

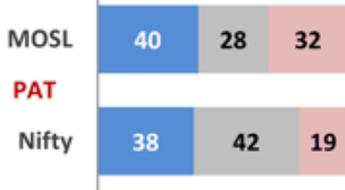
Corporate performance



4QFY17: Expectations v/s delivery

% of Companies that have Declared Results

Above Expectations In-line Below Expectations



(no of companies)	Growth (YoY, %)		
	MOSL (92)	Nifty (26)	Sensex (15)
Sales	13.6	11.9	12.0
EBIDTA	16.4	8.2	6.7
PAT	36.3	15.6	15.8

Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	30,659	0.2	15.1
Nifty-50	9,526	0.1	16.4
Nifty-M 100	18,450	-0.3	28.6
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,357	-1.8	5.3
Nasdaq	6,011	-2.6	11.7
FTSE 100	7,503	-0.2	5.0
DAX	12,632	-1.4	10.0
Hang Seng	10,383	-0.5	10.5
Nikkei 225	19,815	0.5	3.7
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	51	1.3	-7.2
Gold (\$/OZ)	1,261	2.0	9.5
Cu (US\$/MT)	5,593	0.0	1.3
Almn (US\$/MT)	1,922	0.1	12.8
Currency	Close	Chg. %	YTD.%
USD/INR	64.2	0.1	-5.5
USD/EUR	1.1	0.6	5.9
USD/JPY	111.4	-1.6	-4.7
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.7	0.0	0.2
10 Yrs AAA Corp	7.8	0.0	0.3
Flows (USD b)	17-May	MTD	YTD
FII	-0.1	0.5	6.8
DII	0.1	0.2	1.8
Volumes (INRb)	17-May	MTD*	YTD*
Cash	326	294	284
F&O	4,423	4,453	4,612

Note: YTD is calendar year, *Avg

Quote of the day

The real key to making money in stocks is not to get scared out of them

Research Team (Gautam.Duggad@MotilalOswal.com)

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

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



Today's top research idea

Hindustan Unilever: Beat on all fronts; Positive outlook on monsoon; Upgrade to Buy

- ✓ HUVR's 4QFY17 sales increased 6.4% YoY (est. +4.5%) to INR82.1b. Domestic business grew 8% with volumes growing 4%. EBITDA increased 12.2% YoY to INR16.5b (est. 14.6b) and Adj. PAT increased 6.2% YoY to INR11.2b, (1.4% above estimates).
- ✓ **Upgrade to BUY:** Strong recovery in volumes was a pleasant surprise. With likely normal monsoon, HUL has all levers for earnings revival especially when allied with benefits of low base of preceding years, return of price led sales growth, lower promotion spends, continuing premiumization as well as government schemes (DBT implementation, 24% increase in rural outlay in the budget, farm loan waiver in Uttar Pradesh etc). We target 45x FY19 EPS, (5% premium to 3 year average) resulting in target price of INR 1,165.



Research covered

Cos/Sector	Key Highlights
HUL	Beat on all fronts; Positive outlook on monsoon; Upgrade to Buy
Bajaj Finance	Strong operating performance continues
JSW Steel	Higher realization offsets cost pressure
MRPL	EBITDA above est.; forex gain boosts PAT further
United Breweries	13% industry decline in 4QFY17 leads to poor financial performance
JK Lakshmi Cement	EBITDA miss led by lower-than-expected realizations
India Electricals	Energy Efficiency Services Limited (EESL) order tracker
Results Expectation	Bajaj Auto BOB CESC Cummins DB Corp Gateway Dist. Jyothy Lab Muthoot Fin Pidilite



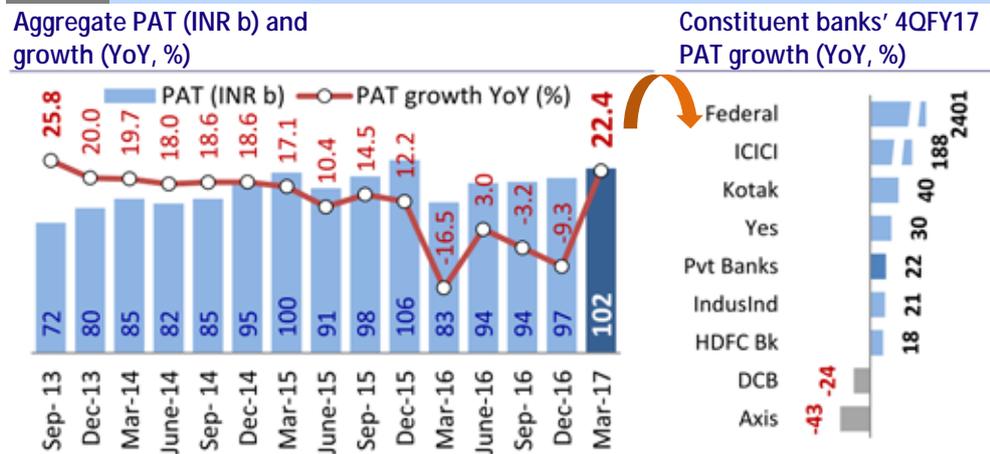
Piping hot news

Revival of thermal power: Cabinet approves new coal linkage policy 'Shakti'

- ✓ The Cabinet on Wednesday approved a long-awaited coal linkage policy, in a breather to the thermal power sector. Named Shakti or the Scheme ...



Chart of the Day: Private sector banks - PAT growth at 14-quarter high





Kindly click on numbers for the detailed news link

1

Dr Reddy's gets USFDA nod to launch new ovarian cancer drug in US

Hyderabad-based Dr Reddy's Laboratories has received approval from US Food and Drug Administration (US FDA) to launch Doxorubicin Hydrochloride Liposome injection in the US market...

2

GST will be a turbulent period for wholesale: Sanjiv Mehta

Earnings of Hindustan Unilever (HUL) recovered in the March quarter, in line with what parent Unilever had indicated a month ago. In a media interaction on Wednesday, managing director and chief executive officer Sanjiv Mehta talked about the way forward and how the company was dealing with risks emanating from the goods and services tax (GST)...

3

Railways goes corporate, will scrap Rs 30,000 cr social subsidy

"Despite all this, our loading has increased from 1,104 million tonne in 2015-16 to 1,109 mt in 2016-17. We are also giving extra focus on non-fare revenue. The major concern for us is the increasing subsidy burden, while the pay commission impact will also be there in 2017-18, of about Rs 15,000 crore..."

4

Rs. 2.6-lakh cr loans could turn stressed by FY19: Ind-Ra

Indian banks are sitting on unrecognised stressed loans worth Rs. 7.7 lakh crore, and corporate and SME loans aggregating Rs. 2.60 lakh crore could potentially be recognised as stressed loans by FY19, said India Ratings and Research (Ind-Ra)....

5

Volvo banks on Eicher for global truck play

Volvo is banking on its India joint venture with Eicher Motors, VE Commercial Vehicles, to take its global script in trucks and engines to the next level. "Asia is a big growth engine for Volvo and India's role becomes critical..."

6

Banks' investments in corp bonds jump 25% in FY17

Banks invested more in corporate debt in 2016-17 as the credit growth slowed to its lowest levels in six decades and deposits grew, especially after the demonetisation of high-value currency notes...

7

JSW Steel eyes brownfield projects to expand capacity; invest Rs. 19,200 cr

JSW Steel plans to invest Rs. 19,200 crore in various brownfield projects to enhance its capacity in line with the national steel policy announced by the government recently. The company plans to double steel-making capacity at Dolvi in Maharashtra to 10 million tonnes per annum (mtpa) along with 4 mtpa pellet...



Hindustan Unilever

BSE SENSEX	S&P CNX
30,659	9,526
Bloomberg	HUVR IN
Equity Shares (m)	2,164.3
M.Cap.(INRb)/(USDb)	2,159.4 / 33.7
52-Week Range (INR)	1010 / 783
1, 6, 12 Rel. Per (%)	5/7/2
Avg Val, INRm/ Vol m	1186
Free float (%)	32.8

CMP: INR1,006 TP: INR1,165(+16%) Upgrade to Buy

Beat on all fronts; Positive outlook on monsoon; Upgrade to Buy

- HUVR's 4QFY17 net sales increased 6.4% YoY** (est. of +4.5%) to INR82.1b. Domestic consumer business rose 8% YoY, with underlying volumes growing 4% YoY (adjusted for pipeline correction, 2.5%-3% growth v/s est. of -0.5%). EBITDA increased by 12.2% YoY to INR16.5b (est. of INR14.6b) and adj. PAT by 6.2% YoY to INR11.2b (1.4% above estimate).
- Personal care sales grew at a healthy 8.1% YoY.** Home care sales rose 7.4% YoY. Growth was 2.4% YoY in foods and 10.5% YoY in refreshments.
- Gross margin contracted 20bp YoY to 51%** v/s estimate of -160bp, mainly because of healthy personal care sales, a segment where margins are far superior to other segments. The decline of 100bp YoY in staff costs and 80bp in A&P also contributed to the margin beat. Consequently, EBITDA margin at 20.1% expanded 100bp YoY (est. of -100bp).
- FY17 performance:** Sales were up 3% YoY (1% volume growth) at INR319b, EBITDA margin improved 40bp YoY and adj. PAT grew 3% YoY to INR42.5b.
- Concall highlights:** (1) There was a change in tone toward premiumization, which, in our view, indicates that EBITDA margin expansion will be better than the 'calibrated increase' of the past. (2) Management stated that net GST benefits, if any, will be passed on. (3) Under Ind-AS, RoE appears lower as provision for dividend is not deducted until AGM approval.
- Upgrade to Buy:** A strong recovery in volumes (despite rural/wholesale being subdued) was a pleasant surprise. With forecast of normal monsoon, HUL has all the levers for earnings revival in place, especially when allied with benefits of low base of preceding years, return of price part of sales growth, lower promotion spends, continuing premiumization and government schemes (DBT implementation, a 24% increase in rural outlay in the budget, farm loan waiver in Uttar Pradesh, etc.). Return ratios and dividend yield are best-of-breed. We target 45x FY19E EPS (5% premium to 3-year avg.), resulting in TP of INR1,165.

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	313.0	348.3	391.5
EBITDA	60.5	68.9	78.9
PAT	42.5	48.6	56.0
EPS (INR)	19.6	22.4	25.9
Gr. (%)	1.9	14.3	15.3
BV/Sh (INR)	30.8	31.4	32.1
RoE (%)	65.6	72.1	81.4
RoCE (%)	87.3	95.5	107.7
P/E (x)	51.3	44.8	38.9
P/BV (x)	32.7	32.0	31.3

Estimate change



TP change



Rating change



Quarterly performance

Y/E March	FY16				FY17				FY16 Ind AS		FY17 Ind AS		Estimate	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Variance		
Volume Growth (%)	6.0	7.0	6.0	4.0	4.0	-1.0	-4.0	4.0	5.8	0.8	-0.5			
Net Sales	78,445	77,314	77,640	77,210	81,282	78,427	77,060	82,130	310,608	318,899	80,680	1.8%		
YoY Change (%)					3.6	1.4	-0.7	6.4		2.7	4.5			
COGS	38,976	38,965	37,424	37,690	39,555	39,620	37,440	40,220	153,055	156,835	40,626			
Gross Profit	39,469	38,349	40,216	39,520	41,727	38,807	39,620	41,910	157,553	162,064	40,054	4.6%		
Margin %	50.3	49.6	51.8	51.2	51.3	49.5	51.4	51.0	50.7	50.8	49.6			
Operating Exp % to sales	24,349	24,982	25,914	24,800	25,368	24,760	26,060	25,400	100,045	101,588	25,487			
EBITDA	15,120	13,366	14,302	14,720	16,359	14,046	13,560	16,510	57,508	60,475	14,567	13.3%		
YoY Change (%)					8.2	5.1	-5.2	12.2		5.2	-0.9			
Margins (%)	19.3	17.3	18.4	19.1	20.1	17.9	17.6	20.1	18.5	19.0	18.1			
Depreciation	749	761	822	880	933	945	1,000	1,080	3,212	3,958	1,041			
Interest	47	45	45	20	60	49	50	60	157	219	16			
Other Income	1,230	1,944	1,451	1,010	1,076	2,528	820	830	5,634	5,254	1,105			
PBT	15,554	14,503	14,886	14,830	16,442	15,580	13,330	16,200	59,773	61,552	14,616	10.8%		
Tax	4,960	4,560	4,373	4,200	5,411	4,807	4,480	4,360	18,093	19,058	3,591			
Rate (%)	31.9	31.4	29.4	28.3	32.9	30.9	33.6	26.9	30.3	31.0	24.6			
Adjusted PAT	10,628	9,902	10,241	10,390	11,277	10,818	9,199	11,180	41,162	42,474	11,025	1.4%		
Reported Profit	10,692	9,822	9,717	11,140	11,739	10,956	10,380	11,830	41,370	44,905	11,025			
YoY Change (%)					9.8	11.5	6.8	6.2		8.5	(1.0)			

E: MOSL Estimates



Bajaj Finance

BSE SENSEX	S&P CNX
30,659	9,526
Bloomberg	BAF IN
Equity Shares (m)	535.5
M.Cap.(INR b)/(USD b)	564.4/8.3
52-Week Range (INR)	1180 / 560
1, 6, 12 Rel. Per (%)	21/-3/66
Avg Val, (INR m)	1297
Free float (%)	41.9

CMP: INR1,323 TP: INR1,550 (+17%) Buy

Strong operating performance continues

- Bajaj Finance's (BAF) 4QFY17 PAT increased 43% YoY to INR4.5b (in-line). PPOp grew 52% YoY (9% beat), driven by robust AUM growth of 36% YoY and better-than-expected margin performance (11.4%, +130bp YoY). Higher provisions of INR2.9b (incl. INR700m additional provisions on account of demon and non-recurring provisions) led to in-line PAT.
- AUM continued its robust growth trajectory (+36% YoY, +4.5% QoQ) to reach INR602b, led by impressive growth in the consumer finance (+43% YoY) and commercial business (+51%) segments. Within consumer business, personal cross-sell loans grew 60% YoY to INR61.6b (ninth consecutive quarter of 50%+ AUM growth), while salaried home loans grew 93% YoY. Interestingly, the company scaled back on its penetration of Bajaj 2Ws (from 42% to 37% QoQ).
- GNPLs increased 21bp QoQ to 1.7% in 4QFY17. The company took one-off general provisions of INR700m due to demon-related issues in the quarter. Management has guided for normal credit costs in FY18.
- FY17 highlights:** Despite BAF's cautious approach in LAP in FY17, it managed to deliver robust AUM growth, 44% YoY increase in PAT and strong returns profile (RoA/RoE of 3.7/21.6% v/s 3.5/20.9% in FY16).
- Valuation and view:** BAF – a dominant player in the consumer durables financing segment – continues to reap the benefits of healthy consumer demand, increasing its market share in consumer as well as other businesses. At the same time, it is proactive in detecting early warning signals with regard to asset quality. The stock trades at 6.1x/4.9x FY18E/19E BV. We raise FY18E/19E EPS by 1/2%, and increase TP to INR1,550 (5.7x FY19E BVPS). **Buy.**

Financials & Valuations (INR b)

Y/E March	2017	2018E	2019E
NII	55.1	74.5	98.9
PPP	36.4	50.2	67.3
PAT	18.4	25.7	34.8
EPS (INR)	33.6	47.0	63.6
EPS Gr. (%)	40.7	40.1	35.2
BV/Sh. (INR)	175.6	215.7	270.0
RoA on AUM (%)	3.3	3.5	3.6
RoE (%)	21.7	24.0	26.2
Payout (%)	14.0	14.0	14.0

Valuations			
P/E (x)	39.4	28.1	20.8
P/BV (x)	7.5	6.1	4.9
Div. Yield (%)	0.2	0.3	0.4

Quarterly Performance

Y/E March	FY16				FY17				(INR Million)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY16	FY17
Operating Income	16,462	16,799	20,614	19,162	22,864	23,470	26,930	26,650	73,043	99,914
YoY Growth (%)	32.4	36.3	39.6	34.1	38.9	39.7	30.6	39.1	35.7	36.8
Interest expenses	6,771	6,947	7,493	8,058	8,833	9,562	9,802	9,837	29,269	38,034
Net Income	9,692	9,853	13,121	11,104	14,031	13,909	17,128	16,813	43,775	61,881
YoY Growth (%)	30.3	43.3	48.4	35.8	44.8	41.2	30.5	51.4	39.7	41.4
Other income	96	206	83	272	147	190	109	79	792	524
Total Income	9,788	10,059	13,203	11,376	14,178	14,098	17,237	16,892	44,566	62,405
Operating Expenses	4,531	4,411	5,490	4,921	5,865	6,144	6,939	7,099	19,492	26,047
Operating Profit	5,257	5,648	7,714	6,455	8,312	7,954	10,297	9,794	24,283	35,833
YoY Growth (%)	30.3	49.1	54.0	40.9	58.1	40.8	33.5	51.7	42.4	47.6
Provisions and Cont.	1,033	1,368	1,462	1,565	1,797	1,691	1,797	2,897	5,429	8,182
Profit before Tax	4,224	4,280	6,252	4,890	6,515	6,263	8,500	6,897	18,854	27,651
Tax Provisions	1,468	1,486	2,167	1,740	2,275	2,185	2,943	2,406	6,861	9,810
Net Profit	2,756	2,794	4,085	3,150	4,240	4,078	5,557	4,492	12,785	18,366
YoY Growth (%)	30.4	41.7	58.1	36.4	53.8	45.9	36.0	42.6	42.4	43.6
Loan Growth (%)	32.0	35.6	41.0	36.5	39.5	37.8	32.6	36.1	38.8	33.2
Borrowings Growth (%)	34.7	30.0	37.2	38.7	40.5	43.4	30.2	33.0	38.7	33.0
Cost to Income Ratio (%)	46.3	43.9	41.6	43.3	41.4	43.6	40.3	42.0	44.5	42.1
Tax Rate (%)	34.8	34.7	34.7	35.6	34.9	34.9	34.6	34.9	34.1	35.1

E: MOSL Estimates



BSE SENSEX	S&P CNX
30,659	9,526
Bloomberg	JSTL IN
Equity Shares (m)	2,417
M.Cap.(INRb)/(USD	499.5 / 7.8
52-Week Range	209 / 128
1, 6, 12 Rel. Per (%)	4/8/41
Avg Val, INRm	1091
Free float (%)	58.4

CMP: INR207

TP: INR241(+16%)

Buy

Higher realization offsets cost pressure

Charting growth plans; Maintain Buy

JSW Steel's (JSTL) 4QFY17 cons. EBITDA grew 10% QoQ to INR31.6b (9% beat), led by an increase in volumes. Adj. PAT rose 39% QoQ to INR10.1b (est. of INR7.1b) on lower depreciation and effective tax rate (28% v/s 33% in 3QFY17). Net debt (incl. acceptances) declined ~INR22b QoQ/flat YoY to ~INR515b.

