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Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	31,711	-1.1	19.1
Nifty-50	9,827	-0.9	20.1
Nifty-M 100	18,217	-0.5	26.9
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,461	0.1	9.9
Nasdaq	6,344	0.5	17.9
FTSE 100	7,390	-0.2	3.5
DAX	12,430	-1.2	8.3
Hang Seng	10,755	-0.3	14.5
Nikkei 225	20,000	-0.6	4.6
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	48	0.8	-13.2
Gold (\$/OZ)	1,238	0.5	6.7
Cu (US\$/MT)	5,974	0.0	8.2
Almn (US\$/MT)	1,905	0.4	11.8
Currency	Close	Chg. %	YTD.%
USD/INR	64.3	-0.1	-5.2
USD/EUR	1.2	0.9	9.6
USD/JPY	112.3	-0.9	-4.1
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.5	0.0	-0.1
10 Yrs AAA Corp	7.5	0.0	-0.1
Flows (USD b)	18-Jul	MTD	YTD
FII	0.0	0.0	8.5
DII	-0.2	0.4	3.7
Volumes (INRb)	18-Jul	MTD*	YTD*
Cash	326	277	285
F&O	5,759	5,120	4,929

Note: YTD is calendar year, *Avg



Today's top research theme

Capital Goods (Thematic): Diesel Gensets – Firing up

Period of volume decline over; expect 10% CAGR over FY17-20

- ✓ We expect diesel genset (DG) industry CAGR (FY17-20) of 10%, after a period of subdued growth (industry volumes declined at 5% CAGR (FY13-17), primarily on a sharp fall in sales for telecom towers).
- ✓ Key end-markets witnessing revival are Infrastructure, Commercial and Manufacturing. Brand, distribution, service network, product portfolio and reliability are key differentiators – fuel consumption and pricing not as much.
- ✓ Our preferred play on Indian DG industry is Cummins India, the market leader with the largest pan-India distribution/dealer network, wide service network, access to parent's technology, wide product portfolio and reputation of reliability. A recovery in exports would strengthen estimated earnings revival over next few years. We upgrade to **Buy** with TP of INR1,110 (30x June FY19E EPS of INR37, in line with five-year average).



Research covered

Cos/Sector	Key Highlights
Capital Goods (Thematic)	Diesel Genset: Firing up; Period of volume decline over; expect 10% CAGR over FY17-20
Oil & Gas	Mega-merger mania gripped by uncertainties
ITC	New GST rates a huge dampener; Downgrade to Neutral
Hindustan Unilever	Decent sales/margins performance in a quarter affected by destocking
UltraTech Cement	EBITDA beat led by higher margins; volumes miss estimate
Jubilant Life	Growth levers intact, overall sales driven by LSI segment
GRUH Finance	Impressive all-round performance
Aviation Monthly	Domestic passenger growth at 20.2% YoY in June 2017
Results Expectation	Bajaj Fin Canara Bank Havells India KPIT Tech Mindtree Sanofi India



Piping hot news

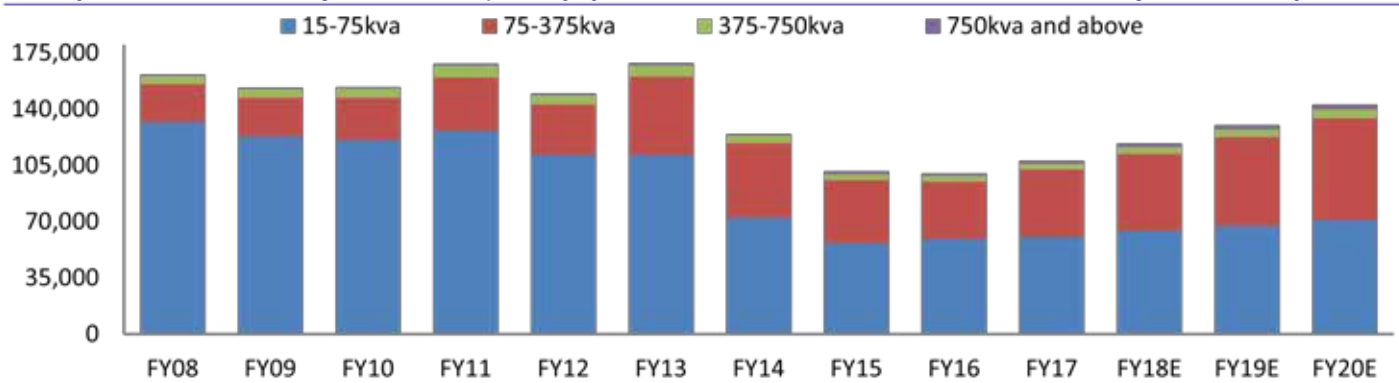
Reliance Jio objects as Bharti Airtel, Vodafone, others want IUC doubled; RJio plumps for zero charge

- ✓ Incumbent operators like Bharti Airtel, Vodafone India and Idea Cellular on Tuesday pitched for more than doubling of the interconnect usage charges (IUC) from the current 14 paise per minute.



Chart of the Day: Industry DG volumes – fall during FY13-17 driven primarily by lower telecom tower sales; revival in MHP and HHP segment under way

Industry DG volumes – fall during FY13-17 driven primarily by lower telecom tower sales; revival in MHP and HHP segment under way



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

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



Kindly click on textbox for the detailed news link

1

Monnet Ispat in default of ₹1,539 cr, SBI tells NCLT

JSW Steel could put in a revised offer to acquire the stressed assets of Monnet Ispat if the lenders led by the State Bank of India are "serious" about selling the assets. JSW's initial offer had been rejected by the lenders, but an industry ...

2

Rs 4,000 cr Alok Industries debt case: Insolvency case filed by SBI accepted by NCLT

The Ahmedabad bench of the National Company Law Tribunal (NCLT) on Tuesday admitted State Bank of India's (SBI) insolvency petition against Alok Industries. The court appointed Ajay Joshi as the interim resolution professional (IRP) for insolvency proceedings aimed at recovering close to Rs 4,000 crore that Alok owes SBI...

3

Tata Steel Europe hopes to conclude pension rejig plan in UK soon

Tata Steel Europe is currently pursuing the pension restructuring programme in the UK and is hopeful of concluding it soon, N Chandrasekaran, chairman Tata Steel has observed in the company's annual report for 2016-17. On Tuesday, the shares of the steel maker hit a fresh 52-week high of Rs 568...

4

KKR starts bankruptcy proceedings against Amtek Auto's overseas assets

Global private equity giant KKR has launched bankruptcy proceedings against the international subsidiary of Amtek Auto Ltd, which is itself in India's bankruptcy court, two people aware of the development said...

5

World Bank to draw up plan for Railways' Rs 5 lakh crore makeover

The World Bank will help draw up a granular makeover blueprint for the Indian Railways, which is investing Rs 5 lakh crore to transform itself from a colonial-era mass transporter into a strategic platform underpinning growth in Asia's third-biggest economy...

6

Infrastructure boost from NIIF likely soon; Temasek, Abu Dhabi Investment close to scripting first deal

The National Investment and Infrastructure Fund (NIIF) is in an advanced stage of talks with two sovereign wealth funds — Temasek Holdings of Singapore and Abu Dhabi Investment Authority (ADIA) ...

7

Sale of construction equipment may grow 15 per cent on infrastructure push

Sales of construction equipment are expected to grow 10-15% to a record high in 2017, driven by the government's focus on infrastructure building. Sales of equipment such as backhoe loaders, excavators, earth moving machines and pick-n-carry cranes had peaked in 2011 at 52,500 units...



Capital Goods



Diesel Gensets – Firing up

Period of volume decline over; expect 10% CAGR over FY17-20

Diesel Generator (DG) industry to grow at 10% CAGR over FY17-20: After a subdued FY13-17, when industry volumes declined at a compounded annual rate of 5% (primarily due to a sharp fall in sales for telecom towers), we expect the industry to grow at a CAGR of 10% over FY17-20. (Over FY04-08, the industry had grown at a CAGR of 10%). Growth would be driven by higher volumes in the mid/high horse power (HP) segment; demand for low HP products is likely to remain subdued. Key end markets that are seeing a revival are Infrastructure (Roads, Metro Rail, Railways), Commercial (IT/ITES, Data Centers, Hotels, Hospitals, Educational Institutions), and Manufacturing (Pharmaceuticals, Automotive). We highlight that less than 15% of the demand for DG sets is for prime power and 85-90% of the DG market is for backup power – this implies that despite low power deficits, the need for DG sets would continue.

Brand, distribution, service network, product portfolio, and reliability key differentiators:

In our view, pricing alone would not lead to market share gains for any player in the DG industry. Given that DG sets are primarily used for backup and typically last for 10 years or longer, the decisive factors go beyond price. Brand positioning, dealer network/distribution, service centers, product portfolio, and reliability are some of the key decisive factors. This is all the more important in case of the MHP (375-750kva) and HHP (>750kva) ranges, where timely availability of backup power is crucial.

Competitive pressures intensifying – MNCs dominate in HHP (>750kva) category:

MNCs such as Perkins (started local manufacturing recently for >750kva engines), MTU, Volvo and Indian players like KOEL, Greaves Cotton are striving to increase presence in the MHP/HHP segments, while Cummins India is trying to take share in the LHP (<160kva) segment. Cummins is the market leader in the MHP/HHP segment while Mahindra, KOEL and Ashok Leyland lead in the LHP segment. Implementation of GST (from July 1, 2017) would reduce the share of unorganized players, especially in the LHP segment, and would be beneficial to incumbent organized players.

Valuation and view: Our preferred play on the Indian DG industry is Cummins India, the market leader, with the largest pan India distribution/dealer network, wide service network, access to parent's technology, wide product portfolio, and a reputation of reliability. A recovery in exports would strengthen the earnings revival estimated over the next few years. We upgrade the stock to **Buy**, with a target price of INR1,110 (30x FY19E EPS of INR37; in line with 5-year average). Other beneficiaries of a revival in domestic DG demand include Kirloskar Oil Engines (KOEL; Not Rated) and Greaves Cotton.

Valuation snapshot

	FY18		FY19	
	KKC	KOEL	KKC	KOEL
P/E(x)	32.0	28.2	25.9	21.6
P/B	6.4	3.4	5.8	3.1
EV/EBITDA	28.4	14.2	22.4	11.6

Capital Goods Diesel Gensets



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Oil & Gas

Refer to our report
on Oil & Gas, February 2017



Mega-merger mania gripped by uncertainties

No major improvement in value proposition expected

Since the Indian government's announcement of creation of mega oil & gas majors in its Union Budget 2017, the market has been rife with speculation over potential mergers among the public sector companies (ONGC, IOCL, BPCL, HPCL, Oil India and GAIL). The stock prices have been volatile amid limited details provided by the government and the lack of possible synergies in the talked mergers. Starting from ONGC-HPCL merger, the news articles¹ moved to the possible IOCL-Oil India and then to BPCL-GAIL mergers. However, nothing has been clarified by the government about this, and the least of all, valuation.

ONGC-HPCL merger: Many questions remain unanswered

ONGC is said to be in talks to acquire the government's stake in HPCL. Many questions remain unanswered, though, including (i) MRPL-HPCL and OMPL-MRPL prior to that, (ii) if HPCL will remain a listed subsidiary or be subsumed and (ii) whether there would be an open offer. Additionally, uncertainty on valuation remains. We do not see any synergy leading to cost reduction or improved value proposition via the merger, except that it will give some hedge toward oil price volatility. We estimate that, at market price, if ONGC were to acquire the government's 51% stake in HPCL at 8% interest cost, it would increase ONGC's FY18 EPS by 5%.

IOCL-Oil India merger: No avenues for improved value proposition

The Indian government has 66.13% stake in Oil India. IOCL has presence in 13 domestic blocks and 10 international blocks. Merger with Oil India could give it some expertise in E&P. However, again, there are no avenues for cost reduction or improved value proposition. Oil India does not even provide a significant hedge against oil price volatility to IOCL. We estimate that, at market price, if IOCL were to acquire the government's 66.13% stake in Oil India at 8% interest cost, it would increase IOCL's FY18 EPS by 4%.

BPCL-GAIL merger: Not expected to result in much cost saving

The government has 54.88% stake in GAIL. BPCL and GAIL are together in several CGDs like IGL, MNGL and CUGL. However, their merger would not really result in much reduction in cost as these companies are managed more or less independently. GAIL has vast experience in gas sourcing and distribution, which could benefit BPCL. However, it would also expose BPCL to the risk of 5.8mtpa US shale contracts that GAIL has signed. We estimate that, at market price, if BPCL were to buy the government's 54.88% stake, it would increase BPCL's EPS by 8%.

¹<http://economictimes.indiatimes.com/industry/energy/oil-gas/ioc-oil-india-merger-on-the-cards/articleshow/59637083.cms>
<http://www.financialexpress.com/industry/not-just-1-india-set-to-get-3-mega-oil-giants-soon/767550/>



BSE SENSEX
31,711

S&P CNX
9,827



Stock Info

Bloomberg	ITC IN
Equity Shares (m)	12,147.4
52-Week Range (INR)	353 / 222
1,6,12 Rel. Perf. (%)	-9/-3/0
M.Cap. (INR b)	3,960.1
M.Cap. (USD b)	60.6
Avg Val, INRm	3038
Free float (%)	100.0

Financials Snapshot (INR b)

Y/E March	2017	2018E	2019E
Sales	396.4	436.8	483.3
EBITDA	145.8	158.1	176.5
Adj. PAT	102.0	112.6	125.5
Adj. EPS (INR)	8.4	9.3	10.3
EPS Gr. (%)	9.4	10.4	11.4
BV/Sh. (INR)	37.2	37.6	41.1
RoE (%)	23.5	24.8	26.3
RoCE (%)	22.6	23.8	25.3
Payout (%)	66.2	70.2	70.2

Valuations

P/E (x)	33.9	30.7	27.5
P/BV (x)	7.7	7.6	6.9
EV/EBITDA (x)	22.3	20.5	18.2
Div. Yield (%)	2.0	2.3	2.5

Shareholding pattern (%)

As On	Mar-17	Dec-16	Mar-16
Promoter	0.0	0.0	0.0
DII	35.7	35.3	35.2
FII	20.3	20.4	20.7
Others	44.0	44.2	44.2

FII Includes depository receipts

CMP: INR285 TP: INR 280 (-2%) Downgrade to Neutral

New GST rates a huge dampener

- n On 17 July 2017, the Indian government announced the new GST rates applicable on cigarettes. The tone of the GST Council's press release appeared to indicate a reversal to neutral GST levels, from the earlier indication of beneficial rates for ITC after the abolishment of additional excise duty (as per the 1 July announcement). However, a closer look at the latest press release indicates that the revised GST rates are higher than the erstwhile indirect tax rates, and also much higher than the assumed GST rates after the announcement on 1 July 2017.
- n Post new rates, there is (also refer Exhibits 1-4):
 - Ø 7% increase in tax incidence in the sub 65mm segment over the pre-GST levels (+14% over earlier assumed GST levels).
 - Ø 5% increase in tax incidence in the 65-70mm segment over the pre-GST levels (+15% over earlier assumed GST levels).
 - Ø 6% increase in tax incidence in the 70-75mm segment over the pre-GST levels (+13% over earlier assumed GST levels).
 - Ø 11% increase in tax incidence in the >75mm segment over the pre-GST levels (+17% over earlier assumed GST levels).
- n Assigning weights to each segment based on percentage of sales (refer Exhibit 5), we get a weighted average increase of 6.2% on tax incidence for ITC over pre-GST levels and a 15% increase compared to the earlier assumed GST rates.
- n **What does it all mean for ITC?**
 - Ø Until now, we were expecting price reduction and volume growth; however, post the revised GST rates, we expect ITC to take a price increase to pass on the impact of the higher effective rates. We have reduced FY18/FY19 cigarette volume growth forecasts from 6%/7% to 3%/4%.
 - Ø Cigarette EBIT growth assumption for FY18/FY19 reduces from 14%/20% earlier to relatively moderate 10%/12% levels now. EPS growth for FY18/FY19 has also been revised to 10.4%/11.4% from 14.9%/20.4%.
- n **Valuation and view:** In our view, if the government had earlier clearly indicated that the effective increase over pre-GST levels will be only 6%, the street probably would have taken it positively. However, since there has been a major deviation from (i) initial government commentary of neutral GST rates for cigarette companies and (ii) subsequent indication of beneficial rates, the new high rates announced yesterday have turned out to be a massive dampener for earnings expectations and even more for investor sentiment. This, in turn, will affect valuation multiples assigned to the stock. We reduce our EPS forecasts by 4%/11% for FY18/FY19, and also cut our target multiples to 26x June 2019E EPS (10% discount to three-year average) from 31x earlier. This results in revised TP of INR280 (INR380 earlier) and rating downgrade to **Neutral**.



