	8	7.1	7.2	8.5	38.7	32.6	9.9	8.4	33.3	27.8	27.9
Emami	Buy	1,073	1,240	16	25.2	24.7	30.6	43.4	35.1	12.9	10.9	43.4	34.1	33.6
Godrej Cons.	Neutral	1,562	1,655	6	33.2	36.8	43.8	42.5	35.7	8.8	7.5	23.4	22.3	22.7
GSK Cons.	Neutral	5,007	5,465	9	167.1	157.7	178.8	31.8	28.0	7.4	6.5	30.8	25.1	24.7
HUL	Neutral	827	900	9	19.0	19.7	22.4	41.9	36.9	29.1	29.2	82.4	68.7	79.1
ITC	Buy	249	290	17	7.7	8.4	9.6	29.7	26.0	7.9	6.9	29.3	28.4	28.3
Jyothy Lab	Neutral	342	360	5	4.1	7.2	8.5	47.5	40.3	6.9	6.4	9.1	15.0	16.5
Marico	Buy	258	300	16	5.6	6.0	7.2	43.2	35.7	12.8	11.0	36.9	32.8	33.1
Nestle	Neutral	5,898	6,410	9	119.9	111.5	139.2	52.9	42.4	17.9	15.5	40.9	35.9	39.2
Page Inds	Buy	14,091	17,100	21	208.6	247.4	312.7	57.0	45.1	24.4	19.2	46.0	42.9	42.7
Parag Milk	Neutral	267	285	7	6.7	7.0	9.7	38.0	27.6	3.1	2.8	19.5	10.8	10.5
Pidilite Ind.	Buy	635	700	10	14.8	16.4	18.4	38.8	34.6	9.9	8.0	29.9	27.6	25.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
P&G Hygiene	Buy	6,753	8,340	24	129.9	138.5	168.9	48.8	40.0	12.6	10.9	30.8	27.7	29.4
Radico Khaitan	Neutral	119	120	1	6.9	5.3	7.1	22.5	16.8	1.6	1.5	10.3	7.3	9.1
United Brew	Buy	811	1,065	31	11.1	12.3	16.4	65.8	49.6	9.0	7.8	14.8	14.5	16.9
United Spirits	Buy	1,954	2,620	34	16.7	27.8	45.7	70.4	42.8	12.9	10.1	19.8	20.3	23.6
<b>Aggregate</b>								<b>38.5</b>	<b>32.9</b>	<b>11.3</b>	<b>9.8</b>	<b>31.8</b>	<b>29.3</b>	<b>29.9</b>
<b>Healthcare</b>														
Alembic Phar	Neutral	599	640	7	38.2	23.5	30.7	25.5	19.5	5.9	4.7	38.8	25.1	26.8
Alkem Lab	Neutral	1,668	1,800	8	64.7	77.3	84.4	21.6	19.8	4.7	4.0	23.8	23.9	21.8
Aurobindo	Buy	704	1,050	49	33.9	42.0	49.9	16.8	14.1	4.4	3.4	32.5	29.9	27.2
Biocon	Sell	998	750	-25	23.2	27.1	34.3	36.9	29.1	4.5	4.1	11.5	12.2	13.9
Cadila	Buy	349	450	29	15.4	13.6	18.7	25.7	18.7	5.7	4.6	32.8	23.9	27.2
Cipla	Neutral	587	525	-11	18.8	18.1	25.6	32.4	23.0	3.6	3.2	12.8	11.2	13.9
Divis Lab	Neutral	739	975	32	41.9	45.4	51.0	16.3	14.5	4.1	3.6	28.6	26.7	26.5
Dr Reddy's	Neutral	2,983	3,000	1	132.3	82.7	141.7	36.1	21.1	3.7	3.2	18.8	10.6	16.1
Fortis Health	Buy	192	240	25	Loss	Loss	3.5	Loss	54.2	2.3	1.9	Loss	Loss	3.8
Glenmark	Neutral	891	990	11	24.9	41.4	49.7	21.5	17.9	4.4	3.4	16.4	20.4	19.1
Granules	Buy	108	160	48	5.5	7.1	10.0	15.3	10.8	2.7	2.3	21.6	20.5	22.7
GSK Pharma	Neutral	2,727	3,150	15	44.2	50.4	61.8	54.1	44.2	16.0	18.0	22.1	29.6	40.8
IPCA Labs	Neutral	541	540	0	10.5	17.0	29.4	31.8	18.4	2.8	2.5	5.9	9.0	14.1
Lupin	Buy	1,508	1,825	21	50.4	61.6	77.0	24.5	19.6	5.1	4.2	22.9	22.8	23.4
Sanofi India	Buy	4,145	5,200	25	103.2	142.2	172.8	29.2	24.0	5.2	4.7	14.2	17.8	19.4
Sun Pharma	Buy	644	925	44	19.6	27.8	37.9	23.2	17.0	4.5	3.7	16.5	20.3	23.9
Syngene Intl	Not Rated	601	-		11.1	13.0	16.1	46.1	37.2	9.3	7.6	23.3	22.2	22.5
Torrent Pharma	Buy	1,329	1,750	32	59.7	57.7	78.4	23.0	16.9	5.6	4.6	34.4	26.4	29.9
<b>Aggregate</b>								<b>25.4</b>	<b>19.1</b>	<b>6.0</b>	<b>5.0</b>	<b>25.8</b>	<b>23.8</b>	<b>26.1</b>
<b>Logistics</b>														
Allcargo Logistics	Buy	182	196	8	10.8	10.5	12.8	17.3	14.2	2.6	2.2	13.2	13.3	16.9
Blue Dart	Not Rated	4,434	-		84.4	102.5	129.9	43.2	34.1	19.2	14.6	55.5	50.5	48.6
Concor	Neutral	1,199	1,317	10	40.6	36.3	45.9	33.1	26.1	2.8	2.6	10.2	8.6	10.3
Gateway Distriparks	Buy	234	313	34	11.4	9.6	15.6	24.4	15.0	2.0	1.9	10.1	8.3	12.8
Gati	Not Rated	121	-		3.2	9.3	17.6	13.0	6.9	2.0	1.8	5.1	12.4	19.4
Transport Corp.	Not Rated	158	-		13.5	16.9	21.0	9.3	7.5	1.5	1.2	15.4	16.7	17.8
<b>Aggregate</b>								<b>28.3</b>	<b>21.5</b>	<b>3.2</b>	<b>2.9</b>	<b>11.6</b>	<b>11.3</b>	<b>13.5</b>
<b>Media</b>														
Dish TV	Buy	87	115	33	6.5	2.0	3.3	44.2	26.1	Loss	9.8	NM	43.2	46.3
D B Corp	Buy	357	450	26	16.2	20.0	23.5	17.9	15.2	4.3	3.8	22.6	25.7	26.9
Den Net.	Neutral	85	75	-12	Loss	Loss	1.9	Loss	45.8	1.0	0.9	Loss	Loss	2.1
Hathway Cab.	Buy	37	47	26	Loss	Loss	-0.8	Loss	-47.8	2.8	3.1	Loss	Loss	-6.1
Hind. Media	Buy	268	360	35	24.6	26.9	29.7	10.0	9.0	1.8	1.5	21.9	19.6	18.0
HT Media	Neutral	82	85	4	7.3	5.9	7.5	13.8	11.0	0.8	0.7	7.7	5.8	6.7
Jagran Prak.	Buy	181	215	19	10.5	10.8	12.2	16.8	14.8	3.3	2.8	24.7	20.7	20.6
PVR	Buy	1,225	1,429	17	25.5	20.4	35.8	60.1	34.2	6.0	5.2	18.7	10.4	16.4
Siti Net.	Buy	38	45	19	Loss	Loss	2.7	Loss	13.9	4.0	2.7	0.1	Loss	23.5
Sun TV	Under Review	528	-		21.1	25.4	30.3	20.8	17.4	5.3	4.8	23.4	25.3	27.6
Zee Ent.	Buy	481	590	23	10.6	11.7	17.7	41.3	27.2	9.4	7.6	27.0	29.4	30.7
<b>Aggregate</b>								<b>31.5</b>	<b>21.8</b>	<b>5.3</b>	<b>4.5</b>	<b>18.2</b>	<b>16.8</b>	<b>20.8</b>
<b>Metals</b>														
Hindalco	Buy	173	234	36	12.0	18.5	22.1	9.3	7.8	1.5	1.3	11.6	17.3	18.1
Hind. Zinc	Neutral	285	282	-1	19.8	21.5	25.4	13.3	11.2	2.8	2.4	20.7	22.5	22.6
JSPL	Neutral	79	88	12	Loss	Loss	Loss	Loss	Loss	0.5	0.5	Loss	Loss	Loss
JSW Steel	Buy	189	195	3	Loss	Loss	18.7	Loss	10.1	2.2	1.8	Loss	14.9	19.6
Nalco	Buy	70	73	4	2.7	3.7	4.8	18.9	14.6	1.3	1.2	5.4	7.1	8.7
NMDC	Buy	144	162	12	8.4	10.9	10.8	13.2	13.4	1.9	1.8	15.9	12.8	14.2
SAIL	Sell	59	28	-53	Loss	Loss	Loss	Loss	Loss	0.7	0.8	Loss	Loss	Loss