- n S/A sales grew 9% QoQ/21% YoY to 3.96mt, driven by an increase in exports. Exports doubled QoQ to 1.43mt, representing 36% of sales.
- n S/A EBITDA/t was down marginally QoQ at INR7,586, as higher realization (INR3,159 QoQ) was offset by an increase in RM cost (INR3,200/t QoQ).
- n Sales guidance is 15.5mt (up ~5% YoY) for FY18.

Charting growth plans

JSTL will expand Dolvi plant's capacity from 5mt to 10mt by Mar-20, taking the company's total capacity to ~23mt. The brownfield expansion at specific capex of USD0.5b/t (overall INR150b) is less than half of recent/ongoing greenfield expansions in India (Exhibit 7). Downstream capacities would be expanded at capex of INR32b, improving value-add mix. Upgrading, mining and sustenance capex is INR86b. Total capex plan is INR268b over FY18-21 (Exhibit 8).

Well-timed expansion at low specific cost; Maintain Buy

The capacity expansion is well-timed, as the steel market balance is expected to be more favorable by FY20 (CU to improve from 80% to 86%, Exhibit 9) on the back of steady demand growth and no new capacity plans. Expansion in western India provides proximity to strong-growth markets/downstream facilities, lowers competition and provides state tax benefits. With EBITDA of INR136-144b over FY18-19E and net debt/EBITDA of ~4x (Exhibit 11), JSTL can comfortably fund capex; it is among the few players in India to benefit from the steel industry's long-term growth potential. We increase capex to INR80b for FY18E/19E, as guided. EBITDA is upgraded by ~2%, PAT by ~6% on lower tax. We value CWIP at 1x.

Valuing on 12month rolling 7x EV/EBITDA, we derive a TP of INR241. **Maintain Buy.**

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	556.0	637.4	655.3
EBITDA	122.6	139.0	146.5
PAT	35.8	48.6	54.6
EPS (INR)	14.8	20.1	22.6
Gr. (%)	na	35.8	12.3
BV/Sh (INR)	93.7	110.1	130.1
RoE (%)	17.3	19.7	18.8
RoCE (%)	7.9	8.9	8.9
P/E (x)	14.0	10.3	9.2
P/BV (x)	2.2	1.9	1.6

Estimate change



TP change



Rating change



Quarterly Performance (Consolidated) – INR m

Y/E March	FY16				FY17				FY16	FY17	FY17	vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	115,762	109,069	86,983	106,975	117,080	132,278	140,126	166,562	418,789	556,046	173,464	-4
Change (YoY %)	-12.7	-21.5	-34.2	-15.1	1.1	21.3	61.1	55.7	-20.9	32.8	62.2	
EBITDA	16,273	17,293	8,918	18,246	32,694	29,586	28,669	31,649	60,730	122,598	29,034	9
Change (YoY %)	-37.7	-38.5	-61.2	8.4	100.9	71.1	221.5	73.5	-35.4	101.9	59.1	
Interest	8,222	8,363	8,107	8,335	9,358	9,646	9,201	9,476	33,027	37,681	10,139	-7
Depreciation	9,385	6,822	7,734	7,938	8,315	8,915	9,146	8,779	31,879	35,154	9,236	-5
Other Income	258	390	226	808	334	296	333	558	1,682	1,521	836	
PBT (before EO Item)	-1,077	2,498	-6,696	2,781	15,356	11,320	10,655	13,953	-2,494	51,284	10,494	33
EO Items	-7	-14	-21,221	-11	0	0	0	0	-21,254	0	0	
PBT (after EO Item)	-1,084	2,483	-27,917	2,770	15,356	11,320	10,655	13,953	-23,748	51,284	10,494	33
Total Tax	166	1,424	-18,100	1,270	4,507	4,734	3,511	3,992	-15,241	16,743	4,048	
% Tax	-15.3	57.3	64.8	45.8	29.4	41.8	32.9	28.6	64.2	32.6	38.6	
Reported PAT	-1,250	1,060	-9,817	1,500	10,848	6,587	7,145	9,961	-8,508	34,541	6,447	55
Adjusted PAT	-1,135	1,105	-1,701	1,649	11,090	7,265	7,300	10,143	-84	35,798	7,125	42



BSE SENSEX	S&P CNX
30,659	9,526
Bloomberg	MRPL IN
Equity Shares (m)	1,753
M.Cap.(INRb)/(USD\$)	236.8 / 3.5
52-Week Range	137 / 63
1, 6, 12 Rel. Per (%)	9/39/80
Avg Val, INRm	139
Free float (%)	11.4

CMP: INR135

TP: INR124(-8%)

Neutral

EBITDA above est.; forex gain boosts PAT further

- MRPL reported 4QFY17 EBITDA (excl. forex gain of INR3.1b) of INR12.5b (-19% YoY, +9% QoQ), above our estimate of INR9.2b, led by higher-than-estimated GRM of USD8.25/bbl (est. of USD6.1). Interest cost came in at INR1.2b (est. of INR1.4b, -17% YoY, -13% QoQ). Other income of INR375m (-84% YoY, -41% QoQ) missed our estimate of INR675m. Adj. PAT was INR8.7b (est. of INR4.4b; -35% YoY, +54% QoQ). The exceptional item of INR15.9b was on account of exchange rate variation gain on the settlement of overdue payables to Iran which got accumulated.
- GRM above estimates:** Reported GRM stood at USD8.25/bbl, likely led by inventory gain during the quarter. Benchmark Singapore GRM stood at USD6.4/bbl in 4QFY17.
- Crude throughput stood at 4.23mmt** (-6% YoY, -3% QoQ), implying 113% utilization in the quarter. The throughput was lower on account of shutdown of one of the primary units for five days during the quarter.
- FY17, EBITDA grew by +164% YoY to INR47b and PAT grew by +54% YoY to INR20.5b.
- Dividend of INR6/share:** Management has recommended dividend of INR6/share.

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	432.1	498.6	551.8
EBITDA	47.1	40.7	42.8
PAT	20.5	22.4	23.3
EPS (INR)	11.7	12.8	13.3
Gr. (%)	-217.8	68.5	13.9
BV/Sh (INR)	57.5	67.2	77.4
RoE (%)	24.8	20.5	18.4
RoCE (%)	15.5	14.9	14.7
P/E (x)	11.6	10.6	10.1
P/BV (x)	2.4	2.0	1.7

Estimate change

TP change

Rating change

Valuation and view: We believe that the refinery should be able to report GRM of ~USD6.5/bbl in FY18/19. The stock trades at 10.1x FY19E EPS and EV of 5.0x FY19E EBITDA. We value the stock at EV of 5.5x FY19E EBITDA to arrive at a fair value of INR104/share for the standalone refinery and add INR20 for OMPL (2% upside). The stock has climbed 17% in last one month, leaving no upside to our fair value of INR124. Maintain **Neutral**.

Standalone - Quarterly Earning Model

Y/E March	FY16				FY17				FY16	FY17	FY17	Var. vs est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	113,148	102,211	88,187	92,929	84,288	99,690	114,753	133,349	396,474	432,079	119,746	11%
YoY Change (%)	-28.1	-35.8	-40.1	-17.6	-25.5	-2.5	30.1	43.5	-31.2	9.0	28.9	
Total Expenditure	105,954	111,353	83,721	77,565	72,076	91,835	103,277	117,808	378,593	384,996	110,534	7%
EBITDA	7,194	-9,142	4,466	15,364	12,212	7,855	11,476	15,540	17,881	47,083	9,212	69%
Margins (%)	6.4	-8.9	5.1	16.5	14.5	7.9	10.0	11.7	4.5	10.9	7.7	
Depreciation	1,482	1,593	1,596	2,452	1,707	1,681	1,702	1,703	7,122	6,793	1,814	-6%
Interest	1,223	1,627	1,555	1,462	1,465	1,115	1,395	1,219	5,867	5,194	1,433	-15%
Other Income	2,140	2,402	1,636	2,394	2,295	926	636	375	8,572	4,232	675	-45%
PBT before EO expense	6,629	-9,961	2,951	13,845	11,335	5,984	9,015	12,993	13,464	39,328	6,640	96%
Extra-Ord expense	1,542	205	6	77	0	0	0	-15,973	1,830	-15,973	0	
PBT	5,087	-10,166	2,945	13,768	11,335	5,984	9,015	28,966	11,634	55,301	6,640	336%
Tax	1,032	-1,032	0	343	4,155	1,826	3,355	9,542	343	18,877	2,213	331%
Rate (%)	20	10	0	2	37	31	37	33	3	34	33	
Reported PAT	4,055	-9,134	2,945	13,424	7,181	4,159	5,660	19,424	11,291	36,423	4,427	339%
Adj PAT	5,284	-8,950	2,951	13,499	7,181	4,159	5,660	8,713	13,067	25,903	4,427	97%
YoY Change (%)	-1,563.8	-8.2	-115.6	15.4	35.9	-146.5	91.8	-35.5	-175.2	98.2	-67.2	
Margins (%)	4.7	-8.8	3.3	14.5	8.5	4.2	4.9	6.5	3.3	6.0	3.7	
Key Assumptions												
Refining throughput (mmt)	3.9	3.5	3.8	4.5	3.7	4.0	4.4	4.2	15.7	16.3	4.0	6%
Core GRM (USD/bbl)	5.1	5.3	8.4	9.0	5.3	5.5	5.1	8.3	6.9	6.0	6.1	36%

United Breweries

BSE SENSEX 30,659 S&P CNX 9,526

CMP: INR814

Under review

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

Conference Call Details



Date: 18th May 2017

Time: 4:00pm IST

Dial-in details:

+91-22-3960 0894

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	47.9	51.7	58.0
EBITDA	6.8	7.5	9.1
NP	2.8	3.6	4.6
EPS (INR)	10.7	13.6	17.6
EPS Gr. (%)	-5.4	27.5	29.1
BV/Sh. (INR)	89.5	100.9	116.0
RoE (%)	12.6	14.3	16.2
RoCE (%)	11.7	12.1	13.7
P/E	76.3	59.8	46.3
P/BV (x)	9.1	8.1	7.0

13% industry decline in 4QFY17 leads to poor financial performance

- Net sales declined 8.4% YoY (est. of -4.7%) to INR11.1b (3.9% below estimate) in 4QFY17. The beer industry reported its sharpest-ever fall (-13% YoY) due to the impact of demonetization, store closures due to the highway ban and higher excise YoY (+400bp v/s estimate of +270bp).
- Gross margin contracted 230bp YoY to 51.3%. Staff costs increased 90bp YoY. Other expenses, however, declined 170bp YoY, restricting EBITDA margin contraction to 150bp (est. of +30bp) to 9.1% in 4QFY17. EBITDA declined 21.3% YoY (est. of -2%) to INR1.01b, 19% below expectations. Due to high depreciation and much lower other income, PAT declined 87% YoY.
- Full-year FY17 performance: Sales declined 2.2% YoY to INR47.34b. EBITDA dropped by 7.3% YoY to INR6.4b and PAT by 23% YoY to INR2.3b, mainly due to demonetization and store closures due to the highway ban. For the full-year, industry demand fell by 5%, while UB reported a lower demand decline of 2.5%, thereby growing its share in a year of market decline.
- Management stated that some impact of the highway ban could be felt in 1HFY18. Magnitude of the impact will be dependent on the potential mitigating actions taken by state governments, including options offered to outlets to relocate to alternative locations, de-notification of highways, etc.

Standalone - Quarterly Earning Model

Y/E March	FY16				FY17				FY16	FY17E	4QFY17E	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	14,546	10,723	10,969	12,150	15,642	10,322	10,250	11,127	48,388	47,341	11,583	-3.9%
YoY Change (%)					7.5	-3.7	-6.6	-8.4		-2.2	-4.7	
Total Expenditure	12,062	9,373	9,169	10,866	12,733	9,139	8,942	10,116	41,470	40,930	10,334	
EBITDA	2,484	1,350	1,800	1,285	2,909	1,183	1,308	1,011	6,919	6,412	1,248.6	-19.0%
YoY Change (%)					17.1	-12.4	-27.3	-21.3		-7.3	-2	
Margins (%)	17.1	12.6	16.4	10.6	18.6	11.5	12.8	9.1	14.3	13.5	10.8	
Depreciation	583	598	615	638	637	702	698	833	2,435	2,870	600	
Interest	202	205	224	180	148	141	153	144	811	587	150	
Other Income	167	242	179	273	136	8	330	43	862	516	340	
PBT before EO expense	1,866	789	1,140	739	2,260	348	787	76	4,534	3,472	838.6	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	1,866	789	1,140	739	2,260	348	787	76	4,534	3,472	839	-90.9%
Tax	645	268	428	216	790	106	274	9	1,556	1,178	226	
Rate (%)	34.5	33.9	37.5	29.2	34.9	30.4	34.8	11.7	34.3	33.9	27	
Minority Interest & Profit/Loss of Asso.	0	0	0	0	0	0	0	0	0	0	0.0	
Reported PAT	1,221	521	713	524	1,471	242	513	67	2,979	2,293	612	-89.0%
Adj PAT	1,221	521	713	524	1,471	242	513	67	2,979	2,293	612.2	-89.0%
YoY Change (%)					20.4	-53.5	-28.0	-87.1		-23.0	16.9	
Margins (%)	8.4	4.9	6.5	4.3	9.4	2.3	5.0	0.6	6.2	4.8	5.3	

E: MOSL Estimates

JK Lakshmi Cement

BSE SENSEX 27836.51
S&P CNX 8615.25

CMP:INR515

Under review

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

Conference Call Details



Date: 18th May 2017

Time: 04:00pm IST

Dial-in details:

+91 22 3938 1073

+91-22 3940 3977

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Sales	29.1	32.6	37.6
EBITDA	3.7	4.9	5.6
NP	0.8	1.5	2.0
Adj EPS (INR)	7.0	12.3	16.9
BV/Sh (INR)	119.4	118.7	122.7
RoE (%)	6.0	10.5	14.0
RoCE (%)	8.8	8.5	10.1
Payout (%)	12.6	71.2	75.9

Valuations			
P/BV (x)	4.3	4.3	4.2
EV/EBITDA (x)	20.2	15.0	12.1
EV/Ton (USD)	123	109	88

EBITDA miss led by lower-than-expected realizations

- 4QFY17 sales volumes increased 6% YoY to 2.28mt (est. of 2.27mt), led by ramp-up of its eastern unit.
- Revenue rose 10% YoY to INR8.1b (est. of INR7.98b).
- Realizations stood at INR3,531/ton (-3% QoQ, +3.5% YoY) v/s est. of INR3,698.
- EBITDA declined 16% YoY to INR716m (est. of INR 893m), with the margin at 8.9% (-3.5pp QoQ, -2.7pp YoY)
- EBITDA/t was INR313 (-21% YoY/-30% QoQ) due to weaker realizations QoQ.
- Other income was higher at INR263m v/s estimate of INR95m.
- Tax inflow was INR152m for 4QFY17.
- Hence, PAT declined 20% YoY to INR207m (est. of INR84m).

