

Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	29,519	-0.4	10.9
Nifty-50	9,127	-0.4	11.5
Nifty-M 100	16,962	0.4	18.2
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,373	-0.2	6.0
Nasdaq	5,902	0.0	9.6
FTSE 100	7,430	0.1	4.0
DAX	12,053	-0.4	5.0
Hang Seng	10,584	0.7	12.7
Nikkei 225	19,522	0.0	2.1
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	51	-0.2	-7.7
Gold (\$/OZ)	1,234	0.4	7.1
Cu (US\$/MT)	5,855	-1.0	6.0
Almn (US\$/MT)	1,910	0.4	12.1
Currency	Close	Chg. %	YTD.%
USD/INR	65.4	-0.2	-3.8
USD/EUR	1.1	0.0	2.1
USD/JPY	112.6	-0.1	-3.8
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.9	0.0	0.4
10 Yrs AAA Corp	8.1	0.0	0.5
Flows (USD b)	20-Mar	MTD	YTD
FII's	0.0	2.7	4.2
DII's	-0.1	-1.1	-0.2
Volumes (INRb)	20-Mar	MTD*	YTD*
Cash	283	278	260
F&O	2,601	4,072	4,330

Note: YTD is calendar year, *Avg

Quote of the day

Successful people save in prosperous times so they have a financial cushion in times of recession.



Today's top research idea

Idea Cellular: Vodafone, Idea get prepared to fight battle of capacity

Dominant position, synergy gains post-merger to drive EBITDA growth

- ✓ The telecom battleground is all set to intensify with Idea and Vodafone announcing to merge their businesses in a deal that will create a telecom giant. The merged entity is valued at 8.3x on FY19E with an EV of INR1,779b – Idea will issue shares at a swap ratio of 1:1 to Vodafone India shareholders.
- ✓ The deal will allow the merged company to command a leadership position in spectrum (with a 24% share) and broadband sites. This could lead us to revise up our revenue market share estimates (we have factored decline of 250-300bp for both the companies). The current sub-30% EBITDA margin could scale up to 36-39% over next 4-5 years, led by synergies and scale benefits. Furthermore, reducing capex requirement and tower sale could lower leverage to around 4x by FY19E.
- ✓ We upgrade Idea to Buy with a target price of INR120, implying 9x EV/EBITDA on FY19E for the combined entity. In our view, rich valuation is justified, as the expected recovery from FY19 could drive EBITDA CAGR of 18% over FY18-22.



Research covered

Cos/Sector	Key Highlights
Vodafone/Idea	Vodafone, Idea get prepared to fight battle of capacity
HCL Technologies	Buyback a positive, expect price impact to be limited
Gail India	Pata capacity doubles
Colgate	Great play on rural growth
Utilities	Only mild opposition to draft regulation to lower RoE for RE
Oil & Gas	Key takeaways from call with Anadarko
Metals Weekly	India long product prices continue to rise



Piping hot news

Cabinet okays 4 GST Bills

- ✓ The Cabinet on Monday cleared four GST-related Bills, paving the way for their introduction in Parliament, as early as Tuesday. The four drafts are the Compensation Law, the Central-GST (C-GST), Integrated-GST (I-GST) and Union Territory-GST (UT-GST) — and these would likely be introduced in the House as Money Bills.



Chart of the Day: Vodafone to get 45.1%; Idea to get 26% in Merged Co.

Particulars	Pre-Merger		Post-Merger						
	Share holding	Shares O/S	Step 1: Share swap (1:1)			Step 2: Each promoter gets equal shareholding			
			Share-holders	Share holding	Shares O/S	Share issued/ (reduced) (m)	Shares O/S	Share issued/ (reduced) (m)	Share holding
Promoter holding	42%	1,529	Vodafone	50.0%	3,601	(354)	3,247	(38,740)	45.1%
Axiata	20%	712	Idea promoters	21.2%	1,529	354	1,882	38,740	26.1%
Public	38%	1,360	Axiata	9.9%	712	-	712	-	9.9%
Total	100%	3,601	Public	18.9%	1,360	-	1,360	-	18.9%

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

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



Kindly click on numbers for the detailed news link

1

SC seeks inventory of vehicles without BS-IV technology

The Supreme Court on Monday asked motor vehicle manufacturers to give full details of the stock of pre-BS (Bharat Stage)-IV vehicles with them. The Society of Indian Automobile Manufacturers (SIAM), which is the umbrella association of car manufacturers...

2

HCL approves Rs 3,500-cr share buyback

Indian IT major HCL Technologies on Monday said its board had approved a buyback of up to 3.5 crore shares worth Rs 3,500 crore. With this, HCL Technologies joins the growing list of IT companies that have opted for the buyback route to make use of huge piles of cash lying idle with them. Sector leader Tata Consultancy Services and the US-based Cognizant had, last month, announced mega buyback offers to return surplus cash to shareholders. In a BSE filing, HCL Tech said, "...the Board of Directors of the company... has approved the buyback of up to 3,50,00,000 fully paid up equity shares of the company..."

3

India is not a Jio market alone: Vittorio Colao

Soon after announcing the \$23-billion merger between Idea Cellular and Vodafone Group Plc, the latter's Chief Executive Officer Vittorio Colao and Aditya Birla Group Chairman Kumar Mangalam Birla spoke to Dev Chatterjee on the rationale, the road ahead for the merged entity and the negative reaction of Idea shareholders....

4

Daiichi says Singh brothers' asset declarations false

Daiichi Sankyo made its fourth attempt in the Delhi High Court on Monday to secure the assets of Malvinder Singh and Shivinder Singh (and their affiliate companies), after claiming that the former Ranbaxy promoters had made false statements in earlier affidavits tendered before the court...

5

L&T arm bags Rs. 1,656-cr ONGC deal

The L&T Hydrocarbon Engineering Ltd (LTHE), a wholly-owned subsidiary of Larsen & Toubro, has bagged a Rs. 1,656- crore offshore contract from ONGC. The contract encompasses total engineering, procurement, construction, installation and commissioning for the project...

6

18 foreign lenders of Jindal Steel and Power agree to \$550 million debt restructuring

Eighteen foreign banks, including Standard Chartered Plc., Barclays Plc. and Deutsche Bank AG, have agreed to restructure loans to the tune of \$550 million given to Jindal Steel and Power Ltd (JSPL), two people aware of the development said. The lenders agreed to a moratorium of between three...

7

IDFC Bank puts up for sale loans worth Rs 4,000 cr to Essar Power, Unitech and Ruchi Soya to ARCs

Private sector lender IDFC Bank has put up for sale loans worth R4,000 crore to Essar Power, Unitech and Ruchi Soya to asset reconstruction companies (ARCs), sources aware of the development told FE. Some of these loans were part of the...



Vodafone-Idea Merger

BSE SENSEX
29,519

S&P CNX
9,127

CMP: INR98

TP: INR120 (+22%)

Upgrade to Buy



Stock Info

Bloomberg	IDEA IN
Equity Shares (m)	3,600.5
52-Week Range (INR)	128 / 66
1, 6, 12 Rel. Per (%)	-12/13/-23
M.Cap. (INR b)	351.4
M.Cap. (USD b)	5.4
12M Avg Val (INR M)	1193
Free float (%)	57.6

Financials Snapshot (INR b)

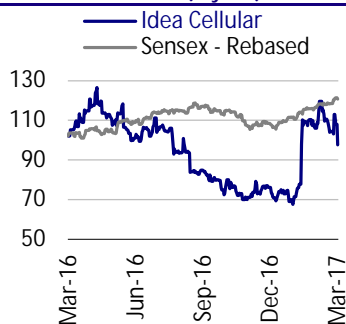
Y/E MARCH	FY17E	FY18E	FY19E
Net Sales	354.6	346.9	373.5
EBITDA	98.9	91.4	101.0
NP	-11.1	-47.7	-50.2
EPS (INR)	-3.1	-13.2	-14.0
EPS Gr. (%)	-134.7	-254.8	353.3
BV/Sh. (INR)	68.5	55.2	42.8
RoE (%)	-4.4	-21.4	-28.5
RoCE (%)	2.5	-0.2	0.3
P/E (x)	-31.7	-7.4	-7.0
P/BV (x)	1.4	1.8	2.3

Shareholding pattern (%)

As On	Dec-16	Sep-16	Dec-15
Promoter	42.5	42.2	42.2
DII	6.9	6.6	5.4
FII	24.3	25.1	24.1
Others	26.3	26.1	28.3

FII Includes depository receipts

Stock Performance (1-year)



Vodafone, Idea get prepared to fight battle of capacity

Dominant position, synergy gains post-merger to drive healthy EBITDA growth

The telecom battleground is all set to intensify with Idea and Vodafone announcing to merge their businesses in a deal that will create a telecom giant. The merged entity is valued at 8.3x on FY19E with an EV of INR1,779b – Idea will issue shares at a swap ratio of 1:1 to Vodafone India shareholders. The deal will allow the merged company to command a leadership position in spectrum (with a 24% share) and broadband sites. This could lead us to revise up our revenue market share estimates (we have factored decline of 250-300bp for both the companies). The current sub-30% EBITDA margin could scale up to 36-39% over next 4-5 years, led by synergies and scale benefits. Furthermore, reducing capex requirement and tower sale could lower leverage to around 4x by FY19E. We upgrade Idea to Buy with a target price of INR120, implying 9x EV/EBITDA on FY19E for the combined entity. In our view, the rich valuation is justified, as the expected recovery from FY19 could drive EBITDA CAGR of 18% over FY18-22.

Deal contours in line with expectations

In line with our expectations, Vodafone will have 50% shareholding in the merged entity, implying a share swap ratio of 1:1. Pro forma net debt as of end-December 2016 is INR1,079b (Vodafone: INR552b, and Idea: INR527b), with an EV of INR1,779b at current price. The deal includes: 1) Idea's consolidated entity, including wireless and tower businesses and 11.15% Indus stake and 2) Vodafone's mobility business and standalone towers (but not its 42% stake in Indus). Idea's promoters will buy 5% from Vodafone at a price of INR110/share, with effective shareholding of 26% and 45%, respectively. Additionally, Idea has the right to acquire additional 9.5% stake from Vodafone at a price of INR130/share over next four years to create equal shareholding of 35.5% for each promoter group.

Vodafone, Idea getting prepared to fight the battle of capacity

Vodafone and Idea will have combined spectrum market share of 24%, above Bharti's 21% and RJio's 19%. This implies a sizeable spectrum/circle of ~51. Additionally, it will have ~273,000 sites, of which ~170,000 will be broadband sites, higher than estimated RJio's broadband sites and in line with Bharti's. This should allow the combined company to accommodate over 15x more data volumes than currently, and thus match RJio's data offerings. We continue believing that the industry is moving away from price/volume to subscriber/ARPU metrics on the back of ARPU-accretive and bundled (voice and data) offerings. Thus, pricing-led elasticity gains should support revenue growth with limited incremental costs.

Revenue market share may be revised up from FY19

Our current estimates for both Vodafone and Idea factor in ~250-300bp market share dilution over FY16-21E, given their weak competitive footing on individual basis. We, however, believe this could be revised up FY19 onward if the deal is completed over next 12 months, as the combined entity will have the wherewithal to compete effectively.

Synergies to come in FY20E; earnings recovery 3-4 quarters away

We believe the merger benefits will be reflected only from FY19-20E once the impact of subscriber down-trading toward RJio's INR303 price plans is completed. Our pro forma workings for the combined entity indicate an EBITDA decline of 9% in FY18E after a steep fall of 18% in FY17E. However, we believe the expected industry recovery in FY19 and the synergy gains from the merger from FY20 could drive 18% EBITDA CAGR over FY18-22E. As the back-ended network, IT and SG&A related cost synergies accrue from FY20E, the combined entity could record EBITDA margin of 36%-39% in FY21-22E (in line with Bharti's 39-40% margin). This does not factor in revision in revenue market share dilution beyond FY19E.

Lower capex requirement could improve FCF, reducing net debt

Total capex spend of both Vodafone and Idea on individual basis stands at ~INR150b, which could come down to INR100-120b post-merger due to the benefit from complementary network and redeployment of 20-25% of overlapping network. With improving EBITDA from FY19E and reducing capex, potential FCF improvement could be ~INR80-100b, allowing the merged entity to reduce FY19E net debt to EBITDA to 5x. Furthermore, the sale of the overall tower business could generate over INR150-200b, reducing net debt to EBITDA to 4x in FY19E.

Not a valuation call; expect earnings recovery to provide valuation support

Based on our pro forma workings for the combined entity, the stock is valued at 8.3x on FY19E EBITDA, which appears on the higher side. However, there are limited negatives, and the stock could offer strong upside over next three years. Our optimism on the stock comes from: 1) Idea's favorable swap ratio of 1:1 for Vodafone, despite being a smaller revenue market share company (18% v/s Vodafone's 23%); 2) industry recovery and potential ARPU accretion over 3-4 quarters as the recent entrant RJio starts charging from 1 April 2017 and indicates its ARPU accretion strategy. 3) Strong competitive position of the merged entity, which could lead us to revise upward our market share assumption; and 4) steep synergy gains, which could start showing in 6-8 quarters. We upgrade Idea to Buy (from under review) with a target price of INR120, implying 9x EV/EBITDA on merged company FY19E earnings.