Hindustan Unilever

BSE SENSEX	S&P CNX
31,711	9,827
Bloomberg	HUVR IN
Equity Shares (m)	2,164.3
M.Cap.(INRb)/(USDb)	2,159.4 / 33.7
52-Week Range (INR)	1190 / 783
1, 6, 12 Rel. Per (%)	4/18/12
Avg Val, INRm/ Vol m	1226
Free float (%)	32.8

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Net Sales	313.0	346.2	392.7
EBITDA	60.5	70.5	83.5
PAT	42.5	49.6	59.2
EPS (INR)	19.6	22.9	27.3
Gr. (%)	1.9	16.8	19.2
BV/Sh (INR)	30.8	31.9	34.1
RoE (%)	65.6	73.1	82.8
RoCE (%)	87.3	97.0	110.1
P/E (x)	59.0	50.5	42.3
P/BV (x)	37.6	36.3	34.0

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR1,158 TP: INR1,285(+11%)

Buy

Decent sales/margins performance in a quarter affected by destocking

- Hindustan Unilever's (HUVR) 1QFY18 net sales increased 4.9% YoY** (est. of +2%) to INR85.3b. Domestic consumer business grew 6% YoY, with flat volumes (est. -1%). EBITDA increased 14.1% YoY to INR18.7b (12% above estimate) and PAT (bei) rose 14.6% YoY to INR12.9b (11% above estimate).
- Home care revenues were up 5.9% YoY, while personal care witnessed 3.5% YoY growth in sales. Foods business sales were up 4.3% YoY, while refreshment sales increased 10.8% YoY. Home care EBIT margin expanded by 230bp YoY and personal care margin by 50bp YoY. Among the smaller segments, foods margin expanded by 820bp YoY (off a very low base) and refreshment margin by 310bp YoY.
- Gross margin expanded 80bp YoY to 52.1%.** EBITDA margin expanded 180bp YoY to 21.9%, aided by gross margin improvement, and a decline of 30bp YoY in staff costs, 20bp YoY in adspend and 40bp YoY in other expenses. EBITDA increased 14.1% YoY to INR18.66b, higher than our estimate of INR16.69b. PAT (bei) rose 14.6% YoY to INR12.92b.
- Concall highlights:** (1) Absence of CSD offtake from the beginning of June affected sales by 2% for the quarter. (2) Management expects a gradual recovery in rural demand. (3) Company aims to attain significant savings in each cost item over the next few years.
- Valuation and view:** HUL has all the levers in place to drive earnings revival, including good monsoon, benefits of low base of preceding years, return of price part of sales growth, lower promotion spends, continuing premiumization and various government schemes (DBT implementation, 24% increase in rural outlay in the budget, farm loan waiver in Uttar Pradesh, etc.). Consequently, we expect EPS CAGR of 18% over FY17-19, well above 3-year/5-year/10-year EPS CAGR of 6.1%/10.6%/10.1%. Return ratios and dividend yield are best-of-breed. We maintain our target multiple of 45x FY19E June-19 EPS (5% premium to 3-year average), resulting in a target price of INR1,285. Maintain **Buy**.

Quarterly performance

Y/E March	FY17				FY18				FY17 Ind AS	FY18 Ind AS	Estimate	Variance
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Volume Growth (%)	4.0	-1.0	-4.0	4.0	0.0	4.0	10.0	7.0	0.8	5.0	-1.0	
Net Sales	81,270	78,427	77,060	82,130	85,290	85,877	89,004	92,537	318,887	352,709	82,907	2.9%
YoY Change (%)	3.6	1.4	-0.7	6.4	4.9	9.5	15.5	12.7	2.7	10.6	2.0	
COGS	39,555	39,620	37,440	40,220	40,840	42,869	42,531	44,534	156,835	170,775	40,346	
Gross Profit	41,715	38,807	39,620	41,910	44,450	43,008	46,473	48,003	162,052	181,934	42,562	4.4%
Margin %	51.3	49.5	51.4	51.0	52.1	50.1	52.2	51.9	50.8	51.6	51.3	
EBITDA	16,347	14,046	13,560	16,510	18,660	16,153	16,641	19,033	60,463	70,488	16,686	11.8%
YoY Change (%)	8.1	5.1	-5.2	12.2	14.1	15.0	22.7	15.3	5.1	16.6	2.0	
Margins (%)	20.1	17.9	17.6	20.1	21.9	18.8	18.7	20.6	19.0	20.0	20.1	
Depreciation	933	945	1,000	1,080	1,140	1,163	1,186	1,122	3,958	4,611	1,102	
Interest	60	49	50	60	60	60	60	62	219	242	60	
Other Income	1,076	2,528	820	830	1,130	2,781	902	987	5,254	5,800	1,183	
PBT	16,431	15,580	13,330	16,200	18,590	17,712	16,297	18,836	61,541	71,434	16,708	11.3%
Tax	5,411	4,807	4,480	4,360	5,630	5,402	4,971	5,785	19,058	21,787	5,096	
Rate (%)	32.9	30.9	33.6	26.9	30.3	30.5	30.5	30.7	31.0	30.5	30.5	
Adjusted PAT	11,277	10,818	9,199	11,180	12,920	12,310	11,326	13,051	42,474	49,647	11,612	11.3%
YoY Change (%)	6.1	9.3	-10.2	7.6	14.6	13.8	23.1	16.7	3.2	16.9	3.0	
Reported Profit	11,727	10,956	10,380	11,830	12,830	12,310	11,326	13,051	44,893	49,647	11,612	

E: MOSL Estimates

Ultratech Cement

BSE SENSEX 31,771 S&P CNX 9,827

CMP: INR4,315 TP: INR4,936(+14%)

Buy

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

Conference Call Details



Date: 19th July 2017

Time: 09:30am IST

Dial-in details:

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EBITDA beat led by higher margins; volumes miss estimate

- n Net sales increased 6% YoY to -INR66.26b, lower than our estimate of INR67.5b due to weaker volumes. Volumes (including white cement and putty) were flat YoY at 13.2mt (est. of 13.7mt).
- n EBITDA increased 10% YoY (+22% QoQ) to -INR15.6b (est. of INR14.7b), led by better-than-estimated pricing.
- n EBITDA margin expanded 0.7pp YoY (+4pp QoQ) to 23.5% (est. of 21.8%), led by improved pricing, partially offset by cost push.
- n EBITDA/t increased 9.5% YoY/30% QoQ to INR1,194 (est. of INR1,084) due to higher-than-estimated realizations.
- n Hence, adjusted PAT increased 15% YoY to INR8.9b.

Financials & Valuations (INR b)

Y/E Mar	2017	2018E	2019E
Sales	238.9	303.5	375.4
EBITDA	49.7	63.3	83.3
NP	26.4	26.3	39.3
Adj EPS (INR)	96.1	95.8	143.1
EPS Gr. (%)	11.3	-0.3	49.4
BV/Sh (INR)	872.1	945.3	1,042.0
RoE (%)	11.6	10.5	14.4
RoCE (%)	9.7	8.8	10.0
P/E (x)	41.8	41.9	28.1
P/BV (x)	4.6	4.3	3.9

Key questions for management

- n Volume guidance for FY18, both for the industry and Ultratech
- n Expected pricing trend over the next few quarters
- n Likely impact of cost push on margins
- n Profitability and utilization of JPA's assets

Valuation and view: We will revisit our estimates post the earnings call. Based on our current estimates, UTCEM trades at 14x FY19E EBITDA. Maintain **Buy** with a target price of INR4,936.

Quarterly Performance

Y/E March	FY17				FY18				FY17	FY18E	(INR Million)	
	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE			FY18 1QE	Var. (%)
Sales (m ton)	12.91	10.87	11.40	13.68	12.92	13.58	14.72	18.28	48.9	59.5	13.42	-4
YoY Change (%)	6.3	0.6	-0.6	-0.2	0.1	24.9	29.1	33.7	1.6	21.8	4.0	
Blended Realn.(INR/ton) *	4,723	4,827	4,781	4,689	5,015	4,990	5,231	4,774	4,762	4,989	4,925	2
YoY Change (%)	-1.5	-2.9	-0.1	3.2	6.2	3.4	9.4	1.8	-0.8	4.8	5.1	
QoQ Change (%)	3.9	2.2	-0.9	-1.9	7.0	-0.5	4.8	-8.7			5.0	
Net Sales	62,295	53,966	56,091	65,953	66,265	69,364	78,835	89,065	238,914	303,528	67,550	-2
EBITDA	14,225	10,938	11,135	12,782	15,601	13,722	17,316	16,670	49,690	63,308	14,706	6
Margins (%)	22.8	20.3	19.9	19.4	23.5	19.8	22.0	18.7	20.8	20.9	21.8	
Depreciation	3,027	3,139	3,156	3,357	3,098	4,701	4,701	4,289	12,679	16,789	2,827	
Interest	1,525	1,367	1,293	1,529	1,285	4,400	4,420	4,353	5,714	14,458	1,240	
Other Income	1,504	2,335	970	2,401	1,652	1,200	1,300	1,348	6,600	5,500	1,100	
PBT before EO expense	11,177	8,767	7,655	10,297	12,870	5,821	9,495	9,377	37,896	37,562	11,740	10
Tax	3,428	2,757	2,021	3,276	3,963	1,759	2,900	2,647	11,482	11,268	3,600	
Rate (%)	30.7	31.4	26.4	32.2	30.8	30.2	30.5	28.2	30.4	30.0	31	
Reported PAT	7,749	6,011	5,634	6,883	8,906	4,062	6,595	6,730	26,277	26,293	8,140	9
Adj PAT	7,749	6,011	5,634	6,976	8,906	4,062	6,595	6,730	26,372	26,293	8,140	9
YoY Change (%)	28.3	31.4	6.7	-10.7	14.9	-32.4	17.0	-3.5	11.3	-0.3	5.0	



Jubilant Life Sciences

BSE SENSEX	S&P CNX
31,711	9,827

CMP: INR704 TP: INR905(+29%) Buy

Bloomberg	JUBILANT IN
Equity Shares (m)	159
M.Cap.(INRb)/(USDb)	112.1 / 1.7
52-Week Range (INR)	879 / 298
1, 6, 12 Rel. Per (%)	-1/-16/119
Avg Val, INRm	668
Free float (%)	46.0

Financials & Valuations (INR b)

Y/E Mar	FY18E	FY19E	FY20E
Net Sales	65.9	72.9	82.2
EBITDA	15.7	17.7	20.1
PAT	7.3	8.8	10.4
EPS (INR)	47.1	56.7	66.7
Gr. (%)	27.3	20.4	17.7
BV/Sh (INR)	263.1	314.1	374.1
RoE (%)	19.5	19.6	19.4
RoCE (%)	11.7	12.6	13.5
P/E (x)	14.9	12.4	10.5
P/BV (x)	2.7	2.2	1.9

Estimate change	↔
TP change	↔
Rating change	↔

Growth levers intact, overall sales driven by LSI segment

- JLS delivered sales of INR15.6b in 1QFY18**, marginally lower than our estimate of INR15.9b. EBITDA margin came in at 21.7% (est. of 22%), led by elevated margin in the pharmaceuticals business. PAT of INR1.4b missed our estimate of INR1.6b due to a higher tax rate for the quarter.
- Specialty – a key driver of pharmaceuticals business:** Pharmaceutical sales increased 8.8% YoY to INR8.2b (51% of overall sales) – the highest-ever quarterly sales for this segment. Specialty segment, which grew 16% YoY, not only drove pharma revenues, but also aided EBITDA margin. JLS expects the specialty segment momentum to continue over the medium term.
- LSI segment led overall sales growth for JLS:** LSI revenues increased 13.4% YoY to INR7.4b, led by increased business from the vitamins and advanced intermediates segments. EBITDA margin remained stable for the quarter. JLS guided for a better outlook in this segment, led by improved demand, strong price environment, capacity expansion and launch of new products.
- Debt-reduction program on track:** In 1QFY18, net debt reduced by INR1.13b to INR35b, while average blended interest rate declined to 5.9% from 6.8% in FY17. JLS remains on track for its debt-reduction program and reducing interest cost.
- Guides for full-year capex of INR4b:** JLS incurred capex of INR980m during the quarter, guiding for total capex of INR4b in FY18. The capex is largely incurred toward capacity expansion of the API and formulation facility (INR2.5b) and maintenance (INR1.5b).
- Valuation:** We remain positive on JLS, given its improving sales and profitability in specialty pharma, product launches, price hikes in advanced intermediates, lower financial leverage, and attractive valuation. We maintain estimates for FY19 and TP of INR905 on SOTP basis. Re-iterate **Buy**.