Key questions for management

- Volume guidance for FY18, both for the industry and JKLC
- Expectation of pricing trend over next few quarters
- Likely impact of higher power & fuel and freight cost
- Profitability guidance for eastern operations

Valuation view: We will revisit our estimates post the earnings call. Based on our current estimates, it trades at 15.0x/12.1x FY18/FY19E EBITDA. We will review our rating post conference call.

Quarterly performance

Y/E March	FY16				FY17				FY16	FY17E	FY18E	(INR Million)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				4QE	Var (%)
Sales Dispatches (m ton)	1.66	1.75	1.77	2.16	2.13	1.72	1.84	2.28	7.33	7.97	8.61	2.27	1
YoY Change (%)	14.9	20.0	18.0	39.0	28.7	-1.9	4.0	6.0	23.3	8.7	8.0	5.2	
Realization (INR/ton)	3,569	3,694	3,663	3,411	3,649	3,822	3,645	3,531	3,574	3,651	3,799	3,698	-4
YoY Change (%)	-14.4	-6.0	-1.2	-8.5	2.2	3.5	-0.5	3.5	-7.9	2.2	4.1	3.3	
QoQ Change (%)	-4.3	3.5	-0.9	-6.9	7.0	4.7	-4.6	-3.1				-3.4	
Net Sales	5,908	6,457	6,483	7,351	7,772	6,556	6,709	8,067	26,199	29,104	32,707	7,985	1
YoY Change (%)	-1.6	12.8	16.6	27.1	31.6	1.5	3.5	9.7	13.6	11.1	12.4	8.6	
EBITDA	505	684	678	853	1,175	937	826	716	2,720	3,654	4,649	893	-20
Margins (%)	8.5	10.6	10.5	11.6	15.1	14.3	12.3	8.9	10.4	12.6	14.2	11.2	
Depreciation	392	417	419	401	412	412	443	457	1,629	1,724	1,792	459	
Interest	458	498	509	503	463	471	486	466	1,967	1,887	1,638	442	
Other Income	44	124	193	125	104	179	152	263	486	698	428	95	
PBT before EO expense	-300	-106	-57	74	404	233	49	55	-389	742	1,646	87	
Extra-Ord expense	55	53	0	0	0	0	0	0	107	0	0	0	
PBT	-355	-159	-57	74	404	233	49	55	-497	742	1,646	87	-36
Tax	-120	-75	-52	-185	118	-16	-27	-152	(431)	(77)	362	2	
Rate (%)	33.8	47.2	90.1	-250.7	29.1	-6.8	-54.5	-274.5	86.8	-10.4	22.0	2.6	
Adj PAT	-199	-56	-6	259	286	249	76	207	-51	819	1,284	84	
YoY Change (%)	-136.9	-116.0	-102.1	-42.8	-244.1	-545.5	-1,433.3	-19.8	-103.4	-1,694.8	56.8	-78.2	
Margins (%)	-3.4	-0.9	-0.1	3.5	3.7	3.8	1.1	2.6	-0.2	2.8	3.9	1.1	

Source: MOSL, Company



India Electricals

Please refer our detailed report dated June 2016



Energy Efficiency Services Limited (EESL) order tracker

Ordering stable in FY17; product portfolio expansion leads to a decline in lighting segment orders

- n **EESL broadens product basket with introduction of tube lights and pumps:** Energy Efficiency Services Limited (EESL) placed orders amounting to INR23.4b in FY17, up 4% from INR23b in FY16. The share of lighting products stands at 56% (streetlights – 26%, lamps – 24% and tube lights – 6%). In FY17, EESL placed orders for two new product categories: pumps and tube lights. Pumps' share in overall ordering stood at 22%, while tube lights garnered a 6% share. During the year, the fans and air conditioning segments witnessed healthy growth, although on a low base. Fans segment witnessed 7x increase in ordering, now constituting 3% of overall EESL ordering activity v/s 0.4% in FY16. Air conditioning segment witnessed 6x increase in ordering activity, with Voltas capturing 97% of the market via orders of chillers and room air conditioners. However, the air conditioning segment forms a very small portion (0.4%) of overall ordering of EESL.
- n **Post success in LED lamps ordering, focus shifts to street lighting/tube lights:** Of EESL ordering of INR23.4b in FY17, 56% was captured by the lighting segment. For FY17, the lighting segment ordering fell 8% YoY, mainly on account of a decline in the LED lamp segment. Lamp segment ordering declined 33.6% YoY to INR5.5b, partially compensated by the introduction of the tube light segment (6% of EESL ordering) and 4% YoY growth in the street lighting segment. Wipro is the market leader in the street lighting segment, with a 19% market share. On the other hand, Phillips dominates the lamps category, with a 34% share. Tube light leadership is shared by H.Q Lamps and Surya Roshni.
- n **Crompton grabs 22% market share in fans:** Orders worth INR0.8b were placed in FY17, with procurement price of INR764/unit (INR900-1,000/unit cost to the customer, including taxes) v/s retail price of INR1,400-1,500/unit. Orders were placed for five-star-rated fans with 2.5 years warranty. Crompton Greaves' market share stood at 22% in FY17, while USHA (which had a market share of 70% in FY16) was not able to bag any order in FY17.
- n **EESL orders 10m tube lights in FY17:** EESL finalized orders worth INR1.4b in FY17 at a procurement price of INR140/unit. Surya Roshni and H.Q Lamps were the market leaders with a 20% share, while Crompton was able to grab a 12% share.
- n **Pumps ordering starts in FY17:** Ordering for pumps has begun in FY17, with orders worth INR5.1b being placed in the year. EESL intends to replace 7HP pumps with 5HP pump (30% energy savings), which are procured for ~INR35,000/unit v/s retail price of INR45,000-50,000/unit. CRI Pumps is the market leader in the segment with a 45% share, and Crompton stood third in the category with a 16% share.



Bajaj Auto

Bloomberg	BJAUT IN
Equity Shares (m)	289.4
M. Cap. (INR b)/(USD b)	799 / 12
52-Week Range (INR)	3122 / 2350
1,6,12 Rel Perf. (%)	-6 / -10 / -5

Financial Snapshot (INR b)

Y/E MAR	2016	2017E	2018E	2019E
Sales	225.9	217.8	248.5	282.9
EBITDA	47.8	45.2	50.9	58.1
NP	38.1	38.7	44.8	50.4
Adj. EPS (INR)	131.8	133.7	154.8	174.0
EPS Gr. (%)	25.1	1.4	15.9	12.4
BV/Sh. (INR)	424.8	480.3	545.0	614.6
RoE (%)	33.2	29.5	30.2	30.0
RoCE (%)	32.3	28.8	29.4	29.2
Payout (%)	50.2	58.5	58.2	60.0

Valuations

P/E (x)	21.5	21.2	18.3	16.3
P/BV (x)	6.7	5.9	5.2	4.6
EV/EBITDA (x)	15.0	15.0	12.9	10.9
Div. Yield (%)	1.9	2.3	2.6	3.2

CMP: INR2,801 TP:INR3,282 (+17%) Buy

- n Overall volume declined ~10% YoY (-7.5% QoQ) to 788k units due to a ~14% YoY decline in domestic volume, while Exports declined by ~3% YoY due to the impact of demonetization and transition to BS-IV from BS-III. Total 2W sales declined by ~7% in 4QFY17, while 3W volumes fell sharply by 28% YoY led by both domestic and exports falling by 30% & 25% respectively led by demonetization and currency issues in African markets continued.
- n We expect realization to grow by 1.4% YoY (+5% QoQ) led by improvement in mix of premium segment motorcycles though partly offset by decline in 3Ws segment, as a result net revenues are expected to decline by 8% YoY.
- n EBITDA margin should contract 100bp YoY (-10bp QoQ) to 20.5% – due to higher commodity prices and staff cost.
- n We expect PAT to decline ~11% YoY (-9% QoQ) to INR8.4b.
- n We have lowered our total volume estimates by 3.5% and lower USD/INR realization to 67 from 70 in FY18, resulting in EPS cut of 4%/5% for FY18E/FY19E respectively.
- n The stock trades at 18.1x FY18E and 16.1x FY19E EPS; maintain **Buy**.

Key issues to watch

- Ø Update on demand of new launches, channel inventory post BS-III ban; outlook for FY18 based on impact of demonetization.
- Ø Outlook for export demand and pricing, especially the Nigerian market (sharp currency depreciation); outlook for FY18.

Quarterly Performance

	FY16				FY17				(INR Million)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY16E	FY17
Volumes ('000 units)	1,013	1,057	951	872	995	1,032	852	788	3,894	3,666
Growth YoY (%)	2.5	0.1	-3.4	11.5	-1.8	-2.3	-10.5	-9.7	2.2	(5.8)
Realization (INR/unit)	55,273	57,543	58,306	61,467	57,784	58,676	59,495	62,344	58,269	59,412
Growth YoY (%)	4.0	1.9	1.5	1.5	4.5	2.0	2.0	1.4	2.8	2.0
Net Sales	55,993	60,799	55,478	53,627	57,480	60,545	50,669	49,109	226,876	217,802
Change (%)	6.6	2.0	-1.9	13.2	2.7	-0.4	-8.7	-8.4	5.0	-4.0
RM/Sales %	67.4	66.7	66.6	65.9	67.2	67.0	66.8	66.5	66.3	66.9
Staff cost/Sales %	4.3	4.0	4.1	3.8	4.7	4.3	4.8	5.2	4.0	4.7
Oth. Exp./Sales %	8.0	7.7	8.2	8.9	7.7	7.4	7.9	7.8	8.2	7.7
EBITDA	11,402	13,167	11,716	11,534	11,763	12,961	10,439	10,084	48,835	45,247
EBITDA Margins (%)	20.4	21.7	21.1	21.5	20.5	21.4	20.6	20.5	21.5	20.8
Other Income	3,063	2,680	2,425	2,569	2,671	3,420	3,193	2,475	10,736	11,759
Interest	1	3	2	4	2	7	3	-3	11	9
Depreciation	784	780	746	761	775	770	772	778	3,072	3,094
PBT	13,680	15,063	13,392	13,338	13,657	15,605	12,858	11,784	56,488	53,904
Tax	4,106	4,540	3,686	3,844	3,873	4,378	3,612	3,365	17,328	15,228
Effective Tax Rate (%)	30.0	30.1	27.5	28.8	28.4	28.1	28.1	28.6	30.7	28.3
Adj. PAT	9,574	10,524	9,706	9,493	9,784	11,228	9,246	8,419	39,124	38,676
Change (%)	29.4	26.4	12.7	52.7	2.2	6.7	(4.7)	(11.3)	28.4	-1.1



Bank of Baroda

Bloomberg	BOB IN
Equity Shares (m)	2310.5
M. Cap. (INR b)/(USD b)	403 / 6
52-Week Range (INR)	192 / 128
1,6,12 Rel Perf. (%)	5 / -3 / 0

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
NII	127.4	133.8	155.7	188.5
OP	88.2	101.8	115.2	136.3
NP	-54.0	17.4	43.8	60.3
NIM (%)	2.0	2.2	2.4	2.5
EPS (INR)	-23.4	7.5	19.0	26.1
EPS Gr. (%)	NA	NA	152.0	37.7
BV/Sh. (INR)	146	152.2	166.7	186.8
ABV/Sh. (INR)	92	98.6	127.9	165.5
RoE (%)	-15.3	5.0	11.9	14.8
RoA (%)	-0.8	0.3	0.6	0.7
Div. Payout (%)	0.0	23.2	23.2	23.2

Valuations

P/E(X)	NA	23.2	9.2	6.7
P/BV (X)	1.2	1.1	1.0	0.9
P/ABV (X)	0.0	1.8	1.4	1.1
Div. Yield (%)	0.0	0.9	2.2	3.0

CMP: INR174

TP: INR224 (+29%)

Buy

- We expect balance sheet consolidation to continue, with 7.5% YoY decline in loans in absolute terms. Portfolio rebalancing towards granular loans and SEB loan conversion could weigh on growth.
- After several quarters of decline in deposit intake in FY16, deposit growth has picked up in the previous quarter. We expect BOB to show 3% QoQ /6% YoY increase in deposits, given the low base.
- We expect margins to improve ~17bp QoQ, since 3QFY17 NIMs were impacted by interest income reversals.
- We expect slippages to remain elevated. However, higher recoveries are expected to provide some cushion to asset quality. We expect only a marginal increase in GNPA's in 4QFY17.
- Muted fee income growth and significantly lower non-core income could see non-interest income falling from the highs of 2Q.
- PAT should increase ~100% sequentially, although from a low base; return ratios would still remain sub-optimal.
- The stock trades at 0.9x FY19E BV and 6.7x FY19 EPS. **Buy.**

Key issues to watch for

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

Quarterly Performance

(INR Million)

	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	34,596	32,445	27,053	33,304	33,711	34,261	31,344	34,445	127,398	133,760
% Change (YoY)	3.9	-4.6	-17.7	5.0	-2.6	5.6	15.9	3.4	-3.4	5.0
Other Income	9,672	11,440	11,129	17,747	14,444	15,614	17,750	14,542	49,989	62,350
Net Income	44,269	43,885	38,183	51,051	48,155	49,875	49,093	48,987	177,387	196,110
Operating Expenses	22,249	20,515	21,141	25,326	21,460	22,973	23,141	26,745	89,231	94,320
Operating Profit	22,020	23,370	17,041	25,725	26,695	26,902	25,952	22,242	88,156	101,791
% Change (YoY)	-11.2	-2.7	-27.1	-4.5	21.2	15.1	52.3	-13.5	-11.1	15.5
Other Provisions	5,997	18,917	61,646	68,577	20,041	17,958	20,795	15,197	155,137	73,991
Profit before Tax	16,022	4,453	-44,604	-42,852	6,654	8,944	5,157	7,045	-66,981	27,799
Tax Provisions	5,501	3,208	-11,184	-10,551	2,418	3,422	2,630	1,954	-13,025	10,425
Net Profit	10,522	1,245	-33,420	-32,301	4,236	5,521	2,527	5,091	-53,955	17,375
% Change (YoY)	-22.7	-88.7	NA	NA	-59.7	343.5	NA	NA	NA	NA
Operating Parameters										
NIM (Reported, %)	2.3	2.1	1.7	2.2	2.2	2.3	2.1		2.1	
Deposit Growth (%)	7.5	8.0	4.4	-7.0	-5.2	-7.3	0.0	6.0	-7.0	6.0
Loan Growth (%)	7.0	7.6	-2.4	-10.3	-11.2	-14.6	-8.9	-7.5	-10.3	-7.5
CASA Ratio (%)	31.9	32.0	30.0	33.6	33.8	34.2	40.5		26.4	29.4
Asset Quality										
OSRL (INR B)	255	229	171	137	142	139	141		137	
OSRL (%)	6.3	5.5	4.5	3.6	3.9	3.9	4.0		3.6	
Gross NPA (INR B)	173	237	389	405	430	429	426	426	405	426
Gross NPA (%)	4.1	5.6	9.7	10.0	11.2	11.4	11.4	11.3	10.0	11.3

E: MOSL Estimates



CESC

Bloomberg	CESC IN
Equity Shares (m)	133.2
M. Cap. (INR b)/(USD b)	113 / 2
52-Week Range (INR)	886 / 467
1,6,12 Rel Perf. (%)	-1 / 32 / 59

CMP: INR848 TP: INR970 (+14%) Buy

- ▢ We estimate CESC's PAT to be broadly flat YoY at INR2.5b, as steady increase in capitalization is offset by impact of negative bid on the captive coal block.
- ▢ Sales volume growth is estimated at 11% YoY to 2,284MU.

Financial Snapshot (INR Million)

y/e march	2016	2017E	2018E	2019E
Sales	119.0	139.8	153.8	162.4
EBITDA	28.5	34.5	38.3	39.6
NP	3.7	6.7	10.0	10.9
EPS (INR)	27.8	50.4	74.7	82.2
EPS Gr. (%)	86.6	81.3	48.2	10.0
BV/Sh. (INR)	470.5	441.4	504.1	574.3
RoE (%)	6.0	11.1	15.8	15.2
RoCE (%)	9.1	10.2	11.4	11.4
Payout (%)	36.0	19.8	13.4	12.2
VALUATION				
P/E (x)	17.0	16.6	11.2	10.2
P/BV (x)	1.0	1.9	1.7	1.5
EV/EBITDA (x)	7.2	7.5	6.6	6.2
Div. Yield (%)	2.1	1.2	1.2	1.2

Key issues to watch for:

- ⊗ Performance of Spencer.
- ⊗ Commissioning of full 187MW PPA with Noida.