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Vedanta	Neutral	243	250	3	10.8	21.4	27.3	11.4	8.9	1.3	1.2	7.9	13.0	14.8
Tata Steel	Sell	458	321	-30	7.7	11.7	37.1	39.1	12.4	3.9	3.2	4.6	8.7	28.3
<b>Aggregate</b>								<b>18.9</b>	<b>13.7</b>	<b>1.5</b>	<b>1.4</b>	<b>4.9</b>	<b>7.9</b>	<b>10.2</b>
<b>Oil &amp; Gas</b>														
BPCL	Buy	668	756	13	55.2	55.5	56.4	12.0	11.9	2.9	2.5	31.6	26.2	22.7
Cairn India	Neutral	268	-		11.4	14.0	12.5	19.2	21.5	1.0	1.0	4.0	5.3	4.6
GAIL	Neutral	447	429	-4	18.1	28.7	36.4	15.6	12.3	1.7	1.6	7.7	12.9	13.2
Gujarat St. Pet.	Neutral	136	168	23	7.9	8.8	11.0	15.5	12.4	1.8	1.6	11.7	11.9	13.5
HPCL	Buy	489	543	11	38.0	52.7	45.1	9.3	10.8	2.3	2.0	22.4	26.6	19.7
IOC	Buy	353	464	31	20.3	49.3	40.1	7.2	8.8	2.0	1.7	13.6	29.3	20.8
IGL	Neutral	916	898	-2	29.7	42.0	43.7	21.8	21.0	4.5	3.9	18.4	21.8	19.8
MRPL	Buy	109	115	6	7.4	17.0	15.8	6.4	6.9	2.2	1.8	22.1	39.4	28.4
Oil India	Buy	343	376	9	29.1	33.3	40.3	10.3	8.5	1.2	1.1	10.6	11.6	13.1
ONGC	Neutral	198	223	12	13.6	14.8	20.0	13.4	9.9	1.3	1.3	9.5	10.1	13.1
PLNG	Buy	363	411	13	11.2	19.8	26.9	18.3	13.5	3.7	3.1	14.0	21.5	24.7
Reliance Ind.	Neutral	1,077	1,002	-7	93.0	100.9	109.0	10.7	9.9	1.2	1.1	12.0	11.8	11.5
<b>Aggregate</b>								<b>11.2</b>	<b>10.6</b>	<b>1.5</b>	<b>1.4</b>	<b>11.4</b>	<b>13.8</b>	<b>13.3</b>
<b>Retail</b>														
Jubilant Food	Neutral	835	900	8	15.0	10.8	18.5	77.6	45.1	6.9	6.9	13.4	8.9	15.3
Shopper's Stop	Neutral	291	300	3	5.8	3.0	9.2	95.6	31.8	2.9	2.6	6.3	3.1	8.8
Titan Co.	Neutral	362	360	-1	8.0	8.7	9.8	41.4	37.1	7.8	6.9	21.3	20.2	19.7
<b>Aggregate</b>								<b>45.9</b>	<b>37.6</b>	<b>7.0</b>	<b>6.3</b>	<b>16.8</b>	<b>15.2</b>	<b>16.7</b>
<b>Technology</b>														
Cyient	Buy	495	600	21	30.7	33.4	42.7	14.8	11.6	2.4	2.1	16.5	15.9	17.8
HCL Tech.	Buy	831	960	16	40.1	56.7	63.2	14.7	13.1	3.6	3.0	21.5	26.6	25.5
Hexaware	Neutral	200	230	15	12.9	13.6	15.5	14.6	12.9	3.9	3.2	28.9	27.7	27.5
Infosys	Buy	956	1,250	31	59.0	62.8	67.8	15.2	14.1	3.2	2.9	24.7	23.2	22.5
KPIT Tech	Neutral	143	170	19	14.1	12.6	15.6	11.3	9.2	1.8	1.5	21.0	16.9	17.6
L&T Infotech	Buy	680	800	18	52.4	54.9	58.6	12.4	11.6	4.7	3.9	45.3	42.3	36.8
Mindtree	Neutral	485	520	7	35.9	26.6	36.2	18.2	13.4	3.2	2.8	27.4	18.0	22.0
Mphasis	Neutral	520	560	8	34.5	42.2	54.0	12.3	9.6	1.6	1.5	12.3	13.7	16.3
NIIT Tech	Neutral	426	450	6	45.7	38.6	50.2	11.0	8.5	1.5	1.3	19.0	14.2	16.6
Persistent Sys	Neutral	621	700	13	37.2	36.2	45.0	17.1	13.8	2.6	2.5	19.5	16.7	19.2
Tata Elxsi	Buy	1,415	1,619	14	49.7	60.2	73.6	23.5	19.2	9.0	7.2	46.3	42.8	41.7
TCS	Neutral	2,259	2,550	13	123.2	135.2	145.3	16.7	15.5	5.3	4.5	37.1	33.8	31.1
Tech Mah	Buy	487	550	13	35.1	30.9	36.0	15.7	13.5	2.8	2.4	23.4	19.1	19.3
Wipro	Neutral	483	560	16	36.1	34.3	39.5	14.1	12.2	2.4	2.1	20.3	17.7	18.5
Zensar Tech	Buy	901	1,250	39	68.2	69.5	92.5	13.0	9.7	2.4	2.0	24.0	20.3	22.8
<b>Aggregate</b>								<b>15.6</b>	<b>14.2</b>	<b>3.7</b>	<b>3.2</b>	<b>24.4</b>	<b>23.7</b>	<b>22.8</b>
<b>Telecom</b>														
Bharti Airtel	Buy	318	410	29	11.9	12.4	9.4	25.6	33.7	1.8	1.7	7.4	7.3	5.3
Bharti Infratel	Buy	356	435	22	11.8	17.2	17.8	20.7	20.0	3.6	3.2	12.7	17.2	16.6
Idea Cellular	Sell	70	65	-7	8.6	Loss	Loss	Loss	Loss	1.1	1.3	12.6	Loss	Loss
<b>Aggregate</b>								<b>37.3</b>	<b>90.7</b>	<b>2.0</b>	<b>1.9</b>	<b>9.2</b>	<b>5.3</b>	<b>2.1</b>
<b>Utilities</b>														
Coal India	Neutral	314	297	-5	22.6	16.1	18.4	19.5	17.0	6.4	6.4	42.2	32.9	37.7
CESC	Buy	689	940	37	27.8	48.4	70.7	14.2	9.7	1.6	1.4	3.1	4.7	6.3
JSW Energy	Buy	65	85	31	7.6	5.4	3.3	12.0	19.9	1.2	1.2	15.5	10.1	5.8
NTPC	Buy	170	199	17	12.3	11.9	14.3	14.4	11.9	1.5	1.4	11.9	10.6	11.9
Power Grid	Buy	199	209	5	11.5	14.2	16.8	14.0	11.9	2.1	1.8	14.7	16.1	16.6
<b>Aggregate</b>								<b>16.0</b>	<b>13.7</b>	<b>2.4</b>	<b>2.2</b>	<b>17.7</b>	<b>15.1</b>	<b>16.3</b>
<b>Others</b>														
Arvind	Buy	374	444	19	14.0	14.8	24.0	25.2	15.6	2.5	2.2	12.9	11.3	15.2
Bata India	Buy	477	483	1	11.2	10.9	14.2	43.8	33.6	4.7	4.3	13.1	11.3	13.4
Castrol India	Buy	398	529	33	9.6	12.8	13.4	31.0	29.8	34.2	30.8	76.0	118.4	108.8





Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Century Ply.	Buy	178	211	19	7.5	4.6	8.8	38.9	20.2	6.7	5.5	36.3	18.2	29.8
Coromandel Intl	Under Review	326	-		11.8	16.3	20.0	20.0	16.3	3.5	3.1	14.9	18.5	20.4
Dynamatic Tech	Buy	2,920	3,388	16	19.4	67.6	112.9	43.2	25.9	6.0	4.8	4.7	15.1	20.7
Eveready Inds.	Buy	236	266	13	9.2	9.2	12.9	25.6	18.4	6.9	5.6	16.2	29.5	33.7
Interglobe	Neutral	873	1,018	17	55.2	58.3	72.5	15.0	12.0	14.5	12.2	176.5	105.1	110.2
Indo Count	Buy	183	223	22	13.4	15.7	18.5	11.6	9.8	3.7	2.6	48.9	37.8	31.2
Info Edge	Buy	851	1,050	23	13.0	18.4	20.7	46.1	41.0	5.2	4.9	9.2	12.0	12.3
Inox Leisure	Sell	227	206	-9	8.4	4.1	8.6	55.0	26.4	3.5	3.1	14.9	6.2	11.8
Jain Irrigation	Under Review	94	-		2.2	5.5	7.6	17.0	12.4	1.4	1.4	4.0	8.6	11.7
Just Dial	Buy	373	426	14	20.4	15.6	18.5	23.9	20.1	3.4	3.0	21.1	15.1	15.7
Kaveri Seed	Buy	454	489	8	24.9	23.1	28.8	19.7	15.7	3.3	3.0	20.7	17.1	20.0
Kitex Garm.	Buy	414	631	52	23.6	29.3	35.1	14.2	11.8	4.2	3.3	35.5	33.1	31.0
Manpasand	Buy	562	761	36	10.1	14.9	23.8	37.6	23.6	2.7	2.5	11.4	8.6	9.9
MCX	Buy	1,186	1,400	18	23.4	28.3	40.8	41.9	29.0	4.6	4.2	3.5	11.4	15.2
Monsanto	Buy	2,252	2,706	20	60.1	68.4	87.2	32.9	25.8	9.6	9.0	26.4	28.8	35.9
PI Inds.	Buy	818	959	17	22.1	31.3	38.4	26.1	21.3	7.3	5.7	29.2	31.7	30.1
SRF	Buy	1,630	1,915	17	73.7	81.0	105.0	20.1	15.5	3.1	2.7	17.0	16.2	18.2
S H Kelkar	Buy	320	338	5	5.5	7.5	10.1	42.9	31.6	5.5	5.0	12.6	13.5	16.6
Symphony	Sell	1,172	1,053	-10	15.6	27.0	35.1	43.4	33.4	23.6	20.1	35.0	56.8	65.0
TTK Prestige	Neutral	5,608	4,896	-13	100.7	107.8	139.9	52.0	40.1	52.0	40.1	17.2	16.6	19.7
V-Guard	Neutral	163	179	10	3.7	4.5	5.8	36.1	28.3	8.6	7.0	26.3	26.1	27.4
Wonderla	Buy	354	392	11	10.6	7.0	12.0	50.4	29.5	4.6	4.1	15.8	9.5	14.8