Exhibit 1: Pro forma v/s Synergies (INR m)

INR B	IDEA + VODAFONE							Comments
	Announced	Approval	Year 1	Year 2	Year 3	Year 4	Year 4	
	FY16	FY17	FY18	FY19	FY20	FY21	FY22	
Topline	763,267	747,025	732,755	791,628	845,797	899,586	954,891	Factoring 250-300bp market share dilution for Vodafone and Idea over FY16-21E
Topline Growth		-2%	-2%	8%	7%	6%	6%	
Current EBITDA margin	259,534	211,529	192,960	214,104	245,281	269,876	305,565	Building recovery from FY19E
	34%	28%	26%	27%	29%	30%	32%	
Synergy EBITDA				-	21,000	50,400	67,200	Opex synergy is 60% of INR 140b total. Building 0% synergy in FY19 and 80% synergy in 4th year - FY22
EBITDA (post synergy)	259,534	211,529	192,960	214,104	266,281	320,276	372,765	
EBITDA margin (post synergy)	34%	28%	26%	27%	31%	36%	39%	
Debt	945,485	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	Not factoring reduction in debt due to potential tower sale in FY19, and FCF generation
Market cap	699,996	699,996	699,996	699,996	699,996	699,996	699,996	
EV	1,645,481	1,778,996	1,778,996	1,778,996	1,778,996	1,778,996	1,778,996	
EV/EBITDA (x)	6.3	8.4	9.2	8.3	6.7	5.6	4.8	
Net Debt to EBITDA (x)	3.6	5.1	5.6	5	4.1	3.4	2.9	

Source: Company, MOSL

Exhibit 2: Vodafone to get 45.1%; Idea to get 26% in Merged Co.

Particulars	Pre-Merger		Post-Merger						
	Share holding	Shares O/S	Step 1: Share swap (1:1)			Step 2: Each promoter gets equal shareholding			
			Shareholders	Share holding	Shares O/S	Share issued/ (reduced) (m)	Shares O/S	Share issued/ (reduced) (m)	Share holding
Promoter holding	42%	1,529	Vodafone	50.0%	3,601	(354)	3,247	(38,740)	45.1%
Axiata	20%	712	Idea promoters	21.2%	1,529	354	1,882	38,740	26.1%
Public	38%	1,360	Axiata	9.9%	712	-	712	-	9.9%
Total	100%	3,601	Public	18.9%	1,360	-	1,360	-	18.9%

Source: Company, MOSL

Exhibit 3: Operator/band-wise spectrum portfolio (In Mhz)

	800 Mhz	900 Mhz	1800 Mhz	2100 Mhz	2300 Mhz	2500 Mhz	Total Spectrum (Mhz)	Spectrum Share
Bharti	0	116	274	125	470	-	986	20%
Vodafone	0	83	182	115	0	200	579	12%
Idea	0	59	206	80	30	170	545	12%
Reliance Jio	171	-	146	-	600	-	918	19%
Others	256	169	362	300	600	-	1,687	36%
Total	428	427	1,170	620	1,700	370	4,715	

Source: Company, MOSL



HCL Technologies

BSE SENSEX 29,519 S&P CNX 9,127

CMP: INR863 TP: INR1,000(+16%) Buy



Stock Info

Bloomberg	HCLT IN
Equity Shares (m)	1,411
52-Week Range (INR)	879 / 707
1, 6, 12 Rel. Per (%)	-1/5/-14
M.Cap. (INR b)	1,218.3
M.Cap. (USD b)	18.6
Avg Val, INRm	1694
Free float (%)	39.7

Financials Snapshot (INR b)

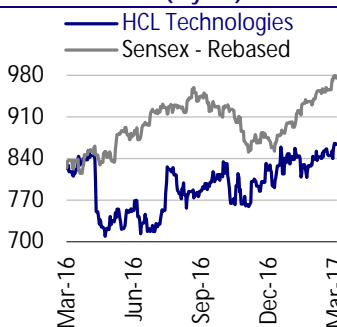
Y/E Mar	2017E	2018E	2019E
Sales	470.3	545.1	603.1
EBITDA	102.9	116.3	126.6
PAT	82.1	89.8	97.6
EPS (INR)	58.1	65.1	70.6
EPS Gr. (%)	44.8	12.0	8.5
BV/Sh. (INR)	228.6	234.4	266.0
RoE (%)	27.3	27.7	27.8
RoCE (%)	25.2	26.0	26.2
P/E (x)	14.9	13.3	12.2
P/BV (x)	3.8	3.7	3.2

Shareholding pattern (%)

As On	Dec-16	Sep-16	Dec-15
Promoter	60.3	60.4	60.4
DII	8.0	6.7	5.5
FII	24.3	25.7	27.6
Others	7.4	7.2	6.6

FII Includes depository receipts

Stock Performance (1-year)



Buyback a positive, expect price impact to be limited

Valuation uptick to depend on earnings momentum

- n The HCLT Board approved the buyback of 2.5% of its paid-up equity (35m shares) at INR1,000 – 16% premium to CMP. This implies a total return of INR35b to shareholders following a special resolution through a postal ballot. The buyback has been proposed under the tender offer route.
- n The proposed return of INR35b amounts to ~27% of the company's INR130b cash balance and ~11% of its net worth.
- n While the total payout including normalized dividend should be ~85% of PAT, the consequent impact on valuation multiple will be subject to the new normal for payout policy.

Buyback slightly neutral for EPS

The buyback should result in 2.5% accretion to EPS from a reduction in the share count. However, the cash reduction would result in a decline in other income, which is dominated by a yield of 6% on a pre-tax basis on the cash. Other income foregone would be greater than INR2b, which would result in an adverse EPS impact of ~2%, implying net EPS increase of ~50bp.

Payout on sustainable basis should be lower than present levels

- n We note that HCLT's cumulative FCF generation (including acquisitions) over last five years has been at 70% of PAT.
- n On a sustainable basis, therefore, we see the potential to return ~70% of PAT generated as the ceiling, which would work out to a yield of 5.3/5.7% at CMP (FY18/19E). This compares with a payout of ~40% at present.
- n Although HCLT has announced the buyback, it is yet to communicate the sustainability of this payout.

The third to strike the chord

Earlier during the quarter, Cognizant announced a plan to return USD3.4b to shareholders over next two years, resulting in a payout of 100% (versus 20% historically) and putting it at par with Accenture. This was followed by TCS announcing a buyback totaling INR160b (19% of net worth, 40% of cash, 95% of PAT).

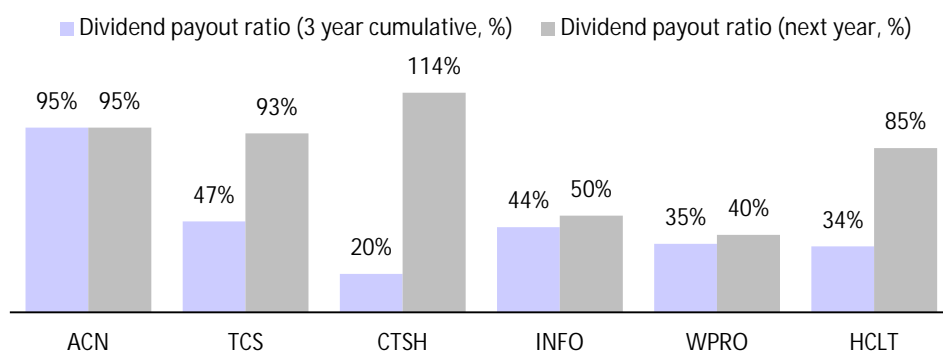
Event positive, but expect limited impact on price

The stock has moved ~2.7% after the intimation to exchanges about the proposed board meeting – largely factoring in the immediate event impact (2.8% yield return + 0.5% positive earnings = ~3.3%). We therefore do not see material upmove as a consequence of the announcement.

Earnings momentum – a key trigger for the sector

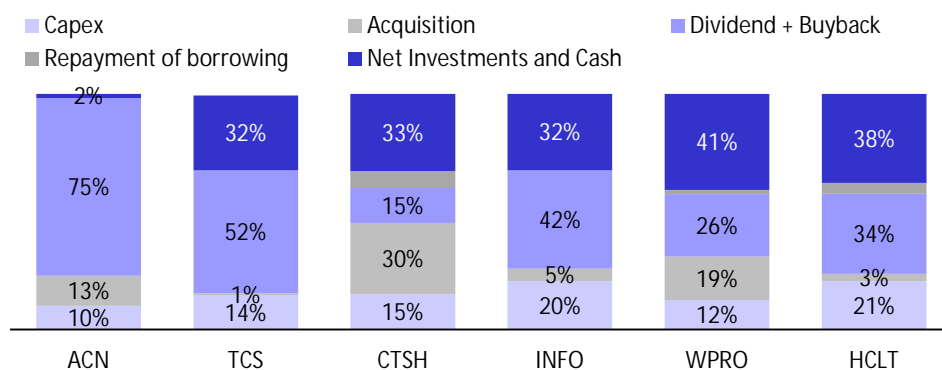
As highlighted in our earlier note ([click here to access detailed report](#)), we believe the case for valuation uptick for Indian IT would depend on the positioning in Digital and increased investments around it. The upshift in dividend payout should only drive an adjustment in valuation multiple to the extent of its impact on future cumulative returns.

Exhibit 4: Significant increase in payouts lately



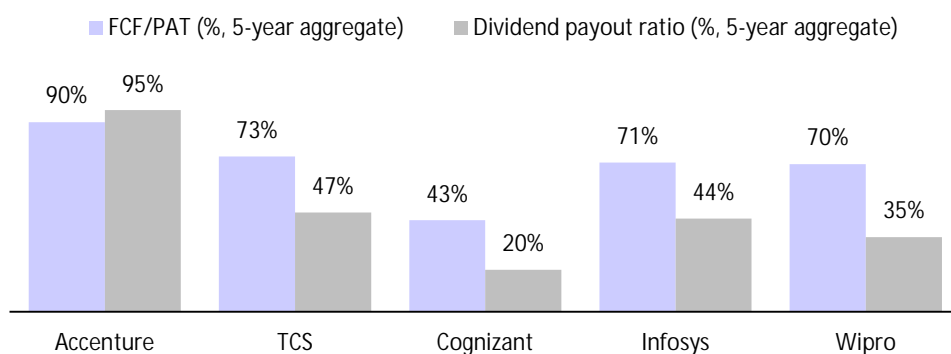
Source: MOSL, Company

Exhibit 5: Accenture's capital allocation has been superior compared to peers (last six years aggregate)



Source: MOSL, Company

Exhibit 6: Potential for uptick in sustainable dividend payout at higher levels



Source: MOSL, Company



BSE SENSEX 29,649 S&P CNX 9,160

CMP: INR375 TP: INR335(-11%) Neutral



GAIL (India) Limited

Stock Info

Bloomberg	GAIL IN
Equity Shares (m)	1,691
52-Week Range (INR)	401 / 251
1, 6, 12 Rel. Per (%)	-5/27/20
M.Cap. (INR b)	635.0
M.Cap. (USD b)	9.4
Avg Val, INRm	851
Free float (%)	43.9

Financials Snapshot (INR b)

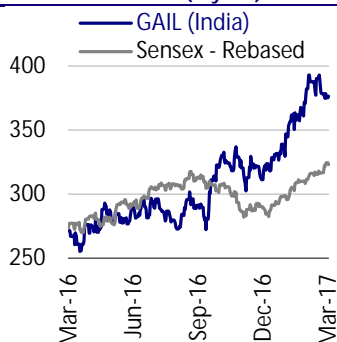
Y/E Mar	2016	2017E	2018E
Net Sales	515.9	500.7	548.6
EBITDA	39.5	70.9	80.9
PAT	22.8	40.4	48.3
EPS (INR)	13.5	23.9	28.5
Gr. (%)	-23.9	77.2	19.6
BV/Sh (INR)	180.6	198.6	216.6
RoE (%)	7.6	14.1	13.7
RoCE (%)	6.4	10.5	11.3
P/E (x)	27.9	15.7	13.1
P/BV (x)	2.1	1.9	1.7

Shareholding pattern (%)

As On	Dec-16	Sep-16	Dec-15
Promoter	56.1	56.1	56.1
DII	25.3	25.2	23.8
FII	15.7	15.9	17.6
Others	2.9	2.8	2.5

FII Includes depository receipts

Stock Performance (1-year)



Pata capacity doubles

Ramp-up of Pata-2 on schedule

We recently visited GAIL's petrochemicals plant in Pata, Uttar Pradesh. Key takeaways:

- Utilization of the Pata plant stands at ~70% (~110% for Pata -1), which management expects to ramp up to 90%/100% in FY18/19.
- Gas transmission volumes stand at ~108mmscmd in March 2017 v/s 103mmscmd in 3QFY17.
- Progress of the Vijaipur-Auraiya-Phulpur pipeline (VAPPL) and the Urja-Ganga project is on track, and management is confident of meeting the completion deadlines.