Quarterly Performance – Standalone

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Sales	17,040	17,720	15,380	14,790	20,120	20,160	16,200	15,562	64,340	70,712
Change (%)	-8.5	6.7	23.1	4.4	18.1	13.8	5.3	5.2	4.9	9.9
EBITDA	3,860	4,380	2,980	4,760	5,110	5,910	3,150	5,043	15,980	19,213
Change (%)	2.1	3.5	-0.3	5.5	32.4	34.9	5.7	6.0	3.2	20.2
As of % Sales	22.7	24.7	19.4	32.2	25.4	29.3	19.4	32.4	24.8	27.2
Depreciation	910	900	890	990	960	990	980	897	3,690	3,827
Interest	1,200	1,160	1,050	1,120	1,150	1,160	1,080	1,364	4,530	4,754
Other Income	250	250	430	300	260	320	300	416	1,230	1,296
Regulatory (inc)/exp	0	0	0	0	620	600	-960	0	0	260
PBT	2,000	2,570	1,470	2,950	2,640	3,480	2,350	3,198	8,990	11,668
Tax	480	620	350	470	900	1,060	830	711	1,920	3,501
Effective Tax Rate (%)	24.0	24.1	23.8	15.9	34.1	30.5	35.3	22.2	21.4	30.0
Reported PAT	1,520	1,950	1,120	2,480	1,740	2,420	1,520	2,488	7,070	8,168
Adjusted PAT	1,520	1,950	1,120	2,480	1,740	2,420	1,520	2,488	7,070	8,168
Change (%)	0.7	1.6	0.9	-12.6	14.5	24.1	35.7	0.3	-3.9	15.5

E: MOSL Estimates



Cummins India

Bloomberg	KKC IN
Equity Shares (m)	277.2
M. Cap. (INR b)/(USD b)	268 / 4
52-Week Range (INR)	973 / 747
1,6,12 Rel Perf. (%)	6 / -3 / -5

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
Net Sales	47.0	50.0	56.6	65.5
EBITDA	7.7	7.7	9.2	11.3
Adj PAT	7.5	7.2	8.4	10.1
EPS (INR)	27.2	26.0	30.2	36.3
EPS Gr. (%)	-4.0	-4.6	16.4	20.0
BV/Sh. (INR)	114.4	124.8	136.9	151.5
RoE (%)	24.9	22.0	23.1	25.2
RoCE (%)	25.2	21.9	23.3	25.4
Payout (%)	51.5	51.5	51.5	51.5
Valuations				
P/E (x)	29.7	31.1	26.8	22.3
P/BV (x)	7.1	6.5	5.9	5.3
EV/EBITDA, x	28.9	29.0	24.0	19.5
Div Yield (%)	1.7	1.7	1.9	2.3

CMP: INR968 TP: INR990 (+2%) Neutral

- n We expect revenue to grow 19% YoY, supported by growth in the industrial (23%) and automotive (12%) segments. Industrial segment growth would be driven by a pick-up in infrastructure (roads and metros) and data center segments.
- n Pick-up in the domestic demand environment and various pricing actions taken by KKC would help it to regain lost market share post CPCB-2 compliance.
- n Domestic revenue should grow 11% YoY in 4QFY17.
- n We expect export revenue to improve 24% YoY to INR4.1b in 4QFY17 given low base of 4QFY16.
- n EBITDA margin is expected to remain stable YoY at 16.6%; net profit should grow 13% YoY to INR1.9b. Maintain **Neutral**.

Key issues to watch

- ⊗ Cost optimization possibilities in power gen business, given increased localization due to a significant decline in imports post CPCB-2 implementation.
- ⊗ Performance of export segment, as exports which remained weak, led by poor demand in LatAm, Europe and China have shown some signs of picking up from 3QFY17.

Quarterly Performance (Standalone)

(INR Million)

Y/E March	FY16				FY17				FY16	FY17
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Sales	13,101	11,946	11,382	10,614	12,590	12,790	13,550	12,606	47,043	51,301
Change (%)	25.3	4.4	5.1	-6.4	-3.9	7.1	19.0	18.8	6.8	9.1
EBITDA	2,217	2,019	1,727	1,773	2,063	1,990	2,265	2,093	7,736	8,176
Change (%)	23.3	6.3	-8.8	0.8	-6.9	-1.4	31.1	18.0	2.2	16.9
As of % Sales	16.9	16.9	15.2	16.7	16.4	15.6	16.7	16.6	16.4	15.9
Depreciation	203	200	201	206	206	209	225	249	810	889
Interest	24	24	24	24	21	43	55	31	96	150
Other Income	595	601	565	513	416	692	461	523	2,279	2,092
PBT	2,585	2,396	2,066	2,056	2,252	2,430	2,446	2,336	9,109	9,229
Tax	472	417	286	386	440	461	466	479	1,561	1,846
Effective Tax Rate (%)	18.2	17.4	13.9	18.8	19.5	19.0	19.0	20.5	17.1	20.0
Adjusted PAT	2,114	1,980	1,780	1,670	1,812	1,969	1,981	1,857	7,548	7,383
Change (%)	(0.3)	(2.2)	(1.7)	(12.3)	(14.3)	(0.5)	11.3	11.2	(4.0)	(2.2)
Extra-ordinary Income (net)	-	-	-	-	-	-	-	-	-	-
Reported PAT	2,114	1,980	1,780	1,670	1,812	1,969	1,981	1,857	7,548	7,383
Change (%)	(0.3)	(2.2)	(1.7)	(12.3)	(14.3)	(0.5)	11.3	11.2	(4.0)	(2.2)



DB Corp

Bloomberg	DBCL IN
Equity Shares (m)	183.4
M. Cap. (INR b)/(USD b)	72 / 1
52-Week Range (INR)	448 / 300
1,6,12 Rel Perf. (%)	-1 / -7 / 8

Financial Snapshot (INR Billion)

Y/E MARCH	2016	2017E	2018E	2019E
Net Sales	20.5	22.7	25.1	27.9
EBITDA	5.4	6.5	7.1	7.9
Adj. Net Profit	3.0	3.8	4.2	4.9
Adj. EPS (INR)	16.2	20.4	23.0	26.5
Adj. EPS Gr. (%)	-7.4	26.0	12.6	15.3
BV/Sh (INR)	73.3	82.5	92.8	104.8
RoE (%)	22.6	26.2	26.2	26.8
RoCE (%)	20.0	23.4	23.7	24.5
Div. Payout (%)	81.5	55.0	55.0	55.0

Valuations

P/E (x)	24.1	19.1	17.0	14.7
P/BV (x)	5.3	4.7	4.2	3.7
EV/EBITDA (x)	13.4	10.8	9.6	8.3
Div. Yield (%)	2.8	2.4	2.7	3.1

CMP: INR391 TP: INR450 (+15%) Buy

- n While the demonetization hangover is expected to continue on Print media companies, given that they derive ~55% of ad revenues from local advertisers that have been most impacted.
- n Despite low base, we expect weak 2% YoY ad growth (~INR3.24b) for DBCL in 4QFY17. Circulation revenue is likely to grow 9% YoY to INR1.24b.
- n DBCL's aggregate revenue is likely to grow 5% YoY to INR5.4b, as print ad revenue, which accounts for ~65% of overall revenue, remains under pressure.
- n Raw material cost is expected to increase 5% YoY, largely led by escalation in newsprint prices.
- n We expect EBITDA margin to remain flat YoY at 22.2%.
- n We estimate net profit at INR646m, flat YoY.
- n We revise our target price to INR450 (17x FY19E EPS). The stock trades at 16.7x FY18E and 14.5x FY19E EPS. Buy.

Key things to watch for

- Ø YoY ad growth (flat)
- Ø EBITDA margin (we expect 22%).

Quarterly Performance

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Sales	4,734	4,781	5,859	5,143	5,704	5,287	6,273	5,399	20,516	22,663
YoY (%)	-3.2	-0.4	5.6	5.9	20.5	10.6	7.1	5.0	1.9	10.5
Operating Expenses	3,515	3,654	3,991	4,001	3,892	3,782	4,290	4,202	15,161	16,166
EBITDA	1,218	1,127	1,868	1,142	1,812	1,505	1,982	1,197	5,355	6,497
YoY (%)	-9.5	-8.7	1.2	-4.4	48.7	33.6	6.1	4.8	-5.6	21.3
EBITDA margin (%)	25.7	23.6	31.9	22.2	31.8	28.5	31.6	22.2	26.1	28.7
Depreciation	208	215	233	222	211	216	218	218	878	863
Interest	21	27	19	24	34	6	30	26	92	96
Other Income	68	53	37	122	41	41	36	58	281	177
PBT	1,057	938	1,654	1,017	1,608	1,325	1,771	1,011	4,666	5,715
Tax	393	337	585	375	568	440	590	365	1,690	1,963
Effective Tax Rate (%)	37.2	35.9	35.4	36.8	35.3	33.2	33.3	36.1	36.2	34.4
Adj PAT	665	601	1,068	642	1,040	885	1,181	646	2,976	3,752
YoY (%)	-16.0	-11.8	1.6	0.4	56.5	47.3	10.6	0.5	-7.3	26.1



Gateway Distriparks

Bloomberg	GDPL IN
Equity Shares (m)	108.6
M. Cap. (INR b)/(USD b)	28 / 0
52-Week Range (INR)	325 / 209
1,6,12 Rel Perf. (%)	-2 / -9 / -28

Financial snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
Sales	10.5	11.3	12.6	14.4
EBITDA	2.5	2.3	2.9	3.5
NP	1.2	0.9	1.7	2.2
EPS (INR)	11.4	8.3	15.7	20.1
EPS (INR)*	8.7	6.5	11.7	14.3
EPS Gr. (%)*	-31.3	-24.8	79.6	22.4
RoE (%)	10.1	7.2	12.9	15.3
RoCE (%)	7.5	7.1	10.8	12.8
Payout (%)	81.7	63.0	45.1	45.4

Valuations

P/E (x)	22.4	30.7	16.3	12.7
Adj. P/E (x)	29.4	39.1	21.8	17.8
EV/EBITDA (x)	11.8	13.0	9.9	8.0
EV/EBITDA (x)*	16.6	18.4	14.1	11.6
Div. Yield (%)	2.7	1.7	2.3	3.0

* Adjusted for Blackstone's stake

CMP: INR255 TP: INR314 (+23%) Buy

- n We expect GDPL to report net sales of INR2.8b (+10% YoY, -2% QoQ), led by increased volumes in Rail and CFS businesses.
- n We estimate EBITDA at INR569m (flat YoY, -3% QoQ) and EBITDA margin at 20.2%. We estimate adjusted PAT at INR209m (-12% YoY, -19% QoQ).
- n The stock trades at 14.1/11.6x FY18E/FY19E adjusted EV/EBITDA.
- n GDPL remains a direct play on the upcoming dedicated freight corridor project, which will multiply its asset turnover and significantly improve profitability. Buy.

Key issues to watch for

- Ø Volume growth, realization and per TEU profitability.

Quarterly Performance

Y/E March (Consolidated)	(INR Million)									
	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q*	2Q*	3Q*	4QE		
Net Sales	2,628	2,595	2,671	2,575	2,782	2,857	2,876	2,820	10,470	11,335
YoY Change (%)	-6.1	-11.3	-2.4	-2.9	5.9	10.1	7.7	9.5	-5.8	8.3
Total Expenditure	1,938	1,954	2,053	2,006	2,227	2,276	2,289	2,251	7,951	9,044
EBITDA	690	641	619	569	555	581	587	569	2,518	2,292
Margins (%)	26.3	24.7	23.2	22.1	19.9	20.3	20.4	20.2	24.1	20.2
YoY Change (%)	-8	-25	-28	-28	-20	-9	-5	0	-23	-9
Depreciation	201	202	202	200	195	194	192	207	805	787
Interest	51	50	46	38	51	88	74	81	184	295
Other Income	57	48	47	13	40	80	83	65	165	267
PBT	495	437	418	345	349	379	403	346	1,695	1,477
Tax	296	141	126	108	124	127	146	137	671	534
Rate (%)	59.8	32.2	30.1	31.4	35.6	33.6	36.2	39.5	39.6	36.2
PAT before minority / profit of assoc.	199	297	292	237	225	252	257	209	1,024	943
YoY Change (%)	-48.0	-38.0	-44.5	-46.0	13.0	-15.0	-11.9	-11.6	-43.9	-7.9
Margins (%)	7.6	11.4	10.9	9.2	8.1	8.8	8.9	7.4	9.8	8.3

E: MOSL Estimates, *1QFY17 and 2QFY17,3QFY17 is addition of Rail and CFS details as provided and not actual consolidated number



Jyothy Labs

Bloomberg	JYL IN
Equity Shares (m)	181.0
M. Cap. (INR b)/(USD b)	62 / 1
52-Week Range (INR)	383 / 270
1,6,12 Rel Perf. (%)	-10 / -12 / -6

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
Net Sales	16.6	17.8	20.1	23.2
EBITDA	2.2	2.7	2.9	3.3
Adj PAT	0.7	1.4	1.6	1.9
Adj PAT for NCD	0.1	0.8	1.0	1.2
Adj. EPS (INR)	4.1	8.0	9.0	10.5
EPS Gr. (%)	-41.7	94.5	12.8	16.5
BV/Sh (INR)	46.7	50.2	54.8	60.8
RoE (%)	9.1	16.4	17.1	18.1
RoCE (%)	7.2	12.9	13.8	14.6

Valuations

P/E (x)	83.3	42.8	38.0	32.6
P/BV (x)	7.3	6.8	6.2	5.6
EV/EBITDA	29.9	24.1	22.0	19.5
Dividend Yield (%)	1.2	1.2	1.2	1.2

CMP: INR342 TP: INR380 (+11%) Neutral

- n We expect Jyothy Labs' net sales to grow 9.6% to INR5.4b.
- n EBITDA margin is likely to expand by 130bp YoY to 14.1%.
- n We have factored in EBITDA growth of 21.3% YoY to INR765m.
- n The stock trades at 19.5x FY19E EV/EBITDA. Speculation around Henkel deal (deadline for which has been extended till October 31st) will overshadow fundamentals in FY18, in our view.

Key issues to watch for:

- Ø Update on new launches and innovations.
- Ø Update on Henkel call option.
- Pick-up in Henkel brands' performance.

Quarterly Performance

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	4,040	3,894	3,711	4,930	4,373	4,148	3,834	5,405	16,575	17,760
YoY Change (%)					8.3	6.5	3.3	9.6	10.1	7.1
Other Operating Income	3.4	6.6	6.3	3.9	3.9	4.2	5.2	8.9	20.2	22.2
Total Sales	4,043	3,900	3,718	4,934	4,377	4,152	3,839	5,414	16,595	17,782
COGS	2,096	2,029	1,914	2,919	2,219	2,132	2,089	3,080	8,958	9,520
Gross Profit	1,947	1,871	1,803	2,015	2,158	2,020	1,750	2,334	7,637	8,262
Margins (%)	48.2	48.0	48.5	40.8	49.3	48.7	45.6	43.1	46.1	46.5
Total Exp	1,366	1,374	1,290	1,381	1,364	1,383	1,243	1,569	5,410	5,559
EBITDA	581	498	513	631	795	637	507	765	2,227	2,703
EBITDA Growth %					36.8	28.0	-1.3	21.3	36.6	21.4
Margins (%)	14.4	12.8	13.8	12.8	18.2	15.3	13.2	14.1	13.4	15.2
Depreciation	69	72	74	100	71	73	73	100	314	317
Interest	164	151	150	153	157	164	144	162	618	628
Other Income	50	35	24	33	29	31	26	31	141	117
PBT	398	310	314	410	596	430	315	534	1,435	1,875
Tax	149	121	121	302	146	119	108	58	693	431
Rate (%)	37.5	39.0	38.6	73.6	24.6	27.7	34.3	10.8	48.3	23.0
Adjusted PAT	258	199	202	108	459	320	215	476	742	1,444
YoY Change (%)					78.2	61.2	6.6	341.4	-39.7	94.5

E: MOSL Estimates



Muthoot Finance

Bloomberg	MUTH IN
Equity Shares (m)	399.0
M. Cap. (INR b)/(USD b)	158 / 2
52-Week Range (INR)	405 / 176
1,6,12 Rel Perf. (%)	10 / 8 / 102

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
NII	25.4	30.0	34.6	39.3
PPP	14.8	18.9	21.9	25.1
PAT	8.1	11.8	13.8	16.0
EPS (INR)	20.3	29.7	34.5	40.0
BV/Sh.(INR)	140.8	159.7	181.7	207.2
RoA on AUM (%)	3.4	4.5	4.6	4.7
RoE (%)	15.1	19.7	20.2	20.6
Div. Yld. (%)	1.5	2.2	2.6	3.0
P/E (x)	19.5	13.4	11.5	9.9
P/BV (x)	2.8	2.5	2.2	1.9

CMP: INR396 TP: INR465 (+18%) Buy

- n AUM is expected to grow 13% YoY and 2.6% QoQ to INR277b.
- n Calculated margins are likely to improve sequentially to ~12% led by better auction realization and decline in funding costs.
- n However, due to high base, NII is expected to decline 3%YoY to INR14b.
- n Asset quality is likely to improve marginally with GNPL of 2.75% in 4QFY17 v/s 2.92% in 3QFY17.
- n We estimate provisions of INR339m, as against INR39m in 3QFY17 and INR1,299m in 4QFY16.
- n PAT is expected to grow 23% YoY and 12% QoQ to INR3.3b
- n The stock trades at 2.2x FY18E and 1.9x FY19E BV. Maintain Buy.