Company	1 Day (%)	1M (%)	12M (%)
<b>Automobiles</b>			
Amara Raja	-0.7	-0.9	10.1
Ashok Ley.	1.2	10.2	0.6
Bajaj Auto	0.5	2.4	16.6
Bharat Forge	-0.8	-3.4	18.1
Bosch	0.2	5.9	19.4
Eicher Mot.	-2.0	2.6	37.0
Endurance Tech.	-0.5	2.2	
Escorts	0.5	14.8	167.1
Exide Ind	1.6	5.5	37.3
Hero Moto	1.5	-1.2	27.5
M&M	-0.4	3.0	3.0
Mahindra CIE	-3.2	6.2	-10.8
Maruti Suzuki	-0.2	9.7	33.1
Tata Motors	2.3	11.4	54.2
TVS Motor	-0.2	1.7	37.9
<b>Banks - Private</b>			
Axis Bank	0.8	0.9	27.6
DCB Bank	-2.3	12.3	60.0
Equitas Hold.	1.5	-2.2	
Federal Bank	3.0	8.9	56.1
HDFC Bank	1.2	5.6	19.6
ICICI Bank	0.6	5.3	19.9
IDFC Bank	1.0	0.2	36.4
IndusInd	0.1	12.3	32.1
J&K Bank	-0.1	-2.5	-11.3
Kotak Mah. Bk	0.5	1.5	8.2
RBL Bank	2.7	6.7	
South Indian	0.5	2.6	16.9
Yes Bank	0.9	12.6	100.6
<b>Banks - PSU</b>			
BOB	1.3	0.1	26.7
BOI	1.4	1.8	22.9
Canara	0.7	-7.0	54.9
IDBI Bk	0.9	5.9	22.0
Indian Bk	0.1	6.1	165.9
OBC	0.4	0.9	11.0
PNB	2.6	2.6	39.4
SBI	1.9	-3.4	38.4
Union Bk	-0.9	0.6	21.1
<b>NBFCs</b>			
Bajaj Fin.	1.8	7.8	53.5
Bharat Fin.	2.8	4.8	35.1
Dewan Hsg.	6.4	19.1	42.7
GRUH Fin.	-0.3	2.4	36.6
HDFC	0.9	-1.1	9.3
Indiabulls Hsg	2.3	19.7	15.2
LIC Hsg Fin	1.9	-2.1	15.7
Manappuram	6.6	16.8	182.0
M&M Fin.	0.3	8.1	26.9
Muthoot Fin	1.6	12.2	65.6
PFC	1.2	10.4	61.9
Repco Home	1.8	25.5	8.8
REC	2.5	11.0	46.6
STF	0.6	13.2	25.7
<b>Capital Goods</b>			
ABB	-0.6	6.2	10.8

