

Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	31,312	0.8	17.6
Nifty-50	9,658	0.7	18.0
Nifty-M 100	17,996	0.0	25.4
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,453	0.8	9.6
Nasdaq	6,239	1.4	15.9
FTSE 100	7,524	0.8	5.3
DAX	12,889	1.1	12.3
Hang Seng	10,521	1.3	12.0
Nikkei 225	20,068	-0.6	5.0
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	46	-0.8	-16.4
Gold (\$/OZ)	1,243	-0.8	7.9
Cu (US\$/MT)	5,703	1.1	3.3
Almn (US\$/MT)	1,875	1.0	10.0
Currency	Close	Chg. %	YTD.%
USD/INR	64.4	0.0	-5.2
USD/EUR	1.1	-0.3	6.1
USD/JPY	111.4	0.5	-4.7
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.5	0.0	0.0
10 Yrs AAA Corp	7.5	0.0	-0.1
Flows (USD b)	19-Jun	MTD	YTD
FII's	0.0	0.3	8.1
DII's	0.1	0.6	2.9
Volumes (INRb)	19-Jun	MTD*	YTD*
Cash	231	263	285
F&O	4,296	4,401	4,755

Note: YTD is calendar year, \*Avg

Quote of the day

Learning to trust is one of life's most difficult tasks



Today's top research idea

Prabhat Dairy: Solid institutional player; Moving toward consumer business

Prabhat Dairy is a fully integrated dairy products company. The company sells specialty and co-manufactured products to its institutional customers, as well as branded dairy products.

- ✓ The consumer branded business (B2C) is expected to account for ~50% of its revenues by 2020 (30% as on FY17), led by Hotels, Restaurants and Caterers (HoReCa), and Retail.
- ✓ Prabhat targets 80% direct sourcing of milk by FY20 (~70% currently), which should help it source higher volumes of good-quality raw milk.
- ✓ Utilization at its cheese manufacturing facility is expected to increase from ~20% currently to 80% by FY20.
- ✓ Over the past 4 years, the company has delivered revenue, EBITDA and PAT CAGR of 22%, 15% and 25%, respectively. The stock trades at 19x FY19E EPS.



Research covered

Cos/Sector	Key Highlights
Prabhat Dairy (Spotlight)	Solid institutional player; Moving toward consumer business
Tata Steel	Selling Tata Motors' shares will boost equity value by INR31/share; stake in Tata Sons is worth at least INR135/share
Voltas	Room AC segment to feel the heat of GST in 1QFY18
Ecoscope	Has demonetization led to higher digital payments? Doubtful; ATM cash withdrawals back to pre-demonetization levels
Metals Weekly	China local steel prices increase, inventories continue to decline



Piping hot news

Punjab farm loan waiver: CM Amarinder Singh says will waive loans of 8.75 lakh farmers

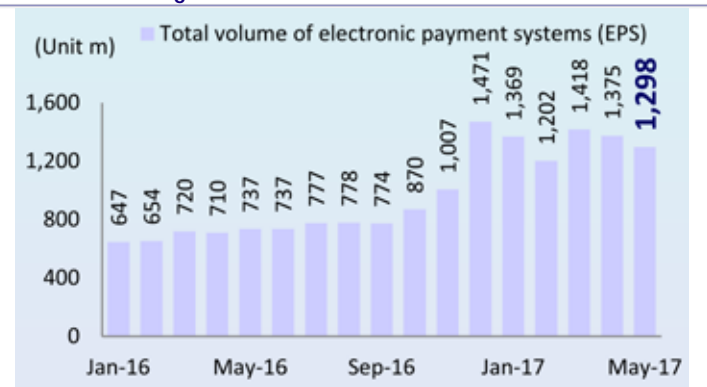
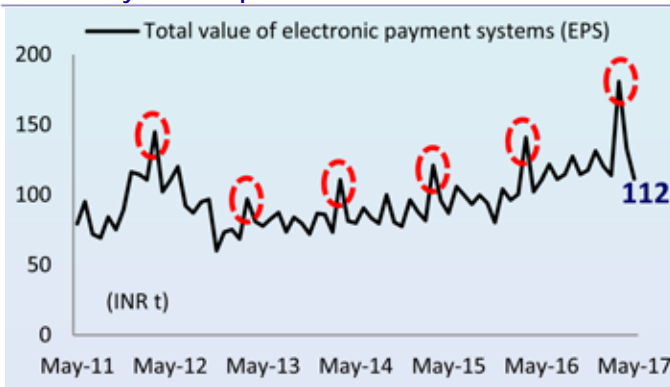
- ✓ Punjab farm loan waiver: In a significant move today, Punjab Chief Minister Amarinder Singh announced his government's decision to waive off the loans of as many as 8.75 lakh farmers.



Chart of the Day: Has demonetization led to higher digital payments?

Aggregate value of all digital payment transactions didn't witness any increase post demonetization...

... however, total volume of digital payments has stabilized at higher level



# Implied savings; Does not include 'errors & omissions'

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

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Kindly click on textbox for the detailed news link

1

### Tata, Lockheed Martin partner to make F-16s in India

Tata Advanced Systems Ltd and US plane maker Lockheed Martin Corp. have signed an agreement to produce F-16 fighters in India ahead of the government's plan to buy more fighter jets. India is likely to need 200 more fighter planes and has sought proposals for single-engine craft...

2

### IHH Healthcare set to seal deal for Fortis, SRL stake

IHH Healthcare Bhd, Asia's largest private hospital operator, is set to buy a controlling stake in Fortis Healthcare Ltd and SRL Diagnostics from billionaire brothers Malvinder and Shivinder Mohan Singh in a deal that values the two companies at close to \$2.9 billion, two people directly aware of the development said. "The final valuation has been agreed upon and an announcement in this regard is expected in the next few weeks," said one of the two people...

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### Lanco Infratech first from 'Blacklist' to face bankruptcy action

Lanco Infratech, the power and roads builder, became the first company to face bankruptcy proceedings among the dozen identified by the regulator as IDBI BankBSE -3.06 % has decided to recover its dues by taking the resolution to insolvency courts as per media sources...

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### Qatar says it will not negotiate unless neighbours lift "blockade"

Qatar will not negotiate with its neighbours to resolve the Gulf diplomatic dispute unless they first lift the trade and travel boycott they imposed two weeks ago, its foreign minister said....

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### Niti Aayog urges government to link financial grant to states' agriculture reforms

Official think tank Niti Aayog has urged the government to link part of the financial grant given to states under Rashtriya Krishi Vikas Yojana to agriculture reforms implemented by the states, an official said. Such a move will compel states to bring about significant changes in the agriculture marketing and other reforms ...

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### Boeing gets 3-year Navy deal for maintenance of P-8I fleet

US aircraft manufacturer Boeing has received a three-year contract for continuing its support for maintenance of the Indian Navy's fleet of P-8I maritime patrol aircraft, the company said today...

7

### Chinese companies eye infrastructure investments in India

Attracted by India's infrastructure development programme, state-run Chinese firms, including China Harbour Engineering Co. Ltd and China Datang Corp. (CDC), are looking to buy Indian companies in the engineering, procurement, construction (EPC) and power generation space...



# Prabhat Dairy

BSE Sensex  
31,312

S&P CNX  
9,658

CMP: INR122

### Stock Info

Bloomberg	PRABHAT IN
Equity Shares (m)	97.7
52-Week Range (INR)	150 / 77
1, 6, 12 Rel. Per (%)	-1/11/1
M.Cap. (INR b)	11.8
M.Cap. (USD b)	0.2

### Financial Snapshot (INR Million)

Y/E Mar	2017	2018E	2019E
Net Sales	14.1	17.0	19.6
EBITDA	1.3	1.4	1.8
Adj PAT	0.3	0.3	0.6
EPS (INR)	3.5	3.5	6.4
Growth (%)	48.9	-1.5	83.8
BV/Share (INR)	70.5	72.5	77.7
RoE (%)	5.2	4.9	8.5
RoCE (%)	4.6	5.7	8.2
P/E (x)	34.3	34.8	18.9
P/BV (x)	1.7	1.7	1.6

### Shareholding pattern (%)

As On	Mar'17	Dec'16	Sep'16
Promoter	48.9	44.4	44.2
DII	3.9	3.0	26.5
FII	2.6	2.8	4.6
Others	44.6	49.9	24.7

FII Includes depository receipts

### Stock Performance (1-year)



## Solid institutional player

### Moving toward consumer business

Incorporated in 1998 by the Nirmal family, Prabhat Dairy (Prabhat) is a fully integrated milk & dairy products company engaged in the sale of products to institutional and retail customers. The company sells specialty and co-manufactured products to its institutional customers, as well as branded dairy products under the brand names of *Prabhat*, *Prabhat Flava*, *Prabhat Milk Magic* and *Volup* (a recently launched brand for ice-cream). It aims to become a larger and stronger regional player with a good mix of liquid milk, fresh value-added products and longer-shelf-life products.