Key issues to watch for

- Ø Management commentary on business growth and steps taken to sustain AUM growth in the wake of demonetization.
- Ø Plan of branch expansion.
- Ø Movement in yields and margins, with declining cost of funds.
- Ø Progress in gold auctions.

Quarterly Performance

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Income from operations	11,256	11,226	11,235	14,291	12,712	13,497	13,225	13,825	48,007	53,259
Other operating income	145	136	148	179	252	320	184	201	607	957
Total Operating income	11,401	11,361	11,383	14,469	12,964	13,817	13,409	14,027	48,614	54,216
YoY Growth (%)	4.8	7.4	6.6	31.5	13.7	21.6	17.8	-3.1	12.7	11.5
Other income	26	38	29	43	44	45	56	41	136	186
Total Income	11,426	11,400	11,412	14,513	13,008	13,862	13,464	14,068	48,750	54,403
YoY Growth (%)	4.6	7.4	6.7	31.7	13.8	21.6	18.0	-3.1	12.7	11.6
Interest Expenses	5,670	5,652	5,616	5,639	5,571	5,937	5,970	5,755	22,577	23,232
Net Income	5,756	5,747	5,796	8,874	7,437	7,925	7,494	8,313	26,173	31,170
Operating Expenses	2,816	2,918	2,823	2,824	3,025	3,130	3,000	3,088	11,381	12,242
Operating Profit	2,940	2,830	2,972	6,049	4,413	4,795	4,495	5,225	14,792	18,928
YoY Growth (%)	4.6	7.2	23.3	116.9	50.1	69.5	51.2	-13.6	38.9	28.0
Provisions	106	146	74	1,299	176	171	39	339	1,624	724
Profit before Tax	2,835	2,684	2,898	4,750	4,237	4,624	4,456	4,887	13,169	18,204
Tax Provisions	1,003	939	1,032	2,098	1,534	1,657	1,545	1,635	5,072	6,371
Net Profit	1,832	1,745	1,867	2,652	2,703	2,967	2,911	3,252	8,097	11,833
YoY Growth (%)	1.7	2.2	20.9	60.6	47.6	70.0	55.9	22.6	20.7	46.2

E: MOSL Estimates



Pidilite Industries

Bloomberg	PIDI IN
Equity Shares (m)	512.7
M. Cap. (INR b)/(USD b)	366 / 6
52-Week Range (INR)	770 / 569
1,6,12 Rel Perf. (%)	2 / -9 / 1

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
Sales	54.1	55.6	63.5	73.6
EBITDA	12.2	12.4	13.8	15.5
Adj. PAT	7.6	8.5	9.4	10.5
Adj. EPS (INR)	14.8	16.6	18.3	20.5
EPS Gr. (%)	47.3	12.5	10.1	12.3
BV/Sh.(INR)	54.3	64.5	79.3	96.3
RoE (%)	29.9	27.9	25.4	23.4
RoCE (%)	28.5	26.5	24.3	22.5
Payout (%)	28.5	29.2	16.4	14.6

Valuations

P/E (x)	48.4	43.0	39.1	34.8
P/BV (x)	13.2	11.1	9.0	7.4
EV/EBITDA (x)	29.5	28.8	25.4	22.2
Div. Yield (%)	0.6	0.7	0.4	0.4

CMP: INR714 TP: INR740 (+4%) Neutral

- n We expect Pidilite's (PIDI) revenue to remain flat YoY, led by flattish volumes in Consumer and Bazaar segment.
- n EBITDA margin is expected to contract 60bp YoY to 18.6%. Base quarter 4QFY16 had witnessed 640bp EBITDA margin expansion YoY.
- n We expect EBITDA and PAT to decline by 3% and 8% YoY, respectively.
- n While we like the business franchise and the long-term growth prospects, fair valuations at 34.8x FY19E EPS of INR20.5 led us to revise our rating post the 3QFY17 result to **Neutral from Buy**.

Key issues to watch for:

- ⊗ Volume growth in Fevicol.
- ⊗ Outlook for VAM prices.
- ⊗ Outlook for industrial and construction chemical segments.
- ⊗ Progress on Elastomer project (if any).

Consolidated - Quarterly Earning Model

Y/E March	(INR Million)								FY16	FY17E
	FY16				FY17					
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	14,695	13,185	13,382	12,409	15,694	14,177	13,344	12,406	54,138	55,620
YoY Change (%)	9.4	5.1	11.3	18.9	6.8	7.5	-0.3	0.0	11.8	2.7
Total Expenditure	11,272	10,175	10,449	10,025	11,750	10,951	10,435	10,101	41,956	43,237
EBITDA	3,423	3,010	2,933	2,384	3,943	3,225	2,909	2,305	12,183	12,383
Margins (%)	23.3	22.8	21.9	19.2	25.1	22.8	21.8	18.6	22.5	22.3
Depreciation	242	248	248	351	258	303	295	277	1,331	1,133
Interest	39	31	31	35	35	26	30	36	133	127
Other Income	139	216	167	186	241	324	272	191	66	1,028
PBT before EO expense	3,281	2,947	2,820	2,184	3,891	3,220	2,856	2,183	10,785	12,151
Extra-Ord expense	-9	14	7	35	4	11	43	-54	48	4
PBT	3,290	2,932	2,813	2,150	3,887	3,209	2,814	2,237	10,737	12,147
Tax	948	893	829	637	1,174	912	793	766	3,221	3,645
Rate (%)	28.8	30.5	29.5	29.6	30.2	28.4	28.2	34.2	30.0	30.0
Adj PAT	2,333	2,053	1,992	1,547	2,717	2,309	2,063	1,417	7,564	8,506
YoY Change (%)	35.5	49.6	58.6	83.9	16.4	12.4	3.6	-8.4	45.7	12.5
Margins (%)	15.9	15.6	14.9	12.5	17.3	16.3	15.5	11.4	14.0	15.3

E: MOSL Estimates



1. HDFC: RERA is a new era in real estate; Deepak Parekh, Chairman

- n With the incentives given in this budget, regulations coming in place, easier recovery of bad housing loans; affordable housing is the biggest growth engine that India will have in the next five years.
- n Private equity from abroad are wanting to sign up with developers, sovereign wealth funds are wanting to come in to fund affordable housing. So, it is going to be a boom that we have not witnessed.
- n Can see a similar loan growth as seen during 2003-2008. Though we need quicker approval from state governments.
- n All ongoing projects, commercial as well as residential, have to be registered with RERA within three months.

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2. Tata Steel: To pursue aggressive India growth; focus on domestic expansions in FY18; Koushik Chatterjee, ED

- n Our run rate in Kalinganagar is about 1,00,000 tonnes per month. So, we are almost at the threshold of the rated capacity as far as saleable steel is concerned in Kalinganagar. So, the debottlenecking will happen.
- n The board and the company and the management are very clear that we will pursue an aggressive growth path in India because we expect demand opportunity is going to grow.
- n We are looking at a capex of about Rs 7,000 crore for FY18 because there has been a re-phasing of some of the Capex.
- n As far as the larger strategic play is concerned, consolidation in a low growth or a mature market is always strategically looked at as an important element.

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3. SHREE CEMENTS: FY18 EBITDA/TONNE TO BE BETTER THAN IN FY17; HM Bangur, MD

- n Going forward FY18 EBITDA/tonne would beat FY17 EBITDA/tonne because there would be 2-3% growth in EBITDA per tonne.
- n Improvement in margins depends on cement pricing. Last year the prices in East were low and if they improve the overall margins too will improve.
- n In FY18 full year volume growth is difficult to predict but it will surely be similar to FY17 levels of around 11%.
- n Average cement prices for the year would move higher by 3-4 percent less than inflation but in the short-term, they could move up or down dramatically.

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1. How will GST impact MSMEs? by R Vasudevan

- n The increasing formalisation of the Indian economy, especially through digitisation, is an inexorable advance that will upend the business model — based on the twin arbitrage of labour and cash transactions — of micro, small and medium enterprises (MSMEs). India's paradigm shift to the Goods and Services Tax (GST) regime in July will increase their compliance costs and snare a majority of them into the indirect tax net for the first time. So far, unorganised MSMEs have grown faster than organised peers because of lower cost structures stemming from tax avoidance, and not having to pay social security benefits to employees (such as provident fund and gratuity), and excise duty (if turnover is less than ₹1.5 crore).

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2. Then there were 3. by C Gopinath

- n In the first week of May, the C919, a single-aisle, twin-engine aircraft for the commercial market had a successful maiden test flight lasting about an hour. And with that, the aircraft business began the movement from a duopoly to an oligopoly. For years the two segments of the aircraft industry had just two players each. The larger aircraft market has been controlled by Airbus and Boeing and the smaller by Embraer and Bombardier. And now the C919, a 150-170 seat aircraft made by state-owned Commercial Aircraft Corp of China (Comac), is set to change the landscape.

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3. Economic data opens space for RBI easing; here's why a second look is a must. by Saugata Bhattacharya

- n The revisions of two significant data series were released last Friday, mostly on the lines of changes recommended earlier by expert committees. By now, the details of the revision would have been disseminated in the media, but it might still bear brief repetition. Understanding the nature of the revisions will be important for interpreting the very significant divergence between the old and revised series, particularly stark for two years, FY14 and FY17. Changes in the structure of the IIP are significant.

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4. The belt and road to china's hegemony in Asia. by Livemint

- n The Chinese establishment recoils at its grand vision—the Belt and Road Initiative (BRI) or One Belt One Road (Obor)—being compared to the Marshall Plan, the post-World War II American initiative to rebuild the war-ravaged economies of Europe. The Marshall Plan was overshadowed by a zero-sum game between capitalism and communism but the BRI, they insist, is a win-win for all the participating countries. One particular similarity, however, stands out: a geography-centred view of power and influence.

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5. No quick-fix solutions for accumulated NPAs. by Rajrishi Singhal

n Those expecting immediate relief from the government's latest scheme for cleaning up accumulated non-performing assets (NPAs) might have to wait some more. Going by some statements and interviews to media, it may have seemed that a quick-fix was at hand. Nothing could be further from the truth: what has accrued over so many years is unlikely to vanish with the mere snapping of fingers. The government's latest weapon against NPAs is an amendment to the Banking Regulation Act, 1949, which is expected to invest banks with some freedom in resolving bad loans without inviting the prosecutorial gaze of central investigative agencies.

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6. It's the system, not just Lalu. by T K Arun

n Lalu Yadav has already been convicted in a corruption case and barred from contesting elections till 2019. The income-tax department is now carrying out raids to investigate land deals reportedly worth an . 1,000 crore. Many other figurillicit `es of the Opposition are also being investigated by the CBI or the incometax department. Indians would welcome a crackdown on corruption. They are also down on corruption. They are also savvy enough to draw the distinction between a crackdown on corruption and a crackdown on the Opposition.

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International

7. Paralysis grips republicans over donald trump. by Edward Luce

n If America's political system were working as it should, Donald Trump would be on his way out. Either Congress would have started impeachment, or people around the president would have declared him unfit for office. But Mr Trump retains an ace up his sleeve. No elected Republican dares cross him. Any who think of standing up to him know they would risk an electronic lynching that could finish their career. Just ask Jeb Bush. America's government is at a dangerous impasse. Most people know Mr Trump is unfit to be commander-in-chief. But nobody with the power to redress it has found the courage to act.