Company	1 Day (%)	1M (%)	12M (%)
Bharat Elec.	0.1	5.8	21.2
BHEL	-0.2	4.7	-5.8
CG Cons. Elec.	2.6	12.2	
Crompton Grv.	0.8	9.6	6.8
Cummins	0.0	3.7	-12.4
GE T&D	-0.5	-0.2	-26.4
Havells	2.6	18.2	36.2
Inox Wind	-0.8	-10.3	-42.7
K E C Intl	2.3	8.6	14.8
L&T	0.3	6.2	30.4
Pennar Eng.	2.7	-3.0	-3.0
Siemens	0.1	4.6	11.3
Solar Ind	0.8	3.2	4.9
Suzlon Energy	1.1	5.5	-23.2
Thermax	-1.8	-0.1	-4.9
Va Tech Wab.	-0.7	5.3	-19.0
Voltas	0.3	8.0	23.0
<b>Cement</b>			
Ambuja Cem.	-0.2	5.3	9.9
ACC	0.3	2.9	8.4
Birla Corp.	0.8	11.8	59.2
Dalmia Bharat	0.8	18.0	129.2
Grasim Inds.	0.9	4.3	21.8
India Cem	3.2	21.7	54.4
J K Cements	3.0	2.4	40.3
JK Lakshmi Ce	1.1	8.1	28.0
Ramco Cem	-0.1	15.0	61.2
Orient Cem	-0.8	2.5	-12.3
Prism Cem	-0.4	5.8	16.9
Shree Cem	-1.3	4.5	52.4
Ultratech	0.5	5.0	27.5
<b>Consumer</b>			
Asian Paints	0.2	3.8	6.3
Britannia	0.7	2.2	3.4
Colgate	1.5	0.2	-0.5
Dabur	-1.5	2.2	10.3
Emami	0.4	5.4	8.7
Godrej Cons.	-0.3	5.7	25.6
GSK Cons.	-0.5	-1.8	-15.7
HUL	-0.1	1.2	2.8
ITC	-0.3	9.8	18.9
Jyothy Lab	1.0	-5.4	16.9
Marico	-0.4	2.8	14.7
Nestle	-0.2	-3.0	5.3
Page Inds	0.4	1.0	11.7
Parag Milk	-1.9	0.6	
Pidilite Ind.	-0.7	4.6	14.1
P&G Hygiene	0.3	-1.6	22.0
Radico Khaitan	2.7	3.9	13.3
United Brew	-1.5	-1.5	-5.6
United Spirits	2.1	1.0	-27.2
<b>Healthcare</b>			
Alembic Phar	-0.3	-3.8	-3.8
Alkem Lab	-0.7	3.9	16.7
Aurobindo	-0.1	1.9	-13.6
Biocon	0.3	2.1	98.9
Cadila	-0.2	-7.2	13.3