- n The consumer branded business (B2C) is expected to account for ~50% of its overall revenues by 2020 (30% as on FY17), led by Hotels, Restaurants and Caterers (HoReCa), and Retail.
- n The B2B business already has a solid foundation with a healthy list of clients, which can be leveraged to develop new products and add new clients to drive steady growth over FY17-20.
- n Prabhat targets 80% direct sourcing of milk by FY20 (~70% currently), which should help it source higher volumes of good-quality raw milk on a consistent basis.
- n Utilization at its cheese manufacturing facility (third largest in India after Parag Milk Foods and Amul, with capacity of 30 MT/day) is expected to increase from ~20% currently to 40% in FY18 and 80% by FY20.
- n The company has delivered a strong operating performance over past four years, with revenue, EBITDA and PAT CAGR of 22%, 15% and 25%, respectively. At CMP, the stock trades at 19x FY19E EPS.

### Branded business to be revenue and margin driver

Prabhat is one of the emerging names in the value-added dairy products space, launching a range of products under the *Prabhat* brand over past two years. The focus on the B2C business will not only help grow revenues, but also aid margins as it commands higher gross margins. The company sells pouched milk & fresh dairy products in and around Maharashtra, while it sells long-shelf-life products (like ghee and UHT milk) across the country. Management aims to increase the contribution of the B2C segment to 50% of overall revenues, mainly led by growth in value-added products like cheese, ghee, dahi and paneer. In terms of distribution, the company now has presence across 26 states (was present in just Maharashtra in 2012), with around 1,200 distributors and 0.1m retail outlets. It plans to expand its reach to ~0.2m outlets by FY19.

Our coverage universe is a wide representation of investment opportunities in India. However, there are many emerging midcap names that are not under our coverage. Spotlight is our attempt to feature such stocks based on fundamental analysis and site visits, without initiating formal coverage on them. Spotlight adopts a descriptive rating system, which uses terms like Interesting, Cautious and In Transition (see definitions alongside). We do not assign Buy, Sell or Neutral recommendations to the stocks under Spotlight. Investors should carefully read Motilal Oswal Research in its entirety, and not draw inferences from the ratings alone. Ratings should not be used or relied upon as investment advice.

### **Stable institutional business**

The institutional business contributes ~70% of revenues (as of FY17). State-of-art manufacturing facilities, strict quality control & food standards and a marquee list of clients have helped the business grow impressively in the past. Apart from developing products for its existing clients, the company has also struck deals with many new customers in India and globally. As majority of its clients operate on a cost-plus model, the business is somewhat immune to fluctuations in milk prices.

### **Expansion of direct milk procurement network**

Prabhat currently procures ~9llpd of milk, which management expects to increase to 14llpd by FY20. Around 60% of milk is sourced from milk-rich Ahmednagar, while the rest is sourced from Pune, Nashik and adjoining districts in Maharashtra. Five years back, it procured >90% of its milk requirement directly from agents. However, it now sources 70% of milk directly from ~85,000 farmers across ~1,700 villages twice a day (i.e. >700 procurement cycles a year). The company is targeting to increase the proportion of direct sourcing to 80% by FY20, which will help it get higher volumes of milk for use in value-added products. We believe that it is logical for Prabhat to have some portion of procurement from agents, given the sizable portion of its B2B business.

### **Improving capacity utilization and operational efficiencies**

We believe capacity utilization will improve but only gradually over next few years, aided by demand growth and distribution expansion. Prabhat expects to increase utilization at its recently set-up cheese manufacturing facility (capacity of 30MT/day) from 20% currently to around 40% by FY18, led by higher sales to the HoReCa and QSR segments, as well as exports. Gradual improvement in utilization, coupled with operational efficiencies from the cogeneration plant, will aid margins in the near term, in our view.

### **Expect RoCE to improve with no major capex over next 2-3 years**

The company has delivered a strong operating performance over past four years, with revenue, EBITDA and PAT CAGR of 22%, 15% and 25%, respectively. Management aims to exceed revenue of INR20b by FY20, led by growth in fresh and long-shelf-life value-added products. This would only be possible with an increase in milk procurement, distribution expansion and brand-building initiatives. Increased contribution of higher-margin B2C products to the portfolio, operating leverage and operational efficiencies are expected to lead to EBITDA margin expansion to 10% by FY20, from 9% in FY17. We, however, believe that EBITDA margin expansion could be somewhat restricted due to higher spending toward the B2C business. Management has guided for lower capex and a further reduction in debt over next 2-3 years. We believe that these initiatives will help to gradually improve RoE and RoCE over FY17-FY20 to 11.9% and 10.8%, respectively. Net working capital days are expected to remain in the range of 80-85, as (1) inventory days will increase with better cheese salience (cheese needs ageing before being sold), (2) debtor days will decline with improved B2C salience (has lower receivable days compared to B2B) and (2) creditor days are unlikely to see any major change from current levels.

# Tata Steel

BSE SENSEX 31,056 S&P CNX 9,588

**CMP: INR502 TP: INR451 (-10%) Sell**



### Stock Info

Bloomberg	TATA IN
Equity Shares (m)	971.4
52-Week Range (INR)	520 / 297
1, 6, 12 Rel. Per (%)	8/4/35
M.Cap. (INR b)	444
M.Cap. (USD b)	6.9
Avg Val ( INRm)	2863
Free float (%)	68.7

### Financials Snapshot (INR b)

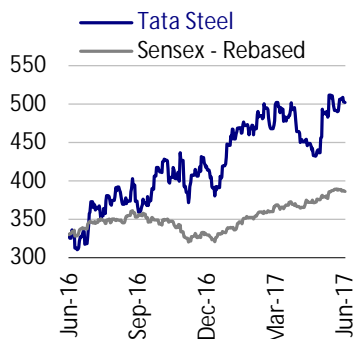
Y/E Mar	2017	2018E	2019E
Sales	1,135	1,220	1,232
EBITDA	168	185	203
Adj. PAT	36	49	65
Adj. EPS (INR)	37.0	50.2	66.5
EPS Gr(%)	382.0	35.7	32.5
BV/Sh. (INR)	330	362	418
RoE (%)	15.4	14.5	17.1
RoCE (%)	9.2	9.7	10.4
P/E (x)	12.4	9.1	6.9
P/BV	1.4	1.3	1.1

### Shareholding pattern (%)

As On	Mar-17	Dec-16	Mar-16
Promoter	31.4	31.4	31.4
DII	30.6	30.8	26.7
FII	14.1	13.1	13.2
Others	23.9	24.8	28.8

FII Includes depository receipts

### Stock Performance (1-year)



## Selling Tata Motors' shares will boost equity value by INR31/share; stake in Tata Sons is worth at least INR135/share

- Tata Steel will be selling 83.64m shares in Tata Motors, a group company, to Tata Sons in a related party transaction at prevailing market price on or after 23 June 2017. This will unlock value of INR38b @INR455/share and help in reduction of debt and/or fund GBP550m expected payout toward de-risking of British Pension Scheme.
- This will unlock the equity value for Tata Steel equivalent to INR7.6b, a 20% holding company discount, and boost recurring free cash flow by INR2.3b, assuming marginal interest cost of 8% and marginal cash tax rate of 25%. At 10x FCF, value accretion will be INR23b from savings in interest cost. Thus, a total of INR30b or about INR31 will eventually get added to the market cap of Tata Steel.
- Although this is the last major investment in listed group companies, Tata Steel holds 12,375 shares, i.e.3.1% stake of Tata Sons. Each share of Tata Sons is worth at least INR11m. This implies a value of INR135/share for Tata Steel. If Tata Sons were to buyback these shares, it will trigger major re-rating for the stock. We have been ignoring this in the valuations because of circular reference.
- Tata Steel had recently reported very strong 4QFY17 results, benefiting from a number of non-sustainable events (e.g. forex gains, very strong ferro-chrome prices, strong steel market driven by monetary expansion in China, delay in coking coal cost at TSE, liquidation of low-cost inventories while market of strong etc.). Since then, steel prices have corrected by USD50-70/t, while raw material costs will be higher at TSE.
- Tata Steel's business is structurally improving with (1) exit from weak businesses of long products and specialty businesses in Europe, (2) persistence to de-risk British Pension Scheme and (3) growth at highly profitable Indian business. However, volatility in the steel market will hurt its earnings. We have been valuing Tata Steel at INR451 and INR528 based on FY18E and FY19E SOTP, respectively. Value unlocking will boost the target price by INR31/share.