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Automobiles														
Amara Raja	Buy	938	1,084	16	29.3	37.3	43.4	32.0	25.2	6.4	5.2	21.7	22.9	22.0
Ashok Ley.	Buy	88	98	12	4.2	5.2	6.6	20.8	17.0	4.0	3.6	20.6	22.3	24.9
Bajaj Auto	Buy	3,033	3,282	8	133.7	154.8	174.0	22.7	19.6	6.3	5.6	29.5	30.2	30.0
Bharat Forge	Buy	1,123	1,266	13	25.3	37.2	50.6	44.5	30.2	6.6	5.8	15.7	20.5	23.7
Bosch	Neutral	24,243	22,924	-5	472.3	667.8	764.1	51.3	36.3	9.8	8.1	18.2	24.5	23.4
CEAT	Buy	1,832	1,741	-5	93.3	104.9	133.9	19.6	17.5	3.1	2.7	16.9	16.3	17.9
Eicher Mot.	Buy	29,116	30,402	4	613.8	892.0	1,135.1	47.4	32.6	16.5	11.7	40.3	41.9	38.5
Endurance Tech.	Buy	807	948	18	23.5	30.8	37.9	34.4	26.2	6.6	5.4	20.8	22.6	23.1
Escorts	Buy	654	608	-7	23.2	34.1	43.4	28.2	19.2	3.3	2.9	12.1	15.9	17.5
Exide Ind	Buy	243	274	13	8.2	9.5	11.8	29.8	25.7	4.2	3.7	14.0	14.5	15.8
Hero Moto	Neutral	3,643	3,622	-1	169.1	198.1	201.2	21.5	18.4	7.2	6.1	35.7	35.9	31.3
M&M	Buy	1,378	1,570	14	61.7	75.4	89.5	22.3	18.3	3.4	3.1	14.5	13.9	14.7
Mahindra CIE	Not Rated	244	-		5.4	9.9	11.8	45.5	24.7	2.8	2.5	6.4	10.8	11.5
Maruti Suzuki	Buy	6,951	8,060	16	248.6	300.0	370.9	28.0	23.2	5.8	5.0	20.3	21.2	22.3
Tata Motors	Buy	450	619	38	11.5	29.4	62.0	39.0	15.3	1.8	1.6	4.7	11.0	19.7
TVS Motor	Buy	533	581	9	11.7	16.7	26.7	45.4	31.9	10.5	8.3	25.6	29.2	35.9
Aggregate								30.2	21.3	4.3	3.8	14.2	17.6	20.9
Banks - Private														
Axis Bank	Neutral	503	525	4	15.4	23.4	41.2	32.7	21.4	2.2	2.1	6.9	9.9	15.7
DCB Bank	Neutral	197	170	-14	7.0	8.8	11.2	28.1	22.4	2.9	2.6	10.9	12.4	14.0
Equitas Hold.	Buy	166	210	27	4.7	4.8	7.5	35.2	34.3	2.5	2.4	8.9	7.1	10.1
Federal Bank	Buy	115	125	9	4.8	5.8	7.3	23.8	20.0	2.3	2.1	9.9	10.9	12.5
HDFC Bank	Buy	1,559	1,790	15	56.8	67.1	79.4	27.5	23.2	4.7	4.0	17.9	18.2	19.0
ICICI Bank	Buy	310	365	18	16.8	16.8	19.2	18.4	18.4	2.1	1.9	10.1	9.1	9.8
IDFC Bank	Neutral	64	62	-2	3.0	3.3	4.3	21.2	19.2	1.5	1.4	7.2	7.4	9.0
IndusInd	Buy	1,425	1,700	19	50.1	59.4	72.0	28.4	24.0	4.3	3.7	16.0	16.5	17.3
J&K Bank	Neutral	87	89	2	-31.3	4.4	8.0	NM	19.8	0.8	0.8	-27.0	4.0	7.0
Kotak Mah. Bk	Buy	951	1,050	10	26.8	32.3	40.5	35.4	29.5	4.6	4.0	13.8	14.5	15.7
RBL Bank	Under Review	564	-		11.9	17.6	23.8	47.4	32.0	5.0	4.4	12.3	14.6	17.3
South Indian	Buy	26	31	18	2.2	2.9	3.6	12.0	9.1	1.0	0.9	9.4	10.6	12.2
Yes Bank	Buy	1,455	2,110	45	73.0	90.5	114.0	19.9	16.1	3.7	2.7	18.9	17.9	19.4
Aggregate								27.3	22.0	3.1	2.8	11.4	12.9	14.5
Banks - PSU														
BOB	Buy	192	224	17	7.5	19.0	26.1	25.6	10.1	1.3	1.2	5.0	11.9	14.8
BOI	Neutral	185	129	-30	-5.7	14.5	23.7	NM	12.8	0.8	0.7	-2.5	6.0	9.2
Canara	Neutral	374	380	2	18.8	33.0	48.9	19.9	11.3	0.8	0.8	4.2	6.8	9.4
IDBI Bk	Neutral	76	49	-35	1.5	6.4	8.6	49.6	11.8	0.7	0.7	1.4	5.8	7.3
Indian Bk	Buy	359	360	0	29.3	33.3	38.1	12.3	10.8	1.2	1.1	10.1	10.6	11.1
OBC	Neutral	163	150	-8	-31.6	17.1	21.4	NM	9.6	0.4	0.4	-8.4	4.6	5.4
PNB	Buy	165	186	13	6.2	9.4	13.8	26.5	17.5	0.9	0.9	3.6	5.2	7.2
SBI	Buy	308	340	11	8.7	16.9	23.3	35.4	18.2	1.3	1.3	3.9	7.3	9.3
Union Bk	Neutral	179	174	-3	7.6	24.6	34.5	23.5	7.3	0.6	0.6	2.7	8.1	10.5
Aggregate								35.4	14.4	1.0	1.0	2.9	6.8	8.9
NBFCs														
Bajaj Fin.	Buy	1,323	1,448	9	34.4	47.5	64.0	38.5	27.9	8.0	6.4	22.7	25.5	27.3
Bharat Fin.	Neutral	780	769	-1	21.0	32.4	45.3	37.1	24.1	4.4	3.7	15.1	16.7	19.5
Dewan Hsg.	Buy	430	559	30	29.6	38.6	45.5	14.5	11.1	1.7	1.5	14.4	14.5	15.2
GRUH Fin.	Neutral	419	421	1	8.1	10.3	12.5	51.5	40.8	13.7	11.4	30.4	30.6	30.9
HDFC	Buy	1,553	1,797	16	46.8	50.7	55.9	33.1	30.6	6.1	5.6	19.3	18.3	17.4
Indiabulls Hsg	Buy	1,080	1,227	14	69.0	82.2	101.6	15.6	13.1	3.8	3.4	25.5	27.0	29.6
LIC Hsg Fin	Neutral	690	723	5	38.2	44.6	51.2	18.1	15.5	3.2	2.8	19.4	19.3	19.0
Manappuram	Not Rated	93	-		8.2	11.1	14.0	11.3	8.3	2.6	2.3	23.9	29.0	32.2
M&M Fin.	Buy	333	400	20	7.1	12.9	16.4	47.0	25.8	2.9	2.7	6.4	10.9	12.9
Muthoot Fin	Buy	395	465	18	29.7	34.5	40.0	13.3	11.5	2.5	2.2	19.7	20.2	20.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
PFC	Neutral	161	117	-27	25.7	27.2	30.2	6.3	5.9	1.1	1.0	17.9	17.0	16.8
Repco Home	Buy	767	831	8	28.6	34.0	40.2	26.8	22.5	4.3	3.7	17.3	17.5	17.6
REC	Neutral	220	134	-39	31.4	35.0	40.4	7.0	6.3	1.3	1.1	19.9	19.1	19.1
Shriram Union	City Buy	2,270	2,689	18	84.3	130.4	164.7	26.9	17.4	3.0	2.6	11.8	16.2	17.8
STF	Buy	1,011	1,269	25	55.6	77.4	98.6	18.2	13.1	2.1	1.8	11.7	14.5	16.3
Aggregate								18.6	15.9	3.2	2.8	17.3	17.8	17.9
Capital Goods														
ABB	Sell	1,561	1,200	-23	19.7	25.1	32.2	79.2	62.3	10.1	8.7	12.7	13.9	15.8
Bharat Elec.	Buy	180	180	0	6.5	7.3	8.5	27.8	24.6	5.3	4.6	20.4	18.8	19.1
BHEL	Sell	171	115	-33	5.5	5.7	5.8	30.9	29.9	1.2	1.2	4.0	4.0	4.0
Blue Star	Neutral	672	650	-3	12.9	19.0	28.0	52.2	35.4	8.5	7.9	18.0	23.2	31.6
CG Cons. Elec.	Buy	242	221	-9	4.6	5.5	6.7	53.0	44.3	40.2	27.3	94.3	73.3	66.1
CG Power & Indu.	Sell	94	45	-52	3.6	3.9	4.5	25.6	24.0	1.4	1.3	5.4	5.5	6.0
Cummins	Neutral	1,017	990	-3	26.6	30.5	36.5	38.2	33.4	8.1	7.4	22.6	23.2	25.3
GE T&D	Neutral	376	340	-9	6.0	11.0	11.4	62.5	34.0	7.4	6.7	11.7	20.7	19.2
Havells	Neutral	509	480	-6	9.6	12.1	14.5	53.2	42.1	9.7	8.6	18.2	20.4	21.4
Inox Wind	Under Review	158	-		12.8	-3.2	15.5	12.3	NM	1.6	1.6	14.9	-3.3	15.1
K E C Intl	Buy	245	175	-29	10.5	12.3	13.5	23.3	20.0	3.6	3.1	16.6	16.8	16.2
L&T	Buy	1,755	1,970	12	53.6	64.7	75.8	32.8	27.1	3.4	3.2	10.9	12.1	12.9
Pennar Eng.	Not Rated	133	-		5.8	7.5	10.0	22.8	17.7	2.0	1.8	8.6	10.0	11.8
Siemens	Neutral	1,403	1,355	-3	17.8	24.3	33.3	78.7	57.8	7.3	6.3	9.3	11.0	13.7
Solar Ind	Neutral	827	800	-3	19.0	22.3	26.5	43.5	37.1	7.4	6.4	18.4	18.6	19.0
Suzlon Energy	Not Rated	20	-		0.6	0.9	1.0	31.4	22.6	-1.8	-2.0	NM	-8.8	-11.0
Thermax	Sell	1,015	781	-23	23.5	28.4	31.5	43.1	35.7	4.8	4.4	11.6	12.9	13.2
Va Tech Wab.	Buy	680	760	12	26.5	34.5	40.3	25.7	19.7	3.5	3.1	8.9	16.7	17.3
Voltas	Sell	430	370	-14	13.6	14.9	16.9	31.7	28.8	5.2	4.6	17.6	17.1	17.1
Aggregate								37.0	32.0	4.1	3.8	11.1	11.7	12.8
Cement														
Ambuja Cem.	Buy	258	283	10	4.9	6.6	7.2	52.8	38.9	2.6	2.6	5.0	6.7	7.1
ACC	Neutral	1,699	1,521	-10	33.7	49.2	63.6	50.3	34.5	3.8	3.8	7.5	11.0	14.2
Birla Corp.	Buy	774	869	12	21.5	41.2	54.4	35.9	18.8	2.1	2.0	6.0	10.9	13.2
Dalmia Bharat	Buy	2,538	3,162	25	38.8	66.7	87.1	65.5	38.0	4.5	4.1	7.2	11.3	13.1
Grasim Inds.	Neutral	1,172	1,067	-9	68.7	86.6	111.1	17.1	13.5	1.9	1.7	11.7	13.2	14.8
India Cem	Neutral	217	152	-30	5.1	8.7	11.9	42.6	24.9	1.8	1.7	4.0	6.2	7.7
J K Cements	Buy	1,115	1,322	19	33.7	46.4	59.5	33.1	24.0	4.4	3.8	14.4	17.0	18.6
JK Lakshmi Ce	Buy	515	526	2	5.9	12.2	17.8	87.0	42.1	4.5	4.3	5.2	10.5	14.7
Ramco Cem	Buy	710	815	15	27.8	30.1	36.2	25.6	23.6	4.6	4.0	19.6	18.0	18.5
Orient Cem	Buy	160	185	15	-1.6	4.5	6.8	NM	35.6	3.3	3.1	-3.2	9.0	12.3
Prism Cem	Buy	125	118	-6	-0.6	2.6	4.8	NM	47.7	6.6	6.0	-3.1	13.1	20.8
Shree Cem	Buy	18,858	23,316	24	384.4	480.7	621.0	49.1	39.2	9.3	7.7	20.2	21.5	22.6
Ultratech	Buy	4,476	4,928	10	96.1	121.4	159.1	46.6	36.9	5.3	4.7	12.0	13.6	15.7
Aggregate								39.4	29.5	3.9	3.5	9.8	12.0	13.7
Consumer														
Asian Paints	Neutral	1,154	1,210	5	21.0	23.1	27.4	54.9	49.9	14.6	13.9	28.5	28.6	30.6
Britannia	Buy	3,667	4,065	11	72.2	83.3	101.7	50.8	44.0	19.5	15.4	43.1	39.2	38.0
Colgate	Buy	977	1,180	21	21.2	25.7	31.1	46.0	38.1	20.9	19.7	50.4	53.2	60.3
Dabur	Neutral	276	295	7	7.2	7.7	9.1	38.1	35.7	10.0	8.6	28.4	26.0	26.3
Emami	Buy	1,083	1,250	15	26.5	29.2	34.7	40.8	37.0	14.0	11.3	35.8	33.8	32.2
Godrej Cons.	Neutral	1,858	1,950	5	37.8	43.6	50.0	49.1	42.6	11.9	9.3	24.6	24.5	23.0
GSK Cons.	Sell	5,310	4,380	-18	156.1	169.7	185.5	34.0	31.3	7.2	7.0	22.2	22.6	23.0
HUL	Neutral	1,006	945	-6	19.3	21.5	24.8	52.2	46.8	36.0	37.4	67.6	78.4	92.5
ITC	Buy	282	320	14	8.4	9.3	11.0	33.7	30.2	8.9	7.8	28.4	27.6	28.7
Jyothy Lab	Neutral	381	380	0	8.0	9.0	10.5	47.8	42.4	7.6	7.0	16.4	17.1	18.1
Marico	Neutral	309	335	9	6.3	6.9	8.4	49.1	44.4	17.1	14.6	36.7	35.5	38.1



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Nestle	Sell	6,555	5,715	-13	118.0	118.6	139.5	55.6	55.2	21.0	19.3	39.0	36.4	39.0
Page Inds	Buy	15,012	17,480	16	235.6	305.1	388.4	63.7	49.2	26.3	20.8	41.3	42.2	43.2
Parag Milk	Neutral	248	250	1	0.8	6.9	12.5	306.3	35.8	3.1	2.8	1.3	8.2	13.2
Pidilite Ind.	Neutral	774	740	-4	16.6	18.3	20.5	46.6	42.4	12.0	9.8	27.9	25.4	23.4
P&G Hygiene	Buy	7,673	8,760	14	144.9	155.8	181.6	53.0	49.2	43.8	34.9	45.3	78.9	74.0
United Brew	Buy	814	1,030	27	10.7	14.3	18.4	76.3	56.8	9.1	8.0	12.6	15.0	16.8
United Spirits	Neutral	2,121	2,025	-5	28.6	42.2	58.7	74.1	50.3	14.0	11.1	20.8	22.1	23.8
Aggregate								44.1	39.3	13.2	11.7	30.0	29.7	30.7
Healthcare														
Alembic Phar	Neutral	609	640	5	21.6	26.0	32.1	28.2	23.4	6.1	5.1	23.1	23.6	24.1
Alkem Lab	Neutral	1,900	1,850	-3	79.3	85.7	100.0	23.9	22.2	5.3	4.5	24.4	22.0	21.7
Ajanta Pharma	Buy	1,646	2,028	23	58.4	66.4	79.9	28.2	24.8	9.3	7.1	37.7	32.3	30.0
Aurobindo	Buy	608	900	48	39.8	45.4	54.3	15.3	13.4	3.9	3.0	28.6	25.3	24.0
Biocon	Sell	993	900	-9	30.6	33.1	44.9	32.4	30.0	4.4	4.0	13.6	13.3	16.1
Cadila	Buy	478	510	7	12.0	17.7	23.0	39.8	27.1	8.0	6.5	21.4	26.5	27.9
Cipla	Neutral	559	550	-2	17.9	22.0	28.5	31.3	25.5	3.5	3.1	11.0	12.2	13.8
Divis Lab	Neutral	620	600	-3	43.0	32.9	38.6	14.4	18.9	3.5	3.2	25.4	17.7	18.8
Dr Reddy's	Neutral	2,732	2,625	-4	72.6	107.1	144.5	37.6	25.5	3.7	3.0	9.6	13.3	15.1
Fortis Health	Buy	206	250	21	2.3	2.9	6.5	87.8	70.0	2.3	2.0	2.7	3.1	6.1
Glenmark	Neutral	698	800	15	39.3	45.0	53.5	17.8	15.5	4.4	3.5	24.7	22.4	21.3
Granules	Buy	151	200	32	7.3	8.1	11.1	20.8	18.6	3.5	2.5	20.0	16.3	17.2
GSK Pharma	Neutral	2,424	2,700	11	34.5	55.5	64.4	70.2	43.7	15.7	18.8	22.4	43.0	56.9
IPCA Labs	Neutral	544	540	-1	15.8	27.9	37.3	34.4	19.5	2.8	2.5	8.4	13.5	15.9
Lupin	Buy	1,297	1,850	43	61.4	78.6	88.8	21.1	16.5	4.4	3.6	22.8	23.8	22.1
Sanofi India	Buy	4,171	4,850	16	129.1	131.0	173.4	32.3	31.8	5.5	5.2	17.1	16.3	19.3
Sun Pharma	Buy	651	850	31	27.1	32.5	38.7	24.0	20.0	4.6	3.9	19.8	20.9	21.0
Syngene Intl	Not Rated	493	-		13.0	16.1	18.0	37.8	30.5	7.6	6.2	22.2	22.5	20.7
Torrent Pharma	Buy	1,333	1,700	28	56.6	76.3	93.4	23.6	17.5	5.6	4.7	25.9	29.3	29.6
Aggregate								25.8	21.2	4.6	3.9	17.9	18.3	18.9
Logistics														
Allcargo Logistics	Buy	183	203	11	9.0	10.9	12.3	20.3	16.8	2.6	2.3	11.5	14.8	14.8
Blue Dart	Not Rated	4,387	-		102.5	129.9	163.2	42.8	33.8	19.0	14.5	50.5	48.6	46.8
Concor	Neutral	1,196	1,042	-13	29.7	39.9	44.9	40.3	29.9	3.5	3.2	8.8	11.2	11.8
Gateway Distriparks	Buy	245	314	28	8.3	15.7	20.1	29.5	15.6	2.1	2.0	7.2	12.9	15.3
Gati	Not Rated	138	-		8.4	15.9	23.9	16.5	8.7	2.3	2.0	12.4	19.4	25.4
Transport Corp.	Not Rated	263	-		16.9	21.0	25.9	15.5	12.5	2.4	2.1	16.7	17.8	18.6
Aggregate								33.8	24.8	3.7	3.4	11.0	13.7	14.9
Media														
Dish TV	Buy	102	115	14	1.4	2.7	4.3	70.3	38.1	20.3	13.2	33.6	42.0	43.9
D B Corp	Buy	367	450	23	20.4	23.0	26.5	18.0	16.0	4.4	4.0	26.2	26.2	26.8
Den Net.	Neutral	102	90	-12	-3.6	2.2	8.5	NM	46.4	1.2	1.1	-4.1	2.5	8.8
Hind. Media	Buy	285	360	26	25.2	27.4	30.3	11.3	10.4	1.9	1.6	18.5	16.8	15.8
HT Media	Neutral	90	90	0	8.0	8.2	8.7	11.1	11.0	0.8	0.7	7.7	7.1	7.0
Jagran Prak.	Buy	190	225	18	10.8	12.2	13.9	17.7	15.5	3.4	3.0	20.7	20.6	20.4
PVR	Buy	1,530	1,667	9	20.8	35.7	56.8	73.7	42.9	7.5	6.5	10.6	16.3	22.0
Siti Net.	Neutral	32	40	25	-1.8	0.0	1.2	NM	NM	3.8	3.2	-21.7	0.0	11.1
Sun TV	Neutral	889	860	-3	25.1	29.7	34.5	35.4	29.9	8.9	8.2	25.1	27.3	29.0
Zee Ent.	Buy	524	600	14	23.1	16.4	19.5	22.7	32.0	8.4	7.0	23.7	23.8	23.8
Aggregate								41.0	29.3	6.1	5.4	14.9	18.3	20.3
Metals														
Hindalco	Buy	198	242	22	17.5	22.6	25.9	11.4	8.8	1.7	1.4	15.9	17.1	16.3
Hind. Zinc	Sell	252	235	-7	19.7	21.5	23.7	12.8	11.7	3.5	2.9	24.4	27.2	25.4
JSPL	Buy	116	181	55	-22.3	-17.5	-2.2	NM	NM	0.3	0.3	-7.5	-4.5	-0.6
JSW Steel	Buy	207	222	7	13.6	18.3	20.5	15.2	11.3	2.3	2.0	16.2	18.7	17.9