Company	1 Day (%)	1M (%)	12M (%)
Cipla	0.5	3.8	-3.3
Divis Lab	-0.8	-35.9	-31.5
Dr Reddy's	0.0	-4.0	1.6
Fortis Health	0.9	4.4	9.7
Glenmark	-0.3	-4.2	7.4
Granules	3.7	-6.8	-1.1
GSK Pharma	0.7	0.2	-14.3
IPCA Labs	-1.1	-0.9	-12.0
Lupin	0.9	2.7	-11.3
Sanofi India	-1.7	-3.4	-1.3
Sun Pharma	-1.2	-0.5	-18.1
Syngene Intl	-0.5	2.2	56.5
Torrent Pharma	-0.6	1.7	0.4
<b>Logistics</b>			
Allcargo Logistics	0.2	6.7	-1.8
Blue Dart	-0.4	0.2	-30.4
Concor	-0.5	9.1	-1.5
Gateway Distriparks	0.8	-0.1	-31.7
Gati	2.3	6.9	-8.9
Transport Corp.	2.4	-3.2	-1.0
<b>Media</b>			
Dish TV	-0.9	4.4	-0.3
D B Corp	-5.1	0.8	12.5
Den Net.	5.1	23.7	-5.9
Hathway Cab.	0.3	5.5	-8.4
Hind. Media	-4.8	-1.6	-5.3
HT Media	4.3	12.9	-0.1
Jagran Prak.	-1.4	9.2	16.4
PVR	4.6	13.1	55.3
Siti Net.	1.2	0.8	3.2
Sun TV	-0.5	6.9	40.0
Zee Ent.	0.7	8.8	19.7
<b>Metals</b>			
Hindalco	0.2	1.4	140.1
Hind. Zinc	3.0	1.7	105.4
JSPL	0.6	8.0	23.2
JSW Steel	0.2	17.0	94.1
Nalco	-2.4	13.5	94.4
NMDC	0.3	13.2	67.8
SAIL	2.3	12.7	39.2
Vedanta	2.1	5.6	233.7
Tata Steel	2.7	10.7	99.4
<b>Oil &amp; Gas</b>			
BPCL	1.6	10.4	43.2
Cairn India	1.6	4.7	124.4
GAIL	-1.1	7.8	33.1
Gujarat St. Pet.	-0.7	-6.2	-2.3
HPCL	0.3	15.0	65.8
IOC	0.6	19.0	65.6
IGL	-1.1	0.4	66.0
MRPL	1.4	15.0	64.7
Oil India	-1.2	4.2	28.8
ONGC	-1.3	-1.7	35.5
PLNG	-1.5	-3.5	44.1
Reliance Ind.	-1.2	1.8	0.4