# Voltas

BSE SENSEX 31,312 S&P CNX 9,658

**CMP: INR474 TP: INR400(-16%) Sell**



**Stock Info**

Bloomberg	VOLT IN
Equity Shares (m)	331
52-Week Range (INR)	515 / 287
1, 6, 12 Rel. Per (%)	11/35/31
M.Cap. (INR b)	156.8
M.Cap. (USD b)	2.4
Avg Val, INRm	570
Free float (%)	69.7

**Financials Snapshot (INR b)**

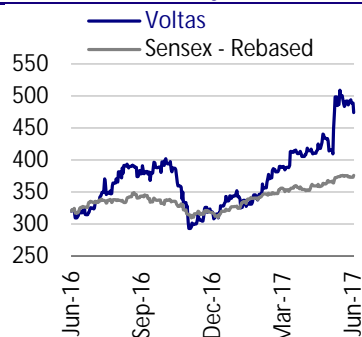
Y/E Mar	2017	2018E	2019E
Net Sales	60.3	67.4	75.5
EBITDA	5.8	5.9	6.7
PAT	5.1	5.3	6.0
EPS (INR)	15.5	16.0	18.1
Gr. (%)	30.1	3.6	13.2
BV/Sh (INR)	100.0	111.8	125.2
RoE (%)	18.0	15.1	15.3
RoCE (%)	16.5	15.0	15.1
P/E (x)	30.7	29.6	26.2
P/BV (x)	4.7	4.2	3.8

**Shareholding pattern (%)**

As On	Mar-17	Dec-16	Mar-16
Promoter	30.3	30.3	30.3
DII	26.5	27.1	29.2
FII	20.7	22.4	19.5
Others	22.5	20.2	21.1

FII Includes depository receipts

**Stock Performance (1-year)**



## Room AC segment to feel the heat of GST in 1QFY18

### Market shift toward inverter ACs to be gradual

We met management of Voltas (VOLT). Key takeaways:

#### GST to impact room AC growth led by dealer destocking/inventory liquidation

- Growth in the room air conditioning (AC) segment is expected to be flat YoY in 1QFY18 as dealers avoid fresh buying and resort to destocking/inventory clearance due to the likely implementation of GST in July 2017.
- The key concern for dealers has been claiming excise duty refund post the implementation of GST. There has been a clear preference for cash flows among dealers.
- The month of July is expected to see muted demand due to the onset of monsoon, and a revival is likely during the festive season later this year.

#### Pricing to remain stable in room ACs; expect margins to sustain at 11-12%

- VOLT expects pricing for room ACs to remain stable, with the rise in commodity prices likely to be offset by INR appreciation.
- Post sharp price cuts to promote sales of inverter ACs, LG has reverted back to normal pricing.
- The company expects margins to stabilize at 11-12% over the long term, as against 14.5% in FY17. Rationalization of margins would be driven by a) high competitive intensity in the industry and b) focus on maintaining market share with an 11-12% margin profile.
- VOLT would prefer to lose market share rather than compromising on margins (11-12%).
- VOLT expects market shift toward inverter ACs to be gradual.

#### Enters white goods space through JV (Voltas Beko) with Arcelik

- VOLT has entered into a joint venture (JV) with Arcelik to foray into the consumer durables segment. The JV will focus on four product categories: washing machine, refrigerator, dish washer and microwave oven.
- The JV will leverage the marketing, branding and distribution strength of VOLT, whereas Arcelik will bring in its R&D/manufacturing prowess, in addition to a wide product range and global sourcing capabilities.
- Voltas Beko will set up a manufacturing facility in India over the next two years with capex of USD100m.
- Arcelik has signed a non-compete clause of five years.

#### Qatar forms 50% of international MEP order book (INR18b)

- In the MEP segment, Qatar accounts for 50% of the international order book (INR18b). Execution of orders remains on track despite instability in the region.
- Most of the legacy orders are executed, and new orders are bagged at 4-5% EBIT margins.
- Expect ordering for Expo 2020 to begin in FY18; Voltas would participate in orders with maximum ticket size of INR8b.

- n Domestic ordering activity seems to be improving, as evident from order pick-up in rural electrification and waste water treatment (where it has order backlog of INR15b).
- n Ordering in the domestic MEP segment seems to be picking up in the educational, hospitals and metro sectors. VOLT will participate in the Mumbai metro order.
- n With legacy orders now completed, the focus would be on improving order inflow in MEP.

#### Other key highlights

- n In the air cooler business, VOLT is now the fourth largest player. It has set a target to be among the top three players in three years.
- n Air cooler is a 5m unit annual market, with 60-65% of the market dominated by unorganized players. Implementation of GST will expedite the transition from unorganized to organized trade.
- n Agency business remains stable, forming 4-5% of the company's overall sales. Margins are expected to remain stable at 27-28%.
- n Excise benefit for the room AC factory will expire in March 2018.
- n Window AC market would not be impacted by the unified rating change in FY18.
- n The company did not participate in the EESL tender for room ACs, as the terms of the contract were adverse, according to the company.

#### Valuation and view

**Maintain Sell with TP of INR400:** We maintain our **Sell** rating with a target price of INR400. Our cautious view is driven by: a) threat to margins from intensifying competition in the room AC segment, b) industry convergence toward inverter ACs, where VOLT has a weak share and c) inventory destocking prior to likely GST implementation in July 2017 and rating change in January 2018.

## Has demonetization led to higher digital payments?

### Doubtful; ATM cash withdrawals back to pre-demonetization levels

- One of the key structural benefits expected from the historic demonetization announced in November 2016 was a shift towards digital payments. However, the aggregate value of all transactions under electronic payment systems (EPS) has failed to witness significant increase even six months post demonetization.
- Further, while the value of transactions in retail digital modes (PoS, PPIs, IMPS and UPI) increased sharply in December 2016, it has stabilized at higher levels since then (up to May 2017). Similarly, while the volume of retail digital transactions doubled by December 2016, there are no new net additions since then.
- Finally, after falling by more than 60% in the last months of 2016, cash withdrawals from ATMs have moved back to pre-demonetization levels. All these data points raise doubts over the desired structural shift towards digital payments post demonetization.

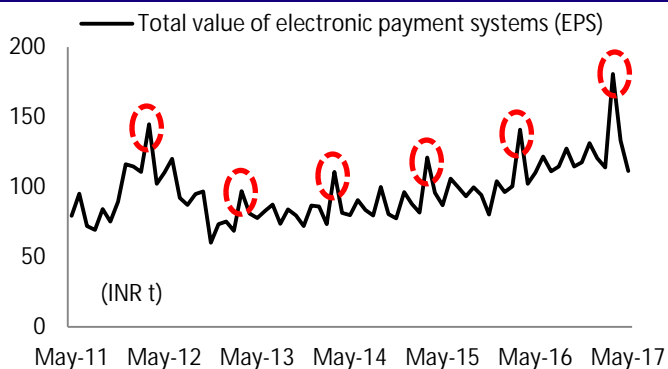
Demonetization was seen as a boost to digital payments, since ~90% of transactions were believed to be taking place in 'cash'. Eventually, digitalization was expected to help reduce tax evasion and corruption. However, available/estimated data up to May 2017 raises doubts over the increased digitalization in the economy.

The total value of all transactions under EPS (electronic payment system) has been broadly unchanged since demonetization, barring a seasonal spike in March 2017

### What do the aggregate numbers tell us?

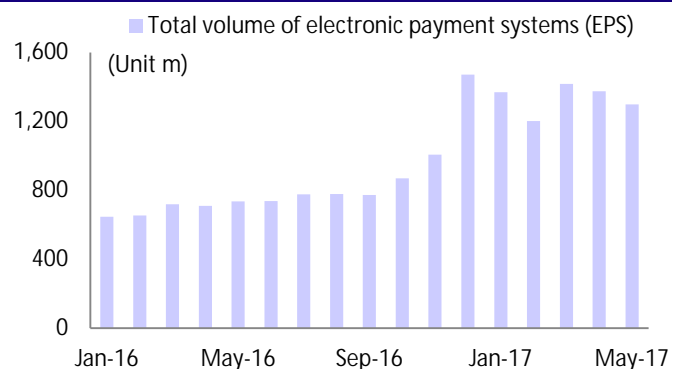
One of the crudest ways to find out if digitalization has increased is to analyze the aggregate value of transactions under electronic payments system (EPS) released on weekly/monthly basis by the Reserve Bank of India (RBI). The total value of transactions under EPS [consisting of eight (8) modes: Real Time Gross Settlement (RTGS), National Electronic Funds Transfer (NEFT), Cheque Truncation System (CTS), Immediate Payment Service (IMPS), National Automated Clearing House (NACH), Unified Payments Interface (UPI), Debit/Credit Cards at Points of Sale (POS), and Prepaid Payment Instruments (PPIs)] has been broadly unchanged since demonetization (*Exhibit 1*). The spike in March 2017 could be explained as seasonal. However, the volume of transactions has witnessed a durable increase (*Exhibit 2*), implying a significant fall in the value per transaction.