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Nalco	Buy	68	83	23	3.9	5.3	5.8	17.4	12.7	1.3	1.2	7.5	9.6	9.9
NMDC	Buy	128	178	39	12.1	12.3	13.0	10.6	10.4	1.7	1.6	13.4	15.5	15.1
SAIL	Sell	63	30	-52	-7.4	-12.6	0.4	NM	NM	0.7	0.8	-8.1	-15.4	0.5
Vedanta	Neutral	242	225	-7	15.1	24.5	27.4	16.0	9.9	1.5	1.4	9.7	14.8	15.3
Tata Steel	Sell	493	451	-9	37.0	39.5	45.7	13.3	12.5	1.5	1.4	15.4	11.4	12.1
Aggregate								17.3	14.1	1.4	1.3	8.0	9.2	11.6
Oil & Gas														
BPCL	Buy	727	763	5	55.9	53.7	58.4	13.0	13.5	3.3	2.9	27.1	22.7	21.4
GAIL	Neutral	408	349	-15	21.7	28.9	32.5	18.8	14.1	2.1	1.9	13.0	14.0	14.4
Gujarat Gas	Sell	787	735	-7	17.5	40.0	49.0	45.0	19.7	4.6	3.9	10.7	21.5	22.0
Gujarat St. Pet.	Neutral	172	162	-6	8.9	11.0	13.2	19.3	15.6	2.2	2.0	12.0	13.5	14.5
HPCL	Buy	542	604	11	53.5	44.9	45.8	10.1	12.1	2.7	2.3	27.8	20.7	18.6
IOC	Buy	444	441	-1	43.7	39.4	41.0	10.2	11.3	2.5	2.2	26.0	20.4	18.8
IGL	Neutral	1,018	1,023	1	43.3	43.8	49.4	23.5	23.2	5.0	4.3	22.3	19.7	19.2
MRPL	Neutral	135	114	-16	12.2	11.4	12.8	11.1	11.8	2.9	2.5	29.6	22.7	21.4
Oil India	Buy	321	382	19	28.6	33.1	37.8	11.2	9.7	1.1	1.0	9.8	10.8	11.6
ONGC	Buy	184	233	27	15.3	20.0	22.9	12.1	9.2	1.2	1.2	10.4	13.0	14.1
PLNG	Buy	450	547	22	22.7	25.9	35.1	19.8	17.4	4.2	3.6	23.6	22.1	25.2
Reliance Ind.	Neutral	1,352	1,264	-7	106.6	121.7	127.8	12.7	11.1	1.4	1.2	11.9	11.8	11.2
Aggregate								12.8	11.7	1.8	1.6	13.8	13.7	13.6
Retail														
Jubilant Food	Neutral	1,049	1,110	6	12.3	21.7	29.1	85.1	48.3	8.6	9.4	10.1	19.5	24.9
Titan Co.	Neutral	482	505	5	9.0	10.3	12.1	53.4	46.9	10.1	8.9	20.6	20.2	20.9
Aggregate								56.9	47.6	10.0	9.1	17.5	19.1	20.2
Technology														
Cyient	Buy	526	620	18	30.6	38.3	44.2	17.2	13.7	2.8	2.4	16.2	17.8	17.9
HCL Tech.	Buy	854	960	12	59.8	61.9	67.6	14.3	13.8	3.6	3.5	27.5	25.4	26.0
Hexaware	Neutral	251	235	-6	13.7	15.4	16.7	18.4	16.3	4.5	3.9	26.5	25.3	23.5
Infosys	Buy	952	1,200	26	62.9	64.7	71.1	15.1	14.7	3.2	2.8	23.3	21.4	21.2
KPIT Tech	Neutral	129	150	17	11.9	13.4	15.2	10.8	9.6	1.6	1.4	14.3	15.6	15.2
L&T Infotech	Buy	776	850	9	55.5	59.7	65.0	14.0	13.0	4.9	3.8	40.4	32.8	28.3
Mindtree	Neutral	507	475	-6	24.9	30.5	36.5	20.4	16.6	3.3	3.0	16.8	18.9	20.5
Mphasis	Neutral	584	550	-6	42.7	43.0	44.9	13.7	13.6	2.1	2.0	14.1	14.9	14.7
NIIT Tech	Neutral	522	470	-10	42.8	42.5	46.1	12.2	12.3	1.9	1.7	16.1	14.8	14.7
Persistent Sys	Buy	585	700	20	37.7	43.9	51.4	15.5	13.3	2.4	2.3	17.0	18.1	20.3
Tata Elxsi	Buy	1,563	1,780	14	59.3	72.1	89.0	26.4	21.7	10.1	8.0	42.5	41.3	40.8
TCS	Neutral	2,451	2,400	-2	133.4	139.7	149.6	18.4	17.5	5.8	5.9	33.5	32.4	32.3
Tech Mah	Buy	432	550	27	32.5	35.7	40.2	13.3	12.1	2.5	2.2	20.1	19.5	19.2
Wipro	Neutral	506	500	-1	33.8	34.6	38.2	15.0	14.6	2.4	2.2	16.9	15.5	15.7
Zensar Tech	Buy	898	1,020	14	54.9	67.6	78.4	16.3	13.3	2.5	2.2	16.3	17.7	17.8
Aggregate								16.3	15.9	3.8	3.6	23.5	22.8	22.1
Telecom														
Bharti Airtel	Buy	376	430	14	11.1	6.3	11.5	33.8	59.8	2.2	2.2	6.7	3.7	6.4
Bharti Infratel	Buy	390	435	11	14.9	17.5	19.9	26.3	22.3	4.8	4.1	16.2	19.4	19.1
Idea Cellular	Buy	87	110	26	-1.1	-12.9	-13.6	NM	NM	1.3	1.6	-1.6	-20.8	-27.4
Tata Comm	Buy	673	811	20	26.0	19.5	39.4	25.9	34.4	12.1	8.9	126.2	29.8	41.4
Aggregate								36.1	164.6	2.5	2.5	6.9	1.5	4.0
Utilities														
Coal India	Buy	277	335	21	15.9	18.7	20.9	17.4	14.8	6.9	6.9	39.5	46.3	51.8
CESC	Buy	977	970	-1	50.4	74.7	82.2	19.4	13.1	2.2	1.9	11.1	15.8	15.2
JSW Energy	Buy	68	88	29	3.9	2.1	1.8	17.7	32.3	1.1	1.1	6.7	3.3	2.8
NTPC	Buy	159	199	25	11.9	14.3	17.3	13.4	11.1	1.4	1.3	10.6	11.9	13.3
Power Grid	Buy	208	243	17	15.3	17.7	20.7	13.7	11.7	2.2	1.9	17.3	17.5	17.7
Tata Power	Sell	85	69	-19	5.8	6.7	7.0	14.8	12.7	1.5	1.4	10.8	11.1	10.6
Aggregate								15.0	12.8	2.3	2.2	15.6	16.9	17.9



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Others														
Arvind	Neutral	400	382	-4	12.4	16.6	23.6	32.3	24.0	2.9	2.6	10.3	11.5	14.7
Bata India	Under Review	560	-		13.5	15.6	19.3	41.6	35.9	5.5	4.9	13.9	14.5	15.9
Castrol India	Buy	439	532	21	13.6	14.9	15.2	32.2	29.5	33.9	30.5	110.9	108.6	100.4
Century Ply.	Buy	265	274	3	7.7	8.6	11.4	34.3	30.7	9.0	7.4	28.9	26.5	28.6
Coromandel Intl	Under Review	420	-		16.0	18.3	23.6	26.3	22.9	4.6	4.1	18.2	18.9	21.7
Delta Corp	Buy	163	229	41	3.3	6.9	7.6	49.9	23.7	4.3	3.3	9.0	15.7	17.0
Dynatomic Tech	Buy	2,776	3,334	20	67.6	112.9	166.7	41.1	24.6	5.7	4.6	15.1	20.7	24.3
Eveready Inds.	Buy	323	287	-11	11.4	13.9	16.9	28.3	23.3	8.6	6.9	34.7	33.0	32.4
Interglobe	Neutral	1,114	1,234	11	46.0	65.6	88.2	24.2	17.0	19.9	17.7	86.2	110.2	129.8
Indo Count	Buy	194	229	18	13.0	14.6	17.6	14.9	13.3	4.5	3.3	34.8	28.8	25.9
Info Edge	Buy	876	1,000	14	16.9	17.9	21.0	51.9	48.9	5.5	5.2	11.1	10.9	11.9
Inox Leisure	Sell	286	240	-16	3.3	8.0	12.0	85.8	35.6	5.0	4.4	5.9	12.5	16.2
Jain Irrigation	Under Review	98	-		5.5	7.6	10.0	17.6	12.9	1.5	1.5	8.6	11.7	14.8
Just Dial	Under Review	524	-		17.2	18.5	22.1	30.5	28.4	4.7	4.1	16.5	15.5	16.2
Kaveri Seed	Buy	536	649	21	23.4	28.6	36.1	22.9	18.8	3.9	3.6	17.3	19.8	22.9
Kitex Garm.	Buy	400	551	38	26.0	31.0	36.7	15.4	12.9	4.2	3.4	29.9	28.7	27.7
Manpasand	Buy	787	841	7	13.3	22.0	31.1	59.1	35.8	3.9	3.6	7.7	9.3	13.5
MCX	Buy	1,068	1,325	24	24.8	30.5	42.9	43.0	35.0	4.0	3.8	9.9	11.1	14.6
Monsanto	Buy	2,878	2,841	-1	72.9	89.3	109.3	39.5	32.2	12.0	11.2	30.4	35.9	39.6
Navneet Education	Buy	164	210	28	6.6	8.6	10.5	24.7	19.1	6.3	5.3	26.0	30.0	30.9
PI Inds.	Buy	843	1,046	24	30.4	34.8	43.6	27.8	24.2	7.6	6.1	30.9	27.9	27.8
Piramal Enterp.	Buy	2,832	2,200	-22	74.5	127.1	164.7	38.0	22.3	3.7	3.3	10.0	15.7	18.2
SRF	Buy	1,830	1,825	0	82.4	99.9	125.1	22.2	18.3	3.5	3.0	16.5	17.4	19.1
S H Kelkar	Buy	286	367	28	7.2	9.6	12.2	39.4	29.7	5.1	4.5	13.7	16.1	18.2
Symphony	Sell	1,426	1,288	-10	27.0	35.1	42.9	52.8	40.6	28.7	24.5	56.8	65.0	66.3
TTK Prestige	Neutral	6,499	5,281	-19	106.9	137.7	176.0	60.8	47.2	9.6	8.7	16.5	19.4	22.2
V-Guard	Neutral	216	140	-35	3.7	4.6	5.4	58.3	47.1	15.4	12.3	29.4	29.1	27.6
Wonderla	Buy	385	393	2	7.0	11.9	16.0	55.1	32.2	5.0	4.5	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	1.3	9.5	-1.3
Ashok Ley.	1.4	6.1	-14.5
Bajaj Auto	0.3	6.4	20.7
Bharat Forge	-0.1	6.0	49.7
Bosch	-1.4	6.0	12.4
CEAT	7.9	27.0	83.7
Eicher Mot.	-0.7	11.5	56.4
Endurance Tech.	1.0	-1.6	
Escorts	-0.3	18.9	265.8
Exide Ind	-0.6	5.6	64.7
Hero Moto	0.7	12.8	24.4
M&M	0.8	8.5	2.7
Mahindra CIE	-1.3	8.1	26.5
Maruti Suzuki	0.0	13.6	76.0
Tata Motors	2.8	0.0	15.3
TVS Motor	0.0	12.9	81.1
Banks - Private			
Axis Bank	0.2	0.0	-0.1
DCB Bank	2.1	13.5	111.3
Equitas Hold.	0.6	0.2	12.2
Federal Bank	-0.3	24.2	127.3
HDFC Bank	0.0	8.5	35.1
ICICI Bank	2.3	10.0	36.9
IDFC Bank	0.1	6.9	35.0
IndusInd	-0.6	-0.7	31.6
J&K Bank	-2.0	10.3	40.7
Kotak Mah. Bk	-1.1	7.1	34.1
RBL Bank	0.1	4.4	
South Indian	3.8	16.4	56.9
Yes Bank	-1.9	-9.7	49.9
Banks - PSU			
BOB	-0.7	9.3	35.6
BOI	-1.5	25.6	119.4
Canara	0.1	20.3	112.0
IDBI Bk	-0.8	4.2	17.5
Indian Bk	-0.6	38.5	295.3
OBC	0.9	7.2	98.5
PNB	-5.4	3.9	123.6
SBI	0.2	6.2	73.8
Union Bk	-0.6	16.6	65.5
NBFCs			
Bajaj Fin.	-1.6	4.9	70.7
Bharat Fin.	-1.4	2.4	24.5
Dewan Hsg.	1.1	7.7	113.2
GRUH Fin.	0.2	13.3	63.2
HDFC	-0.9	5.1	27.7
Indiabulls Hsg	2.6	10.6	49.7
LIC Hsg Fin	-0.7	8.5	49.5
Manappuram	-1.5	0.2	90.1
M&M Fin.	-1.5	-1.1	12.3
Muthoot Fin	0.3	0.4	77.3
PFC	0.1	2.7	89.4
Repco Home	0.0	3.2	13.7
REC	1.5	9.3	174.1
STF	0.3	-6.1	-8.0
Shriram City Union	-1.4	1.4	39.5

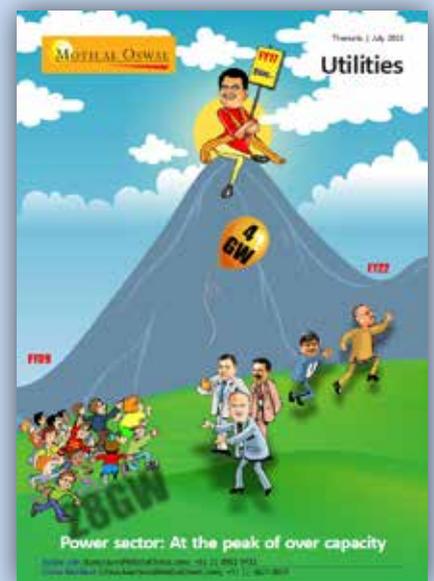
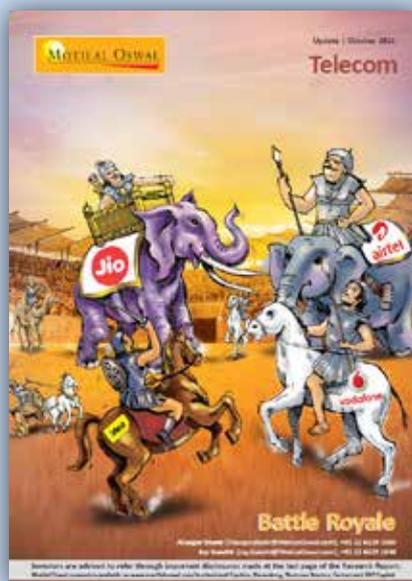
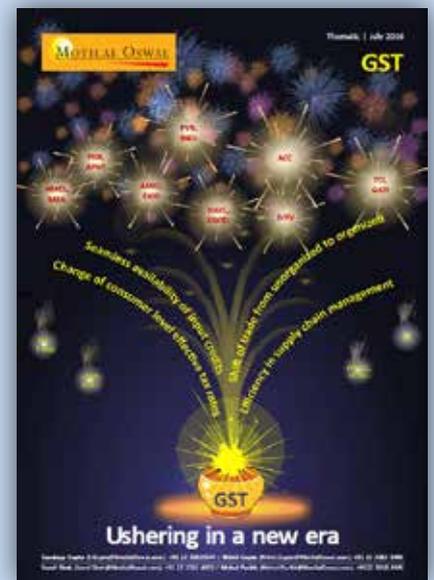
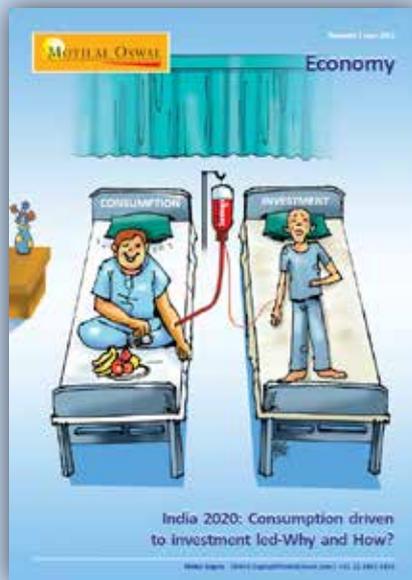
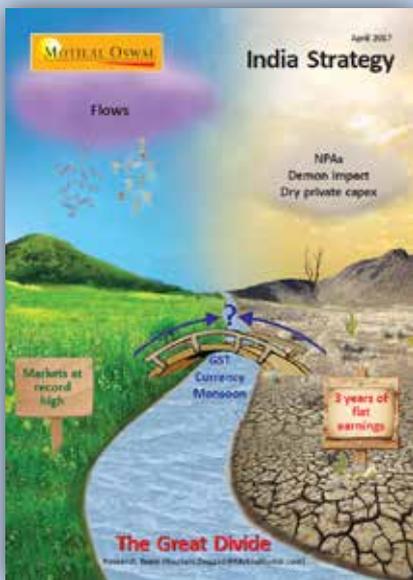
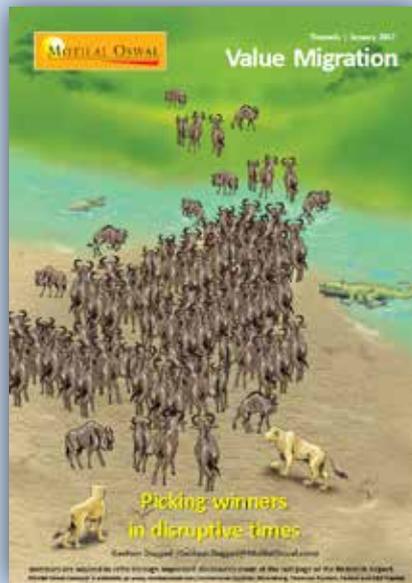
Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	0.9	7.5	24.1
Bharat Elec.	-1.3	5.1	58.8
BHEL	0.2	-1.1	41.0
Blue Star	-0.8	-2.2	55.3
CG Cons. Elec.	-0.6	14.4	74.8
CG Power & Inds Sol.	-1.1	17.5	52.5
Cummins	-2.8	6.0	19.4
GE T&D	-0.1	7.9	6.0
Havells	-1.9	4.4	39.1
Inox Wind	-3.2	-16.4	-35.6
K E C Intl	-1.0	15.3	84.4
L&T	0.6	4.5	35.7
Pennar Eng.	-1.9	-7.6	-11.3
Siemens	-0.8	8.6	23.3
Solar Ind	1.2	0.2	23.9
Suzlon Energy	0.8	0.0	30.9
Thermax	0.7	2.2	36.4
Va Tech Wab.	1.5	3.6	16.0
Voltas	-0.7	5.4	28.4
Cement			
Ambuja Cem.	-1.0	4.3	18.9
ACC	-1.8	13.3	16.9
Birla Corp.	0.1	3.1	105.8
Dalmia Bharat	-1.4	22.2	177.4
Grasim Inds.	0.6	9.3	36.8
India Cem	-1.5	33.1	143.6
JK Cements	-0.3	21.1	91.4
JK Lakshmi Ce	-2.3	13.3	51.6
Ramco Cem	-1.4	7.2	45.6
Orient Cem	-1.7	7.1	2.2
Prism Cem	0.7	23.6	39.4
Shree Cem	-5.5	6.8	47.0
Ultratech	-0.2	12.0	37.6
Consumer			
Asian Paints	0.9	9.0	19.0
Britannia	-2.4	8.5	22.1
Colgate	0.1	-2.6	17.9
Dabur	0.8	-5.5	-2.0
Emami	-0.8	5.7	-2.8
Godrej Cons.	-1.0	10.9	34.7
GSK Cons.	0.3	2.2	-12.8
HUL	0.8	10.2	20.8
ITC	-0.6	1.0	28.7
Jyothy Lab	1.0	-4.5	19.8
Marico	-0.5	2.4	23.4
Nestle	1.2	3.8	5.6
Page Inds	-0.8	8.3	13.5
Parag Milk	-0.4	-0.6	
Pidilite Ind.	1.5	8.8	27.6
P&G Hygiene	-0.4	9.0	25.0
United Brew	0.4	8.4	8.9
United Spirits	0.0	10.0	-19.2
Healthcare			
Alembic Phar	0.3	-0.2	6.3
Alkem Lab	-0.4	-11.4	59.2
Ajanta Pharma	1.0	-6.4	3.9
Aurobindo	-1.1	-6.8	-21.7