Company	1 Day (%)	1M (%)	12M (%)
<b>Retail</b>			
Jubilant Food	-1.1	-0.4	-32.7
Shopper's Stop	-1.0	0.7	-22.2
Titan Co.	1.4	12.5	8.1
<b>Technology</b>			
Cyient	-1.4	-3.0	12.3
HCL Tech.	-2.0	1.2	-0.8
Hexaware	-0.1	-3.0	-9.9
Infosys	-2.0	-4.8	-16.2
KPIT Tech	0.8	4.2	-3.0
L&T Infotech	0.4	0.1	
Mindtree	-1.1	-3.3	-37.0
Mphasis	-1.2	-7.6	13.1
NIIT Tech	0.1	0.0	-17.6
Persistent Sys	-2.1	1.2	0.4
Tata Elxsi	1.2	-2.1	-20.7
TCS	0.3	-1.0	-0.2
Tech Mah	-0.4	2.1	-6.4
Wipro	-0.3	4.2	-11.1
Zensar Tech	-1.7	-11.4	-8.9
<b>Telecom</b>			
Bharti Airtel	-0.7	2.6	3.8
Bharti Infratel	0.5	0.0	-8.5
Idea Cellular	1.4	-8.1	-37.9
<b>Utilities</b>			
Coal India	-0.3	8.8	-1.4
CESC	2.0	10.1	52.1
JSW Energy	-0.9	7.8	-10.8
NTPC	-0.4	6.5	24.7
Power Grid	1.0	8.2	42.9
<b>Others</b>			
Arvind	1.3	9.7	17.4
Bata India	-0.1	13.8	3.3
Castrol India	0.6	7.1	-7.5
Century Ply.	-0.1	5.7	11.5
Coromandel Intl	-0.7	17.4	94.8
Dynamatic Tech	-1.3	1.2	40.1
Eveready Inds.	0.3	9.6	-9.1
Interglobe	-0.6	5.4	-25.9
Indo Count	5.2	12.7	-16.6
Info Edge	0.2	-2.1	7.0
Inox Leisure	0.0	1.9	8.4
Jain Irrigation	0.8	10.2	53.0
Just Dial	0.6	-2.0	-53.0
Kaveri Seed	-0.9	15.1	39.8
Kitex Garm.	-3.0	0.3	-29.0
Manpasand	-0.3	-0.7	25.2
MCX	-0.4	-9.5	42.5
Monsanto	-0.1	-0.7	-3.6
PI Inds.	-1.3	0.9	24.6
SRF	0.4	8.0	34.8
S H Kelkar	0.9	12.3	30.6
Symphony	0.1	-4.5	10.8
TTK Prestige	-0.2	2.8	29.5
V-Guard	-0.4	-4.6	83.2
Wonderla	0.5	-0.2	-2.4

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**SH Kelkar**



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Sector: Automobile  
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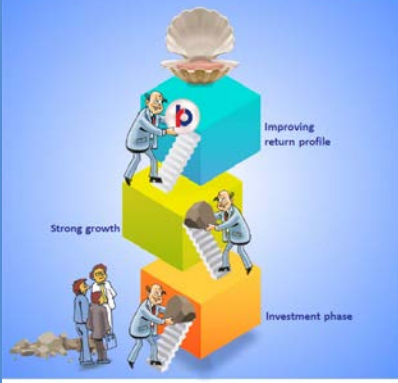
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**L&T Infotech**



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**Cheers to growth**

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**Fortifying growth**

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**Fixing the missing link**

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Sector: Consumer  
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**Getting into the big league**

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# DIFFERENTIATED PRODUCT GALLERY

## MOTILAL OSWAL

### SUN PHARMACEUTICAL

**ART REPORT TREADBARE**  
The ART of Treadbare is an annual report series that highlights the key metrics of a company's performance.