**Exhibit 1: Aggregate value of all digital payment transactions didn't witness any increase post demonetization...**



Combined value of POS, PPIs, IMPS, RTGS, NEFT, UPI, CTS and NACH

**Exhibit 2: ... however, total volume of digital payments has stabilized at higher level**



Source: Reserve Bank of India (RBI), CEIC, MoSL





# Metals Weekly

## China local steel prices increase, inventories continue to decline

- Indian steel: Long product (TMT Mumbai) prices were unchanged WoW. Sponge iron prices were up ~1% WoW, while domestic scrap prices were up ~2% WoW. Domestic iron ore prices were unchanged. Pellet prices were unchanged. Domestic HRC prices were unchanged WoW.
- Raw materials: Iron ore prices (China cfr) were up ~2% WoW. Thermal coal prices were up ~3% WoW. Coking coal prices were down ~4% WoW. China pellet import prices were up ~2% WoW, driving by higher pellet premiums.
- Europe: HRC prices were unchanged after declining consecutively for last few weeks. EU steel spreads remain supportive on lower coking coal prices. CIS export HRC prices were up ~1% WoW. Rotterdam scrap prices were up ~2% WoW.
- China: Local HRC prices were up ~4% WoW, while rebar prices were up ~1% WoW. Steel inventories are declining. Export HRC/rebar prices were up ~1% WoW.
- Base metals: Aluminum (cash LME) was down ~2% WoW. Alumina prices were higher. Zinc (cash LME) was up ~1% WoW. Lead was down ~1% WoW. Copper was down ~1% WoW. Crude oil (Brent) prices were down ~2% WoW.

### Metal Prices

	CMP	change since						
		16-Jun	%	9-Jun	%	1-Apr	%	1-Jan
<b>STEEL</b>								
TMT- Mumbai (INR/ton)	30,000	0	30,100	-11	33,600	-2	30,600	
HRC- Mumbai (INR/ton)	34,222	0	34,222	-8	37,333	-10	38,222	
HRC (USD/ton) fob CIS	438	1	435	-9	483	-12	495	
Sponge iron - Raipur (INR/ton)	16,000	1	15,800	-14	18,500	0	15,950	
<b>METALLICS</b>								
Pig iron - Raipur (INR/ton)	22,075	-1	22,350	-7	23,850	-2	22,550	
Iron ore spot (USD/ton) cfr China	56	2	54	-26	75	-29	79	
Coking coal (USD/ton) fob Aus.	142	-4	148	-50	283	-41	240	
Shred. scrap (USD/ton) Rotterdam	255	2	251	-2	260	-8	278	
<b>ALUM.</b>								
LME Spot (USD/ton)	1,861	-2	1,902	-4	1,930	3	1,814	
Indian prices (INR '000/ton)	120	-2	122	-3	124	4	116	
LME inventories ('000 ton)	1,433	-1	1,451	-21	1,818	-35	2,202	
<b>ZINC</b>								
LME Spot (USD/ton)	2,516	1	2,480	-6	2,665	-2	2,563	
Indian prices (INR '000/ton)	163	2	159	-6	172	-7	174	
LME inventories ('000 ton)	314	-2	322	-14	367	-27	428	
<b>COPPER</b>								
LME Spot (USD/ton)	5,656	-1	5,739	-2	5,770	3	5,501	
Indian prices (INR '000/ton)	364	-2	370	-5	381	-3	374	
LME inventories ('000 ton)	268	-4	280	1	265	-14	312	
<b>OTHERS</b>								
Gold (INR/10gms)	28,657	-1	28,878	-1	28,845	3	27,812	
Sliver (INR/1kg)	38,565	-2	39,308	-8	41,896	-1	38,921	
Lead Spot LME (USD/ton)	2,084	-1	2,097	-8	2,260	5	1,985	
Brent crude (USD/bbl)	47.4	-2	48.2	-14	55.2	-17	56.8	
<b>MISC.</b>								
INR/USD	64.5	0	64.4	0	64.3	-5	68.0	
BDI	851	-2	870	-30	1,223	-11	961	

### Valuations: Indian companies

Company	Price (INR)	EV/EBITDA (x)		P/B (x)	
		FY18E	FY19E	FY18E	FY19E
<b>Steel</b>					
Tata Steel	502	7.3	6.8	1.4	
JSW Steel	195	7.9	7.4	1.8	
JSPL	125	9.5	6.7	0.4	
SAIL	57	57.0	10.1	0.7	

### Non-Ferrous

Hindalco	195	5.9	5.2	1.2	
Nalco	65	7.2	6.4	1.2	
Vedanta	237	5.8	5.8	1.3	

### Mining

Coal India	255	6.3	5.7	6.3	
HZL	241	6.7	5.7	2.8	
NMDC	112	5.7	5.3	1.5	

Note: Detailed table on pg 25 Source: MOSL

### Valuations: Global companies

	Price	EV/EBITDA (x)		
		CY17	CY18	CY17
<b>Mining</b>				
BHP	AUD 22.99	5.3	5.7	nm
FMG	AUD 4.7	3.0	4.2	nm
Rio Tinto	AUD 60.08	4.8	5.8	1.9
Vale	USD 24.32	4.3	5.0	0.9
Teck Res.	USD 14.94	3.3	4.0	0.6

### Steel

A. Mittal	EUR 17.865	4.3	4.4	0.6
Posco	KRW 274.5	5.4	5.3	0.6
US Steel	USD 20.16	5.8	4.5	1.6
Nucor	USD 54.92	6.6	6.3	2.1
JFE	JPY 1766.5	7.0	6.5	nm
Gerdau	BRL 9.02	6.7	5.4	1.1
Angang	CNY 5.31	7.6	6.9	0.8

### Non Ferrous

Alcoa	USD 30	4.1	4.4	0.9
Hydro	NOK 43.98	5.5	5.3	1.1
Rusal	HKD 3.69	8.2	8.0	nm

Note: Detailed on pg 25 Source: Bloomberg



### 1. VA Tech Wabag: Ambitious plan for Africa & Latin America BIZ; Rajneesh Chopra, global head-business development

- n Successful in bagging first project in Latin America. Domestic market has been sluggish over last 2 years but exports contributed to 35-40% revenue currently and that is expected to go up to 50% of total revenue
- n Overall revenue to grow by over 20% over next 2-3 years. Expect margin to improve, given higher contribution from exports
- n Company will decide on fundraising plans in next 2 Q's
- n Awaiting for Namami Gange project to take off meaningfully & expect robust business due to Namami Gange project over next 12-18 months."
- n VA Tech has received 2 bids for Haridwar & Varanasi in this month, and also has bid for the initial two projects under Namami Gange project.

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### 2. Removing permit cap for taxis, autos good move from Maharashtra Govt: Bajaj Auto; RC Maheshwari, President CV business

- n Good move by Maharashtra government as it will remove a lot of corruption which will be there in transfer of permits etc
- n If the permits open up in the next one month's time, they should be able to do at least about 15,000-20,000 units more in this year

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### 3. Expect revenue to grow by 15% in FY18: BEL; MV Gowtama, CMD

- n Received an order for 8 lakh electronic voting machine (EVM) worth Rs 1,300 crore from the election commission.
- n Have manufactured Reliance Defence and Engineering orders and confident that Reliance Defence will take delivery. Delayed shipment will certainly cause some pressure on margins.
- n See lower returns on the equipments, which are supplied to the Reliance Defence.
- n Company is negotiating with air force for supply of 7 squadrons of Akash and expects negotiations to be completed in next two-three months.