Consolidated - Quarterly Earning Model

(INR Million)

Y/E March	FY17				FY18				FY17	FY18
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	14,195	13,855	14,582	15,982	15,563	16,153	16,508	17,715	60,063	65,939
YoY Change (%)	-1.8	-4.6	6.7	7.6	9.6	16.6	13.2	10.8	4.5	9.8
Total Expenditure	10,514	10,452	11,264	12,932	12,187	12,438	12,463	13,109	46,610	50,197
EBITDA	3,682	3,403	3,318	3,050	3,376	3,715	4,044	4,606	13,453	15,742
Margins (%)	25.9	24.6	22.8	19.1	21.7	23.0	24.5	26.0	22.4	23.9
Depreciation	715	720	727	752	725	780	815	820	2,914	3,140
Interest	828	800	982	802	687	690	695	695	3,411	2,767
Other Income	44	51	51	105	68	70	72	73	251	283
PBT before EO expense	2,183	1,934	1,661	1,601	2,032	2,315	2,606	3,164	7,379	10,118
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	2,183	1,934	1,661	1,601	2,032	2,315	2,606	3,164	7,379	10,118
Tax	542	497	480	111	595	625	717	873	1,630	2,810
Rate (%)	24.9	25.7	28.9	6.9	29.3	27.0	27.5	27.6	22.1	27.8
Minority Interest & Profit/Loss of Asso. Cos.	24	-11	0	0	0	0	0	0	-14	-11
Reported PAT	1,616	1,448	1,181	1,490	1,437	1,690	1,890	2,291	5,756	7,328
Adj PAT	1,616	1,448	1,181	1,490	1,437	1,690	1,890	2,291	5,756	7,328
YoY Change (%)	22.5	14.5	-4.0	1,272.3	-11.1	16.7	60.0	53.7	46.7	27.3
Margins (%)	11.4	10.4	8.1	9.3	9.2	10.5	11.4	12.9	9.6	11.1



Gruh Finance

BSE SENSEX	S&P CNX
31,711	9,827
Bloomberg	GRHF IN
Equity Shares (m)	364.6
M.Cap. (INR)	128.3/1.9
52-Week Range	516 / 270
1, 6, 12 Rel. Per (%)	9/29/50
Avg Val, INRm	121
Free float (%)	41.6

Financials & Valuations (INR b)

Y/E March	2017	2018E	2019E
NII	5.2	6.7	8.0
PPP	4.7	6.2	7.4
PAT	3.0	3.6	4.4
EPS (INR)	8.1	9.9	12.1
EPS Gr. (%)	21.5	22.2	21.4
BV/Sh. (INR)	27.2	33.2	40.4
ABV/Sh. (INR)	27.2	33.2	40.5
RoA (%)	2.4	2.4	2.4
RoE (%)	32.5	33.0	32.8
Payout (%)	34.0	34.0	34.0

Valuations			
P/E (x)	60.7	49.7	40.9
P/BV (x)	18.2	14.9	12.2
Div. Yield (%)	0.6	0.7	0.8

CMP: INR492

TP: INR450 (-9%)

Neutral

Impressive all-round performance

- Grh Finance (GRHF) reported PAT of INR722m (7% below our estimate) for 1QFY18, driven by higher-than-expected provisioning charge. Operating performance was robust and ahead of expectations.
- Loan growth was in line with trend at 19% YoY, driven by retail home loans. Disbursements continue to be strong in retail home loans. Interestingly, the company disclosed disbursements under the CLSS scheme too. This scheme has picked up well, with 3,348 loans being disbursed in 1QFY18 v/s 5,788 in FY17. Disbursements under the EWS/LIG scheme continue to dominate overall CLSS-related disbursements.
- Management commented that while affordable housing developers are excited with the government's impetus, there is yet no traction seen. All developers are busy registering and complying with RERA. In addition, there has been no meaningful change to the process of approvals. Management expects to see an impact on the supply side after 2-3 quarters.
- Cost of funds continues to decline (-14bp QoQ) due to prepayment of majority bank loans. Bank borrowings now comprise only 5% of total borrowings. Asset quality remains pristine – GNPL ratio increased by 8bp YoY to 0.64%. However, provisions in the quarter were INR279m v/s INR125m in 1QFY17 and INR14m in 4QFY17.
- Valuation and view:** GRHF has performed impressively, with 25% loan book CAGR and 26% PAT CAGR over the last decade. Its presence in the affordable housing segment in rural areas provides pricing power on the asset side, with cost of funding at par with large HFCs. At the same time, it has not compromised on underwriting standards, with GNPL/NNPL of 0.6%/0.2%. However, loan growth has slowed down meaningfully from the run-rate of ~25% a few quarters back. We cut our FY18/19E EPS to factor in higher provisions. Maintain **Neutral** with a TP of INR450 (11x FY19E P/B).

Quarterly performance

Y/E MARCH	(INR Million)								FY17	FY18
	FY17				FY18					
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Operating Income	3,463	3,674	3,810	4,161	3,981	4,166	4,317	4,855	14,871	17,316
Total income	3,463	3,674	3,810	4,161	3,981	4,166	4,317	4,855	14,874	17,319
Y-o-Y Growth (%)	16.7	17.8	17.8	12.3	15.0	13.4	13.3	16.7	16.6	16.4
Interest expenses	2,241	2,351	2,297	2,307	2,365	2,439	2,549	2,670	9,196	10,023
Net Income	1,222	1,323	1,513	1,854	1,617	1,727	1,768	2,185	5,678	7,296
Operating Expenses	201	273	219	241	254	331	281	268	935	1,134
Operating Profit	1,021	1,050	1,294	1,613	1,362	1,396	1,487	1,917	4,742	6,162
Y-o-Y Growth (%)	17.5	20.1	29.8	23.3	33.4	33.0	14.9	18.8	23.6	29.9
Provisions and Cont.	125	91	327	14	279	250	220	11	322	760
Profit before Tax	896	958	967	1,600	1,083	1,146	1,267	1,906	4,420	5,402
Tax Provisions	294	339	326	495	361	378	418	619	1,454	1,776
Net Profit	601	619	640	1,104	722	768	849	1,287	2,967	3,626
Y-o-Y Growth (%)	19.6	19.9	19.2	25.8	20.0	24.0	32.6	16.5	21.8	22.2
Int Exp/ Int Earned (%)	64.7	64.0	60.3	55.4	59.4	58.6	59.1	55.0	61.8	57.9
Cost to Income Ratio (%)	16.5	20.7	14.5	13.0	15.7	19.1	15.9	12.3	16.5	15.5
Tax Rate (%)	32.8	35.4	33.8	31.0	33.3	33.0	33.0	32.5	32.9	32.9

E: MOSL Estimates



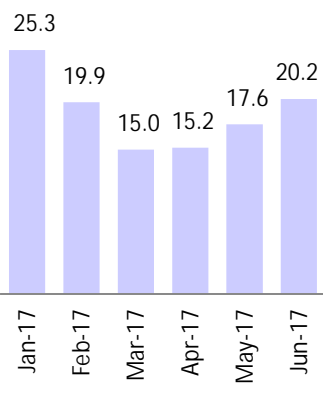
Aviation

Domestic passenger growth at 20.2% YoY in June 2017

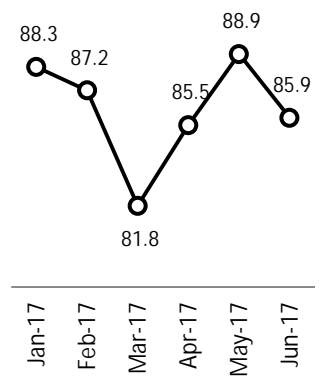
Domestic load factor at 86%; IndiGo's domestic ASK/RPK share highest

- Domestic air passengers in India grew 20.2% YoY to 9.5m in June 2017 (v/s +17.6/15.2% YoY in May/April 2017). Passenger growth has been in double-digits for the last 35 months.
- While ASK growth in June was 14% YoY (v/s +14.9/13.4% YoY in May/April 2017), RPK rose 20.9% YoY (v/s +18.1/15.4% in May/April 2017).
- Domestic industry load factor stood at 85.9% in June 2017 (v/s 88.9/85.5% in May/April 2017).

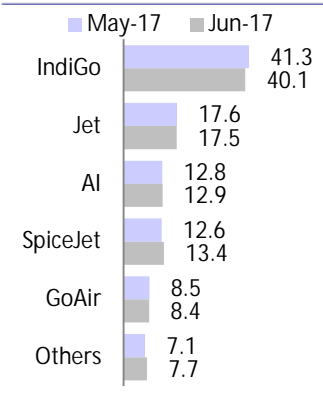
Domestic passenger growth (YoY; %)



Industry load factor (%)



Passenger market share (%)



Domestic air passengers up 20.2% YoY

- India's domestic air passengers grew 20.2% YoY to 9.5m in June 2017. Passenger growth has been in double-digits for the last 35 months.
- IndiGo's passenger growth was 26.6% YoY in June 2017 (v/s 25.6/23.2% YoY in May/April 2017).
- SpiceJet's domestic passenger volumes grew 26.1% YoY in June 2017 (v/s 16.6/15.2% YoY in May/April 2017).
- Go Air's domestic passenger volumes grew 21.3% YoY in June 2017 (v/s 23.2/9.4% YoY in May/April 2017).
- Passenger volume growth for other airlines was as follows: Jet Airways: +9.9% YoY (v/s +8.9/7.2% YoY in May/April 2017); Air India: -5.5% YoY (v/s -0.8/-1.7% YoY in May/April 2017).

IndiGo's passenger market share remains highest at 40.1%

- IndiGo's passenger market share was 40.1% in June 2017 (v/s 41.3/41.6% in May/April 2017).
- Jet Airways' market share remained below 20% for the 15th consecutive month at 17.5%. Prior to that, it had market share of above 20% since July 2014.
- Air India's market share stood at 12.9% (v/s 12.8/12.6% in May/April 2017).
- SpiceJet's market share stood at 13.4% (v/s 12.6/12.9% in May/April 2017).
- GoAir's market share stood at 8.4%; seems to have stabilized in the 8-9% range.

Domestic ASKs grow 14% YoY in June 2017 (v/s 14.9/13.4% in May/Apr-17)

- IndiGo's domestic ASK increased 8.7% YoY (v/s 16.2/17.1% YoY in May/April 2017); its domestic ASK share was the highest at 40.5%.
- SpiceJet's domestic ASK grew 28.8% YoY (v/s 20.8/19.9% YoY in May/April 2017).
- Domestic ASK grew 18.5% YoY (v/s 16.2/10.5% YoY in May/April 2017) for GoAir, and 10.9% YoY (v/s 9.2/4.3% YoY in May/April 2017) for Jet Airways.

Domestic RPKs rise 20.9% YoY in Jun-17 (v/s 18/15.4% YoY in May/Apr-17)

- IndiGo's RPK grew 22.7% YoY (v/s 21.4/18.6% YoY in May/April 2017), with the highest market share of 41.4% in June 2017.
- SpiceJet's domestic RPK grew 30.9% YoY (v/s 21.8/20% YoY in May/April 2017), with market share of 12.6% in June 2017.
- GoAir's domestic RPK grew 25.3% YoY (v/s 21.9/6.6% YoY in May/April 2017), with market share of 8.4% in June 2017.
- Jet's RPK growth stood at 14.8% YoY, followed by Air India (+2.6% YoY).

Domestic industry load factor at 85.9% (v/s 88.9/85.5% in May/April 2017)

- n SpiceJet's load factor stood at 94.5% in June 2017 (v/s 94.3/93.4% in May/April 2017); has had 90%+ load factor for the last 26 months.
- n IndiGo's load factor stood at 87.8% (v/s 91.1/86.9% in May/April 2017).
- n GoAir's load factor stood at 89.4% (v/s 93/84.7% in May/April 2017).
- n Jet reported load factor at 81.2% (v/s 85.1/82.8% in May/April 2017).
- n Air India reported load factor at 76.8% (v/s 80.7/78.4% in May/April 2017).



Bajaj Finance

Bloomberg	BAF IN
Equity Shares (m)	535.5
M. Cap. (INR b)/(USD b)	739 / 11
52-Week Range (INR)	1431 / 762
1,6,12 Rel Perf. (%)	2 / 41 / 54

Financial Snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
NII	55.1	75.7	98.9	129.5
PPP	36.4	51.2	68.0	90.9
PAT	18.4	26.4	35.2	47.3
EPS (INR)	33.6	48.3	64.4	86.6
EPS Gr. (%)	40.7	43.7	33.5	34.4
BV/Sh. (INR)	175.6	216.8	271.8	345.7
RoA on AUM (%)	3.3	3.6	3.6	3.7
RoE (%)	21.7	24.6	26.4	28.0
Payout (%)	14.0	14.0	14.0	14.0

Valuations

P/E (x)	41.1	28.6	21.4	15.9
P/BV (x)	7.9	6.4	5.1	4.0
Div. Yield (%)	0.2	0.3	0.3	3.9

CMP: INR1,380 TP: INR1,600 (+16%) Buy

- n We expect AUM growth of 32% YoY and 9% QoQ in 1QFY18, driven by strong growth in consumer and commercial lending. Pre-GST buying in consumer durables will help support growth.
- n NII should grow 36% YoY, resulting in stable margins on a YoY basis.
- n We expect 60bp C/I ratio improvement on a YoY basis to 40.8%.
- n Asset quality is likely to remain stable. As of March 2017, GNPA's were at 1.68% and NNPA's at 0.44%. However, there will be some impact of migration to 90dpd NPL recognition this quarter.
- n We expect provisions of INR2.5b as against INR2.9b in 4QFY17 and INR1.8b in 1QFY18.
- n Net profit is likely to grow 37% YoY to INR5.8b.
- n The stock trades at 6.4x FY18E and 5.1x FY19E BV. Maintain Buy.

Key issues to watch for

- ⊗ Commentary on business growth momentum.
- ⊗ Impact of demonetization on the 2W portfolio.
- ⊗ Guidance on margins due to changing product mix.
- ⊗ Asset quality trends, especially in LAP and 2W/3W businesses.
- ⊗ Performance of businesses such as rural, SME lending, lifestyle financing and e-commerce financing.