Pata plant utilization to ramp up to 90%/100% in FY18/19

- Capacity at the Pata plant has almost doubled to 810ktpa (from 410ktpa) post expansion. Utilization stands at ~70% at Pata-2 and ~110% at Pata-1.
- For the Pata plant, management has guided for FY18/19 utilization of 90%/100% with production capacity of 730/810ktpa. It also hinted at a short shutdown period in April 2017.
- Total investment for expansion of INR81.4b at Pata-2 and ~INR40b for Pata-1.
- Current C2/C3 mix at 80/20, which management expects to improve to 60/40.

Transmission volumes see uptick; pushing for uniform tariffs

- GAIL's gas transmission volumes stand at 106-108mmscmd in March 2017, higher than 103mmscmd in 3QFY17, led by an increase in fertilizers and industry demand.
- Uniform tariff:** The CCEA approved postal tariff (as against zonal tariff) for the JHBDPL pipeline. GAIL is in favor of postal tariff for all its 14 pipeline networks.
- GAIL has appealed to the Delhi High Court against the Petroleum and Natural Gas Regulatory Board's (PNGRB) attempt to fix tariff for pipelines. Recently, in response to IGL's appeal, the Supreme Court (SC) announced a verdict that limited the PNGRB's scope only to third-party gas transmission.
- While the PNGRB, in its final tariff order, may cut the tariff on the HVJ pipeline, we believe postal tariff/PNGRB not fixing tariff for GAIL's pipeline should address this concern.

Confident to complete VAPPL and Urja-Ganga projects on time

- GAIL is constructing a new pipeline from Vijaypur to Phulpur with total capacity of 8.9mmscmd at a cost of INR43.1b. This pipeline, which will act as a feeder line to the Phulpur-Haldia pipeline, is further divided in two sections for execution purpose.
- VAPL (Vijaypur to Auriya Pipeline): The length of the pipeline is 357km with 36" diameter. The project cost is INR28.8b. The pipeline covers two states – Madhya Pradesh and Uttar Pradesh. Currently in the design and engineering phase, the pipeline is expected to complete by June 2019.

- ∅ APPL (Auriya to Phulpur Pipeline): The length of the pipeline is 315km with 24" diameter. The project cost is INR14.3b. The pipeline is further divided into Spread 1 (Auriya district to Unnao District; 157km) and Spread 2 (Unnao district to Phulpur District; 157km). GAIL targets to complete both spreads by May 2018.
- n Urja-Ganga Project: This project, which includes the Phulpur-Haldia and Ranchi-Dhamra pipeline networks, has been undertaken on top priority and is being regularly monitored by the PMO. It will have capacity of 16mmsmd, which can be expanded to 30mmscmd with minimal investment. This pipeline is to be constructed at a cost of INR140b, with the government promising 40% subsidy (INR57b) on expenditure basis. The construction will be completed over three phases:
 - ∅ Phase 1: Phulpur – Dobhi section: expected to compete by Dec-18 with capex of INR46b
 - ∅ Phase 2: Phulpur – Gaya section: expected to compete by Dec-20 with capex of INR56b
 - ∅ Phase 3: Gaya – Haldia section: expected to compete by Dec-20 with capex of INR34b.

Valuation and view

- n The stock trades at 12.1x FY19E EPS of INR31, and 9.8x FY19E EPS of INR57 adjusted for investments. Our SOTP-based target price stands at INR335/share. Maintain **Neutral**.

Valuation and view

- n GAIL has stabilized its petchem plant after reporting losses for five quarters (4QFY15 – 4QFY16). We model petchem turnaround to continue, helping 32% earnings CAGR in FY16-19E, however return ratios will remain subdued at 10-12%.
- n While recent tariff orders were positive, the overall transmission volume of those pipelines was marginal. Concern on gas transmission volume to continue.
- n Although the company has entered into a time-swap deal for part of its import volume from the US, we remain concerned on how the company would manage the volumes in light of differential compared with Asia Pac FOB prices.
- n The stock trades at 12.1x FY19E EPS of INR31 and adjusted for investments of INR57/sh at 9.8x. Our SOTP-based target price stands at INR335/sh. **Maintain Neutral.**

Exhibit 7: GAIL India: Key Assumptions

	FY12	FY13	FY14	FY15	FY16	FY17E	FY18E	FY19E
Brent crude (USD/bbl)	114.5	110.0	107.8	86.0	47.5	50.0	60.0	60.0
Exchange Rate (INR/USD)	47.9	54.5	60.6	61.1	65.4	67.5	70.0	72.0
Subsidy (INRb)	31.8	26.9	19.0	10.0	-	-	-	-
Avg. Gas Price (USD/mmbtu)	5.7	6.7	7.9	8.4	7.6	5.8	6.6	6.6
Natural Gas Transmission								
Total (mmscmd)	119	105	97	92	92	100	104	110
Adj. Average Tariff (INR/mscm)	887	883	1,169	997	1,115	1,235	1,266	1,308
LPG Transmission								
Volume ('000 MT)	3,362	3,200	3,030	3,094	2,819	3,100	3,596	3,596
Average Tariff (INR/MT)	1,351	937	1,329	1,424	1,724	1,625	1,625	1,625
Petrochemicals								
Capacity ('000 MT)	450	450	450	450	900	900	900	900
Utilization (%)	100%	95%	100%	98%	37%	66%	95%	95%
Sales ('000 MT)	448	427	445	441	334	594	855	855
Realization (USD/MT)	1,589	1,614	1,703	1,801	1,420	1,471	1,426	1,426
LPG & liq. HC								
Sales ('000 MT)	1,439	1,371	1,308	1,279	1,087	1,084	1,100	1,100
LPG realization (USD/MT)	910	957	936	784	457	398	478	478
EPS (INR/sh)	21.6	23.8	24.4	17.7	13.5	23.9	28.5	31.0

Source: Company, MOSL



Colgate

BSE SENSEX
29,649

S&P CNX
9,160

CMP: INR989

TP: INR1,170 (+18%)

Buy



COLGATE-PALMOLIVE COMPANY

Stock Info

Bloomberg	CLGT IN
Equity Shares (m)	272.0
52-Week Range (INR)	1033 / 788
1, 6, 12 Rel. Per (%)	8/-1/-2
M.Cap. (INR b)	269.0
M.Cap. (USD b)	4.0
Avg Val, INRm	311
Free float (%)	49.0

Financials Snapshot (INR b)

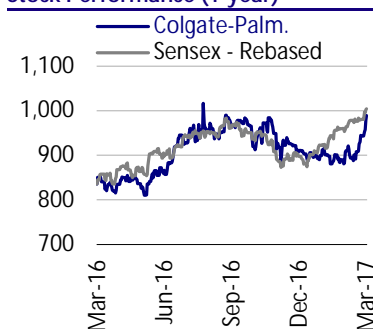
Y/E March	2017E	2018E	2019E
Sales	39.2	44.5	51.3
EBITDA	9.6	11.5	13.8
Adj. PAT	5.9	7.0	8.6
Adj. EPS (INR)	21.7	25.8	31.6
EPS Gr. (%)	-4.4	18.9	22.7
BV/Sh.(INR)	41.5	44.3	48.1
RoE (%)	54.9	60.1	68.5
RoCE (%)	53.8	59.0	67.3
P/E (x)	45.6	38.4	31.3
P/BV (x)	23.9	22.3	20.5

Shareholding pattern (%)

As On	Dec-16	Sep-16	Dec-15
Promoter	51.0	51.0	51.0
DII	8.8	8.5	6.1
FII	16.5	16.2	18.3
Others	23.7	24.3	24.6

FII Includes depository receipts

Stock Performance (1-year)



Great play on rural growth

Government policies in place; watch for normal monsoon

- n We met the management of Colgate Palmolive (India), and as usual, came back enthused about its longer-term business prospects. The company has weathered the storm from herbal players like Patanjali, with minimal damage to its market share in the last three quarters. We believe the sharp dip towards the end of FY16 was only a small blip in what has been a longer-term uptrend in market share.
- n Given its rural dominance, CLGT is a great play on rural recovery. Of the two components driving rural growth, government schemes are falling in place and if the monsoon is near-normal this year too, CLGT should see a sharp revival in earnings growth off a low base. FY15 and FY16 witnessed lower than normal monsoons and the benefits of the near-normal monsoon in FY17 were washed away by the tide of demonetization.
- n We remain admirers of the tremendous business franchise CLGT has in India, with its barriers to entry in the form of distribution reach, brand strength, single-minded category focus, and category development efforts. It has been upping the ante on innovation, advertising, and premiumization.
- n Valuations are lower than the average 3-year and 5-year multiples. We roll forward to March 2019 numbers, maintain our target multiple at 37x (5% discount to 3-year average), which begets a target price of INR1,170 (INR1,115 earlier), a 19% upside. CLGT has best-of-breed RoE, strong earnings growth prospects, and best-in-class dividend yield, which is likely to rise rapidly now that a major part of the capex is over. We maintain Buy.

Great play on rural growth

- n The stated management intent is to keep increasing market share every year. This is what CLGT consistently achieved before the blip last year.
- n The rural segment would remain the key driver of incremental volume growth for CLGT in India.
- n The management believes that CLGT has advantages over peers in terms of distribution reach (over 5m outlets), brands, and wide product portfolio. Its massive category development efforts – Bright Smiles Bright Futures and Oral Healthcare Month – are unmatched, not just in oral care but also across FMCG peers. CLGT has also expanded massively in rural areas in the past few years, benefits of which have not been witnessed yet due to the slowdown.

Government policies falling in place; hoping for near-normal monsoon in FY18

- n The management believes there are two crucial components for rural growth – government policies and monsoon. Further, it believes that the first component is falling into place very well.

- n Direct benefit transfer (DBT) would substantially curb leakages from the system and fuel growth. The 24% increase in rural allocation in the February 2017 budget to INR1,872b is another positive. Implementation of the BJP manifesto in the state of Uttar Pradesh (UP) would also boost consumption.
- n FY15 and FY16 had lower-than-normal monsoons, which caused a slowdown in staples. While FY17 had a near-normal monsoon (CLGT was witnessing healthy MoM volume growth in August, September and October), demonetization washed away a lot of the gains. If the monsoon is near-normal this year (too early to comment, as initial IMD projections would be out in April), with government support in place, rural demand could see substantial revival.
- n We also note that in toothpaste, CLGT's rural market share is higher than its national market share. Entry barriers are even stronger in the hinterland. A rural revival wouldn't just boost CLGT's volumes, but also boost its overall market share. 22% of CLGT's sales come from the INR10 pack, and its *Cibaca* brand is dominant in the lower-tier cities as well as rural areas.

Urban markets would remain a premiumization story for now

- n The premium segment continues to grow faster than the market, though not at as scorching a pace as before.
- n Segments like sensitivity, teeth whitening, and other specific treatment products continue to grow at a healthy pace. Another segment that has done very well for CLGT in recent years is kids' toothpaste, which is growing at 25-30% off a low base (currently less than 2% of toothpaste sales).
- n Going by the experience in other emerging markets, the premiumization potential in India is huge.

Brushing twice a day could be a big long-term game changer

- n Last year, CLGT carried out various studies in select markets in South India on target groups encouraging brushing twice a day. In India, even in urban areas, only about 20% of the people brush twice a day. Results of the test group studies have been encouraging.
- n The company plans to eventually roll out campaigns using lessons from the target group studies, starting with the metro cities. However, there would be costs involved in such messaging reinforcement campaigns and the management would take a call on roll out timelines in the medium term.

Innovation and A&P support to continue

- n The management also highlighted innovation as a key focus area. A&P support would continue to be high at least for the next few quarters.

Competition has been high since the 1990s

- n The management pointed out that competitive intensity has been high since the 1990s, when Hindustan Unilever (HUVR) became aggressive with *Pepsodent* and *Close Up*. Subsequently, the first decade of the new millennium saw the first wave of competition from herbal players as well as from price warriors.
- n The current decade witnessed competition in the premium segment from Glaxo, advent and pullout of P&G in toothpastes through the *Oral B* brand, with HUVR intermittently becoming very aggressive over the past decade. Yet, CLGT has

had a steady improvement in overall market share over a 10-year period, barring the recent blip. It is able to consistently gain share because even in smaller segments where it is/was weaker (for example, gels and premium segment), it has been extremely competitive, retaining the number-2 position and dominating the broader urban and rural segments.

- n CLGT is taking both Patanjali and the herbal category very seriously. However, it is noteworthy that fears of market share loss due to scorching growth in both these were overblown. The herbal category accounts for only 20% of total toothpaste sales (up from around 17% the same time last year). Patanjali's exit market share in December 2016 was around 4% compared to 2.5% at the end of December 2015. Over the past three quarters, CLGT's market share has declined by a marginal 30bp. Even in the herbal category, a perceived weak area for CLGT, it has close to 30% market share and is rapidly scaling up.

Barriers to entry remain strong

- n We believe the reason why CLGT is able to scale up rapidly in relatively weaker segments and dominate the overall market is the barriers to entry that it enjoys in terms of:
 1. **Distribution reach of over 5m outlets** – *Colgate* toothpaste is the second-best distributed FMCG brand in India after HUVR's *Lifebuoy* soap.
 2. **Brand strength** – rated among the top-3 brands for 20 years, including being rated as the top FMCG brand over the past six years.
 3. **Category focus** – highest advertisement spend in any single category as well as investments of huge operating cash flows of over INR6b every year, which peers cannot match, as oral care for all of them is less than 10% of their sales compared to 97% for CLGT.
 4. **Unparalleled category development efforts** – give CLGT an enviable edge in attracting the incremental customer over peers.