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### 4. Price cut will impact 2-3% revenues in non-cotton business: Kaveri Seed; G Vijay Kumar, CFO

- n Price cut of 10% in Hybrid seeds (except cotton) will impact 2-3% revenues in the non-cotton seed business. The price cut is also a part of CSR responsibility towards the farmers
- n Industry is agreed to go for 10% price cut on non-cotton hybrid seed. 75% of the business for Kaveri comes from cotton seed & 25% from non-cotton seed business out of which 50% business is over Sales from vegetable business are expected to be around Rs 25 crore in FY18, which is a relatively new business. Maize is a big portion of revenues which will be around 23 percent of revenues this year

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## 1. Farm loan leakages: Aadhaar linkages critical to stop huge theft

- n The recent eruptions of farmers' protests in Madhya Pradesh (MP) and Maharashtra indicate that all is not well on the economic front, especially in agriculture. If this could happen in MP, which claims to have registered the fastest growth in agri-GDP at 9.7% per year during the decade-long period of 2005-06 to 2014-15, then it can happen in any state, any time. MP has been a showcase of BJP's performance in agriculture. But now it appears that agriculture is going to be the Achilles heel of prime minister Narendra Modi. Its poor performance at an all-India level, at less than 2% per annum, during the Modi period (2014-15 to 2016-17) also exposes chinks in the PM's armour. Unless addressed quickly, and in a sustained manner, this neglect of agriculture may cost him heavily in 2019. It may turn out to be like the 'India Shining' days of NDA-I, while Bharat was whining!

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## 2. Government limitations in job creation

- n The issue of employment is a subterranean rumble underlying the daily rhetoric of Indian politics. Frequently, it grows in volume to dominate the discourse. This is such a moment. The Congress reacted to the Narendra Modi government's completion of three years in office with an attack revolving around its alleged failure to create enough jobs. Bharatiya Janata Party (BJP) president Amit Shah responded with practised whataboutism, noting that if the Congress had paid similar attention to the issue during its time in power, it would not have suffered such electoral reverses over the past few years. This may be true; it is certainly irrelevant. It is an apt time, however, to consider an important question: What effect can the government actually have on job creation? One of Modi's core campaign promises in the run-up to the 2014 election was creating jobs for the youth. His government has failed to deliver. Comprehensive employment data in India is sadly lacking.

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## 3. A FUNDAMENTAL DISTORTION IN FARM POLICY

- n Looking at the way the agrarian crisis has built up in different pockets, it does appear that the overall approach to agriculture is marked by reactive, rather than clear-sighted, proactive thinking. Almost all policies are geared towards 'price'. It is assumed that getting this right is the panacea for all the problems. It is not surprising that the focus has deflected from enhancing productivity, which is the right answer to most problems in agriculture. First, the concept of minimum support price (MSP) has distorted the market. While MSP is effective for rice and wheat, where there is physical procurement by the FCI, it is only indicative for other crops. Increasing the MSP more to suit the interests of farmers rather than linking it with market dynamics has distorted the pricing system. Hence, when the MSP of soyabean is increased, market prices would increase even if the crop is good, as the MSP sets a benchmark. The MSP hence becomes an income-setter rather than a fair market price. Its contribution to inflation has also been distinct.

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#### 4. Employment in India: Why skilling, reskilling the labour force has to be pushed forward

- n A comment often made is that while growth has taken place in the economy, there has not been commensurate growth in the jobs created. If this were so, it is a worry because growth without employment is not desirable as it cannot be sustained and the fabled demographic dividend that we speak of can become a demographic liability. Data on employment is sparse and hence it is hard to arrive at absolute numbers, though there are some disparate pockets where such information is available. The concept is nebulous because while it is possible to get information from the organised sector, it is not easy for the unorganised segment where different concepts exist such as usual status, weekly status and so on.

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#### 5. Treat local production as deemed exports

- n Ahead of the rollout of the goods and services tax, the government plans to levy an import duty of 10% on 4G telecom gear. This is not a good idea. On telecom and information technology goods, Indian policymaking does not happen on a clean slate: it has to abide by or scrap its commitments under the World Trade Organisation's Information Technology Agreement (ITA) of December 1996. It is true that 4G equipment did not exist in 1996 and is technically outside the ITA-1. India has kept out of ITA-2 of 2015, and there are no legal objections to subjecting 4G gear to customs duties. But there are practical and economic difficulties. It is best to continue with zero import duties on all telecom and IT products while granting deemed export status to all domestic production of such gear. Obsession with customs revenues could scuttle Digital India and its promise of innovation, jobs and prosperity. IT products and components should be as cheap as possible.

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### International

#### 6. Release big tech's grip on power

- n Silicon Valley has dominated recent news, from disgraced Uber chief executive Travis Kalanick's leave of absence to work on "Self 2.0", to the threat of massive antitrust fines against Google in Europe, to Amazon devouring the upmarket grocer Whole Foods. It will this week too, as the leaders of Big Tech gather at the White House for a summit on how private sector technology companies can help government tackle its largest digital dilemmas. The CEOs will give President Donald Trump ideas for how to use Big Data, adopt cloud computing and make procurement more efficient. But our biggest technology conundrum — what to do about the fact that Silicon Valley holds too much economic and political power — isn't on the agenda.

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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
<b>Automobiles</b>														
Amara Raja	Buy	837	1,044	25	28.0	34.5	41.8	29.9	24.3	5.5	4.7	20.3	20.8	21.2
Ashok Ley.	Buy	94	117	24	4.6	5.5	7.1	20.5	17.1	4.5	3.9	23.3	24.4	26.9
Bajaj Auto	Buy	2,835	3,422	21	132.3	150.4	178.2	21.4	18.8	4.8	4.3	25.3	24.1	25.6
Bharat Forge	Buy	1,182	1,242	5	26.2	37.7	49.7	45.2	31.4	6.7	5.8	16.2	19.9	22.5
Bosch	Neutral	24,994	23,287	-7	473.1	650.7	776.2	52.8	38.4	8.7	7.6	15.8	21.2	22.2
CEAT	Buy	1,851	1,741	-6	93.3	104.9	133.9	19.8	17.7	3.1	2.7	16.9	16.3	17.9
Eicher Mot.	Buy	28,465	30,402	7	613.8	892.0	1,135.1	46.4	31.9	16.1	11.5	40.3	41.9	38.5
Endurance Tech.	Buy	931	948	2	23.5	30.8	37.9	39.6	30.2	7.6	6.2	20.8	22.6	23.1
Escorts	Neutral	708	711	0	23.2	35.9	44.4	30.5	19.7	3.6	3.1	12.3	16.8	17.9
Exide Ind	Buy	226	274	21	8.2	9.5	11.8	27.7	23.9	3.9	3.5	14.0	14.5	15.8
Hero Moto	Neutral	3,826	3,622	-5	169.1	198.1	201.2	22.6	19.3	7.6	6.4	35.7	35.9	31.3
M&M	Buy	1,386	1,603	16	54.3	69.6	81.7	25.5	19.9	3.2	2.9	14.2	14.2	14.4
Mahindra CIE	Not Rated	240	-		5.4	9.9	11.8	44.9	24.4	2.8	2.5	6.4	10.8	11.5
Maruti Suzuki	Buy	7,253	8,060	11	248.6	300.0	370.9	29.2	24.2	6.1	5.2	20.3	21.2	22.3
Tata Motors	Buy	452	635	40	19.8	30.8	65.8	22.8	14.7	2.6	2.2	9.8	16.5	27.8
TVS Motor	Buy	551	581	5	11.7	16.7	26.7	46.9	33.0	10.9	8.6	25.6	29.2	35.9
<b>Aggregate</b>								<b>28.4</b>	<b>21.7</b>	<b>4.9</b>	<b>4.2</b>	<b>17.1</b>	<b>19.3</b>	<b>22.8</b>
<b>Banks - Private</b>														
Axis Bank	Neutral	520	525	1	15.4	23.4	41.2	33.8	22.2	2.3	2.1	6.9	9.9	15.7
DCB Bank	Neutral	209	170	-19	7.0	8.8	11.2	29.9	23.8	3.1	2.8	10.9	12.4	14.0
Equitas Hold.	Buy	155	210	35	4.7	4.8	7.5	32.9	32.0	2.3	2.2	8.9	7.1	10.1
Federal Bank	Buy	119	125	5	4.8	5.8	7.3	24.8	20.7	2.3	2.2	9.9	10.9	12.5
HDFC Bank	Buy	1,691	1,790	6	56.8	67.1	79.4	29.8	25.2	5.1	4.4	17.9	18.2	19.0
ICICI Bank	Buy	321	365	14	16.8	16.8	19.2	19.1	19.0	2.2	2.0	10.1	9.1	9.8
IDFC Bank	Neutral	57	62	8	3.0	3.3	4.3	19.1	17.3	1.3	1.3	7.2	7.4	9.0
IndusInd	Buy	1,511	1,700	12	50.1	59.4	72.0	30.2	25.4	4.5	3.9	16.0	16.5	17.3
J&K Bank	Neutral	94	89	-5	-31.3	4.4	8.0	NM	21.4	0.9	0.8	-27.0	4.0	7.0
Kotak Mah. Bk	Buy	990	1,050	6	26.8	32.3	40.5	36.9	30.7	4.8	4.2	13.8	14.5	15.7
RBL Bank	Under Review	509	-		11.9	17.6	23.8	42.8	28.9	4.5	4.0	12.3	14.6	17.3
South Indian	Buy	30	31	5	2.2	2.9	3.6	13.6	10.3	1.1	1.1	9.4	10.6	12.2
Yes Bank	Buy	1,434	2,110	47	73.0	90.5	114.0	19.7	15.8	3.7	3.1	18.9	17.9	19.4
<b>Aggregate</b>								<b>28.3</b>	<b>22.8</b>	<b>3.2</b>	<b>2.9</b>	<b>11.4</b>	<b>12.9</b>	<b>14.5</b>
<b>Banks - PSU</b>														
BOB	Buy	168	217	29	6.0	19.0	24.9	28.1	8.8	1.1	1.0	4.1	12.3	14.5
BOI	Neutral	139	147	6	-14.8	13.7	22.0	NM	10.1	0.6	0.6	-6.7	6.1	9.0
Canara	Neutral	356	380	7	18.8	33.0	48.9	18.9	10.8	0.8	0.7	4.2	6.8	9.4
IDBI Bk	Neutral	57	49	-13	1.5	6.4	8.6	37.3	8.9	0.5	0.5	1.4	5.8	7.3
Indian Bk	Buy	308	360	17	29.3	33.3	38.1	10.5	9.2	1.0	0.9	10.1	10.6	11.1
OBC	Neutral	150	150	0	-31.6	17.1	21.4	NM	8.8	0.4	0.4	-8.4	4.6	5.4
PNB	Buy	147	184	25	6.2	10.3	14.5	23.7	14.4	0.8	0.8	3.6	5.6	7.5
SBI	Buy	289	375	30	0.3	19.7	25.9	953.6	14.6	1.3	1.2	-0.2	8.9	10.7
Union Bk	Neutral	152	174	15	7.6	24.6	34.5	19.9	6.2	0.5	0.5	2.7	8.1	10.5
<b>Aggregate</b>								<b>100.6</b>	<b>12.0</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>7.4</b>	<b>9.3</b>
<b>NBFCs</b>														
Bajaj Fin.	Buy	1,399	1,550	11	33.6	47.0	63.6	41.7	29.8	8.0	6.5	21.7	24.0	26.2
Bharat Fin.	Neutral	708	769	9	21.0	32.4	45.3	33.7	21.8	4.0	3.4	15.1	16.7	19.5
Cholaman.Inv.&FnBuy		1,089	1,250	15	46.0	56.7	70.6	23.7	19.2	4.0	3.4	18.1	19.0	19.9
Dewan Hsg.	Buy	458	559	22	29.6	38.6	45.5	15.5	11.9	1.8	1.6	14.4	14.5	15.2
GRUH Fin.	Neutral	439	421	-4	8.1	10.3	12.5	54.0	42.8	14.4	12.0	30.4	30.6	30.9
HDFC	Buy	1,654	1,797	9	46.8	50.7	55.9	35.3	32.6	6.5	5.9	19.3	18.3	17.4
Indiabulls Hsg	Buy	1,130	1,227	9	69.0	82.2	101.6	16.4	13.7	3.9	3.5	25.5	27.0	29.6
LIC Hsg Fin	Neutral	774	723	-7	38.2	44.6	51.2	20.2	17.4	3.6	3.1	19.4	19.3	19.0
Manappuram	Not Rated	94	-		8.2	11.1	14.0	11.5	8.5	2.6	2.3	23.9	29.0	32.2
M&M Fin.	Buy	350	400	14	7.1	12.9	16.4	49.4	27.0	3.1	2.9	6.4	10.9	12.9