Quarterly Performance

(INR Million)

Y/E March	FY17				FY18E				FY17	FY18
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Operating Income	22,864	23,470	26,930	26,650	29,806	30,740	36,043	35,243	99,914	131,832
YoY Growth (%)	38.9	39.7	30.6	39.1	30.4	31.0	33.8	32.2	36.8	31.9
Interest expenses	8,833	9,562	9,802	9,837	10,722	11,366	12,275	13,090	38,034	47,452
Net Income	14,031	13,909	17,128	16,813	19,084	19,375	23,768	22,153	61,881	84,380
YoY Growth (%)	44.8	41.2	30.5	51.4	36.0	39.3	38.8	31.8	41.4	36.4
Other income	147	190	109	79	200	400	200	424	524	1,224
Total Income	14,178	14,098	17,237	16,892	19,284	19,775	23,968	22,577	62,405	85,604
Operating Expenses	5,865	6,144	6,939	7,099	7,860	8,270	9,030	9,195	26,047	34,355
Operating Profit	8,312	7,954	10,297	9,794	11,424	11,505	14,938	13,382	35,833	50,025
YoY Growth (%)	58.1	40.8	33.5	51.7	37.4	44.6	45.1	36.6	47.6	39.6
Provisions and Cont.	1,797	1,691	1,797	2,897	2,500	2,500	2,500	3,135	8,182	10,635
Profit before Tax	6,515	6,263	8,500	6,897	8,924	9,005	12,438	10,247	27,651	39,390
Tax Provisions	2,275	2,185	2,943	2,406	3,123	3,152	4,353	3,586	9,810	14,215
Net Profit	4,240	4,078	5,557	4,492	5,801	5,853	8,085	6,661	18,366	26,399
YoY Growth (%)	53.8	45.9	36.0	42.6	36.8	43.5	45.5	48.3	43.6	43.7
Loan Growth (%)	39.5	37.8	32.6	36.1	32.0	30.0	33.0	35.0	33.2	35.0
Borrowings Growth (%)	40.5	43.4	30.2	33.0	32.0	32.0	38.0	35.0	33.0	35.0
Cost to Income Ratio (%)	41.4	43.6	40.3	42.0	40.8	41.8	37.7	40.7	42.1	40.7
Tax Rate (%)	34.9	34.9	34.6	34.9	35.0	35.0	35.0	35.0	35.1	35.1

E: MOSL Estimates



Canara Bank

Bloomberg	CBK IN
Equity Shares (m)	543.0
M. Cap. (INR b)/(USD b)	180 / 3
52-Week Range (INR)	415 / 211
1,6,12 Rel Perf. (%)	-8 / 12 / 37

Financial Snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
NII	98.7	107.5	122.9	141.4
OP	89.1	87.9	97.6	112.6
NP	11.2	21.6	29.4	37.8
NIM (%)	1.9	1.9	2.0	2.0
EPS (INR)	18.8	36.2	49.2	63.3
EPS Gr. (%)	NM	92.6	36.1	28.7
BV/Sh. (INR)	468	500	543	599
ABV/Sh. (INR)	233	279	347	422
RoE (%)	4.2	7.5	9.4	11.1
RoA (%)	0.2	0.4	0.4	0.5
Div. Payout (%)	6.4	11.6	11.6	11.6

Valuations

P/E (x)	17.7	9.2	6.7	5.2
P/BV (x)	0.7	0.7	0.6	0.6
P/ABV (x)	1.42	1.19	0.96	0.79
Div. Yield (%)	0.3	1.1	1.5	1.9

CMP: INR332 TP: INR362 (+9%) Neutral

- n We expect slippages to remain at elevated levels (3.5% of loans). Continued fresh slippages and ageing of NPLs are expected to keep credit costs high (we factor in ~1.5% credit costs in 1QFY18).
- n We expect loan growth to pick up to 9% YoY (+3% QoQ) v/s 5% YoY (-3% QoQ) in 4QFY17. Deposit growth is expected to remain healthy at 10% YoY (+2% QoQ), helped by strong CASA inflows in recent quarters.
- n We expect NIMs to remain under pressure and shrink ~12bp QoQ and ~5bp YoY to 1.9%. Overall NII should grow ~12% YoY, led by a revival in loan growth.
- n Fee income growth is expected to be ~34% on a low base. Non-core income is expected to come in strong YoY after factoring in ~INR2.5b gain on stake sale in CARE. However, investment sale gains are likely to decline QoQ, as 4QFY17 had ~INR7b from stake sale in Canfin Homes.
- n We expect PAT to increase to INR5.8b v/s INR2.3b in 1QFY17. The banking business trades at 0.6x FY19E BV and 6.7x FY19E EPS. Maintain **Neutral**.

Key issues to watch for

- Ø Quantum of loans rescheduled under 5:25, SDR and S4A. Outlook on balance sheet growth.

Quarterly Performance

(INR Million)

	FY17				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	23,074	24,424	24,138	27,082	25,759	26,671	27,280	27,832	98,718	107,541
% Change (Y-o-Y)	-8.3	-7.7	8.4	14.1	11.6	9.2	13.0	2.8	1.1	8.9
Other Income	15,847	17,818	17,917	23,963	19,442	18,361	17,997	18,086	75,544	73,885
Net Income	38,921	42,241	42,055	51,045	45,200	45,032	45,277	45,917	174,262	181,427
Operating Expenses	20,732	20,834	22,242	21,316	22,708	22,969	24,111	23,742	85,123	93,531
Operating Profit	18,189	21,408	19,813	29,729	22,492	22,063	21,166	22,175	89,139	87,895
% Change (Y-o-Y)	-9.2	10.1	27.6	80.6	23.7	3.1	6.8	-25.4	24.7	-1.4
Other Provisions	14,929	15,857	14,846	27,087	14,000	14,000	13,000	15,584	72,720	56,584
Profit before Tax	3,260	5,550	4,968	2,642	8,492	8,063	8,166	6,590	16,419	31,311
Tax Provisions	970	1,981	1,749	500	2,632	2,500	2,531	2,043	5,200	9,706
Net Profit	2,290	3,569	3,219	2,142	5,859	5,564	5,634	4,547	11,219	21,605
% Change (Y-o-Y)	-52.2	-32.5	278.8	NA	155.9	55.9	75.0	112.3	-139.9	92.6
Operating Parameters										
NIM (Cal, %)	1.9	2.0	1.8	2.0	1.9	1.9	1.9	1.9	1.9	1.9
Deposit Growth (%)	-1.4	-0.2	4.0	3.2	9.6	9.5	6.0	12.0	3.2	12.0
Loan Growth (%)	-0.9	1.3	-0.1	5.3	8.6	9.3	10.5	10.0	5.3	10.0
Tax Rate (%)	29.8	35.7	35.2	18.9	31.0	31.0	31.0	31.0	31.7	31.0
Asset Quality										
Gross NPA (INR b)	323.3	333.2	343.4	342.0	348.7	348.0	341.1	333.1	342.0	333.1
Gross NPA (%)	9.7	9.8	10.0	9.6	9.6	9.4	9.0	8.6	9.6	8.6

E: MOSL Estimates



Havells India

Bloomberg	HAVL IN
Equity Shares (m)	624.6
M. Cap. (INR b)/(USD b)	289 / 4
52-Week Range (INR)	525 / 304
1,6,12 Rel Perf. (%)	-4 / 15 / 12

Financial Snapshot (INR b)

Y/E March	2017	2018E	2019E	2020E
Net Sales	61.4	86.2	103.4	118.8
EBITDA	8.2	11.2	14.0	16.4
Adj. PAT	6.0	7.3	8.8	10.6
Adj. EPS (INR)	9.6	11.7	14.2	17.0
EPS Gr. (%)	17.1	22.1	21.3	20.3
BV/Sh(INR)	52.4	59.1	67.2	76.9
RoE (%)	18.2	19.8	21.1	22.1
RoCE (%)	18.3	20.0	22.0	23.2
Payout (%)	42.8	42.8	42.8	42.8

Valuations

P/E (x)	48.3	39.6	32.6	27.1
P/BV (x)	8.8	7.8	6.9	6.0
EV/EBITDA (x)	32.7	25.2	19.8	16.6
Div Yield (%)	0.8	0.9	1.1	1.4

CMP: INR463 TP: INR480 (+4%) Neutral

- Standalone revenue is expected to register growth of 26.3% YoY, driven by revenue contribution from recently acquired Lloyd (INR2.5b). We expect the cables segment to register 10% YoY growth, led by an improvement in the prices of copper. Electrical consumer durables and lighting are likely to register growth of 15% and 5.0% YoY, respectively.
- We expect operating margin to remain stable at 13.7% in 1QFY18.
- Net profit is expected to register 16.8% growth YoY. Maintain **Neutral**.

Key issues to watch

- Commentary on the integration of the consumer durables arm of Lloyd Electric with itself.
- Commentary on GST-led impact on sales and guidance for FY18.

Quarterly Performance (Standalone)

(INR Million)

Y/E March	FY17				FY18				FY17	FY18E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales	14,668	14,522	15,060	17,102	18,528	20,131	21,044	26,362	61,353	86,211
Change (%)	17.1	8.7	13.2	17.2	26.3	38.6	39.7	54.1	6.2	40.5
Adj. EBITDA	2,004	2,034	1,907	2,296	2,545	2,587	2,733	3,342	8,241	11,207
Change (%)	23.7	7.6	4.0	3.5	27.0	27.2	43.3	45.5	9.2	36.0
Adj. EBITDA margin (%)	13.7	14.0	12.7	13.4	13.7	12.8	13.0	12.7	13.4	13.0
Depreciation	280	308	301	308	350	380	400	452	1,196	1,582
Interest	16	19	15	71	40	20	20	41	122	121
Other Income	307	253	264	419	200	140	150	103	1,343	593
Extra-ordinary Items	-	0.0	189.5	(768)	-	-	-	-		
PBT	2,022	2,030	1,877	2,337	2,355	2,327	2,463	2,952	8,266	10,097
Tax	567	572	537	622	659	651	677	819	2,298	2,807
Effective Tax Rate (%)	28.0	28.2	28.6	26.6	28.0	28.0	27.5	27.7	27.8	27.8
Reported PAT	1,456	1,458	1,530	947	1,695	1,675	1,786	2,134	5,969	7,290
Change (%)	36.3	22.0	27.6	-74.1	16.5	14.9	16.7	125.3	-34.2	22.1
Adj PAT	1,450	1,409	1,135	1,715	1,695	1,675	1,786	2,134	5,969	7,290
Change (%)	21.8	17.0	-4.0	5.0	16.9	18.9	57.3	24.4	16.9	22.1



KPIT Technologies

Bloomberg	KPIT IN
Equity Shares (m)	200.2
M.Cap. (INR b) / (USD b)	25.5/0.4
52-Week Range (INR)	160/106
1, 6, 12 Rel. Per (%)	7/-26/-34

Financial Snapshot (INR b)

y/e mar	2017	2018E	2019E	2020E
Sales	33.2	34.8	38.0	41.1
EBITDA	3.5	4.1	4.7	4.7
PAT	2.1	2.6	3.0	3.5
EPS (INR)	11.9	13.0	15.2	17.5
EPS Gr. (%)	-15.3	9.3	16.9	15.0
BV/Sh. (INR)	79.2	92.3	107.5	125.0
RoE (%)	14.3	15.2	15.3	15.1
RoCE (%)	15.9	16.4	17.1	18.7
Payout (%)	16.8	15.3	13.1	11.4

Valuations

P/E (x)	10.7	9.8	8.3	7.3
P/BV (x)	1.6	1.4	1.2	1.0
EV/EBITDA (x)	6.2	4.5	3.3	2.8
DW yld (%)	1.6	1.6	1.6	1.6

CMP: INR127 **TP: INR150 (18%)** **Neutral**

- n KPIT guided for 6-8% YoY growth in FY18, uniformly spread through the year.
- n In line with this, we expect revenue of US131m, 2.3% QoQ growth in USD terms and 1.3% QoQ CC.
- n Despite the pressure from wage hikes, visa expenses and INR appreciation, we expect EBITDA margin to expand by 100bp to 11.1%.
- n Margins over the last couple of quarters have been subdued, as the company undertook increased fresher hiring despite low revenue growth, leading to operational inefficiencies.
- n Higher utilization over the coming quarters is expected to be a major driver for revival of profitability.
- n Our PAT estimate is INR529m, -1.6% QoQ, despite higher margins; this is because of lower other income, led by translation losses.
- n KPIT trades at 9.8x FY18E and 8.3x FY19E earnings. Maintain Neutral.

Key issues to watch for

- Ø Growth in IES, Engineering Services and top client.
- Ø Commentary on deal wins across segments.
- Ø Plan to recoup revenue growth and profitability.

Quarterly Performance (Indian GAAP)

Y/E March	FY17				FY18E				(INR m)	
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY17	FY18E
Revenue (USD m)	120	123	123	128	131	134	134	136	494	534
QoQ (%)	-3.5	3.0	-0.4	4.4	2.3	1.8	0.1	1.3	0.8	8.0
Revenue (INR m)	8,032	8,310	8,307	8,585	8,456	8,685	8,764	8,943	33,234	34,848
YoY (%)	5.9	2.3	2.2	2.1	5.3	4.5	5.5	4.2	3.1	4.9
GPM (%)	28.9	29.5	29.0	29.2	29.6	29.7	30.1	30.3	29.1	29.9
SGA (%)	18.3	18.5	18.8	19.0	18.5	18.5	18.0	17.8	18.7	18.2
EBITDA	855	914	846	870	935	976	1,060	1,119	3,486	4,090
EBITDA Margin (%)	10.7	11.0	10.2	10.1	11.1	11.2	12.1	12.5	10.5	11.7
EBIT Margin (%)	8.3	8.6	7.9	7.3	8.1	8.3	9.1	9.5	8.0	8.7
Other income	116	49	29	12	10	112	119	121	207	362
Interest	56	14	66	0	0	0	0	0	136	1
ETR (%)	24.3	25.1	23.1	15.3	23.5	23.5	23.5	23.5	22.2	23.5
PAT	551	562	475	537	529	634	701	742	2,125	2,606
QoQ (%)	-37.8	2.0	-15.5	13.1	-1.6	19.9	10.5	5.9		
YoY (%)	24.0	-25.2	-35.4	-39.3	-3.9	12.9	47.5	38.1	-24.5	22.6
EPS (INR)	2.8	2.8	3.7	2.7	2.6	3.2	3.5	3.7	11.9	13.0
Headcount	11,288	11,666	11,881	12,110	12,219	12,248	12,307	12,391	12,110	12,391
Util excl. trainees (%)	68.1	69.2	69.2	69.2	71.9	72.5	72.0	73.0	68.9	72.3
Offshore rev. (%)	41.5	43.3	43.6	43.4	44.4	44.0	43.9	44.2	43.0	44.1
Fixed Price (%)	28.5	28.0	33.7	35.8						

E: MOSL Estimates



MindTree

Bloomberg	MTCL IN
Equity Shares (m)	167.7
M. Cap. (INR b)/(USD b)	90 / 1
52-Week Range (INR)	682 / 400
1,6,12 Rel Perf. (%)	-1 / -16 / -35

Financial Snapshot (INR b)

y/e march	2017	2018E	2019E	2020E
Sales	52.4	55.3	62.4	68.4
EBITDA	7.2	7.7	9.2	10.0
PAT	4.2	5.1	6.1	6.8
EPS (INR)	24.9	30.5	36.2	40.4
EPS Gr. (%)	-30.6	22.7	18.4	11.8
BV/Sh. (INR)	153.0	169.0	187.1	205.8
RoE (%)	16.8	19.0	20.3	20.6
RoCE (%)	20.1	20.4	22.9	23.2
Payout (%)	40.2	39.3	41.5	44.5

Valuation

P/E (x)	21.5	17.5	14.8	13.2
P/BV (x)	3.5	3.2	2.9	2.6
EV/EBITDA (x)	11.0	10.4	8.5	7.6
DW Yld (%)	1.9	2.2	2.8	3.4

CMP: INR530 TP: INR475 (-10%) Neutral

- n A strong order book, deal pipeline and discussions with customers gave MTCL confidence of low double-digit revenue growth in FY18.
- n Highest-ever deal wins in 3QFY17 have led to several scheduled ramp-ups for 1QFY18, which are expected to give a robust start to the year.
- n In line with this expectation, we expect 4.6% CC revenue growth in 1Q. However, USD revenue growth is likely to be 4.2%, led by cross-currency headwind of 40bp.
- n We expect EBITDA margin to decline by 30bp to 13.9%. The pressures of INR appreciation, cross-currency headwinds and visa expenses are expected to be partly offset by improved profitability in Bluefin and Magnet360 and revival of revenue growth.
- n Our PAT estimate for the quarter is INR1.2b, which implies 27.9% QoQ growth. The major contributors to this growth are improved margins and lower translation losses.

Key Issues to Watch for

- ⊗ Update on top clients, pricing pressure and outlook.
- ⊗ Margin trajectory, going forward, given the increased investments and revenue growth issues.
- ⊗ Deal wins during the quarter and growth in Digital.