Digital presence increasing

- n 7% of CLGT's advertising spends are already on digital. Digital accounts for majority of spend for a youth brand like *Colgate Max Fresh* and nearly all of its spending on new age brands like *Colgate Visible White*.
- n While digital spend is scaling up rapidly and is cheaper than television advertisements, the management continues to expect television to be the predominant part of ad spend over the next few years.

Geared for GST implementation

- n We believe CLGT's indirect tax incidence is 23-24% and the company would be a beneficiary of GST. The management stated that they have no update on what rate would apply to CLGT or whether the government would have an anti-profiteering clause. The company began preparing for GST 12-15 months ago. With SAP as partner, it has been readying its channel for the shift and is confident of being ready for GST by the scheduled July 1, 2017 implementation.



Refer to our report on Utilities, July 2016



Refer to our report on Utilities, February 2017



Only mild opposition to draft regulation to lower RoE for RE

Highlights of Delhi visit

We attended the public hearing on renewable energy (RE) regulations for 2017-2020 held by the Central Electricity Regulatory Commission (CERC). We also met officials/companies from the power sector in Delhi. Key highlights:

- n During the CERC’s public hearing on draft regulations (2017-2020) for RE, there was only mild opposition to a reduction of RoE to 14%. RoE for conventional projects may not necessarily be reduced because these projects have a higher risk profile, a longer gestation period and involve a large number of affected parties, in our view.
- n Various actions are undertaken to plug DISCOM leakages: (1) discouraging open access, (2) DBT and (3) privatization.
- n Privatization of DISCOM circles is gathering pace. Madhya Pradesh, Jharkhand, Uttarakhand, Odisha and Rajasthan will offer many circles.
- n The focus on electrification is gaining steam (from every village to every house).
- n Plants older than 25 years will be replaced with super-critical plants rather than renovating them, considering the superior lifecycle benefits of reduction in fuel consumption and emission.

CERC public hearing on RE – mild opposition to RoE reduction: In the draft regulations for RE generation for the control period 2017-2020, the CERC has cut the regulated RoE from 15.5% to 14%. According to the regulator, this is driven by (1) a decline in risk free interest rate from 7.99% to 6.97% and (2) low RoE in competitively bid projects. There was only mild opposition to this during the public hearing, perhaps because there are very few affected parties.

However, these arguments may not necessarily be sufficient while reviewing RoE norms for conventional generation and transmission projects for the command period 2019-24 because (1) risk free rates are volatile and (2) there is no precedence of aggressive bidding as these projects involve much higher execution risk. There is also a risk of increasing financial stress for many developers which are already bleeding. Therefore, it is possible that the reduction in RoE may apply only to new projects. We are conservatively modeling lower regulated RoE of 14% for NTPC and Power Grid from FY20E.

Many actions to plug DISCOM leakages: While DISCOMs are working to reduce their AT&C losses and improve operations, various other steps are also being undertaken to prevent leakages.

- n **Direct benefit transfer:** The government is evaluating direct benefit transfer of electricity subsidy. It is likely to be soon undertaken on a pilot basis. However, as electricity is a state subject, the implementation could take longer than the time taken to implement direct benefit transfer of LPG subsidy given the large number of DISCOMs.
- n **Curbing open-access through additional surcharge:** DISCOMs are using additional surcharge to make open-access uncompetitive. A number of states imposed additional surcharge on open-access customers in 2016. The open-access market in Rajasthan and Maharashtra has declined significantly due to such steps. As these high-paying customers come back to DISCOMs, it will improve their financial health and ability to cross-subsidize.
- n **Privatization of DISCOMs:** DISCOMs have started privatization of many circles.

Partial privatization of DISCOM gaining pace; Positive for CESC

DISCOMs are using the 'distribution franchisee' route as a way to partially privatize operations and improve their financial health. Rajasthan has already given three circles and is likely to offer two more. Madhya Pradesh is likely to offer 5-6 circles. Jharkhand will offer two circles, and a few circles will be offered by Uttarakhand and Odisha. CESC is one of the few players in the electricity distribution sector in India and is likely to be a key beneficiary.

Electrification to accelerate further

The pace of electrification is likely to gather pace as the government intensifies its 'Power for All' objective. The goal post is likely to shift from complete electrification of villages to electrification of households.

Focus on clean energy even from coal-based plants; Positive for NTPC

The government is trying to reduce carbon footprint and emission in electricity generation. This will be achieved by not only increasing electricity generation from renewable sources, but also by a critical review of emission from existing coal-based plants. The SOx/NOx norms are only temporarily deferred. Plants that are more than 25 years old will be replaced by super/ultra-critical units rather than being renovated and modernized. Super/ultra-critical units will reduce coal consumption and emissions. Furthermore, it aids in better integrating RE. The potential demand from replacement of old plants could be ~40GW. The capital expenditure for meeting new SOx/NOx norms and replacement of old 11GW will drive growth in regulated equity and earnings for NTPC.

Exhibit 8: Utilities sector valuation

	Rating	CMP (INR)	TP (INR)	Up/(dw) %	MCAP (USD M)	EPS			P/E (x)		P/B(x)		RoE (%)	
						FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
Power grid	Buy	195	243	25	15,136	11.5	15.3	17.7	12.7	11.0	2.1	1.8	17.4	17.5
NTPC	Buy	160	199	24	19,637	12.3	12.1	14.3	13.3	11.2	1.4	1.3	10.8	11.9
JSW Energy	Buy	64	81	26	1,563	8.5	3.7	3.0	17.4	21.4	1.2	1.2	7.0	5.6
CESC	Buy	831	970	17	1,646	27.8	50.2	74.5	16.5	11.1	1.9	1.6	11.0	15.8
Coal India	Neutral	290	315	9	27,224	22.6	17.2	20.0	16.9	14.5	5.9	5.9	33.6	41.1

Source: MOSL, Company

Key takeaways from call with Anadarko for development of Offshore Area 1, Mozambique:

Offshore Area 1, Mozambique has a total of 75tcf of recoverable reserves. While BPCL has a 10% stake in the block, ONGC and Oil India had bought stakes of 16% and 4%, respectively, around 3-4 years ago. BPCL has invested ~USD500m so far in the block.

- n Anadarko plans two trains each of 6mmtpa in the first phase.
- n The Heads of Agreement has been signed for more than 8mmtpa. Management is under discussion with the buyers to convert these into long-term contracts.
- n There has been further progress in discussion with the government over the legal framework, resettlement of affected families and marine concessions.
- n The Final Investment Decision is expected after the gas sales and purchase agreements for at least 8mmtpa are finalized and lines of financing are secured with the lenders.
- n Management believes that LNG demand-supply would be tighter beyond 2022. Current low LNG prices do affect the project economics adversely, but we have to look at a longer horizon.

Exhibit 9: Valuation of Rovuma Basin for BPCL

Valuation	Value	Comments
Recoverable reserves (BCM)	2,124	
Crude oil equivalent (MMBOE)	12,500	
Metric (US\$/BOE)	2.5	
Value of the block (US\$ MN)	31,250	
BPCL's stake (%)	10.0	10% stake
Discount rate (%)	50.0	Mozambique viability
Value for BPCL (US\$ MN)	1,563	
Exchange rate (Rs/US\$)	67	
Valuation for BPCL (INR/share)	72.4	

Source: Company, MOSL

Exhibit 10: Valuation of Mozambique for ONGC

Valuation	Value	Comments
Valuation of block (USD bn)	31.3	
ONGC's stake (%)	16	16% stake
Discount rate (%)	50	Mozambique viability
Valuation for ONGC (USD mn)	2.5	Using USD 2.5/boe as valuation multiple
Value paid (USD bn)	3.3	
Valuation for ONGC (INR/share)	-4.2	

Source: Company, MOSL

Exhibit 11: Valuation of Mozambique for OIL

Valuation	Value	Comments
Valuation of block (USD bn)	31.3	
ONGC's stake (%)	4	4% stake
Discount rate (%)	50	Mozambique viability
Valuation for ONGC (USD mn)	0.63	Using USD 2.5/boe as valuation multiple
Value paid (USD bn)	1	
Valuation for OIL (INR/share)	-31.3	

Source: Company, MOSL

India long product prices continue to rise

- Indian steel: Long product (TMT Mumbai) prices were up ~1% WoW. Sponge iron prices were up ~3% WoW while domestic scrap prices were up ~2% WoW. Imported scrap prices were up ~1% WoW. Domestic iron ore and pellet prices were unchanged. Domestic HRC prices were unchanged while import HRC prices were down ~4% WoW.
- Raw Materials: Iron ore prices (China cfr) were up ~6% WoW. Port inventories in China were unchanged WoW. Thermal coal prices were down ~4% WoW. Coking coal prices were down ~1% WoW. China pellet import prices were marginally higher WoW.
- Europe: HRC prices were unchanged. Rotterdam scrap prices were down ~1% WoW. CIS export HRC prices were marginally lower.
- China: local HRC steel prices were up ~1% WoW, while rebar prices were up ~3% WoW. Steel HRC export prices were however down ~6% WoW while rebar was down ~1% WoW.
- Base metals: Aluminum (cash LME) was up 1% WoW. Spot premiums in Japan were unchanged. Alumina prices were lower. Zinc (cash LME) was up 6% WoW while lead was unchanged. Copper was up ~3% WoW. Crude oil (Brent) prices were up ~1% WoW.
- Fixed asset investment in China grew by 8.9% YoY accelerating from ~8% growth in the last few months.

Metal Prices

	CMP	change since						
		17-Mar	%	10-Mar	%	1-Jan	%	1-Apr
STEEL								
TMT- Mumbai (INR/ton)	31,800	1	31,600	4	30,600	15	27,600	
HRC- Mumbai (INR/ton)	36,444	0	36,444	-5	38,222	19	30,667	
HRC (USD/ton) fob CIS	495	-1	498	0	495	35	368	
Sponge iron - Raipur (INR/ton)	18,400	3	17,800	15	15,950	38	13,300	
METALLICS								
Pig iron - Raipur (INR/ton)	23,600	1	23,433	5	22,550	22	19,300	
Iron ore spot (USD/ton) cfr China	92	6	87	17	79	68	55	
Coking coal (USD/ton) fob Aus.	158	-1	159	-34	240	92	82	
Shred. scrap (USD/ton) Rotterdam	278	-1	281	0	278	18	235	
ALUM.								
LME Spot (USD/ton)	1,901	1	1,885	11	1,714	25	1,524	
Indian prices (INR '000/ton)	125	-1	126	7	116	23	101	
LME inventories ('000 ton)	1,996	-3	2,054	-9	2,202	-28	2,783	
ZINC								
LME Spot (USD/ton)	2,847	6	2,698	11	2,563	55	1,842	
Indian prices (INR '000/ton)	187	4	180	7	174	-85	1,222	
LME inventories ('000 ton)	376	-2	383	-12	428	-13	435	
COPPER								
LME Spot (USD/ton)	5,889	3	5,715	7	5,501	21	4,880	
Indian prices (INR '000/ton)	386	2	380	3	374	21	319	
LME inventories ('000 ton)	338	2	331	8	312	136	143	
OTHERS								
Gold (INR/10gms)	28,487	0	28,430	2	27,812	-2	29,080	
Sliver (INR/1kg)	40,737	1	40,183	5	38,921	11	36,651	
Lead Spot LME (USD/ton)	2,260	0	2,258	14	1,985	31	1,720	
Brent crude (USD/bbl)	51.8	1	51.4	-9	56.8	34	38.7	
MISC.								
INR/USD	65.5	-2	66.5	-4	68.0	-1	66.2	
BDI	1,196	9	1,099	24	961	166	450	

Valuations: Indian companies

Company	Price (INR)	EV/EBITDA (x) FY17E	P/B (x) FY18E	P/B (x) FY17E
Steel				
Tata Steel	502	9.4	7.8	4.1
JSW Steel	192	8.2	6.5	2.2
JSPL	130	13.4	9.8	0.3
SAIL	63	nm	nm	0.7
Non-Ferrous				
Hindalco	196	7.1	6.3	1.8
Nalco	74	9.5	6.4	1.4
Vedanta	264	7.2	5.4	1.4
Mining				
Coal India	290	8.7	6.3	5.9
HZL	310	10.5	6.6	3.1
NMDC	139	9.0	8.3	1.9

Note: Detailed table on pg 25 Source: MOSL

Valuations: Global companies

	Price	EV/EBITDA (x) CY16	P/B (x) CY17	P/B (x) CY17
Mining				
BHP	AUD 24.84	5.6	6.2	1.7
FMG	AUD 6.7	3.8	5.3	1.5
Rio Tinto	AUD 62.93	5.3	6.5	2.0
Vale	USD 29.9	5.5	6.5	1.1
Teck Res.	USD 21.17	4.1	5.3	0.8
Steel				
A. Mittal	EUR 8.518	5.4	5.4	0.9
Posco	KRW 291.5	6.3	6.0	0.6
US Steel	USD 37.29	6.5	6.0	2.3
Nucor	USD 64.72	8.3	7.8	2.4
JFE	JPY 2026.5	9.5	7.1	0.6
Gerdau	BRL 12.34	7.1	5.8	1.1
Angang	CNY 5.85	9.3	8.0	0.8
Non Ferrous				
Alcoa	USD 34.97	4.5	4.7	0.8
Hydro	NOK 53.2	6.9	6.7	1.3
Rusal	HKD 4	9.7	9.4	2.5

Note: Detailed on pg 25 Source: Bloomberg



1. Aditya Birla group: Why idea, Vodafone merged; Kumar Birla, Chairman

- n There is great industrial logic and business sense to both of these businesses coming together. It is about the coming together of two companies who have huge complementarity especially in terms of the assets that they own.
- n Looking at the combined company, it would be the leader in 22-23 circles, a market share of about 40%, customer market share of about 35% & 1,850 megahertz spectrum which is a very large bank of capacity.
- n Talking about the mark-up over the implied valuation, as promoters we are always very concerned about our minority shareholders and the fact that their interests need to be protected. It is an artificial price.
- n The company is going to be jointly managed and with equal rights. That is the underlying objective or the overlying philosophy of the whole combination and for the new company.