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	459	465	1	29.7	34.5	40.0	15.5	13.3	2.9	2.5	19.7	20.2	20.6
PFC	Neutral	133	117	-12	25.7	27.2	30.2	5.2	4.9	0.9	0.8	17.9	17.0	16.8
Repco Home	Buy	889	900	1	29.1	36.0	43.3	30.5	24.7	4.9	4.1	17.4	18.2	18.5
REC	Neutral	189	134	-29	31.4	35.0	40.4	6.0	5.4	1.1	1.0	19.9	19.1	19.1
Shriram City Union	Buy	2,432	2,689	11	84.3	130.4	164.7	28.8	18.6	3.2	2.8	11.8	16.2	17.8
STF	Buy	996	1,269	27	55.6	77.4	98.6	17.9	12.9	2.0	1.8	11.7	14.5	16.3
<b>Aggregate</b>								<b>19.1</b>	<b>16.4</b>	<b>3.3</b>	<b>2.9</b>	<b>17.2</b>	<b>17.7</b>	<b>17.9</b>
<b>Capital Goods</b>														
ABB	Sell	1,507	1,200	-20	19.7	25.1	32.2	76.5	60.1	9.7	8.4	12.7	13.9	15.8
Bharat Elec.	Buy	169	200	19	6.9	7.2	8.1	24.3	23.5	5.0	3.9	20.6	16.5	16.8
BHEL	Sell	138	100	-28	2.0	4.4	5.0	68.2	31.6	1.0	1.0	1.5	3.3	3.6
Blue Star	Neutral	665	610	-8	12.9	17.9	26.6	51.7	37.1	8.4	7.9	18.0	21.9	30.1
CG Cons. Elec.	Buy	220	240	9	4.7	5.6	6.7	47.0	39.5	25.6	18.4	76.4	54.2	50.3
CG Power & Indu.	Sell	85	65	-23	4.1	2.3	4.5	20.7	37.1	1.3	1.2	6.2	3.4	4.2
Cummins	Neutral	930	950	2	26.5	28.8	35.5	35.1	32.3	6.9	6.4	21.2	20.5	23.2
GE T&D	Neutral	345	320	-7	5.7	8.9	10.6	60.1	38.6	8.5	7.5	12.4	20.7	21.5
Havells	Neutral	482	480	0	9.6	12.1	14.5	50.5	39.9	9.2	8.1	18.2	20.4	21.4
Inox Wind	Under Review	143	-		12.8	-3.2	15.5	11.2	NM	1.5	1.5	14.9	-3.3	15.1
K E C Intl	Neutral	252	250	-1	11.9	13.6	16.8	21.3	18.5	4.1	3.5	21.2	20.3	21.2
L&T	Buy	1,754	2,000	14	63.3	68.0	78.3	27.7	25.8	3.3	3.2	12.6	12.5	13.6
Pennar Eng.	Not Rated	138	-		5.8	7.5	10.0	23.7	18.4	2.0	1.8	8.6	10.0	11.8
Siemens	Neutral	1,315	1,355	3	17.8	24.3	33.3	73.8	54.2	6.9	5.9	9.3	11.0	13.7
Solar Ind	Neutral	825	825	0	20.6	22.0	27.5	40.0	37.5	7.3	6.3	19.8	18.1	19.5
Suzlon Energy	Not Rated	19	-		0.6	0.9	1.0	29.3	21.0	-1.7	-1.8	NM	-8.8	-11.0
Thermax	Sell	958	850	-11	30.8	32.3	34.0	31.0	29.7	4.2	3.8	14.3	13.6	12.9
Va Tech Wab.	Buy	729	800	10	28.9	34.9	39.8	25.2	20.9	4.0	3.5	16.3	17.7	17.5
Voltas	Sell	474	400	-16	15.5	16.0	18.1	30.6	29.6	4.7	4.2	18.0	15.1	15.3
<b>Aggregate</b>								<b>34.5</b>	<b>30.8</b>	<b>3.9</b>	<b>3.6</b>	<b>11.2</b>	<b>11.7</b>	<b>12.9</b>
<b>Cement</b>														
Ambuja Cem.	Buy	237	283	19	4.9	6.6	7.2	48.6	35.8	2.4	2.4	5.0	6.7	7.1
ACC	Neutral	1,641	1,521	-7	33.7	49.2	63.6	48.6	33.3	3.6	3.7	7.5	11.0	14.2
Birla Corp.	Buy	911	998	10	29.4	40.9	58.9	31.0	22.3	2.1	2.0	7.5	9.2	12.2
Dalmia Bharat	Buy	2,548	3,162	24	38.8	66.7	87.1	65.7	38.2	4.6	4.1	7.2	11.3	13.1
Grasim Inds.	Neutral	1,116	1,234	11	67.9	86.9	114.5	16.4	12.8	1.8	1.6	11.5	13.1	15.1
India Cem	Neutral	221	210	-5	5.6	9.3	12.9	39.3	23.7	1.3	1.3	3.4	5.5	7.2
J K Cements	Buy	999	1,322	32	33.7	46.4	59.5	29.6	21.5	4.0	3.4	14.4	17.0	18.6
JK Lakshmi Ce	Buy	495	550	11	7.0	11.4	20.5	71.1	43.4	4.1	3.8	6.0	9.2	14.7
Ramco Cem	Buy	698	823	18	27.3	31.1	37.5	25.6	22.5	4.5	3.9	19.2	18.6	19.1
Orient Cem	Buy	150	185	23	-1.6	4.5	6.8	NM	33.2	3.1	2.9	-3.2	9.0	12.3
Prism Cem	Buy	115	138	20	0.3	3.7	5.8	330.9	31.0	5.8	5.0	1.8	17.2	22.6
Shree Cem	Buy	17,690	23,316	32	384.4	480.7	621.0	46.0	36.8	8.7	7.2	20.2	21.5	22.6
Ultratech	Buy	4,096	4,928	20	96.1	121.4	159.1	42.6	33.7	4.9	4.3	12.0	13.6	15.7
<b>Aggregate</b>								<b>36.3</b>	<b>27.2</b>	<b>3.5</b>	<b>3.2</b>	<b>9.7</b>	<b>11.8</b>	<b>13.7</b>
<b>Consumer</b>														
Asian Paints	Neutral	1,154	1,210	5	21.0	23.1	27.4	54.9	49.9	14.6	13.9	28.5	28.6	30.6
Britannia	Buy	3,593	4,050	13	73.7	82.1	101.3	48.8	43.8	16.0	14.8	36.9	35.2	37.2
Colgate	Buy	1,099	1,180	7	21.2	25.7	31.1	51.8	42.9	23.5	22.2	50.4	53.2	60.3
Dabur	Neutral	288	295	3	7.2	7.7	9.1	39.7	37.2	10.4	9.0	28.4	26.0	26.3
Emami	Buy	1,116	1,250	12	26.5	29.2	34.7	42.1	38.2	14.4	11.6	35.8	33.8	32.2
Godrej Cons.	Neutral	1,883	1,950	4	37.8	43.6	50.0	49.8	43.2	12.1	9.4	24.6	24.5	23.0
GSK Cons.	Sell	5,354	4,380	-18	156.1	169.7	185.5	34.3	31.5	7.2	7.1	22.2	22.6	23.0
HUL	Buy	1,095	1,215	11	19.6	22.8	27.0	55.8	48.1	35.6	34.5	65.6	72.8	82.5
ITC	Buy	310	355	14	8.4	9.6	11.5	37.0	32.4	8.4	8.2	23.5	25.6	28.9
Jyothy Lab	Neutral	377	390	4	11.2	8.9	11.0	33.5	42.1	6.3	6.4	21.1	15.1	18.4