Quarterly Performance

Y/E March	FY17				FY18E				FY17	FY18E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	199	193	192	196	204	211	214	219	780	848
QoQ (%)	2.1	-3.0	-0.4	1.8	4.2	3.8	1.2	2.2	9.0	8.7
Revenue (INR m)	13,276	12,954	12,953	13,181	13,133	13,743	14,014	14,434	52,364	55,324
YoY (%)	35.8	10.8	6.7	-0.2	-1.1	6.1	8.2	9.5	11.7	5.7
GPM (%)	37.0	34.2	34.1	34.0	33.9	33.6	33.1	33.4	34.8	33.5
SGA (%)	22.3	21.7	20.7	19.8	20.0	19.5	19.5	19.3	21.1	19.6
EBITDA	1,951	1,621	1,740	1,869	1,821	1,932	1,909	2,038	7,181	7,699
EBITDA Margin (%)	14.7	12.5	13.4	14.2	13.9	14.1	13.6	14.1	13.7	13.9
EBIT Margin (%)	10.8	8.6	9.5	10.3	9.9	10.3	9.8	10.4	9.8	10.1
Other income	198	170	144	-95	353	324	302	283	417	1,262
ETR (%)	24.2	26.0	25.2	22.8	25.0	25.0	25.0	25.0	24.6	25.0
PAT	1,235	948	1,031	972	1,244	1,301	1,262	1,339	4,186	5,145
QoQ (%)	-7.1	-23.2	8.8	-5.7	27.9	4.6	-3.0	6.1		
YoY (%)	-3.7	-40.1	-31.7	-26.9	0.7	37.2	22.4	37.7	-30.6	22.9
EPS (INR)	7.4	5.6	6.1	5.8	7.4	7.7	7.5	7.9	24.9	30.5
Headcount	16,110	16,219	16,099	16,470	16,870	17,320	17,720	18,020	16,470	18,020
Util incl. trainees (%)	71.4	71.4	71.3	70.9	73.0	74.0	72.0	72.0	71.3	72.7
Attrition (%)	16.5	16.4	16.1	15.1						
Offshore rev. (%)	40.5	40.8	39.8	39.5	40.3	40.3	39.7	39.4	40.2	39.9
Fixed Price (%)	48.7	50.6	52.5	52.8						

E: MOSL Estimates



Sanofi India

Bloomberg	SANL IN
Equity Shares (m)	23.0
M. Cap. (INR b)/(USD b)	97 / 2
52-Week Range (INR)	4930 / 3990
1,6,12 Rel Perf. (%)	4 / -19 / -24

CMP: INR4,215 TP:INR4,850 (+15%) Buy

- ▢ We expect Sanofi India's (SANL) revenue to grow 7.6% YoY in 2QCY17 to INR6.7b. High growth of brands like Lantus, Allegra, Amaryl M, Enterogermina, Avila, Vaxlgrip and Cardace, and new product launches should drive SANL's revenue growth.
- ▢ EBITDA is likely to decline 3% YoY to INR1.4b during this quarter.
- ▢ We expect PAT to increase 3% YoY to INR880m.
- ▢ We model growth of 12% in sales, 14% in EBITDA and 16% in earnings over CY16-18E. We maintain our Buy rating with a TP of INR4,850 @ 28x CY18E.

Financial Snapshot (INR Billion)

Y/E Dec	2016	2017E	2018E	2019E
Sales	23.7	26.3	29.7	33.8
EBITDA	5.3	5.5	6.9	7.8
Net Profit	3.0	3.3	4.0	4.6
Adj. EPS (INR)	129.1	142.7	173.2	200.7
EPS Gr. (%)	24.9	10.5	21.4	15.8
BV/Sh. (INR)	754.5	816.0	908.0	1,027.5
RoE (%)	17.1	17.5	19.1	19.5
RoCE (%)	16.5	17.2	19.2	19.9
Payout (%)	63.5	56.9	46.9	40.5

Valuations

P/E (x)	32.6	29.5	24.3	21.0
P/BV (x)	5.6	5.2	4.6	4.1
EV/EBITDA (x)	17.3	16.0	12.4	10.6
Div. Yield (%)	1.6	1.7	1.7	1.7

Key issues to watch out

- ⊗ Amortization of goodwill and brands acquired from Universal Medicare.
- ⊗ Clarity on nature of reversal of recently withdrawn NPPA guidelines.

Quarterly Performance

(INR Million)

Y/E December	CY16				CY17E				CY16	CY17E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	5,444	6,080	6,242	5,920	5,529	6,718	7,027	7,045	23,686	26,320
YoY Change (%)	11.4	10.6	6.6	4.1	-9.1	7.6	18.7	19.0	8.0	11.1
EBITDA	1,291	1,458	1,447	1,073	1,015	1,414	1,544	1,546	5,281	5,519
Margins (%)	23.7	24.0	23.2	18.1	18.4	21.0	22.0	21.9	22.3	21.0
Depreciation	301	300	300	412	253	260	270	269	1,313	1,052
Interest	1	7	3	4	4	4	4	3	15	15
Other Income	256	164	148	152	159	200	200	39	708	598
PBT before EO Items	1,245	1,315	1,292	809	917	1,350	1,470	1,313	4,661	5,050
Extra-Ord Expense	0	0	0	0	0	0	0	0	0	0
PBT after EO Items	1,245	1,315	1,292	809	917	1,350	1,470	1,313	4,661	5,050
Tax	439	462	486	304	317	470	520	461	1,691	1,768
Effective tax Rate (%)	35.3	35.1	37.6	37.6	34.6	34.8	35.4	35.1	36.3	35.0
Adj PAT	806	853	806	505	600	880	950	852	2,970	3,283
YoY Change (%)	66.5	32.9	11.2	-28.3	-25.6	3.2	17.9	68.7	24.9	10.5
Margins (%)	14.8	14.0	12.9	8.5	10.9	13.1	13.5	12.1	12.5	12.5



1. Expect sales to improve from festive month of September: Eicher Motors; Vinod Aggarwal, MD & CEO-VECV

- n Benefits of effect rate post GST were passed on to the consumers to the tune of 1.5 to 5 percent on all the models. Prior to GST the effective rates were from 26 to 31 percent
- n The company also has some benefits on input purchase prices
- n Industry in the last 9-12 months has gone through many challenges be it demonetisation, move from BS III to BS IV, then GST. So, the sales are expected to go up from the festive month of September. July and August volumes could remain muted and not negative said. The CV sales for the company in the month of June dropped 20 percent.

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2. Intention is to get done with IPO process at the earliest: HDFC Life; Amitabh Chaudhry, MD & CEO

- n Intention is to get done with all the process for IPO at the earliest
- n On merger front, there are several issues to be resolved to get the Max Life merger done.
- n There is no concrete structure for merger as of now.
- n Merger is of strategic value to both Max Life and HDFC Life

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3. Targeting \$50 m from online biz in next 3-5 years; GST impact neutral: BATA; Rajeev Gopalakrishnan, MD & CEO

- n GST in terms of profitability is neutral for them but since the tax for products below Rs 500 is 5 percent, they could look at expanding more into the tier-2, tier-3 markets more on the wholesale and franchise route.
- n Products less than Rs 500 contribute about 35 percent to their overall revenues
- n Focus on premiumisation would continue but would also continue having balance between volumes as well as turnover and would look at expanding in smaller cities for sub-Rs 500 products
- n Targeting a double-digit SSSG going forward. However, for FY18, it would be around 7-8 percent
- n Would look at opening 100-110 new stores in FY18, of which 58 stores have already opened
- n Online business started 2-3 years back is growing at over 70 percent compared to last year. This year they are targeting for USD 20 million business from last year's USD 10 million.

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4. AIM to bring down cost to income ratio to 55% by march 2019: DCB Bank; Murali M Natrajan, MD & CEO

- n Aim is to bring down the cost to income ratio to 55 percent by March 2019 as guided two years ago aided by all the new branches. The new branches usually breakeven by 18-22 months
- n Would look to keep GNPA's below 2 percent and NNPA's below 1 percent and keep slippage ratio at around 2 percent going forward
- n Does expect to maintain NIM's at 4.2 percent levels seen in Q1 but would be comfortable with 3.73-3.75 percent levels

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1. Essar resolution: Selective speed in judicial working not doable

- n The Gujarat High Court has dismissed a plea by Essar Steel that had contested bankruptcy proceeding against it. This does not mean swift resolution of Essar Steel. The high court has, on the one hand, deemed it fit for the National Company Law Tribunal (NCLT) to decide on the merit of the bankruptcy petition filed by Essar's lenders, and, on the other, based its decision to allow the bankruptcy petition to proceed to its adjudicating authority, the NCLT, only because Essar's petition did not challenge the validity of the bankruptcy code itself. What this means is that Essar could well make good that deficit and decide to challenge the bankruptcy code's legal validity, potentially delaying the resolution process till a decision on that challenge is forthcoming.

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2. The joy of rowing downstream

- n Newton's second law of motion, that force is mass times acceleration, is easy to intuitively understand. Imagine a large wrecking ball accelerating towards a concrete wall, the outcome is force. No, this is not a physics lecture but a framework to think about growth investing. At \$2.3 trillion of nominal gross domestic product (GDP), India is the seventh-largest economy in the world and with an average nominal GDP growth of 11.7% over last five years, it's easily the fastest growing. This is the Newtonian winning combination of size (mass) and growth (acceleration). Over the past 14 years, there hasn't been a single year when India did not grow in double digits in nominal terms and this ability to skirt big booms and busts despite high levels of growth should make it a top destination for any growth investor.

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3. Saving capitalism from capitalists? try harder, RBI

- n Although Raghuram Rajan co-wrote the influential 2003 book, Saving Capitalism From the Capitalists, it has fallen upon his successor at the Reserve Bank of India (RBI) to actually attempt such a thing. By the looks of it, Urjit Patel has a hard slog ahead. For now, the governor of India's central bank can breathe a sigh of relief. His most audacious plan yet for cleaning up a \$191 billion bad-debt mess jumped over a crucial legal hurdle on Monday. Yet the judgment of the Gujarat high court in Essar Steel India Ltd versus the RBI is so unflattering to the banking regulator—and so portentous of the looming battle with business families—that Patel might wonder if the victory is worth celebrating.

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4. Jobless growth? Even if labour data is wrong, it cannot hide the fact that Indian economy is now more capital intensive

n In recent weeks, there have been several news reports on efforts by NITI Aayog to de-bunk the generally accepted narrative that in recent years, India has seen 'jobless growth'. The logic for questioning the jobs data is that such a high growth rate could not be achieved on the back of productivity improvements alone and, hence, there must be a significant net increase in the labour force. To bolster this argument, the credibility of official employment data has been called into question. The establishment survey by the Labour Bureau has been faulted as it is limited to entities which employ greater than 10 employees, which account for less than 10% of the workforce. The NSSO data is hailed as more reliable, however, not frequent enough, and misleading in its definitions across metrics. Plans are being put into place to revamp the methodology of data collection to get more reliable estimates of 'true' job creation, including in the informal sectors.

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International

5. The democratic case for stopping BREXIT

n The campaign to stop Brexit is gathering pace. The most obvious sign is the increasing chatter about a second referendum. At the moment it is still mainly former politicians, such as Tony Blair and Nick Clegg, who are explicit about their desire to prevent the UK leaving the EU. Active politicians tend to talk about a "soft Brexit". For some, this is simply a convenient code, or a staging post, for their real goal — stopping Brexit altogether. The reasons that Remainer politicians are still so cautious about explicitly rejecting Brexit is that they are worried about sounding undemocratic. As the evidence mounts that Brexit is going to be bad news for the economy, so Leavers are increasingly falling back on one main argument: "the people have spoken". Whatever the economic costs may be, Brexit must roll forward. Anything less would be an insult to democracy. This argument is sometimes accompanied by dire predictions of social turmoil if the will of the people is thwarted by "the establishment".