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2. Blue Dart: There will be huge gains for logistics post gst implementation; Yogesh Dhingra, CFO & COO

- n It will be another two to three months more for the entire whatever loss happened to really come back. June end, July should be the time by which we should see things coming back to normal.
- n With the state borders becoming more efficient, there will be less wastage of time on those check points, it will reduce our cost of operation and lead to improvement in our margins, customers will get a better pricing.
- n GST will force people to deal with overly organised players because if you are dealing with somebody who is not organised part of the network you will not be able to reduce your input cost.
- n Over the next couple of years, will be in a much better position and certainly with the GST coming in with the Indian economy now going to take a growth, which could be even more than 8% so there are lot of positives and one should look at that

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3. Railway Ministry: We have shortened the decision-making process; Suresh Prabhu, Railway minister

- n The decisive victory in UP elections will help the PM take even bolder decisions and lead the country forward. In a democracy, endorsement is very important and we have got that endorsement in the recent elections.
- n On reforms, the railways has already been moving in the right direction. The causes of the railways' decline over the decades were discussed in the two successive budgets.
- n The finance minister presented a continuation of the same strategy. So, we are already on the correct path.
- n Out-of-the-box thinking is a must. However, to solve our internal problems, outside expertise alone is not enough. So we have created Transformation Cell, where we will take ideas from outside the railways but closely interact with rail talent to implement them.

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1. The february exports puzzle. by Madan Sabnavis

n The exports performance for February 2017 has been very impressive with growth of 17.5 per cent, which is one of the highest rates recorded in the last five years or so. In October 2014, growth was 14.3 per cent, which is the next highest growth rate. Is there reason to cheer? Prima facie there is reason to be satisfied as growth has turned positive for quite some time now and it is reasonable to expect that growth will be in this zone in the coming months too given that global economic conditions are definitely not deteriorating even though the growth process is localised and sluggish.

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2. Increase in nominal GDP must be celebrated with caution. by Pinaki Chakraborty

n The attention attracted by the GDP estimates for the third quarter (Q3) of FY17 released by the CSO on February 28, 2017, would perhaps have no precedent. The debates around the numbers suggest that the contractionary impact of demonetisation on growth is suppressed by projecting a 7% Q3 growth rate. In this context, we need to keep three things in mind: (a) First, the quantum of real economic activity is captured by Gross Value Added (GVA). Gross Domestic Product (GDP) is obtained by adding taxes and subtracting subsidies from GVA.

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3. CCI Sharing concerns at early stages would reduce trust deficit. by Akash Gupta

n The Competition Commission of India (CCI) has reviewed more than 450 mergers/acquisitions so far under the merger control regime provided in the Competition Act, 2002. Barring a few exceptions, it has maintained a fairly good track-record about the time taken for approvals. However, processes and time-lines followed by the CCI are still wrapped in mystery for the businesses at large. Amending the Competition Act, 2002 time-lines and processes to make them more practical, creation of a transparent evaluation criteria and significant enhancement of communication between the CCI and stakeholders can speed up the merger approval process.

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4. Moving towards a larger formal economy. by Livemint

n According to conventional wisdom, the currency swap initiative was supposed to have been the Narendra Modi government's political epitaph. The assembly poll results have turned that on its head. The economic effects of the initiative will likely continue to be debated for a while yet. But the voting public has shown that at worst, it didn't consider any immediate economic pain arising from currency swap sufficient reason to vote against the Bharatiya Janata Party—and at best, the initiative was an electoral positive, seen by voters as proof that the Prime Minister intends to follow through with difficult reforms. This creates a unique opportunity for Modi.

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5. Celebrating competition. by Narayan Ramachandran

n The Bharatiya Janata Party's (BJP's) thumping victory in the Uttar Pradesh (UP) elections came about for many reasons. One spokesperson for the party offered five reasons for the victory: (1) the charisma of Prime Minister Narendra Modi, (2) the organizational genius of party president Amit Shah, (3) the structure of the party led by the two, (4) an overarching vision reflected in the manifesto inspired by them and, (5) a large and growing party base sparked by the two gentlemen. The undertone of the article was a breathless celebration of personality.

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6. Decks cleared for sailing. by Mukesh Butani

n After the elections in several key states, the BJP finds itself in a sweet spot. The victories appear to be the product of Gol's concerted efforts to address the woes of the common man. The Narendra Modi government has conceived and implemented a host of fiscal and non-fiscal reforms since coming to power. Well-thought-out measures have been activated on various fronts: foreign investment policy, indirect taxation, labour laws, the Insurance Act, dispute resolution, black money, et al. The recent electoral mandate, the first formal exhibit of public opinion since demonetisation that was criticised intensively by leaders of the opposition and other critics, ought to be regarded as a game changer for Indian political dynamics.

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International

7. Bombing north korea is not an option. by Gideon Rachman

n The two sides are like accelerating trains coming towards each other with neither side willing to give way." That was how Wang Yi, the Chinese foreign minister, described the tension between the US and North Korea. The fact that the drivers of the two trains are Kim Jong Un and Donald Trump will not reassure those of a nervous disposition. Last weekend, the American train gave a toot on its whistle, as Rex Tillerson announced that the era of American "strategic patience" with North Korea is over. The US secretary of state made a point of emphasising that America is considering all options, including military strikes.

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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	875	1,087	24	29.2	37.7	45.4	29.9	23.2	5.9	4.9	21.6	23.1	22.9
Ashok Ley.	Buy	89	114	28	4.8	6.4	8.2	18.5	13.9	4.0	3.4	23.1	26.3	28.2
Bajaj Auto	Buy	2,921	3,432	18	136.2	160.6	182.3	21.4	18.2	6.0	5.3	30.0	31.0	30.9
Bharat Forge	Buy	1,037	1,110	7	25.7	37.5	46.7	40.4	27.7	6.1	5.3	15.9	20.6	22.0
Bosch	Neutral	22,689	22,049	-3	489.0	639.6	735.0	46.4	35.5	9.1	7.6	18.8	23.4	22.6
CEAT	Buy	1,280	1,406	10	89.9	107.6	140.6	14.2	11.9	2.2	1.9	16.4	16.9	18.9
Eicher Mot.	Buy	25,033	27,458	10	623.7	868.2	1,072.1	40.1	28.8	14.2	10.2	41.1	41.2	37.1
Endurance Tech.	Buy	700	732	5	24.2	30.2	36.6	28.9	23.2	5.6	4.6	21.2	21.8	22.1
Escorts	Buy	519	596	15	21.8	32.8	42.6	23.9	15.8	2.6	2.3	11.4	15.6	17.7
Exide Ind	Buy	219	233	6	8.2	9.7	11.8	26.6	22.6	3.8	3.4	14.2	14.9	15.9
Hero Moto	Neutral	3,338	3,190	-4	175.2	190.7	199.4	19.1	17.5	7.0	6.0	40.1	36.8	33.0
M&M	Buy	1,301	1,486	14	60.7	75.0	89.4	21.4	17.4	3.2	2.9	14.3	13.6	14.5
Mahindra CIE	Not Rated	212	-		6.2	9.7	11.9	34.3	21.9	2.4	2.2	7.7	10.3	11.3
Maruti Suzuki	Buy	6,164	6,808	10	252.7	313.1	379.5	24.4	19.7	5.7	4.7	22.8	23.2	23.2
Tata Motors	Buy	476	653	37	12.8	35.5	70.1	37.3	13.4	1.9	1.7	5.2	13.3	22.2
TVS Motor	Buy	440	462	5	11.9	15.4	21.9	37.0	28.6	8.9	7.2	26.4	27.9	31.4
Aggregate								27.5	18.9	4.1	3.6	15.0	18.9	22.0
Banks - Private														
Axis Bank	Neutral	505	535	6	14.1	25.0	46.8	35.9	20.2	2.2	2.0	6.3	10.3	17.3
DCB Bank	Neutral	164	134	-18	7.1	8.6	10.9	23.1	19.0	2.4	2.1	10.9	11.8	13.1
Equitas Hold.	Buy	163	240	47	6.1	6.9	8.7	26.9	23.4	2.4	2.2	11.3	9.9	11.1
Federal Bank	Buy	87	105	21	4.6	5.5	6.9	18.9	15.9	1.7	1.6	9.4	10.4	12.1
HDFC Bank	Buy	1,438	1,510	5	56.9	68.3	81.5	25.3	21.1	4.4	3.8	18.6	19.3	19.8
ICICI Bank	Buy	275	345	25	17.2	17.9	21.8	16.0	15.4	1.9	1.7	10.4	9.9	11.3
IDFC Bank	Neutral	62	68	10	3.1	3.9	4.9	20.2	15.6	1.4	1.4	7.4	8.9	10.2
IndusInd	Buy	1,382	1,535	11	48.4	58.7	71.2	28.6	23.6	4.2	3.6	15.5	16.4	17.2
J&K Bank	Neutral	76	75	-1	-25.2	13.0	15.4	NM	5.8	0.7	0.6	-21.1	11.6	12.5
Kotak Mah. Bk	Buy	854	940	10	26.3	32.3	41.3	32.5	26.5	4.1	3.6	13.5	14.5	16.0
RBL Bank	Buy	498	450	-10	12.4	17.5	24.6	40.0	28.4	4.4	3.9	12.6	14.4	17.7
South Indian	Neutral	20	21	3	2.8	3.1	3.8	7.4	6.6	0.7	0.6	9.7	10.0	11.3
Yes Bank	Buy	1,513	1,575	4	79.3	97.0	118.4	19.1	15.6	3.9	3.2	22.1	22.6	23.0
Aggregate								25.1	19.8	3.0	2.7	12.0	13.6	15.5
Banks - PSU														
BOB	Buy	166	221	33	7.5	18.3	25.3	22.0	9.0	1.1	1.0	5.0	11.5	14.4
BOI	Neutral	129	123	-5	-5.6	17.1	23.2	NM	7.6	0.5	0.5	-2.4	7.0	8.9
Canara	Neutral	294	300	2	23.9	36.7	56.0	12.3	8.0	0.6	0.6	4.9	7.2	10.3
IDBI Bk	Neutral	78	49	-36	1.5	6.4	8.6	50.7	12.0	0.7	0.7	1.4	5.8	7.3
Indian Bk	Buy	270	330	22	30.4	32.2	38.1	8.9	8.4	0.9	0.8	10.4	10.2	11.1
OBC	Neutral	134	114	-15	6.6	19.6	24.1	20.3	6.8	0.3	0.3	1.7	4.8	5.6
PNB	Buy	145	185	27	6.7	12.7	17.2	21.6	11.4	0.8	0.8	3.9	6.8	8.6
SBI	Buy	274	350	28	8.6	21.6	29.5	31.8	12.7	1.2	1.1	3.9	9.2	11.5
Union Bk	Neutral	158	172	9	8.5	30.5	45.3	18.6	5.2	0.5	0.5	2.8	9.7	13.0
Aggregate								26.7	10.6	0.9	0.8	3.3	7.9	10.1
NBFCs														
Bajaj Fin.	Buy	1,178	1,276	8	34.1	44.6	59.3	34.6	26.4	7.1	5.8	22.5	24.1	25.9
Bharat Fin.	Neutral	827	848	3	44.6	39.5	51.5	18.5	20.9	4.1	3.4	29.6	18.0	19.4
Dewan Hsg.	Buy	362	405	12	30.7	35.6	42.0	11.8	10.2	1.8	1.6	16.6	16.6	17.2
GRUH Fin.	Neutral	378	348	-8	7.9	9.8	11.7	48.1	38.4	13.6	11.2	31.0	32.1	31.6
HDFC	Buy	1,458	1,580	8	46.8	51.7	57.3	31.2	28.2	5.8	5.3	19.6	19.6	19.0
Indiabulls Hsg	Buy	965	1,015	5	69.5	86.2	109.6	13.9	11.2	3.4	3.0	26.0	28.9	32.3
LIC Hsg Fin	Buy	591	693	17	37.6	44.7	52.6	15.7	13.2	2.8	2.4	19.1	19.5	19.6
Manappuram	Not Rated	93	-		3.8	4.3	5.2	24.3	21.7	2.7	2.6	11.4	12.2	14.0
M&M Fin.	Buy	316	323	2	8.4	11.1	13.9	37.4	28.5	2.8	2.7	7.7	9.7	11.4
Muthoot Fin	Buy	345	409	19	29.7	34.7	40.5	11.6	9.9	2.2	1.9	19.8	20.3	20.8