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
Marico	Neutral	310	335	8	6.3	6.9	8.4	49.3	44.6	17.2	14.7	36.7	35.5	38.1
Nestle	Sell	6,744	5,715	-15	118.0	118.6	139.5	57.2	56.8	21.6	19.9	39.0	36.4	39.0
Page Inds	Buy	16,747	18,000	7	238.7	313.9	400.0	70.1	53.4	28.1	22.2	40.0	41.6	42.8
Parag Milk	Neutral	218	245	12	3.6	7.4	12.3	60.5	29.3	2.8	2.5	5.9	9.1	13.4
Pidilite Ind.	Neutral	822	762	-7	16.7	18.4	21.2	49.1	44.5	12.7	10.3	28.2	25.6	24.0
P&G Hygiene	Buy	7,879	8,760	11	144.9	155.8	181.6	54.4	50.6	44.9	35.8	45.3	78.9	74.0
United Brew	Neutral	787	830	5	8.7	9.7	14.7	90.5	81.1	9.0	8.3	10.4	10.7	14.6
United Spirits	Neutral	2,300	2,415	5	26.7	37.4	51.8	86.0	61.6	17.2	11.9	21.3	19.3	19.7
<b>Aggregate</b>								<b>46.2</b>	<b>40.8</b>	<b>12.8</b>	<b>11.9</b>	<b>27.7</b>	<b>29.2</b>	<b>30.7</b>
<b>Healthcare</b>														
Alembic Phar	Neutral	524	640	22	21.6	26.0	32.1	24.3	20.1	5.2	4.4	23.1	23.6	24.1
Alkem Lab	Neutral	1,855	1,900	2	75.7	80.0	94.9	24.5	23.2	5.3	4.5	23.4	20.8	21.0
Ajanta Pharma	Buy	1,544	2,028	31	58.4	66.4	79.9	26.4	23.3	8.7	6.6	37.7	32.3	30.0
Aurobindo	Buy	655	750	14	39.3	44.1	50.2	16.7	14.8	4.2	3.3	28.3	24.8	22.5
Biocon	Sell	330	300	-9	20.4	22.0	29.9	16.2	15.0	2.2	2.0	13.6	13.3	16.1
Cadila	Buy	531	510	-4	14.2	18.1	23.2	37.4	29.3	8.5	7.0	24.8	26.1	27.1
Cipla	Neutral	539	500	-7	15.9	20.0	25.0	33.9	27.0	3.5	3.1	10.2	11.5	12.8
Divis Lab	Neutral	645	600	-7	39.7	35.8	39.8	16.3	18.0	3.7	3.3	23.5	19.2	19.2
Dr Reddy's	Neutral	2,657	2,625	-1	72.6	107.1	144.5	36.6	24.8	3.6	3.0	9.6	13.3	15.1
Fortis Health	Buy	190	240	26	10.3	2.1	6.1	18.4	90.1	2.0	1.7	11.3	2.0	5.3
Glenmark	Neutral	637	800	26	39.3	45.0	53.5	16.2	14.1	4.0	3.2	24.7	22.4	21.3
Granules	Buy	139	200	44	7.3	8.1	11.4	19.2	17.1	3.2	2.3	20.0	16.4	17.6
GSK Pharma	Neutral	2,437	2,700	11	34.4	51.9	60.1	70.9	46.9	15.3	18.6	21.5	39.7	54.4
IPCA Labs	Neutral	471	480	2	16.1	22.4	29.9	29.3	21.0	2.4	2.2	8.6	11.0	13.2
Lupin	Buy	1,131	1,475	30	59.2	60.2	73.7	19.1	18.8	3.9	3.3	22.0	18.9	19.7
Sanofi India	Buy	4,143	4,850	17	129.1	131.0	173.4	32.1	31.6	5.5	5.2	17.1	16.3	19.3
Sun Pharma	Buy	525	650	24	26.1	25.4	30.8	20.1	20.7	3.4	3.3	18.5	16.3	17.9
Syngene Intl	Not Rated	455	-		13.0	16.1	18.0	34.9	28.2	7.1	5.8	22.2	22.5	20.7
Torrent Pharma	Buy	1,203	1,450	21	55.2	59.8	73.2	21.8	20.1	5.1	4.4	25.3	23.5	24.6
<b>Aggregate</b>								<b>23.6</b>	<b>21.8</b>	<b>4.1</b>	<b>3.6</b>	<b>17.5</b>	<b>16.6</b>	<b>17.6</b>
<b>Logistics</b>														
Allcargo Logistics	Buy	174	228	31	9.8	12.2	14.3	17.7	14.3	2.6	2.3	12.6	17.2	17.8
Blue Dart	Not Rated	4,259	-		102.5	129.9	163.2	41.5	32.8	18.4	14.0	50.5	48.6	46.8
Concor	Neutral	1,135	1,162	2	38.0	41.2	45.8	29.9	27.6	3.1	3.0	10.8	11.1	11.7
Gateway Distriparks	Buy	264	310	17	6.8	11.6	14.3	38.9	22.8	2.3	2.2	5.9	9.9	11.7
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	309	-		16.9	21.0	25.9	18.2	14.7	2.8	2.4	16.7	17.8	18.6
<b>Aggregate</b>								<b>28.5</b>	<b>23.5</b>	<b>3.5</b>	<b>3.2</b>	<b>12.2</b>	<b>13.7</b>	<b>15.0</b>
<b>Media</b>														
Dish TV	Buy	79	106	35	1.0	2.1	3.8	79.6	38.3	17.1	11.8	24.1	36.5	44.1
D B Corp	Buy	374	460	23	20.4	24.1	28.7	18.4	15.5	4.3	3.8	25.5	26.2	27.6
Den Net.	Neutral	82	90	9	-8.6	-2.7	0.3	NM	NM	1.5	1.7	-12.0	-5.3	0.7
Hind. Media	Buy	277	360	30	26.4	27.1	29.9	10.5	10.2	1.8	1.6	19.3	16.6	15.6
HT Media	Neutral	82	85	4	7.4	7.9	8.3	11.1	10.4	0.7	0.7	7.1	6.9	6.6
Jagran Prak.	Buy	184	225	22	10.8	12.2	14.0	17.1	15.1	2.5	2.5	17.6	16.3	17.3
PVR	Buy	1,568	1,666	6	20.5	36.1	54.7	76.4	43.5	7.6	6.5	10.4	16.1	20.5
Siti Net.	Neutral	29	36	23	-1.8	-0.5	0.1	NM	NM	4.0	4.4	-23.5	-7.8	1.5
Sun TV	Neutral	859	860	0	24.9	29.5	38.4	34.6	29.1	8.6	7.9	25.0	27.3	31.9
Zee Ent.	Buy	509	600	18	23.1	16.4	19.5	22.0	31.1	8.1	6.8	23.7	23.8	23.8
<b>Aggregate</b>								<b>41.1</b>	<b>29.2</b>	<b>5.9</b>	<b>5.3</b>	<b>14.3</b>	<b>18.1</b>	<b>20.6</b>
<b>Metals</b>														
Hindalco	Buy	201	250	25	16.2	22.6	25.9	12.4	8.9	1.5	1.3	14.0	15.6	15.1