**SUN PHARMACEUTICAL**  
Sun Pharma's Q3 2016 annual report shows a strong performance across all segments. The company reported a 15% increase in sales, driven by its generic pharmaceuticals division. The company's R&D expenses also increased, reflecting its commitment to innovation.

**Key Highlights:**

- Operating performance metrics showed a 15% increase in sales, driven by its generic pharmaceuticals division.
- Operating profit increased by 10% to ₹ 1,018 crore, primarily due to higher volume and improved margins.
- Operating expenses decreased by 5% to ₹ 7,145 crore, primarily due to cost optimization measures.
- Operating cash flow increased by 20% to ₹ 1,234 crore, primarily due to improved working capital management.
- Operating assets increased by 15% to ₹ 15,678 crore, primarily due to investments in R&D and infrastructure.

**Financial Summary:**

Particulars	Q3 2016	Q3 2015
Revenue	8,134	7,021
Operating Profit	1,018	925
Operating Expenses	7,145	7,516
Operating Cash Flow	1,234	1,028
Operating Assets	15,678	13,621

**Share Info:**

Company Name: Sun Pharmaceutical Industries Ltd.  
CIN: 272408  
Listing: BSE, NSE, NYSE  
Website: www.sunpharma.com

## MOTILAL OSWAL

### The CornerOffice

Subscriptions with the CEO

**Democratization: A milestone task for India's largest bank**  
SBI is taking steps to democratize its services, focusing on rural and semi-urban areas. The bank is investing in digital infrastructure and expanding its branch network. This initiative is expected to improve financial inclusion and support the growth of the Indian economy.

**Key Highlights:**

- SBI is taking steps to democratize its services, focusing on rural and semi-urban areas.
- The bank is investing in digital infrastructure and expanding its branch network.
- This initiative is expected to improve financial inclusion and support the growth of the Indian economy.

**Share Info:**

Company Name: State Bank of India  
CIN: 195001  
Listing: BSE, NSE, NYSE  
Website: www.sbi.co.in

## MOTILAL OSWAL

### VOICES

**India Inc on Call**

**Key Highlights:**

- India Inc is showing strong growth across all sectors, driven by the government's economic reforms.
- The private sector is contributing significantly to the country's GDP growth.
- Investment in infrastructure and technology is increasing, supporting the growth of the Indian economy.

**Share Info:**

Company Name: India Inc  
CIN: 195001  
Listing: BSE, NSE, NYSE  
Website: www.indiainc.com

## MOTILAL OSWAL

### EcoKnowledge

Living into leading theory

**Identify data confirms 6.5% growth in real GDP**

**Key Highlights:**

- Real GDP growth is confirmed at 6.5% for the quarter, indicating a strong recovery in the Indian economy.
- The private sector is contributing significantly to the country's GDP growth.
- Investment in infrastructure and technology is increasing, supporting the growth of the Indian economy.

**Share Info:**

Company Name: EcoKnowledge  
CIN: 195001  
Listing: BSE, NSE, NYSE  
Website: www.ecoknowledge.com

## MOTILAL OSWAL

### VOICES

**India Inc on Call**

**Key Highlights:**

- India Inc is showing strong growth across all sectors, driven by the government's economic reforms.
- The private sector is contributing significantly to the country's GDP growth.
- Investment in infrastructure and technology is increasing, supporting the growth of the Indian economy.

**Share Info:**

Company Name: India Inc  
CIN: 195001  
Listing: BSE, NSE, NYSE  
Website: www.indiainc.com

## MOTILAL OSWAL

### BULLS & BEARS

INDIA WALLSTREET HANDBOOK

**Highlights of November edition:**

- Nifty ended November with a 4.7% loss, closing at 8,225 after recovering from an intra-month low of 7,935.
- Metals, Utilities and PSU Banks only sectors to give positive returns.
- Real Estate, Media and Cement top negative performers.

**Share Info:**

Company Name: Bulls & Bears  
CIN: 195001  
Listing: BSE, NSE, NYSE  
Website: www.bullsandbears.com

## MOTILAL OSWAL

### FUND FOLIO

Indian Mutual Fund Tracker

**A MONTH INTO DEMONETIZATION**

**Key Highlights:**

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

**Share Info:**

Company Name: Fund Folio  
CIN: 195001  
Listing: BSE, NSE, NYSE  
Website: www.fundfolio.com

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