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	146	117	-20	24.0	25.5	40.5	6.1	5.7	1.0	0.9	16.8	16.2	22.3
Repco Home	Buy	675	752	11	29.0	34.2	40.5	23.3	19.8	3.8	3.2	17.5	17.5	17.7
REC	Neutral	169	134	-21	29.4	35.3	39.9	5.7	4.8	1.0	0.9	18.8	19.5	18.9
Shriram City Union	Buy	2,035	2,500	23	91.2	130.5	164.2	22.3	15.6	2.7	2.4	12.7	16.1	17.6
STF	Buy	1,053	1,225	16	58.1	77.9	96.7	18.1	13.5	2.1	1.9	12.3	14.7	16.1
Aggregate								17.1	14.7	2.9	2.6	17.2	17.7	18.9
Capital Goods														
ABB	Neutral	1,211	1,190	-2	18.4	26.1	32.6	65.8	46.4	7.8	6.7	11.9	14.4	15.9
Bharat Elec.	Buy	163	180	11	6.2	7.3	8.5	26.2	22.2	4.8	4.2	19.7	19.0	19.3
BHEL	Sell	170	115	-32	5.5	5.7	5.8	30.8	29.8	1.2	1.2	4.0	4.0	4.0
CG Cons. Elec.	Buy	195	205	5	4.6	5.5	6.7	42.8	35.8	32.4	22.0	94.3	73.3	66.1
CG Power & Indu.	Sell	74	45	-39	3.6	3.9	4.5	20.2	18.9	1.1	1.0	5.4	5.5	6.0
Cummins	Neutral	905	990	9	26.6	30.5	36.5	34.0	29.7	7.2	6.6	22.6	23.2	25.3
GE T&D	Neutral	313	340	9	6.0	11.0	11.4	52.1	28.4	6.2	5.6	11.7	20.7	19.2
Havells	Neutral	446	425	-5	8.9	12.1	14.1	49.9	37.0	10.1	9.1	20.3	24.6	25.1
Inox Wind	Neutral	180	175	-3	19.4	16.5	17.6	9.3	10.9	1.8	1.6	21.2	15.3	14.3
K E C Intl	Buy	177	175	-1	10.5	12.3	13.5	16.8	14.4	2.6	2.3	16.6	16.8	16.2
L&T	Buy	1,538	1,660	8	53.6	65.0	79.7	28.7	23.7	3.0	2.8	10.9	12.2	13.6
Pennar Eng.	Not Rated	127	-		10.5	12.4	16.8	12.1	10.3	1.8	1.5	14.5	14.6	16.6
Siemens	Neutral	1,246	1,340	8	17.0	25.7	33.5	73.3	48.4	6.7	5.8	9.2	11.9	14.2
Solar Ind	Neutral	742	800	8	19.0	22.3	26.5	39.0	33.2	6.7	5.8	18.4	18.6	19.0
Suzlon Energy	Not Rated	19	-		0.2	0.6	0.7	86.2	33.4	-2.1	-2.2	NM	-6.7	-8.4
Thermax	Sell	913	781	-14	24.4	27.9	31.3	37.4	32.8	4.3	4.0	12.1	12.6	13.1
Va Tech Wab.	Buy	594	760	28	26.5	34.5	40.3	22.4	17.2	3.1	2.7	8.9	16.7	17.3
Voltas	Neutral	390	365	-6	13.1	15.9	18.8	29.7	24.5	4.8	4.2	17.1	18.2	18.8
Aggregate								33.2	27.5	3.6	3.3	10.8	11.9	12.9
Cement														
Ambuja Cem.	Buy	234	277	18	4.9	7.3	7.9	47.9	31.9	2.4	2.3	5.0	7.4	7.7
ACC	Neutral	1,408	1,339	-5	33.7	46.7	58.6	41.7	30.2	3.1	3.2	7.5	10.4	13.2
Birla Corp.	Buy	703	869	24	21.5	41.2	54.1	32.6	17.0	1.9	1.8	6.0	10.9	13.3
Dalmia Bharat	Buy	1,908	2,246	18	32.3	50.7	73.8	59.1	37.6	4.1	3.7	7.2	10.4	13.4
Grasim Inds.	Neutral	1,062	1,067	0	70.2	86.5	110.7	15.1	12.3	1.7	1.5	12.0	13.1	14.7
India Cem	Neutral	162	138	-15	7.3	10.7	12.4	22.1	15.2	1.3	1.2	5.8	7.6	7.8
J K Cements	Buy	899	1,024	14	32.6	37.2	49.3	27.5	24.1	3.5	3.1	13.3	13.6	16.0
JK Lakshmi Ce	Buy	430	455	6	5.9	12.2	17.8	72.7	35.2	3.7	3.6	5.2	10.5	14.7
Ramco Cem	Buy	656	815	24	29.0	31.9	40.1	22.6	20.5	4.2	3.6	20.3	18.9	20.0
Orient Cem	Buy	133	167	25	-1.8	3.2	5.8	NM	42.1	2.9	2.7	-3.7	6.6	11.3
Prism Cem	Buy	100	112	12	-0.6	2.6	4.8	NM	37.9	5.2	4.7	-3.1	13.1	20.8
Shree Cem	Buy	16,043	19,006	18	387.1	582.8	729.9	41.4	27.5	7.6	6.0	19.9	24.4	24.3
Ultratech	Buy	4,005	4,058	1	93.5	129.6	161.2	42.8	30.9	4.8	4.2	11.7	14.5	15.8
Aggregate								33.8	24.4	3.4	3.0	9.9	12.5	14.0
Consumer														
Asian Paints	Neutral	1,078	1,035	-4	20.2	22.9	26.8	53.2	47.0	16.3	14.2	32.5	32.3	32.5
Britannia	Buy	3,253	3,775	16	71.9	83.0	101.3	45.2	39.2	17.3	13.7	42.9	39.1	37.9
Colgate	Buy	983	1,170	19	21.7	25.8	31.6	45.4	38.1	23.7	22.2	54.9	60.1	68.5
Dabur	Neutral	280	300	7	7.3	8.3	9.7	38.3	33.7	10.0	8.5	28.3	27.3	27.2
Emami	Buy	1,057	1,260	19	24.5	29.8	36.0	43.2	35.4	12.8	10.8	33.8	33.0	33.2
Godrej Cons.	Neutral	1,693	1,655	-2	36.8	42.8	49.6	46.0	39.6	9.6	8.1	22.4	22.2	21.9
GSK Cons.	Neutral	5,454	5,300	-3	157.7	178.8	190.8	34.6	30.5	8.1	7.0	25.1	24.7	23.1
HUL	Neutral	898	865	-4	19.3	21.5	24.8	46.6	41.8	32.1	33.4	67.6	78.4	92.5
ITC	Buy	282	295	5	8.4	9.5	10.8	33.7	29.7	8.9	7.8	28.4	28.1	28.2
Jyothy Lab	Neutral	350	365	4	7.6	9.0	10.5	46.2	39.0	7.0	6.4	15.7	17.2	18.3
Marico	Buy	292	330	13	6.1	7.1	8.4	48.2	41.3	14.5	12.5	33.3	32.4	34.5
Nestle	Neutral	6,296	6,840	9	118.7	144.0	171.0	53.1	43.7	19.9	17.2	35.9	39.2	42.3

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
Page Inds	Buy	14,620	16,910	16	235.6	305.1	388.4	62.1	47.9	25.6	20.2	41.3	42.2	43.2
Parag Milk	Neutral	219	215	-2	7.0	9.7	12.1	31.2	22.7	2.5	2.3	10.8	10.5	12.9
Pidilite Ind.	Neutral	700	720	3	16.6	18.3	20.5	42.1	38.3	10.8	8.8	28.0	25.4	23.4
P&G Hygiene	Buy	6,771	8,250	22	145.7	167.7	198.8	46.5	40.4	12.5	10.8	29.0	28.8	29.5
United Brew	Buy	774	1,044	35	10.7	15.4	19.8	72.6	50.4	8.7	7.5	12.6	16.0	17.8
United Spirits	Buy	2,186	2,885	32	28.6	47.0	64.0	76.3	46.5	14.4	11.2	20.8	24.0	24.9
Aggregate								42.3	36.6	12.5	10.9	29.5	29.8	30.3
Healthcare														
Alembic Phar	Neutral	600	630	5	23.2	27.9	35.1	25.8	21.5	5.9	4.8	24.8	24.7	25.3
Alkem Lab	Neutral	2,104	1,850	-12	79.3	85.7	100.0	26.5	24.5	5.9	5.0	24.4	22.0	21.7
Ajanta Pharma	Buy	1,821	2,028	11	56.0	63.8	79.6	32.5	28.6	10.1	7.8	35.9	30.9	29.9
Aurobindo	Buy	703	915	30	40.5	47.0	54.6	17.4	15.0	4.4	3.5	29.0	26.0	23.8
Biocon	Sell	1,127	750	-33	33.2	35.6	44.5	34.0	31.7	5.0	4.5	14.7	14.1	15.7
Cadila	Buy	446	510	14	12.0	17.7	23.0	37.2	25.2	7.4	6.1	21.4	26.5	27.9
Cipla	Neutral	597	550	-8	18.1	24.1	31.1	32.9	24.8	3.7	3.3	11.2	13.2	14.7
Divis Lab	Neutral	791	815	3	45.4	51.0	57.0	17.4	15.5	4.4	3.8	26.7	26.5	25.7
Dr Reddy's	Neutral	2,743	3,050	11	77.7	129.4	160.2	35.3	21.2	3.4	3.0	10.0	14.9	16.1
Fortis Health	Buy	179	240	34	3.0	3.2	6.5	60.7	56.3	2.0	1.7	3.4	3.3	6.0
Glenmark	Neutral	880	990	12	41.6	49.2	60.5	21.1	17.9	4.3	3.4	20.5	18.9	19.1
Granules	Buy	134	160	19	7.0	8.0	11.7	19.2	16.7	3.3	2.3	19.9	16.6	18.4
GSK Pharma	Neutral	2,752	2,700	-2	34.5	55.5	64.4	79.7	49.6	17.8	21.3	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	1,463	1,850	26	61.8	79.0	89.3	23.7	18.5	4.9	4.0	22.9	23.9	22.1
Sanofi India	Buy	4,458	5,000	12	129.0	161.6	193.8	34.6	27.6	5.7	5.2	16.4	18.7	19.8
Sun Pharma	Buy	707	850	20	27.4	35.1	42.2	25.8	20.1	4.9	4.1	20.0	22.3	22.4
Syngene Intl	Not Rated	538	-	-	13.0	16.1	18.0	41.4	33.4	8.4	6.8	22.2	22.5	20.7
Torrent Pharma	Buy	1,441	1,700	18	56.8	76.3	93.4	25.4	18.9	6.1	5.1	26.0	29.2	29.6
Aggregate								27.0	21.1	4.8	4.0	17.9	19.2	19.5
Logistics														
Allcargo Logistics	Buy	169	191	13	9.5	11.1	12.5	17.9	15.3	2.4	2.2	12.0	14.9	15.0
Blue Dart	Not Rated	5,052	-	-	102.5	129.9	163.2	49.3	38.9	21.8	16.6	50.5	48.6	46.8
Concor	Neutral	1,249	1,309	5	36.0	45.8	50.0	34.7	27.3	2.9	2.7	8.6	10.3	10.6
Gateway Distriparks	Buy	258	314	22	8.8	15.7	20.1	29.5	16.5	2.2	2.1	7.6	12.9	15.3
Gati	Not Rated	144	-	-	8.4	15.9	23.9	17.2	9.1	2.4	2.1	12.4	19.4	25.4
Transport Corp.	Not Rated	228	-	-	16.9	21.0	25.9	13.5	10.8	2.1	1.8	16.7	17.8	18.6
Aggregate								31.0	23.5	3.4	3.1	11.0	13.3	14.3
Media														
Dish TV	Buy	106	115	9	1.7	3.2	4.8	62.5	33.5	20.1	12.5	38.2	46.1	44.7
D B Corp	Buy	385	450	17	21.1	23.9	27.4	18.3	16.1	4.7	4.1	27.0	27.1	27.5
Den Net.	Neutral	81	75	-8	-3.6	1.9	7.7	NM	43.8	0.9	0.9	-4.1	2.1	8.1
Hathway Cab.	Buy	39	47	22	-2.4	-0.8	0.4	NM	NM	2.9	3.2	-16.6	-6.1	3.3
Hind. Media	Buy	294	355	21	26.5	29.4	33.2	11.1	10.0	2.0	1.6	19.3	17.8	16.9
HT Media	Neutral	84	85	1	8.0	8.2	8.7	10.4	10.3	0.8	0.7	7.7	7.1	7.0
Jagran Prak.	Buy	176	215	22	10.8	12.2	13.9	16.3	14.3	3.2	2.8	20.7	20.6	20.4
PVR	Buy	1,419	1,533	8	20.8	35.7	56.8	68.3	39.8	6.9	6.0	10.6	16.3	22.0
Siti Net.	Neutral	38	40	4	-0.9	2.7	1.2	NM	14.2	4.0	2.7	-10.2	23.5	11.2
Sun TV	Neutral	763	735	-4	25.1	29.7	34.5	30.4	25.7	7.6	7.0	25.1	27.3	29.0
Zee Ent.	Buy	522	600	15	12.2	17.6	20.9	42.7	29.6	10.0	8.1	31.3	30.3	29.3
Aggregate								35.2	25.4	6.1	5.2	17.3	20.6	21.7
Metals														
Hindalco	Buy	196	240	23	17.2	22.9	25.6	11.4	8.5	1.8	1.5	16.1	18.8	17.7
Hind. Zinc	Neutral	312	307	-1	19.8	28.2	29.5	15.7	11.0	3.1	2.5	20.9	25.2	22.0
JSPL	Buy	128	180	40	-23.9	-17.5	-2.2	NM	NM	0.3	0.3	-8.0	-4.5	-0.6
JSW Steel	Buy	194	226	17	13.6	19.0	19.4	14.2	10.2	2.2	1.8	16.4	19.6	17.1