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Automobiles														
Amara Raja	Buy	844	1,073	27	28.0	33.8	40.5	30.1	25.0	5.6	4.7	20.3	20.4	20.7
Ashok Ley.	Buy	106	122	16	4.6	5.5	7.1	23.0	19.2	5.0	4.4	23.3	24.5	27.1
Bajaj Auto	Buy	2,824	3,359	19	132.3	143.5	167.9	21.4	19.7	4.8	4.3	25.3	23.1	24.4
Bharat Forge	Buy	1,143	1,330	16	26.2	37.7	49.7	43.7	30.3	6.5	5.6	16.2	19.8	22.3
Bosch	Neutral	24,387	23,738	-3	473.1	649.9	766.2	51.5	37.5	8.5	7.5	15.8	21.1	21.9
CEAT	Buy	1,859	2,100	13	93.3	96.2	131.3	19.9	19.3	3.1	2.7	16.9	15.1	17.8
Eicher Mot.	Buy	28,568	31,326	10	613.8	861.2	1,102.9	46.5	33.2	16.1	11.6	40.3	40.8	38.0
Endurance Tech.	Buy	872	1,025	17	23.5	30.5	38.8	37.1	28.6	7.1	5.9	20.8	22.4	23.6
Escorts	Neutral	656	731	11	20.0	36.9	45.7	32.9	17.8	3.3	2.8	10.6	17.3	18.3
Exide Ind	Buy	221	286	29	8.2	9.7	11.9	27.1	22.9	3.8	3.4	14.0	14.8	15.9
Hero Moto	Neutral	3,786	3,666	-3	169.1	198.2	198.7	22.4	19.1	7.5	6.4	35.7	36.0	31.0
M&M	Buy	1,380	1,586	15	54.3	66.7	79.9	25.4	20.7	3.2	2.9	14.2	14.1	14.6
Mahindra CIE	Not Rated	242	-		5.4	9.9	11.8	45.2	24.5	2.8	2.5	6.4	10.8	11.5
Maruti Suzuki	Buy	7,555	8,483	12	248.6	292.6	379.7	30.4	25.8	6.3	5.5	20.3	20.8	22.8
Tata Motors	Buy	456	666	46	19.8	30.9	64.3	23.0	14.7	2.7	2.2	9.8	16.5	27.3
TVS Motor	Buy	572	606	6	11.7	16.3	25.9	48.7	35.1	11.3	9.0	25.6	28.6	35.2
Aggregate								28.7	22.3	4.9	4.2	17.1	19.0	22.6
Banks - Private														
Axis Bank	Neutral	517	500	-3	15.4	23.8	40.3	33.7	21.7	2.3	2.1	6.9	10.1	15.4
DCB Bank	Neutral	196	192	-2	7.0	8.4	10.4	28.1	23.5	2.9	2.4	10.8	11.4	11.8
Equitas Hold.	Buy	167	207	24	4.7	4.8	7.4	35.4	34.6	2.5	2.4	8.9	7.1	10.1
Federal Bank	Buy	113	134	18	4.8	5.5	6.8	23.5	20.8	2.2	1.8	9.9	10.2	10.5
HDFC Bank	Buy	1,683	1,885	12	56.8	67.1	79.4	29.6	25.1	4.8	4.3	17.9	18.2	19.0
ICICI Bank	Buy	303	340	12	15.3	15.6	17.9	19.8	19.3	2.2	2.1	10.2	9.4	10.1
IDFC Bank	Neutral	62	62	0	3.0	3.5	4.2	20.6	17.6	1.4	1.4	7.2	7.9	8.8
IndusInd	Buy	1,573	1,800	14	47.9	61.9	76.8	32.8	25.4	4.7	4.1	15.4	17.3	18.5
J&K Bank	Neutral	83	89	7	-31.3	4.4	8.0	NM	18.9	0.8	0.7	-27.0	4.0	7.0
Kotak Mah. Bk	Buy	978	1,146	17	26.8	32.2	40.4	36.4	30.3	4.7	4.2	13.8	14.9	16.1
RBL Bank	Under Review	522	-		11.9	18.0	24.2	43.9	29.0	4.6	4.1	12.3	14.9	17.5
South Indian	Buy	28	34	20	2.2	2.9	3.7	13.0	9.9	1.1	1.0	9.5	10.8	12.7
Yes Bank	Buy	1,552	2,121	37	73.0	90.7	114.6	21.3	17.1	3.3	2.9	18.9	18.0	19.5
Aggregate								28.9	23.0	3.3	2.9	11.4	12.8	14.4
Banks - PSU														
BOB	Buy	164	212	30	6.0	18.4	22.5	27.3	8.9	1.1	1.0	4.1	11.9	13.2
BOI	Neutral	152	147	-3	-14.8	13.7	22.0	NM	11.1	0.7	0.7	-6.7	6.1	9.0
Canara	Neutral	369	362	-2	18.8	36.2	49.2	19.6	10.2	0.8	0.7	4.2	7.5	9.4
IDBI Bk	Neutral	58	49	-15	1.5	6.4	8.6	37.8	9.0	0.5	0.5	1.4	5.8	7.3
Indian Bk	Buy	319	357	12	29.3	33.2	38.0	10.9	9.6	1.1	1.0	10.1	10.6	11.1
OBC	Neutral	149	150	0	-31.6	17.1	21.4	NM	8.8	0.4	0.4	-8.4	4.6	5.4
PNB	Buy	155	184	19	6.2	10.3	14.5	24.9	15.1	0.9	0.8	3.6	5.6	7.5
SBI	Buy	290	362	25	0.3	17.9	23.3	976.5	16.2	1.4	1.3	-0.2	8.7	10.0
Union Bk	Neutral	156	162	4	7.6	24.6	34.5	20.4	6.3	0.5	0.5	2.7	8.1	10.5
Aggregate								108.1	13.0	1.0	0.9	0.9	6.7	8.3
NBFCs														
Bajaj Fin.	Buy	1,513	1,600	6	33.6	48.3	64.4	45.0	31.3	8.6	7.0	21.7	24.6	26.4
Bharat Fin.	Neutral	786	800	2	21.0	41.3	53.0	37.4	19.0	4.4	3.6	15.1	20.9	21.6
Cholaman.Inv.&Fn	Buy	1,119	1,300	16	46.0	55.0	66.4	24.3	20.3	4.1	3.5	18.1	18.5	18.9
Dewan Hsg.	Buy	459	530	15	29.6	37.0	45.4	15.5	12.4	1.8	1.6	14.4	13.9	15.3
GRUH Fin.	Neutral	492	443	-10	8.1	10.5	12.6	60.5	46.9	16.1	13.4	30.4	31.1	31.0
HDFC	Under Review	1,653	-		46.8	50.7	55.9	35.3	32.6	6.5	5.9	19.3	18.3	17.4
Indiabulls Hsg	Buy	1,141	1,300	14	69.0	88.9	113.9	16.5	12.8	4.0	3.5	25.5	29.0	32.7
LIC Hsg Fin	Neutral	743	750	1	38.2	47.9	53.8	19.4	15.5	3.5	3.0	19.4	20.6	19.7
Manappuram	Not Rated	101	-		8.6	10.8	12.5	11.7	9.4	2.6	2.3	24.0	25.9	26.9
M&M Fin.	Buy	349	415	19	7.1	13.6	16.4	49.3	25.8	3.0	2.8	6.3	11.4	12.8

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Muthoot Fin	Buy	468	550	17	29.5	41.0	43.3	15.9	11.4	2.9	2.5	19.4	23.2	21.4
PFC	Neutral	123	117	-5	25.7	27.2	30.2	4.8	4.5	0.8	0.7	17.9	17.0	16.8
Repco Home	Buy	798	936	17	29.1	35.8	42.5	27.4	22.3	4.4	3.7	17.4	18.1	18.2
REC	Neutral	184	134	-27	31.4	35.0	40.4	5.9	5.2	1.1	0.9	19.9	19.1	19.1
Shriram City UnionBuy		2,308	2,900	26	84.3	132.8	171.2	27.4	17.4	3.0	2.6	11.7	16.2	18.1
STF	Buy	964	1,340	39	55.6	78.5	98.5	17.3	12.3	1.9	1.7	11.7	14.7	16.3
Aggregate								19.4	16.2	3.3	2.9	17.2	18.0	18.1
Capital Goods														
ABB	Sell	1,425	1,200	-16	19.7	25.1	32.2	72.3	56.8	9.2	7.9	12.7	13.9	15.8
Bharat Elec.	Buy	174	200	15	6.9	7.2	8.1	25.1	24.2	5.2	4.0	20.6	16.5	16.8
BHEL	Sell	143	100	-30	2.1	3.6	4.7	66.7	40.3	1.1	1.1	1.6	2.7	3.4
Blue Star	Neutral	652	610	-6	12.9	17.8	26.6	50.6	36.7	8.2	7.7	18.0	21.7	30.1
CG Cons. Elec.	Buy	208	240	15	4.7	5.5	6.6	44.5	38.0	24.2	17.5	76.4	53.4	49.8
CG Power & Indu.	Sell	85	65	-24	4.1	2.3	4.5	20.7	37.2	1.3	1.2	6.2	3.4	4.2
Cummins	Neutral	933	950	2	26.5	28.8	35.5	35.2	32.4	6.9	6.4	21.2	20.5	23.2
GE T&D	Neutral	324	320	-1	5.7	6.2	7.6	56.5	52.2	8.0	7.3	12.4	14.7	16.4
Havells	Neutral	458	480	5	9.6	11.7	14.2	47.9	39.2	8.7	7.7	18.2	19.8	21.1
K E C Intl	Neutral	296	250	-15	11.9	12.8	16.4	24.9	23.1	4.8	4.1	21.2	19.2	20.9
L&T	Buy	1,178	1,340	14	42.3	47.1	54.0	27.9	25.0	3.3	3.1	12.2	12.6	13.4
Pennar Eng.	Not Rated	124	-		7.1	9.1	11.2	17.6	13.7	1.8	1.6	10.2	11.6	12.6
Siemens	Neutral	1,347	1,355	1	17.8	24.3	33.3	75.6	55.5	7.0	6.1	9.3	11.0	13.7
Solar Ind	Neutral	861	825	-4	20.6	22.6	28.2	41.7	38.0	7.7	6.6	19.8	18.6	19.9
Suzlon Energy	Not Rated	18	-		0.6	0.9	1.0	28.9	20.8	-1.7	-1.8	NM	-8.8	-11.0
Thermax	Sell	897	850	-5	30.8	32.7	34.0	29.1	27.5	4.0	3.6	14.3	13.7	12.9
Va Tech Wab.	Buy	663	800	21	28.9	34.9	39.8	22.9	19.0	3.6	3.1	16.3	17.7	17.5
Voltas	Sell	485	400	-17	15.5	15.6	17.6	31.3	31.1	4.8	4.3	18.0	14.7	14.9
Aggregate								35.1	30.8	3.9	3.6	11.2	11.7	12.7
Cement														
Ambuja Cem.	Buy	265	291	10	4.9	7.3	8.2	54.3	36.6	2.8	2.6	5.1	7.3	7.8
ACC	Neutral	1,760	1,622	-8	36.1	49.8	65.0	48.7	35.3	3.8	3.7	7.9	10.6	13.1
Birla Corp.	Buy	935	1,205	29	29.4	40.9	58.9	31.8	22.8	2.2	2.0	7.5	9.2	12.2
Dalmia Bharat	Buy	2,737	3,162	16	38.8	66.7	87.1	70.6	41.0	4.9	4.4	7.2	11.3	13.1
Grasim Inds.	Neutral	1,306	1,384	6	67.9	71.2	102.6	19.2	18.3	2.1	1.9	11.5	10.9	13.9
India Cem	Neutral	209	219	5	5.6	9.3	12.9	37.2	22.4	1.3	1.2	3.4	5.5	7.2
J K Cements	Buy	976	1,287	32	33.7	40.4	53.5	28.9	24.1	3.9	3.4	14.4	15.0	17.2
JK Lakshmi Ce	Buy	466	553	19	7.0	11.4	19.2	66.9	40.8	3.9	3.6	6.0	9.2	13.8
Ramco Cem	Buy	696	823	18	27.3	31.1	37.5	25.5	22.4	4.5	3.9	19.2	18.6	19.1
Orient Cem	Buy	159	178	12	-1.6	4.6	7.0	NM	34.4	3.3	3.0	-3.2	9.2	12.6
Prism Cem	Buy	122	145	19	0.3	3.7	5.6	349.4	32.8	6.1	5.3	1.8	17.2	22.0
Shree Cem	Buy	18,347	21,052	15	384.4	454.7	575.2	47.7	40.3	9.1	7.5	20.2	20.4	21.3
Ultratech	Buy	4,315	4,936	14	96.1	95.8	143.1	44.9	45.1	4.9	4.6	11.6	10.5	14.4
Aggregate								38.7	32.3	3.7	3.4	9.7	10.6	13.0
Consumer														
Asian Paints	Neutral	1,146	1,240	8	21.0	23.1	27.4	54.5	49.6	14.5	13.9	28.5	28.6	30.6
Britannia	Buy	3,743	4,450	19	73.7	85.5	105.4	50.8	43.8	16.7	15.3	36.9	36.5	38.3
Colgate	Buy	1,073	1,335	24	21.2	25.7	31.1	50.5	41.8	22.9	21.6	50.4	53.2	60.3
Dabur	Neutral	301	315	5	7.2	7.7	9.1	41.5	38.9	10.9	9.4	28.4	26.0	26.3
Emami	Buy	1,060	1,265	19	26.5	28.3	33.9	40.0	37.5	13.7	11.5	35.8	33.4	34.1
Godrej Cons.	Neutral	956	930	-3	18.9	21.8	25.0	50.6	43.8	12.3	9.5	24.6	24.5	23.0
GSK Cons.	Sell	5,429	4,500	-17	156.1	166.3	181.9	34.8	32.6	7.3	7.1	22.2	22.1	22.4
HUL	Buy	1,158	1,260	9	19.6	22.8	27.0	59.0	50.8	37.6	36.4	65.6	72.8	82.5
ITC	Under Review	285	-		8.4	9.6	11.6	33.9	29.5	7.7	7.6	23.5	25.8	29.3
Jyothy Lab	Neutral	369	405	10	11.2	8.9	11.0	32.9	41.3	6.2	6.3	21.1	15.1	18.4
Marico	Neutral	329	360	9	6.3	6.9	8.4	52.3	47.4	18.3	15.6	36.7	35.5	38.1
Nestle	Sell	6,862	5,990	-13	118.0	118.6	139.5	58.2	57.8	22.0	20.2	39.0	36.4	39.0

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Page Inds	Buy	16,825	20,195	20	238.7	317.0	400.0	70.5	53.1	28.2	22.3	40.0	42.0	42.8
Parag Milk	Neutral	235	240	2	3.6	7.4	12.3	65.3	31.7	3.0	2.8	5.9	9.1	13.4
Pidilite Ind.	Neutral	815	835	2	16.7	18.4	21.2	48.7	44.2	12.6	10.3	28.2	25.6	24.0
P&G Hygiene	Buy	8,010	9,082	13	144.9	155.8	181.6	55.3	51.4	45.7	36.4	45.3	78.9	74.0
Prabhat Dairy	Not Rated	138	-		3.5	3.5	6.4	39.2	39.8	2.0	1.9	5.2	4.9	8.5
United Brew	Neutral	821	850	4	8.7	9.7	14.7	94.4	84.6	9.4	8.6	10.4	10.7	14.6
United Spirits	Neutral	2,731	2,415	-12	26.7	37.4	51.8	102.2	73.1	20.5	14.1	21.3	19.3	19.7
Aggregate								48.1	42.4	13.3	12.3	27.6	29.1	30.8
Healthcare														
Alembic Phar	Neutral	554	640	16	21.6	24.9	30.5	25.7	22.2	5.5	4.6	23.0	22.6	23.1
Alkem Lab	Neutral	1,735	1,900	9	75.7	79.7	95.0	22.9	21.8	4.9	4.2	23.4	20.7	21.0
Ajanta Pharma	Buy	1,463	2,028	39	58.4	66.1	79.6	25.0	22.1	8.3	6.3	37.7	32.2	29.9
Aurobindo	Buy	734	750	2	39.3	44.1	50.2	18.7	16.6	4.7	3.7	28.3	24.8	22.5
Biocon	Sell	414	300	-28	10.2	10.4	14.4	40.6	39.9	5.5	5.0	13.6	12.6	15.6
Cadila	Buy	525	510	-3	14.2	17.8	23.2	37.0	29.5	8.4	6.9	24.8	25.7	27.2
Cipla	Neutral	559	500	-11	15.9	20.0	25.0	35.2	28.0	3.6	3.2	10.2	11.5	12.8
Divis Lab	Neutral	734	600	-18	39.7	35.4	39.8	18.5	20.8	4.2	3.7	23.5	19.0	19.2
Dr Reddy's	Neutral	2,716	2,600	-4	72.6	106.2	143.0	37.4	25.6	3.7	3.0	9.6	13.2	14.9
Fortis Health	Buy	151	240	59	10.3	2.1	6.1	14.6	71.7	1.6	1.4	11.3	2.0	5.3
Glenmark	Neutral	692	800	16	39.3	42.9	51.7	17.6	16.1	4.3	3.5	24.7	21.6	20.9
Granules	Buy	139	200	44	7.2	8.2	11.5	19.3	17.0	3.5	2.4	21.1	17.7	18.8
GSK Pharma	Neutral	2,523	2,700	7	34.4	51.9	60.1	73.4	48.6	15.8	19.3	21.5	39.7	54.4
IPCA Labs	Neutral	481	480	0	16.1	21.3	28.5	29.9	22.5	2.5	2.3	8.6	10.5	12.7
Jubilant Life	Buy	704	905	29	37.0	47.3	56.7	19.0	14.9	3.2	2.7	18.1	19.6	19.6
Lupin	Buy	1,156	1,475	28	59.2	57.9	72.0	19.5	20.0	3.9	3.4	22.0	18.2	19.4
Sanofi India	Buy	4,201	4,850	15	129.1	142.7	173.2	32.5	29.4	5.6	5.1	17.1	17.5	19.1
Sun Pharma	Buy	578	650	12	26.1	25.2	30.8	22.1	22.9	3.8	3.6	18.5	16.1	17.9
Syngene Intl	Not Rated	485	-		13.0	16.1	18.0	37.3	30.1	7.5	6.2	22.2	22.5	20.7
Torrent Pharma	Buy	1,295	1,450	12	55.2	56.8	71.4	23.5	22.8	5.5	4.8	25.3	22.4	24.2
Aggregate								25.1	23.4	4.4	3.8	17.5	16.4	17.5
Logistics														
Allcargo Logistics	Buy	176	228	30	9.8	12.2	14.3	17.9	14.5	2.6	2.3	12.6	17.2	17.8
Blue Dart	Not Rated	4,609	-		102.5	129.9	163.2	44.9	35.5	19.9	15.2	50.5	48.6	46.8
Concor	Neutral	1,187	1,236	4	38.0	39.2	45.8	31.2	30.3	3.3	3.1	10.8	10.6	11.8
Gateway Distriparks	Buy	264	313	18	6.8	10.7	13.6	38.8	24.6	2.3	2.2	5.9	9.1	11.1
Gati	Not Rated	125	-		8.4	15.9	23.9	15.0	7.9	2.0	1.8	12.4	19.4	25.4
Transport Corp.	Not Rated	325	-		16.9	21.0	25.9	19.2	15.5	3.0	2.5	16.7	17.8	18.6
Aggregate								29.9	25.4	3.7	3.4	12.2	13.4	15.0
Media														
Dish TV	Buy	78	105	34	1.0	1.4	4.0	79.2	55.0	17.0	13.0	24.1	26.8	327.5
D B Corp	Buy	374	450	20	20.4	23.6	27.5	18.4	15.8	4.3	3.8	25.5	25.7	26.5
Den Net.	Neutral	77	90	16	-8.6	-2.7	0.3	NM	NM	1.4	1.6	-12.0	-5.3	0.7
Hind. Media	Buy	276	360	30	25.9	30.1	35.3	10.7	9.2	1.9	1.5	19.0	18.3	17.9
HT Media	Neutral	89	90	1	7.4	8.0	9.2	12.0	11.1	0.8	0.7	7.1	7.0	7.3
Jagran Prak.	Buy	172	225	31	10.8	12.3	14.0	15.9	14.0	2.3	2.3	17.6	16.4	17.2
PVR	Buy	1,382	1,588	15	20.5	28.9	45.1	67.3	47.8	6.7	5.9	10.4	13.2	17.7
Siti Net.	Neutral	26	32	23	-1.8	-0.1	0.5	NM	NM	3.6	3.7	-23.5	-2.0	6.9
Sun TV	Neutral	827	860	4	24.9	28.5	35.9	33.3	29.0	8.3	7.6	25.0	26.3	30.2
Zee Ent.	Buy	530	585	10	23.1	15.6	18.6	22.9	34.0	8.8	7.4	24.7	23.6	23.7
Aggregate								39.8	29.8	5.9	5.3	14.7	17.8	22.7
Metals														
Hindalco	Buy	207	308	49	16.2	21.8	26.1	12.8	9.5	1.6	1.3	14.0	15.2	15.4
Hind. Zinc	Sell	278	246	-11	19.7	22.1	26.8	14.1	12.6	3.8	4.1	24.4	31.5	35.2
JSPL	Buy	140	190	35	-20.9	-17.2	2.4	NM	NM	0.4	0.5	-7.9	-5.4	0.8