Company	1 Day (%)	1M (%)	12M (%)
Biocon	-1.1	-10.6	58.9
Cadila	-2.2	5.8	48.7
Cipla	-0.9	-3.0	6.6
Divis Lab	-0.6	-3.1	-42.9
Dr Reddy's	0.3	2.7	-9.4
Fortis Health	-0.8	1.6	23.3
Glenmark	-2.3	-21.4	-18.9
Granules	-0.4	9.5	15.2
GSK Pharma	-0.1	-9.3	-29.3
IPCA Labs	-1.2	-10.9	20.6
Lupin	0.5	-8.6	-19.6
Sanofi India	-1.3	-10.5	-3.1
Sun Pharma	-0.2	-3.9	-18.7
Syngene Intl	0.2	-5.8	25.3
Torrent Pharma	0.7	-8.8	-3.9
Logistics			
Allcargo Logistics	-1.3	7.7	24.1
Blue Dart	-3.2	-10.7	-19.4
Concor	-0.3	1.1	9.0
Gateway Distriparks	-1.3	-12.3	-19.0
Gati	-0.3	2.0	16.3
Transport Corp.	2.6	13.3	59.0
Media			
Dish TV	1.8	1.4	5.3
D B Corp	1.9	-4.9	11.5
Den Net.	1.9	12.8	16.3
Hind. Media	0.3	-2.3	2.5
HT Media	4.2	5.7	1.9
Jagran Prak.	-1.6	-3.7	11.7
PVR	-0.7	-3.3	83.0
Siti Net.	-0.3	-15.4	-13.4
Sun TV	-0.6	12.7	106.0
Zee Ent.	0.4	0.6	17.7
Metals			
Hindalco	1.0	9.3	122.5
Hind. Zinc	0.2	-9.4	64.4
JSPL	2.2	-3.9	93.0
JSW Steel	2.5	6.3	60.0
Nalco	-1.2	-6.2	60.9
NMDC	0.0	0.0	44.0
SAIL	1.7	2.0	52.8
Vedanta	1.8	2.5	142.1
Tata Steel	8.0	6.8	50.9
Oil & Gas			
BPCL	-0.7	0.0	57.8
GAIL	-0.6	3.9	41.9
Gujarat Gas	2.3	-6.1	51.3
Gujarat St. Pet.	-2.2	-1.3	23.9
HPCL	0.3	-2.9	92.9
IOC	-0.5	4.6	118.0
IGL	1.0	-4.2	72.2
MRPL	2.7	14.3	99.1
Oil India	-0.6	-3.6	25.2
ONGC	-0.5	0.5	31.3
PLNG	0.1	2.3	60.9
Reliance Ind.	-0.3	-2.8	39.4
Retail			
Jubilant Food	0.0	6.2	-10.6

Company	1 Day (%)	1M (%)	12M (%)
Titan Co.	-1.1	0.1	32.3
Technology			
Cyient	-2.2	9.0	9.7
HCL Tech.	0.5	5.2	16.7
Hexaware	-1.8	22.0	19.1
Infosys	-0.4	3.0	-21.6
KPIT Tech	-1.5	-0.2	-19.7
L&T Infotech	0.5	9.5	
Mindtree	-0.6	16.0	-21.7
Mphasis	1.1	6.1	26.8
NIIT Tech	-1.1	21.0	9.2
Persistent Sys	0.4	3.0	-18.8
Tata Elxsi	0.2	2.1	-18.7
TCS	1.0	5.6	-4.6
Tech Mah	-2.7	2.3	-9.6
Wipro	-1.7	2.9	-6.4
Zensar Tech	-0.3	-0.5	-7.5
Telecom			
Bharti Airtel	0.3	10.2	7.0
Bharti Infratel	3.8	13.3	1.2
Idea Cellular	-0.8	1.6	-21.7
Tata Comm	-0.7	-4.9	55.6
Utilities			
Coal India	0.5	-3.3	-2.6
CESC	-0.7	16.3	81.6
JSW Energy	0.4	7.7	-3.7
NTPC	-0.3	0.1	16.2
Power Grid	0.4	3.2	44.1
Tata Power	1.8	1.7	22.0
Others			
Arvind	0.0	0.4	32.0
Bata India	-0.6	-3.7	-4.9
Castrol India	-0.8	2.6	11.3
Century Ply.	-0.1	2.3	59.0
Coromandel Intl	3.6	24.4	84.7
Delta Corp	-1.9	-5.8	98.2
Dynamatic Tech	-1.2	-0.1	28.2
Eveready Inds.	0.8	11.0	35.5
Interglobe	0.0	2.0	6.3
Indo Count	-2.0	0.7	6.2
Info Edge	1.8	5.3	18.2
Inox Leisure	0.7	-3.2	44.9
Jain Irrigation	-1.3	-3.7	46.1
Just Dial	3.8	3.8	-28.8
Kaveri Seed	-0.8	-1.8	21.3
Kitex Garm.	-0.6	-5.7	-9.7
Manpasand	1.5	10.0	46.2
MCX	-0.8	-9.9	22.8
Monsanto	3.7	13.4	17.1
Navneet Educat.	-1.1	0.0	84.1
PI Inds.	1.1	2.3	36.3
Piramal Enterp.	1.0	24.8	112.0
SRF	-0.6	7.4	44.8
S H Kelkar	-2.7	-10.2	22.7
Symphony	-4.8	-3.5	16.9
TTK Prestige	0.7	1.6	48.8
V-Guard	-0.6	21.5	153.7
Wonderla	-1.4	-1.7	0.5

THEMATIC/STRATEGY RESEARCH GALLERY



REPORT GALLERY

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MOTILAL OSWAL Initiating Coverage | 19 April 2017
Sector: Oil and Gas
Gujarat Gas

Long road ahead

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MOTILAL OSWAL Initiating Coverage | 29 March 2017
Sector: Publishing
Navneet Education

Steadfast; growth gaining momentum

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MOTILAL OSWAL Initiating Coverage | 23 March 2017
Sector: Entertainment
Delta Corp

Favorable odds

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MOTILAL OSWAL Initiating Coverage | 17 March 2017
Sector: Healthcare
Ajanta Pharma

Promising growth trajectory

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MOTILAL OSWAL Initiating Coverage | 17 February 2017
Sector: Financials - Pharmaceuticals
Piramal Enterprises

Winner's Edge

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MOTILAL OSWAL Initiating Coverage | 16 February 2017
Sector: Automobiles
CEAT

Well balanced

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MOTILAL OSWAL Initiating Coverage | 20 December 2016
Sector: Consumer Product
SH Kelkar

Adding flavor to fragrance

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MOTILAL OSWAL Initiating Coverage | 16 December 2016
Sector: Automobile
Endurance Technologies

Gaining ground

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MOTILAL OSWAL Initiating Coverage | 14 December 2016
Sector: Technology
L&T Infotech

Proficient miner

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DIFFERENTIATED PRODUCT GALLERY

MOTILAL OSWAL

SUN PHARMACEUTICAL

ART ANNUAL REPORT THREADBARE
27 September 2018

The ART of annual report analysis

WHAT'S NEW IN FY18

- ▶ Tax rates remained low at 13.8%, contingent liabilities for tax dispute rise to INR23.5b.
- ▶ Cash flow of INR18.4b significantly higher than tax expenses recognized in P&L of INR1.5b.
- ▶ OCF post interest increases to INR44.7b (FY17: INR32.7b) on decline in other assets to INR24.7b partially offset by INR18.1b increase in receivables.

Stock Info

Exchange	BSE/NSE
CAP (INR)	771
Face Value (INR)	2,000.0
52-Week Range (INR)	954/106
52-Week High (INR)	119.42
52-Week Low (INR)	1,000.07

Shareholding pattern (%)

As on	Jun-18	Mar-18	Jun-15
Promoter	33.0	33.0	34.7
MFI	39.2	39.0	3.8
FI	24.8	24.4	23.8
Other	3.0	3.6	33.8

Auditor's name
Deloitte Haskins & Sells LLP

ART will present a treasure trove of annual reports - statistical, average case studies, an insider's view on issues - from accounting and auditing teams to corporate governance and compliance to government relations - will create a career path for the next generation workforce.
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MOTILAL OSWAL

VOICES

30FY17 | February 2017

VOICES
India Inc on Call

VOICEL, a quarterly product from Motilal Oswal Research, provides a ready reference for all the post results earnings calls attended by our research analysts during the quarter. Besides making available to readers our key takeaways from these interactions, it also provides links to relevant research updates and to the transcripts of the respective conference calls.

This quarterly report contains:

- ▶ Key takeaways from the post results management commentary for 123 companies, with links to the full earnings call transcripts
- ▶ Links to our Results Updates on each of the companies included

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MOTILAL OSWAL

EcoKnowLedge

Diving into Trending Themes

23 November 2018
Economy

Monthly data confirm 6.5% growth is for real in India
Creating monthly economic activity index (EAI) since 1998

- ▶ Based on monthly macroeconomic indicators, we create India's economic activity index (EAI), which shows that the economic growth averaged 6.4% YoY in the first nine months of 2018 as against ~3% growth over the previous five years (2011-2015). Motilal Oswal's leading indicators (MOI) suggest that consumption continues to grow strong however, investment is witnessing one of the worst phases in the past two decades.
- ▶ We find, however, that the growth in economic activity eased towards 5% YoY in 2QFY17 as against 7.5% in the previous two quarters. A sharp contraction in investments, along with some deceleration in consumption, has contributed to a slowdown in our composite EAI in the recent quarter.
- ▶ It is important to note that while our composite EAI is a reliable indicator to gauge economic activity, it should not be compared with the official GDP statistics because the latter includes an estimate for the unorganized sector also. Our leading indicators are based on monthly data covering the formal sector of society.

"EcoKnowLedge" is Motilal Oswal's new product in which we deep-dive into trending macro-economic themes. This new product complements our existing "Economic" product, which is renowned for regular updates on macro-economics.

Since the release of new GDP series (in 2015-12 base), its credibility has been in question. The key reason for the disagreement is a widely-held belief that GDP data is not in sync with high-frequency monthly indicators. Weakness in bank credit growth and IP (Index of Industrial Production) are often quoted to support this criticism. Further, very high contribution of 'discrepancies' has also shaken confidence in the official statistics. To bridge this gap, we introduce Motilal Oswal's leading indicators (MOI) for consumption, investment and external trade. Based on our econometric analysis, we have combined five monthly macroeconomic data series to create MOI for consumption, eight monthly data points to create MOI for investment, and five data points to create MOI for external trade (of goods & services).

Further, our leading indicators are available for almost two decades, providing a great source of information on Indian economic activity since late 1990s. We also find that MOI confirm consumption to be the key driver of economic growth, while investments lag markedly.

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

MOTILAL OSWAL

CornerOffice

Interaction with the CEO

13 December 2018

Demonetization: A mammoth task for India's largest bank

CASA to get strong push, SME NPA too early to take a call

We met with Mr. Anandhan Bhattacharya, Chairman of State Bank of India (SBI), to discuss on demonetization, and evaluate its impact on growth, asset quality and profitability of the bank. Incremental cost of funds has declined marginally (less than 4% over last one month), and excess liquidity is parked in reverse repo and MSF operations (earning spread of ~1%). Operating expenses are likely to increase in the near term, which should be more than offset by trading gains. In our view, we largely maintain our optimistic and reiterate our preference for SBI among peers with its SCRR-based target price of INR335.

Excess liquidity: A profit drag or one-off gain?

- ▶ Since demonetization, SBI has collected deposits of ~INR4 and disbursed (via withdrawal) ~INR1, leading to net addition of ~INR3. The bank also aggressively cut its bank deposits (leading to higher repayment rates), which led to significantly lower net accretion over the past month.
- ▶ Of the net accretion, three-fourths were savings deposits, 15% were current account deposits and the rest were retail term deposits.
- ▶ Standard cost of these deposits is less than 4%, and excess liquidity is parked in reverse repo, MSF and bond markets (considering muted loan growth) at a yield of ~1%. Hence, an excess liquidity, the spread is 2%+ currently, as against blended spread of ~1.4% at 3QFY17.
- ▶ Significant liquidity addition in the system has led to a sharp fall in yield, which has helped banks to monetize the bond portfolio. We expect trading gains to be strong in 2QFY17.

Digitalization efforts to yield noteworthy results over long term

- ▶ The Government of India (GoI) and the banking sector are working together to move toward a less-cash economy. The bank has all channels available (e.g. UPI, cards, POS, wallets, internet banking and mobile banking) to push toward digitalization.
- ▶ Over the past month, cashless transactions increased significantly: (a) debit card spends are up 1x on MoM, (b) POS terminal deployment has increased from 64k/month to 16k, 46k terminal orders in hand, (c) 7m new debit cards are activated and (d) SBI Buddy (wallet) transactions are up 1x on MoM.

Asset quality: Will demonetization lead to higher NPAs?

- ▶ Asset monitoring and recovery teams have performed their respective functions as usual (barring the first three days of demonetization). The bank clearly stated that there is no discussion of bandwidth for key departments due to demonetization.
- ▶ SBI has seen recoveries in small-value accounts and agri gold loans.
- ▶ SME portfolio performance will depend upon how soon the things will normalize. It is too early to take a call right now.

Ms. Bhattacharya is the first woman chairman of SBI, she joined the bank 18 years ago as a probationary officer. She has worked in various functions like force, retail, treasury, HR and IR.

Ms. Bhattacharya was involved in launching various new business initiatives like general insurance, customer service and infrastructure fund.

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MOTILAL OSWAL

BULLS & BEARS

INDIA VALUATION'S HANDBOOK

Highlights of March edition

- ▶ Nifty ends at record high - up 19% in FY17
- ▶ Metals, PSU Banks, Media, Oil and NBFCs top outperformers for FY17
- ▶ Technology and Telecom only sectors to deliver negative return
- ▶ Mid-caps outperform Nifty by 16% in FY17

BEST PERFORMERS MoM (%)

Indiabulls	11
Bliss Infotech	11
Asian Paints	10
HDFC	10
Tata Power	10
Bank of India	9
WIPAC	9
IL&T	7
Indraprastha	7
ITC	7

WORST PERFORMERS MoM (%)

Coal India	-1
Two Wheel	-1
in mobility	-1
ONGC	-1
Bank of Baroda	-1
SIFY	-1
Axis Bank	-1
GAU	-1
UPL	-1
HARP	-1

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April 2017

MOTILAL OSWAL

FUND FOLIO

Indian Mutual Fund Tracker

Equity AUM up 40% in FY17 and 25% in five years

Equity AUM (INR L) - Nifty Index

▲ AUM rise by 40% against 14% rise of Nifty in last 5 years

Average AUM up 35% YoY (INR4.8t) in FY17

INR18.3t

INR603b Net inflows in FY17 down 11% YoY

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April 2017

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