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
Nalco	Buy	74	83	12	3.6	5.3	5.5	20.8	13.9	1.4	1.3	6.9	9.7	9.3
NMDC	Buy	137	179	30	12.2	12.3	12.9	11.3	11.2	1.8	1.7	13.5	15.6	15.0
SAIL	Sell	64	28	-56	-8.7	-14.2	-1.3	NM	NM	0.7	0.9	-9.6	-17.9	-1.8
Vedanta	Neutral	264	279	6	18.9	31.1	33.1	13.9	8.5	1.5	1.4	11.7	17.1	16.4
Tata Steel	Sell	497	401	-19	17.4	43.8	51.4	28.6	11.4	4.1	3.2	12.6	31.3	28.9
Aggregate								20.3	13.4	1.5	1.4	7.4	10.5	12.2
Oil & Gas														
BPCL	Buy	644	778	21	56.6	55.5	60.0	11.4	11.6	2.9	2.5	27.5	23.4	21.8
Cairn India	Neutral	293	-		14.0	12.5	12.8	21.0	23.5	1.1	1.1	5.3	4.6	4.6
GAIL	Neutral	375	335	-11	23.9	28.5	31.0	15.7	13.2	1.9	1.7	14.1	13.7	13.7
Gujarat St. Pet.	Neutral	160	163	2	8.8	11.0	13.2	18.1	14.5	2.1	1.9	12.0	13.5	14.5
HPCL	Buy	512	620	21	53.8	45.0	46.2	9.5	11.4	2.5	2.2	27.9	20.7	18.7
IOC	Buy	371	458	23	43.5	39.9	41.7	8.5	9.3	2.1	1.8	25.9	20.7	19.1
IGL	Neutral	1,039	1,032	-1	43.0	42.6	49.9	24.2	24.4	5.1	4.4	22.1	19.3	19.4
MRPL	Neutral	101	114	13	12.9	12.7	13.9	7.9	8.0	2.2	1.8	31.0	24.7	22.5
Oil India	Buy	334	382	14	27.5	39.0	39.8	12.2	8.6	1.1	1.1	9.5	12.7	12.1
ONGC	Neutral	191	204	7	12.6	21.1	21.0	15.2	9.0	1.3	1.3	8.7	14.4	14.2
PLNG	Buy	394	460	17	22.8	26.9	36.6	17.3	14.6	3.9	3.3	24.4	24.2	27.4
Reliance Ind.	Neutral	1,280	1,240	-3	100.2	115.1	122.7	12.8	11.1	1.4	1.3	11.7	12.1	11.7
Aggregate								12.7	11.1	1.7	1.5	13.2	13.9	13.5
Retail														
Jubilant Food	Neutral	1,115	1,008	-10	12.8	22.4	29.9	86.9	49.8	9.1	9.9	10.4	19.9	25.1
Shopper's Stop	Neutral	334	300	-10	4.1	8.0	12.6	81.6	41.7	3.3	3.0	4.2	7.7	11.0
Titan Co.	Neutral	466	420	-10	9.2	9.7	11.2	50.4	48.2	9.9	8.8	21.2	19.3	19.7
Aggregate								54.4	47.6	8.8	8.0	16.2	16.8	18.1
Technology														
Cyient	Buy	481	600	25	32.8	39.1	43.3	14.7	12.3	2.3	2.0	15.7	16.5	16.2
HCL Tech.	Buy	863	980	14	58.1	64.7	70.2	14.9	13.3	3.8	3.3	27.3	26.7	25.7
Hexaware	Neutral	224	220	-2	13.7	15.3	15.9	16.4	14.6	4.0	3.4	26.5	25.0	22.2
Infosys	Buy	1,021	1,250	22	62.8	67.8	74.4	16.2	15.1	3.4	3.1	23.2	22.5	22.3
KPIT Tech	Neutral	134	150	12	11.7	13.8	15.3	11.5	9.7	1.7	1.4	14.0	15.9	15.1
L&T Infotech	Buy	701	800	14	54.2	57.5	62.3	12.9	12.2	4.9	4.0	41.8	36.2	32.8
Mindtree	Neutral	475	530	12	25.1	33.7	38.1	18.9	14.1	3.1	2.8	17.1	21.0	21.1
Mphasis	Neutral	590	550	-7	42.6	41.4	45.0	13.8	14.2	2.1	2.0	14.1	14.4	14.8
NIIT Tech	Neutral	421	470	12	38.2	49.3	51.9	11.0	8.5	1.5	1.3	14.2	16.5	15.5
Persistent Sys	Neutral	633	730	15	38.9	46.2	52.6	16.3	13.7	2.6	2.5	17.5	18.9	20.6
Tata Elxsi	Buy	1,524	1,780	17	59.3	72.1	89.0	25.7	21.1	9.8	7.8	42.5	41.3	40.8
TCS	Neutral	2,481	2,550	3	135.6	146.5	159.2	18.3	16.9	5.8	5.9	33.9	33.4	33.3
Tech Mah	Buy	482	580	20	32.5	36.7	41.5	14.8	13.1	2.8	2.4	20.1	20.0	19.7
Wipro	Neutral	497	540	9	33.4	37.2	41.7	14.9	13.4	2.4	2.2	17.0	17.0	17.3
Zensar Tech	Buy	902	1,250	39	68.6	85.0	93.3	13.1	10.6	2.4	2.1	20.0	21.1	19.8
Aggregate								16.9	15.7	4.0	3.7	23.7	23.8	22.9
Telecom														
Bharti Airtel	Buy	349	410	17	11.3	7.7	11.8	30.9	45.7	2.0	2.0	6.7	4.3	6.4
Bharti Infratel	Buy	309	435	41	15.6	16.7	19.9	19.9	18.5	3.2	2.8	15.7	15.9	16.7
Idea Cellular	Under Review	98	-		-3.1	-12.5	-12.0	NM	NM	1.4	1.7	-4.4	-20.0	-23.7
Tata Comm	Buy	761	811	7	8.5	31.4	44.8	89.5	24.2	-96.4	32.4	-75.4	402.2	97.6
Aggregate								39.5	100.8	2.3	2.3	5.8	2.3	4.5
Utilities														
Coal India	Neutral	292	315	8	17.2	20.0	22.5	17.0	14.6	6.0	6.0	35.2	41.0	46.0
CESC	Buy	831	970	17	50.2	74.5	82.1	16.5	11.1	1.9	1.6	11.0	15.8	15.2
JSW Energy	Buy	63	81	28	3.7	3.0	1.2	17.2	21.1	1.2	1.2	7.0	5.6	2.2
NTPC	Buy	162	199	23	12.0	14.3	17.3	13.4	11.3	1.4	1.3	10.8	11.9	13.3
Power Grid	Buy	194	243	26	15.3	17.7	20.7	12.6	10.9	2.0	1.8	17.4	17.5	17.7



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
Aggregate								14.6	12.4	2.3	2.1	15.8	17.1	18.0
Others														
Arvind	Buy	407	430	6	13.5	21.8	28.6	30.1	18.7	2.8	2.5	10.4	14.0	16.3
Bata India	Buy	535	483	-10	10.9	14.2	17.7	49.2	37.7	5.3	4.8	11.3	13.4	15.0
Castrol India	Buy	422	510	21	13.6	13.8	14.6	30.9	30.5	32.5	29.5	110.9	101.4	97.0
Century Ply.	Buy	246	211	-14	4.6	8.8	11.3	53.8	28.0	9.3	7.6	18.2	29.8	30.7
Coromandel Intl	Under Review	325	-		16.3	20.0	25.5	19.9	16.2	3.5	3.1	18.5	20.4	22.8
Dynamatic Tech	Buy	2,842	3,388	19	67.6	112.9	166.7	42.0	25.2	5.8	4.7	15.1	20.7	24.3
Eveready Inds.	Buy	246	287	17	12.4	13.9	16.9	19.9	17.7	6.6	5.3	37.8	33.1	32.5
Interglobe	Neutral	919	1,010	10	39.3	54.1	72.2	23.4	17.0	16.1	14.0	72.8	88.1	101.2
Indo Count	Buy	189	205	8	13.7	17.1	20.6	13.8	11.0	4.0	2.9	33.8	30.2	26.8
Info Edge	Buy	830	1,075	29	16.9	19.0	21.9	49.0	43.7	5.2	4.9	11.1	11.5	12.3
Inox Leisure	Sell	250	207	-17	2.5	8.2	11.5	100.2	30.7	3.9	3.5	3.8	11.5	14.3
Jain Irrigation	Under Review	95	-		5.5	7.6	10.0	17.2	12.5	1.5	1.4	8.6	11.7	14.8
Just Dial	Buy	611	443	-27	17.2	18.5	22.1	35.6	33.1	5.5	4.8	16.5	15.5	16.2
Kaveri Seed	Neutral	550	577	5	23.4	28.6	36.1	23.5	19.3	4.0	3.7	17.3	19.8	22.9
Kitex Garm.	Buy	420	551	31	26.0	31.0	36.7	16.2	13.6	4.4	3.5	29.9	28.7	27.7
Manpasand	Buy	738	843	14	14.9	23.1	38.3	49.5	31.9	3.6	3.3	8.6	9.6	16.3
MCX	Buy	1,136	1,400	23	28.3	40.8	54.3	40.1	27.8	4.4	4.1	11.4	15.2	18.5
Monsanto	Under Review	2,515	-		72.9	89.3	109.3	34.5	28.2	10.5	9.8	30.4	35.9	39.6
PI Inds.	Buy	880	1,046	19	30.4	34.8	43.6	29.0	25.3	8.0	6.3	30.9	27.9	27.8
Piramal Enterp.	Buy	1,856	2,200	19	74.5	127.1	164.7	24.9	14.6	2.4	2.2	10.0	15.7	18.2
SRF	Buy	1,614	1,825	13	82.4	99.9	125.1	19.6	16.2	3.1	2.7	16.5	17.4	19.1
S H Kelkar	Buy	306	371	21	7.5	10.1	13.3	40.9	30.2	5.3	4.7	13.5	16.6	19.1
Symphony	Sell	1,450	1,053	-27	27.0	35.1	42.9	53.7	41.3	29.2	24.9	56.8	65.0	66.3
TTK Prestige	Neutral	5,923	5,326	-10	107.8	139.9	178.6	55.0	42.3	8.8	7.9	16.6	19.7	22.4
V-Guard	Neutral	173	125	-27	3.7	4.6	5.4	46.6	37.7	12.3	9.9	29.4	29.1	27.6
Wonderla	Buy	388	393	1	7.0	11.9	16.0	55.5	32.5	5.1	4.5	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	-0.2	1.3	-2.6
Ashok Ley.	-1.7	-5.4	-8.2
Bajaj Auto	0.1	4.4	26.7
Bharat Forge	0.2	-3.7	22.4
Bosch	-0.2	4.3	20.8
CEAT	0.9	14.0	14.5
Eicher Mot.	1.8	-0.3	36.0
Endurance Tech.	0.0	4.4	
Escorts	1.2	26.1	295.2
Exide Ind	0.4	2.1	61.4
Hero Moto	-0.2	7.6	17.9
M&M	-0.2	-1.1	6.4
Mahindra CIE	0.1	4.2	8.2
Maruti Suzuki	-0.4	1.2	69.8
Tata Motors	-0.1	4.5	30.1
TVS Motor	-0.9	3.0	52.9
Banks - Private			
Axis Bank	-2.4	5.0	15.7
DCB Bank	0.3	7.2	111.4
Equitas Hold.	-2.0	-9.5	
Federal Bank	-0.3	1.0	74.1
HDFC Bank	0.6	2.0	39.5
ICICI Bank	-2.0	-2.5	19.4
IDFC Bank	-0.4	-2.8	36.0
IndusInd	-0.4	3.2	48.8
J&K Bank	0.7	6.1	24.0
Kotak Mah. Bk	0.7	7.1	29.9
RBL Bank	2.3	17.1	
South Indian	-0.5	-1.4	27.3
Yes Bank	0.3	5.9	85.9
Banks - PSU			
BOB	0.4	-1.9	14.9
BOI	1.5	2.2	33.3
Canara	0.5	1.3	59.0
IDBI Bk	2.2	-5.7	15.6
Indian Bk	-4.7	-6.8	163.5
OBC	4.3	8.1	46.7
PNB	0.2	1.6	72.0
SBI	0.0	1.8	43.4
Union Bk	2.6	11.4	23.1
NBFCs			
Bajaj Fin.	1.7	7.1	77.6
Bharat Fin.	-0.7	-5.2	57.7
Dewan Hsg.	1.3	11.9	104.1
GRUH Fin.	2.1	2.6	62.0
HDFC	0.5	4.6	29.3
Indiabulls Hsg	0.0	13.7	57.6
LIC Hsg Fin	0.7	5.6	27.4
Manappuram	0.5	-9.2	157.1
M&M Fin.	1.4	8.3	33.5
Muthoot Fin	-1.3	-1.6	94.0
PFC	3.1	9.3	71.7
Repco Home	-4.6	0.0	15.7
REC	0.3	12.2	99.9
STF	-0.2	11.9	15.9
Shriram City Union	-1.3	5.6	33.6

Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	0.4	-0.8	5.6
Bharat Elec.	0.4	5.8	47.7
BHEL	1.2	11.1	50.3
CG Cons. Elec.	0.4	3.6	
CG Power & Inds Sol.	0.5	8.5	54.3
Cummins	1.6	2.0	7.9
GE T&D	0.0	4.5	-18.8
Havells	1.2	7.6	53.0
Inox Wind	-1.6	4.5	-32.5
K E C Intl	2.8	5.3	47.0
L&T	-0.8	3.8	28.3
Pennar Eng.	-6.9	3.3	-9.3
Siemens	-1.2	2.5	18.3
Solar Ind	1.3	0.9	8.6
Suzlon Energy	-0.8	9.9	44.4
Thermax	0.3	6.8	17.9
Va Tech Wab.	-1.2	13.8	16.8
Voltas	0.4	11.9	45.1
Cement			
Ambuja Cem.	0.0	-2.2	5.5
ACC	-0.1	-3.4	5.4
Birla Corp.	-0.1	-1.6	85.8
Dalmia Bharat	0.1	0.6	162.6
Grasim Inds.	1.9	0.9	45.1
India Cem	0.8	-0.6	100.2
JK Cements	0.8	-0.5	44.5
JK Lakshmi Ce	0.6	10.3	30.1
Ramco Cem	3.4	-2.8	65.3
Orient Cem	-4.2	0.3	-8.4
Prism Cem	1.2	7.7	24.4
Shree Cem	-2.5	3.6	30.0
Ultratech	-0.3	7.2	29.4
Consumer			
Asian Paints	0.2	10.8	23.5
Britannia	0.1	-0.3	20.7
Colgate	-0.6	6.8	15.6
Dabur	0.6	5.5	12.1
Emami	0.5	-4.7	12.7
Godrej Cons.	0.8	3.4	27.6
GSK Cons.	-1.4	6.3	-8.8
HUL	-0.4	5.3	6.2
ITC	0.3	6.1	30.2
Jyothy Lab	-3.6	-2.4	24.1
Marico	-0.2	9.8	18.3
Nestle	1.5	0.5	21.2
Page Inds	-0.3	1.0	25.2
Parag Milk	0.0	-1.7	
Pidilite Ind.	-0.1	0.3	18.2
P&G Hygiene	-0.8	-2.8	8.5
United Brew	-0.6	-2.4	-4.8
United Spirits	-0.8	-6.6	-15.5
Healthcare			
Alembic Phar	-1.0	2.8	-2.0
Alkem Lab	3.8	3.2	53.0
Ajanta Pharma	1.5	4.6	35.8
Aurobindo	2.4	5.0	-2.5

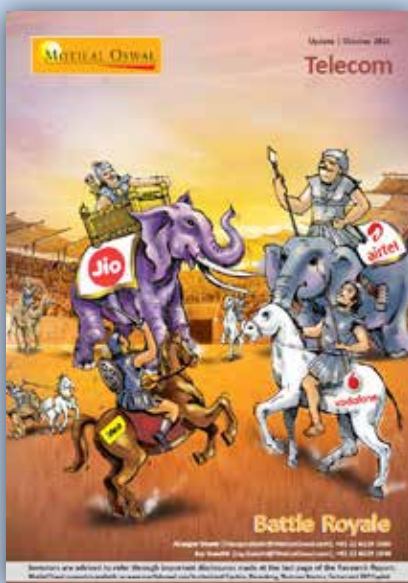
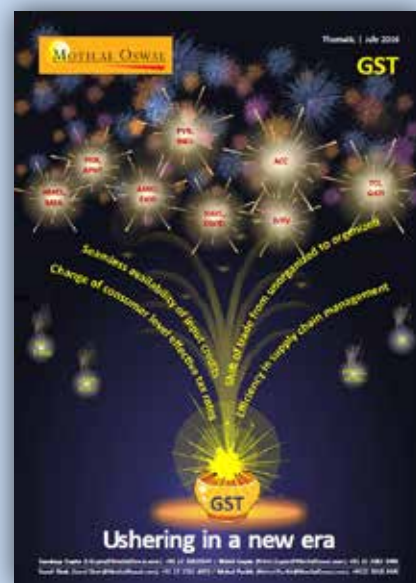
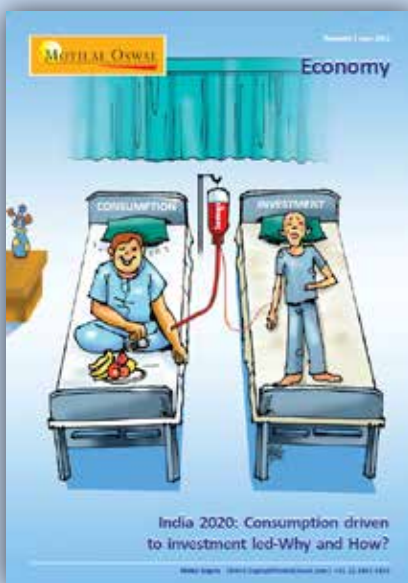


Company	1 Day (%)	1M (%)	12M (%)
Biocon	0.8	0.2	145.5
Cadila	0.5	0.3	30.6
Cipla	0.1	0.4	12.9
Divis Lab	3.6	4.5	-19.7
Dr Reddy's	0.2	-5.6	-13.6
Fortis Health	-1.9	-8.6	-0.8
Glenmark	-0.5	-6.5	10.0
Granules	3.4	7.2	12.7
GSK Pharma	0.0	2.8	-18.9
IPCA Labs	-0.4	-0.4	-1.8
Lupin	0.6	0.1	-6.2
Sanofi India	-0.5	6.9	7.1
Sun Pharma	0.1	4.1	-13.3
Syngene Intl	2.1	3.8	32.8
Torrent Pharma	-0.4	11.8	9.8
Logistics			
Allcargo Logistics	-0.4	0.1	6.8
Blue Dart	-0.6	16.9	-8.7
Concor	0.6	1.8	8.8
Gateway Distriparks	1.5	1.2	2.0
Gati	3.8	16.5	31.7
Transport Corp.	-0.6	16.1	34.9
Media			
Dish TV	-0.9	16.0	25.2
D B Corp	0.6	1.5	22.7
Den Net.	-2.7	-1.0	-6.3
Hathway Cab.	1.7	7.8	6.2
Hind. Media	2.6	8.9	19.2
HT Media	1.1	-2.7	5.6
Jagran Prak.	-1.3	-7.8	20.0
PVR	1.1	12.4	100.7
Siti Net.	1.1	0.5	7.6
Sun TV	1.7	9.0	106.5
Zee Ent.	0.5	-1.2	33.1
Metals			
Hindalco	-0.2	6.9	130.0
Hind. Zinc	0.5	3.0	81.6
JSPL	-1.2	28.2	112.5
JSW Steel	0.9	2.8	59.7
Nalco	0.8	14.6	86.3
NMDC	-0.8	-1.7	40.1
SAIL	0.6	3.4	48.9
Vedanta	-0.3	-2.5	186.8
Tata Steel	-1.1	2.1	64.5
Oil & Gas			
BPCL	0.3	-8.1	50.4
Cairn India	-0.4	-0.3	89.5
GAIL	0.3	-4.2	37.9
Gujarat St. Pet.	-0.1	-2.0	20.8
HPCL	-0.3	-8.1	105.5
IOC	-1.3	-3.8	89.3
IGL	-0.7	-1.2	98.9
MRPL	-0.7	-6.3	77.1
Oil India	-0.5	1.7	42.5
ONGC	0.4	-2.1	33.3
PLNG	0.2	-1.6	59.1
Reliance Ind.	-1.6	19.2	24.9

Company	1 Day (%)	1M (%)	12M (%)
Retail			
Jubilant Food	0.7	11.7	-7.0
Shopper's Stop	-0.3	6.0	-5.3
Titan Co.	0.9	7.6	38.1
Technology			
Cyient	3.9	2.3	13.5
HCL Tech.	-0.2	2.6	4.8
Hexaware	0.4	4.5	-16.9
Infosys	-1.9	0.9	-14.2
KPIT Tech	-0.7	1.0	-6.4
L&T Infotech	-0.7	0.1	
Mindtree	0.2	0.0	-28.6
Mphasis	0.0	2.5	20.4
NIIT Tech	-0.6	-0.5	-14.2
Persistent Sys	-1.1	-0.5	-6.4
Tata Elxsi	0.5	3.5	-20.5
TCS	-1.8	-1.0	2.2
Tech Mah	-0.6	-3.9	-2.6
Wipro	-1.6	4.2	-9.3
Zensar Tech	-0.3	-2.2	6.3
Telecom			
Bharti Airtel	0.8	-7.0	1.4
Bharti Infratel	0.2	0.4	-18.7
Idea Cellular	-9.5	-10.2	-4.4
Tata Comm	-0.4	1.5	108.8
Utilities			
Coal India	0.8	-8.8	-1.9
CESC	1.0	-3.1	76.9
JSW Energy	-1.4	2.2	-10.7
NTPC	0.9	-5.9	26.8
Power Grid	-0.5	-6.3	41.4
Others			
Arvind	0.5	7.0	48.0
Bata India	1.1	7.1	9.8
Castrol India	-1.1	-2.3	13.4
Century Ply.	2.9	7.9	50.1
Coromandel Intl	1.2	-1.8	88.0
Dynamatic Tech	-0.5	-4.0	77.0
Eveready Inds.	0.1	-2.6	1.1
Interglobe	0.2	11.0	14.6
Indo Count	1.9	15.6	0.8
Info Edge	-0.8	-0.6	6.0
Inox Leisure	0.3	1.5	28.0
Jain Irrigation	0.9	0.2	68.8
Just Dial	1.0	25.9	-4.6
Kaveri Seed	3.4	19.7	36.5
Kitex Garm.	-1.3	-1.1	4.1
Manpasand	1.3	6.2	64.7
MCX	1.6	1.1	39.2
Monsanto	0.1	8.8	56.3
PI Inds.	-2.7	-0.2	56.5
Piramal Enterp.	-0.9	-2.5	92.7
SRF	0.1	1.0	33.6
S H Kelkar	-1.5	-0.6	25.0
Symphony	0.0	11.6	18.1
TTK Prestige	0.4	10.1	41.1
V-Guard	-1.3	12.8	190.5
Wonderla	-0.7	4.2	8.1

NOTES

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REPORT GALLERY

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DIFFERENTIATED PRODUCT GALLERY

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SUN PHARMACEUTICAL

Our research team into annual report season highlights several performance. Revenue grew just 2.2% to ₹1,045 crore while EBITDA margin expanded 70% to 25.6%... (text continues)

ANNUAL REPORT TREADBARE

The ART of trends to earth and beyond

Key takeaways: Revenue growth of 2.2%... (text continues)

Parameter	2017-18	2016-17
Revenue	1045	1019
EBITDA	268	261
EBITDA Margin (%)	25.6	25.6
Net Profit	104	101
Net Profit Margin (%)	10.0	9.9

MOTILAL OSWAL

CornerOffice

Democratization & monetization: Look for India's largest bank

State Bank of India (SBI) has been a key player in the financial sector... (text continues)

Key takeaways: SBI's focus on digital banking... (text continues)

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EcoKnowledge

Identity data confirms 6.5% growth in real retail living

Identity data confirms 6.5% growth in real retail living... (text continues)

Key takeaways: Real estate activity picked up... (text continues)

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VOICES

India Inc on Call

India Inc on Call... (text continues)

Key takeaways: Focus on digital transformation... (text continues)

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BULLS & BEARS

INDIA VALUATION HANDBOOK

Highlights of January edition:

- Nifty up 4.0% in January - highest MoM rise in last 10 months
- Telecom, Metals and Cement were the top outperformers for January
- Technology only sector to deliver negative return in January
- Midcap outperform Nifty by 2.8% in January

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FUND FOLIO

Indian Mutual Fund Tracker

Equity AUM up 1.5% in January - the highest rise in last 10 months

Key takeaways: Focus on equity investments... (text continues)

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