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
JSW Steel	Buy	216	281	30	14.8	19.0	22.6	14.6	11.4	2.3	2.0	17.3	18.7	19.0
Nalco	Neutral	69	70	2	3.7	3.8	4.2	18.7	18.3	1.3	1.3	7.2	7.0	7.5
NMDC	Buy	120	180	51	10.0	12.1	12.2	12.0	9.8	1.7	1.6	12.4	15.0	15.5
SAIL	Sell	63	37	-41	-6.2	-10.6	-4.2	NM	NM	0.7	0.8	-6.7	-12.6	-5.5
Vedanta	Buy	268	311	16	15.1	24.5	32.2	17.7	11.0	1.6	1.6	9.7	14.6	17.9
Tata Steel	Neutral	563	581	3	37.0	50.5	66.5	15.2	11.1	1.7	1.6	15.4	14.6	17.0
Aggregate								19.1	14.7	1.6	1.5	8.2	10.3	13.2
Oil & Gas														
BPCL	Neutral	469	511	9	48.3	36.7	43.5	9.7	12.8	3.0	2.6	32.4	21.7	22.3
GAIL	Sell	378	340	-10	22.6	26.3	29.8	16.8	14.4	1.7	1.6	9.6	11.3	11.8
Gujarat Gas	Sell	751	697	-7	20.4	33.7	46.5	36.8	22.3	6.3	5.1	17.8	25.3	28.0
Gujarat St. Pet.	Neutral	171	168	-2	8.8	11.0	13.1	19.4	15.5	2.1	1.9	11.6	13.1	14.0
HPCL	Buy	369	420	14	40.7	29.5	32.6	9.1	12.5	2.8	2.4	32.4	20.6	20.0
IOC	Neutral	372	459	23	43.0	36.0	40.0	8.6	10.3	1.7	1.6	21.2	15.8	15.8
IGL	Neutral	1,128	1,070	-5	42.5	46.8	51.9	26.5	24.1	5.4	4.6	21.0	20.6	19.6
MRPL	Neutral	123	113	-8	14.8	10.2	11.8	8.3	12.1	2.1	1.9	31.4	16.5	16.9
Oil India	Buy	277	305	10	19.3	27.9	30.1	14.3	9.9	0.8	0.7	5.7	7.5	7.8
ONGC	Buy	162	195	21	16.4	17.4	19.7	9.8	9.3	0.9	0.9	10.1	9.9	10.8
PLNG	Buy	207	259	25	11.4	8.6	17.6	18.2	24.1	3.8	3.4	23.2	15.1	26.4
Reliance Ind.	Neutral	1,520	1,262	-17	106.6	122.1	131.0	14.3	12.5	1.6	1.4	11.9	11.8	11.5
Aggregate								12.0	12.3	1.6	1.5	13.3	12.0	12.4
Retail														
Jubilant Food	Sell	1,326	850	-36	10.0	14.8	20.7	132.5	89.5	10.9	10.0	8.2	11.1	14.0
Titan Co.	Neutral	528	545	3	9.0	10.3	12.1	58.4	51.4	11.1	10.1	20.6	20.6	21.6
Aggregate								64.1	55.1	11.0	10.1	17.2	18.4	19.2
Technology														
Cyient	Buy	516	600	16	30.6	35.4	41.9	16.8	14.6	2.7	2.4	16.2	16.6	17.3
HCL Tech.	Buy	881	960	9	59.8	61.4	66.7	14.7	14.4	3.7	3.7	27.5	25.2	25.8
Hexaware	Neutral	244	235	-4	13.7	15.4	16.7	17.8	15.9	4.3	3.8	26.5	25.3	23.5
Infosys	Buy	985	1,200	22	62.9	63.7	69.5	15.7	15.5	3.3	2.9	22.0	20.0	19.8
KPIT Tech	Neutral	130	150	16	11.9	13.0	15.2	10.9	9.9	1.6	1.4	14.3	15.2	15.3
L&T Infotech	Buy	785	850	8	55.5	59.1	65.1	14.1	13.3	4.9	3.8	40.4	32.5	28.4
Mindtree	Neutral	509	475	-7	24.9	30.5	36.2	20.4	16.6	3.3	3.0	16.8	19.0	20.3
Mphasis	Neutral	572	600	5	38.9	42.3	46.2	14.7	13.5	2.0	2.2	13.2	14.2	16.1
NIIT Tech	Neutral	547	470	-14	42.8	41.0	47.3	12.8	13.4	2.0	1.8	16.1	14.3	15.2
Persistent Sys	Buy	658	740	13	37.7	43.9	52.3	17.5	15.0	2.7	2.6	17.0	18.1	20.8
Tata Elxsi	Buy	1,680	1,607	-4	56.3	68.0	80.4	29.8	24.7	9.4	7.5	37.1	33.7	32.3
TCS	Neutral	2,405	2,350	-2	133.4	133.6	147.7	18.0	18.0	5.4	5.7	32.6	31.1	33.5
Tech Mah	Buy	391	465	19	30.9	31.0	36.2	12.7	12.6	2.1	1.9	18.4	16.0	16.9
Wipro	Neutral	269	250	-7	16.9	17.3	18.9	15.9	15.5	2.5	2.3	16.9	15.4	15.5
Zensar Tech	Buy	793	1,020	29	54.9	62.0	74.2	14.4	12.8	2.2	2.0	16.3	16.3	17.1
Aggregate								16.4	16.3	3.8	3.7	22.9	22.4	22.2
Telecom														
Bharti Airtel	Buy	408	430	5	11.1	5.9	10.9	36.7	69.5	2.4	2.4	6.7	3.4	6.1
Bharti Infratel	Buy	418	440	5	14.9	17.2	19.3	28.1	24.3	5.0	4.3	16.2	19.1	18.7
Idea Cellular	Buy	87	110	26	-1.1	-9.7	-11.2	NM	NM	1.3	1.5	-1.6	-15.3	-20.8
Tata Comm	Buy	663	811	22	26.0	10.2	30.8	25.5	65.0	11.9	10.0	126.2	16.7	37.8
Aggregate								39.0	127.2	2.7	2.7	6.9	2.1	4.2
Utilities														
Coal India	Buy	248	315	27	14.9	17.6	18.6	16.6	14.1	6.3	6.3	37.8	44.5	47.0
CESC	Buy	888	1,140	28	51.9	78.6	86.0	17.1	11.3	1.7	1.5	10.5	14.4	13.9
JSW Energy	Buy	62	85	36	3.9	3.2	3.1	16.2	19.8	1.0	1.0	6.3	4.9	4.8
NTPC	Buy	167	198	19	13.0	13.4	16.2	12.9	12.5	1.4	1.3	11.5	10.9	12.3
Power Grid	Buy	215	242	12	14.2	17.6	20.6	15.1	12.2	2.3	2.0	16.2	17.5	17.8
Tata Power	Sell	82	68	-17	5.2	6.4	6.7	16.0	12.9	1.9	1.7	11.2	13.9	12.1

Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17	FY18E	FY19E	FY17	FY18E	FY17	FY18E	FY17	FY18E	FY19E
Aggregate								14.9	13.1	2.3	2.1	15.2	16.1	16.8
Others														
Arvind	Neutral	379	359	-5	12.4	12.5	18.1	30.6	30.2	2.7	2.6	10.3	8.8	11.8
Avenue Supermarts	Neutral	910	804	-12	7.7	12.8	17.9	118.6	70.9	14.8	12.9	17.9	19.4	23.3
Bata India	Under Review	570	-		13.5	15.7	19.4	42.2	36.3	5.5	5.0	13.9	14.4	15.8
Castrol India	Buy	406	527	30	13.6	14.4	15.0	29.8	28.1	33.7	30.2	115.2	113.3	106.1
Century Ply.	Neutral	292	323	11	8.7	9.8	12.9	33.5	29.7	9.1	7.5	31.1	27.7	29.6
Coromandel Intl	Under Review	423	-		16.6	21.8	26.1	25.4	19.4	4.3	3.8	17.5	20.6	21.6
Delta Corp	Buy	165	215	30	3.1	5.7	7.2	54.1	29.1	4.2	2.8	8.1	12.1	11.5
Dynamic Tech	Buy	2,400	3,334	39	67.6	112.9	166.7	35.5	21.3	4.9	4.0	15.1	20.7	24.3
Eveready Inds.	Buy	330	368	12	12.9	14.4	17.5	25.6	22.9	8.3	6.7	37.7	32.3	31.6
Interglobe	Neutral	1,276	1,283	1	46.0	57.9	91.6	27.7	22.0	22.8	20.5	86.2	98.0	136.2
Indo Count	Buy	162	200	24	13.0	13.2	15.4	12.4	12.3	3.8	2.8	34.8	26.4	23.5
Info Edge	Buy	1,012	1,050	4	15.7	20.3	22.9	64.5	49.9	6.2	5.7	10.2	11.9	12.3
Inox Leisure	Sell	264	240	-9	3.3	8.0	12.0	79.1	32.9	4.6	4.1	5.9	12.5	16.2
Jain Irrigation	Under Review	103	-		5.5	7.6	10.0	18.5	13.5	1.6	1.5	8.6	11.7	14.8
Just Dial	Neutral	355	465	31	17.5	18.5	21.1	20.3	19.2	2.7	2.4	14.8	13.4	13.7
Kaveri Seed	Buy	643	755	17	19.1	31.3	37.7	33.7	20.5	4.4	4.7	13.6	21.6	26.0
Kitex Garm.	Buy	271	394	45	18.6	22.1	26.2	14.6	12.3	3.9	3.2	29.8	28.6	27.6
Manpasand	Buy	748	927	24	12.7	20.3	30.9	58.9	36.9	3.7	3.4	7.3	8.5	13.5
MCX	Buy	1,100	1,300	18	24.8	28.0	42.2	44.3	39.3	4.1	3.9	10.2	10.2	14.5
Monsanto	Buy	2,717	3,295	21	86.2	105.1	126.7	31.5	25.9	8.9	8.0	31.6	32.5	34.5
Navneet Education	Buy	178	226	27	7.8	9.4	11.3	22.9	18.8	5.7	4.8	26.8	27.8	28.2
PI Inds.	Buy	781	952	22	33.4	33.4	38.1	23.4	23.3	6.6	5.4	32.8	25.4	23.8
Piramal Enterp.	Buy	2,926	3,044	4	72.6	104.1	144.6	40.3	28.1	3.8	3.5	9.8	13.0	16.4
SRF	Buy	1,525	1,816	19	85.9	86.3	109.2	17.8	17.7	2.8	2.5	16.6	14.7	16.7
S H Kelkar	Buy	261	287	10	7.2	8.6	10.3	36.1	30.4	4.7	4.2	13.7	14.5	15.6
Symphony	Sell	1,317	1,288	-2	23.7	35.1	42.9	55.7	37.5	20.6	18.2	43.3	51.6	54.5
TTK Prestige	Neutral	6,383	5,281	-17	132.1	137.8	176.1	48.3	46.3	8.7	7.9	19.5	18.0	20.7
V-Guard	Neutral	180	167	-7	3.6	4.5	6.0	50.3	40.1	12.0	9.8	27.4	26.9	28.8
Wonderla	Buy	358	393	10	7.0	11.9	16.0	51.2	30.0	4.7	4.2	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	0.3	0.4	-1.8
Ashok Ley.	-2.4	12.2	13.6
Bajaj Auto	0.4	0.5	2.5
Bharat Forge	-0.2	-3.4	54.9
Bosch	-0.9	-0.2	1.5
CEAT	-1.8	-0.1	110.2
Eicher Mot.	1.8	-0.5	43.6
Endurance Tech.	-2.2	-6.8	
Escorts	-2.0	-7.6	177.9
Exide Ind	-0.2	-0.3	23.3
Hero Moto	0.6	0.2	16.3
M&M	-0.2	-0.6	-5.9
Mahindra CIE	0.0	1.3	31.4
Maruti Suzuki	0.4	4.0	69.4
Tata Motors	0.4	0.1	-7.4
TVS Motor	-0.1	3.9	88.7
Banks - Private			
Axis Bank	1.2	1.4	-9.3
DCB Bank	-1.0	-6.5	96.9
Equitas Hold.	-0.7	6.9	-5.4
Federal Bank	-0.7	-6.3	89.3
HDFC Bank	0.0	0.9	36.7
ICICI Bank	-0.1	5.2	26.3
IDFC Bank	0.6	7.8	19.0
IndusInd	-0.5	4.8	39.1
J&K Bank	-0.5	-7.6	20.3
Kotak Mah. Bk	0.0	-0.8	25.9
RBL Bank	-1.8	1.3	
South Indian	-0.7	-3.9	46.7
Yes Bank	0.3	7.7	32.1
Banks - PSU			
BOB	-0.4	-2.6	2.8
BOI	2.9	10.3	37.6
Canara	0.1	4.8	53.5
IDBI Bk	-0.1	-1.6	-20.6
Indian Bk	0.3	3.8	100.5
OBC	-0.1	-0.1	26.2
PNB	1.3	5.1	16.9
SBI	-0.8	1.6	27.1
Union Bk	0.2	2.8	12.5
NBFCs			
Bajaj Fin.	-1.7	7.5	72.0
Bharat Fin.	-1.5	10.3	2.6
Cholaman.Inv.&Fn	-2.2	2.7	16.6
Dewan Hsg.	0.6	1.2	111.7
GRUH Fin.	-0.4	10.7	64.3
HDFC	0.1	0.9	22.9
Indiabulls Hsg	0.1	1.0	60.7
LIC Hsg Fin	-0.2	-4.5	43.0
Manappuram	-0.6	9.3	35.7
M&M Fin.	-4.8	0.1	6.2
Muthoot Fin	0.1	-0.7	68.6
PFC	-1.3	-6.8	22.0
Repco Home	2.2	-10.5	4.2
REC	-1.5	-1.9	88.4
STF	-4.4	-2.0	-21.5
Shriram City Union	1.5	-5.6	28.2

Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	-1.5	-5.7	12.3
Bharat Elec.	-0.7	2.4	39.7
BHEL	1.7	3.5	2.5
Blue Star	0.0	-2.7	51.1
CG Cons. Elec.	-3.2	-5.3	48.5
CG Power & Inds Sol.	0.1	2.6	20.3
Cummins	-0.1	1.5	13.4
GE T&D	-1.6	-4.1	-10.2
Havells	-1.7	-6.6	28.1
K E C Intl	-1.6	16.3	108.2
L&T	0.6	2.3	12.2
Pennar Eng.	0.7	-9.8	-25.8
Siemens	-0.8	2.3	4.4
Solar Ind	1.1	4.7	27.4
Suzlon Energy	-2.9	-2.4	1.1
Thermax	-0.5	-7.1	-2.0
Va Tech Wab.	-1.1	-7.0	12.3
Voltas	0.2	-0.9	49.6
Cement			
Ambuja Cem.	-0.2	11.9	2.2
ACC	0.5	7.6	10.2
Birla Corp.	0.1	1.3	74.5
Dalmia Bharat	-0.4	10.8	123.4
Grasim Inds.	-0.1	16.7	36.3
India Cem	-0.3	-5.0	87.5
J K Cements	0.5	-3.6	37.1
JK Lakshmi Ce	-0.6	-6.0	15.9
Ramco Cem	-0.7	0.4	24.0
Orient Cem	2.1	6.3	-8.8
Prism Cem	0.4	3.6	14.5
Shree Cem	1.2	3.2	14.5
Ultratech	-0.7	4.8	23.3
Consumer			
Asian Paints	1.8	0.1	11.4
Britannia	1.3	4.9	32.8
Colgate	0.2	-2.1	15.5
Dabur	-0.6	4.0	-4.0
Emami	-0.9	-4.7	-4.3
Godrej Cons.	-1.1	2.4	20.6
GSK Cons.	-1.3	1.3	-14.1
HUL	0.5	6.1	25.8
ITC	-12.6	-7.1	14.3
Jyothy Lab	0.6	-1.5	28.1
Marico	0.7	5.1	18.0
Nestle	0.0	1.5	4.0
Page Inds	-0.7	1.5	26.1
Parag Milk	-0.3	8.8	-26.3
Pidilite Ind.	1.0	0.0	14.1
P&G Hygiene	-0.3	1.4	26.7
Prabhat Dairy	0.1	14.1	43.4
United Brew	0.0	4.5	4.0
United Spirits	-0.9	19.6	9.9
Healthcare			
Alembic Phar	1.5	6.0	-4.8
Alkem Lab	-1.2	-7.5	22.8
Ajanta Pharma	-1.4	-5.8	-7.0
Aurobindo	-2.3	12.4	-2.3
Biocon	1.6	22.3	78.8

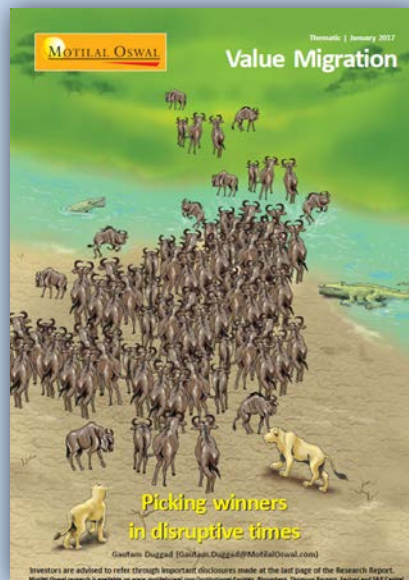
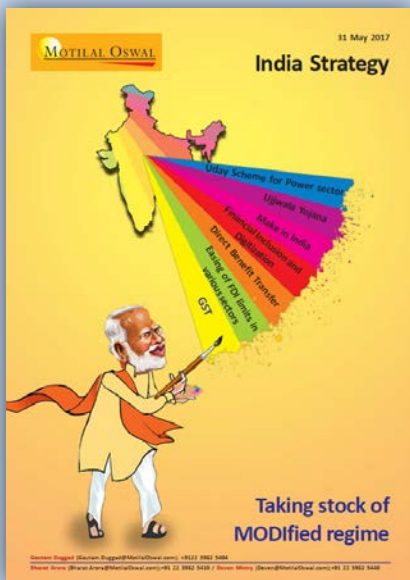
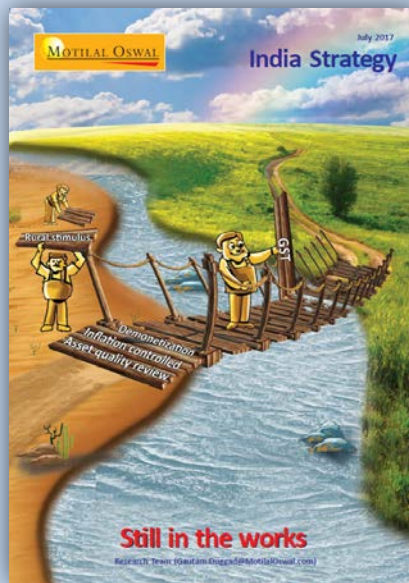
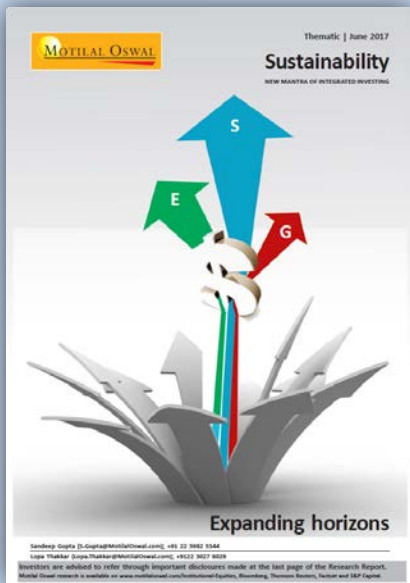


Company	1 Day (%)	1M (%)	12M (%)
Cadila	-2.3	-0.1	45.6
Cipla	0.6	4.2	10.1
Divis Lab	0.5	14.3	-36.0
Dr Reddy's	0.8	1.4	-23.9
Fortis Health	1.7	-20.6	-11.6
Glenmark	1.3	8.3	-17.0
Granules	-0.3	-1.6	-3.8
GSK Pharma	-0.4	2.5	-26.0
IPCA Labs	-0.6	1.9	3.4
Jubilant Life	-1.1	1.4	133.8
Lupin	0.7	2.2	-30.6
Sanofi India	0.8	3.6	-6.5
Sun Pharma	1.2	9.2	-25.6
Syngene Intl	-3.0	6.2	16.9
Torrent Pharma	0.3	7.0	-7.2
Logistics			
Allcargo Logistics	0.9	1.6	-5.2
Blue Dart	-2.3	9.7	-23.5
Concor	0.6	4.5	4.2
Gateway Distriparks	-2.2	0.1	-9.3
Gati	0.0	0.2	-29.0
Transport Corp.	2.0	5.0	52.9
Media			
Dish TV	0.1	-2.4	-18.7
D B Corp	0.3	0.1	-1.7
Den Net.	-1.0	-7.1	-14.0
Hind. Media	-0.3	0.0	-0.2
HT Media	7.1	9.9	12.9
Jagran Prak.	-1.2	-6.9	-3.8
PVR	-0.2	-11.3	34.8
Siti Net.	0.0	-11.9	-31.6
Sun TV	-0.7	-1.5	116.8
Zee Ent.	1.3	4.3	15.0
Metals			
Hindalco	-0.8	6.2	51.4
Hind. Zinc	-0.4	15.2	46.9
JSPL	-0.8	12.7	103.6
JSW Steel	-0.6	10.8	34.8
Nalco	-1.6	5.5	47.4
NMDC	-0.4	6.4	25.9
SAIL	1.6	10.2	29.5
Vedanta	-0.5	13.4	67.3
Tata Steel	0.7	12.1	53.9
Oil & Gas			
BPCL	0.5	4.4	26.8
GAIL	-1.8	0.0	30.4
Gujarat Gas	1.3	-5.8	36.6
Gujarat St. Pet.	1.1	0.8	33.2
HPCL	-2.3	4.5	56.4
IOC	-0.4	-8.0	57.5
IGL	-1.4	6.2	86.1
MRPL	0.0	-3.1	69.5
Oil India	0.9	-6.1	1.8
ONGC	1.1	-3.1	10.8
PLNG	-0.8	-2.9	44.4
Reliance Ind.	-2.0	9.5	51.3
Retail			
Jubilant Food	4.0	41.5	15.4
Titan Co.	-0.9	2.3	27.8

Company	1 Day (%)	1M (%)	12M (%)
Technology			
Cyient	0.2	2.0	5.2
HCL Tech.	1.6	5.0	21.9
Hexaware	0.2	-2.7	11.8
Infosys	0.0	4.8	-8.9
KPIT Tech	-4.8	4.3	-7.5
L&T Infotech	1.5	-2.2	
Mindtree	-1.1	-1.3	-17.2
Mphasis	0.2	-5.2	6.9
NIIT Tech	-1.2	-3.7	15.9
Persistent Sys	1.0	-1.3	2.0
Tata Elxsi	-1.7	8.7	1.7
TCS	0.4	0.3	-1.2
Tech Mah	-0.2	0.2	-22.9
Wipro	0.4	5.4	-2.7
Zensar Tech	0.2	-8.8	-22.0
Telecom			
Bharti Airtel	-0.1	11.9	12.3
Bharti Infratel	-0.1	11.5	17.0
Idea Cellular	-2.0	12.1	-16.1
Tata Comm	-0.1	-9.9	44.9
Utilities			
Coal India	0.5	-2.7	-22.7
CESC	-1.3	0.7	47.8
JSW Energy	-0.3	-0.9	-22.1
NTPC	-0.7	4.2	7.4
Power Grid	-0.6	2.8	31.9
Tata Power	-1.1	5.8	17.1
Others			
Arvind	-0.7	-0.2	19.2
Avenue Super.	-0.1	13.6	
Bata India	2.6	5.7	1.6
Castrol India	-0.6	-1.1	0.2
Century Ply.	-0.7	-4.9	32.7
Coromandel Intl	-0.5	-2.6	77.2
Delta Corp	0.1	-1.4	82.5
Dynamatic Tech	-1.4	-5.7	-4.0
Eveready Inds.	-2.2	-3.3	23.9
Interglobe	-0.4	5.6	34.3
Indo Count	-1.0	-11.0	-6.9
Info Edge	-1.0	0.2	21.1
Inox Leisure	-1.0	-6.6	10.2
Jain Irrigation	-2.1	-3.4	46.7
Just Dial	-0.7	-12.8	-36.8
Kaveri Seed	-0.4	-2.1	51.7
Kitex Garm.	-0.8	-7.5	-24.6
Manpasand	-0.7	-4.5	12.4
MCX	0.8	-0.7	8.3
Monsanto	0.5	-7.6	8.8
Navneet Educat.	0.9	-4.7	85.2
PI Inds.	-1.5	-4.1	6.6
Piramal Enterp.	0.0	-1.1	92.0
SRF	-1.3	-6.5	13.8
S H Kelkar	-1.1	-10.2	16.5
Symphony	0.7	2.5	8.8
TTK Prestige	0.1	-4.3	34.5
V-Guard	-1.2	-0.7	81.1
Wonderla	0.1	-4.5	-8.2

NOTES

THEMATIC/STRATEGY RESEARCH GALLERY



REPORT GALLERY

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Gujarat Gas

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Navneet Education

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Delta Corp

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CEAT

Well balanced

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DIFFERENTIATED PRODUCT GALLERY

JC LAKSHMI CEMENT

Annual Report 2017

The ABC of annual report analysis

ART

Annual Report 2017 is a commendable work with a strong focus on a customer centric approach. The company reported 40% growth in cement production in FY17, which is a commendable achievement in the current market scenario. The company's focus on customer centric approach is evident from its high quality and innovation in the cement products. The company's focus on customer centric approach is evident from its high quality and innovation in the cement products.

Key highlights:

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27 March 2017

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CornerOffice

Deliberative with the CFO

23 June 2017

Slow of new launches encouraging

Highway toll and GST paper expected to have challenges

Key highlights:

- United Business (UB) has started a new line of new launches in FY17 which is encouraging. After the successful launch of previous line, the company is now ready to launch the next line. The company is now ready to launch the next line. The company is now ready to launch the next line.
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VOICES

27 March 2017

India Inc on Call

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VOICES

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EcoKnowlodge

Diving into Trending Themes

27 March 2017

Two key states implement 17% Pay Commission in FY18

FY18 budget deficit, however, much higher than budgeted

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BULLS & BEARS

INDIA VALUATIONS HANDBOOK

27 March 2017

India Valuations Handbook

27 March 2017

BULLS & BEARS

INDIA VALUATIONS HANDBOOK

27 March 2017

India Valuations Handbook

India Valuations Handbook

FUND FOLIO

Indian Mutual Fund Tracker

27 March 2017

Fund Folio

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FUND FOLIO

Indian Mutual Fund Tracker

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Indian Mutual Fund Tracker

Indian Mutual Fund Tracker

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