Hind. Zinc	Sell	246	235	-4	19.7	21.5	23.7	12.5	11.4	3.4	2.9	24.4	27.2	25.4
JSPL	Buy	127	184	45	-20.9	-16.0	-2.5	NM	NM	0.4	0.4	-7.9	-5.0	-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	199	241	21	14.8	20.1	22.6	13.5	9.9	2.1	1.8	17.3	19.7	18.8
Nalco	Neutral	64	65	1	3.7	3.6	4.0	17.5	18.0	1.2	1.2	7.2	6.7	7.3
NMDC	Under Review	113	-		10.0	12.0	12.7	11.4	9.4	1.6	1.5	12.4	14.9	15.7
SAIL	Sell	58	30	-48	-6.2	-12.6	0.4	NM	NM	0.6	0.8	-6.7	-15.2	0.5
Vedanta	Neutral	242	225	-7	15.1	24.5	27.4	16.0	9.9	1.5	1.4	9.7	14.8	15.3
Tata Steel	Sell	519	451	-13	37.0	39.5	45.7	14.0	13.2	1.6	1.4	15.4	11.4	12.1
<b>Aggregate</b>								<b>17.0</b>	<b>13.7</b>	<b>1.4</b>	<b>1.3</b>	<b>8.0</b>	<b>9.4</b>	<b>11.8</b>
<b>Oil &amp; Gas</b>														
BPCL	Neutral	667	779	17	72.5	64.5	70.3	9.2	10.3	2.8	2.4	32.4	25.1	23.3
GAIL	Sell	381	357	-6	22.6	27.4	31.6	16.9	13.9	1.7	1.6	10.2	11.7	12.5
Gujarat Gas	Sell	804	699	-13	20.4	38.5	46.6	39.3	20.9	6.7	5.3	17.8	28.5	27.5
Gujarat St. Pet.	Neutral	165	171	4	8.8	11.2	13.4	18.7	14.7	2.1	1.9	11.9	13.7	14.6
HPCL	Buy	530	632	19	61.0	45.6	45.8	8.7	11.6	2.7	2.3	32.4	21.2	18.7
IOC	Neutral	407	457	12	41.0	41.9	43.3	9.9	9.7	1.9	2.0	22.3	20.2	19.9
IGL	Neutral	1,072	1,067	0	43.1	46.7	51.8	24.9	23.0	5.1	4.4	21.0	20.6	19.5
MRPL	Neutral	128	124	-3	11.7	12.8	13.3	10.9	10.0	2.2	1.9	24.8	20.5	18.4
Oil India	Buy	293	363	24	19.3	34.7	37.4	15.1	8.4	0.8	0.8	5.7	9.3	9.6
ONGC	Buy	166	229	38	16.4	20.6	23.9	10.1	8.1	1.0	0.9	10.4	11.7	13.0
PLNG	Buy	437	546	25	22.7	26.3	35.9	19.2	16.6	4.0	3.4	23.2	22.4	25.7
Reliance Ind.	Neutral	1,409	1,264	-10	106.6	121.7	127.8	13.2	11.6	1.4	1.3	11.9	11.8	11.2
<b>Aggregate</b>								<b>11.8</b>	<b>10.8</b>	<b>1.6</b>	<b>1.5</b>	<b>13.2</b>	<b>13.4</b>	<b>13.4</b>
<b>Retail</b>														
Jubilant Food	Sell	928	680	-27	10.0	12.2	17.9	92.7	76.3	7.6	7.1	8.2	9.3	12.6
Titan Co.	Neutral	513	505	-2	9.0	10.3	12.1	56.8	50.0	10.8	9.5	20.6	20.2	20.9
<b>Aggregate</b>								<b>59.9</b>	<b>52.3</b>	<b>10.3</b>	<b>9.2</b>	<b>17.2</b>	<b>17.6</b>	<b>18.5</b>
<b>Technology</b>														
Cyient	Buy	509	620	22	30.6	38.3	44.2	16.6	13.3	2.7	2.4	16.2	17.8	17.9
HCL Tech.	Buy	842	960	14	59.8	61.9	67.6	14.1	13.6	3.5	3.5	27.5	25.4	26.0
Hexaware	Neutral	249	235	-5	13.7	15.4	16.7	18.2	16.2	4.4	3.9	26.5	25.3	23.5
Infosys	Buy	929	1,200	29	62.9	64.7	71.1	14.8	14.4	3.1	2.8	23.3	21.4	21.2
KPIT Tech	Neutral	124	150	21	11.9	13.4	15.2	10.4	9.2	1.6	1.3	14.3	15.6	15.2
L&T Infotech	Buy	817	850	4	55.5	59.7	65.0	14.7	13.7	5.1	4.0	40.4	32.8	28.3
Mindtree	Neutral	516	475	-8	24.9	30.5	36.5	20.7	16.9	3.4	3.1	16.8	18.9	20.5
Mphasis	Neutral	591	600	2	38.9	41.7	45.0	15.2	14.2	2.0	2.3	13.2	14.0	15.7
NIIT Tech	Neutral	571	470	-18	42.8	42.5	46.1	13.3	13.4	2.1	1.9	16.1	14.8	14.7
Persistent Sys	Buy	680	700	3	37.7	43.9	51.4	18.0	15.5	2.8	2.7	17.0	18.1	20.3
Tata Elxsi	Buy	1,617	1,607	-1	56.3	68.0	80.4	28.7	23.8	9.0	7.2	37.1	33.7	32.3
TCS	Neutral	2,432	2,400	-1	133.4	139.7	149.6	18.2	17.4	5.7	5.9	33.5	32.4	32.3
Tech Mah	Buy	389	500	29	30.9	32.3	36.9	12.6	12.0	2.1	1.9	18.4	16.7	17.0
Wipro	Neutral	254	250	-2	16.9	17.3	19.1	15.0	14.7	2.4	2.2	16.9	15.5	15.7
Zensar Tech	Buy	872	1,020	17	54.9	65.5	76.0	15.9	13.3	2.4	2.1	16.3	17.2	17.4
<b>Aggregate</b>								<b>16.1</b>	<b>15.7</b>	<b>3.7</b>	<b>3.6</b>	<b>23.2</b>	<b>22.6</b>	<b>22.0</b>
<b>Telecom</b>														
Bharti Airtel	Buy	367	430	17	11.1	6.3	11.5	33.0	58.4	2.2	2.1	6.7	3.7	6.4
Bharti Infratel	Buy	376	440	17	14.9	17.5	19.9	25.3	21.5	4.5	3.9	16.2	19.4	19.1
Idea Cellular	Buy	80	110	38	-1.1	-12.9	-13.6	NM	NM	1.2	1.4	-1.6	-20.8	-27.4
Tata Comm	Buy	735	811	10	26.0	18.1	36.0	28.3	40.6	13.2	9.9	126.2	27.9	39.1
<b>Aggregate</b>								<b>35.3</b>	<b>165.0</b>	<b>2.4</b>	<b>2.4</b>	<b>6.9</b>	<b>1.5</b>	<b>3.9</b>
<b>Utilities</b>														
Coal India	Buy	254	316	24	14.9	18.3	20.7	17.0	13.9	6.4	6.4	37.8	46.2	52.1
CESC	Buy	899	1,040	16	51.9	73.4	80.6	17.3	12.2	2.0	1.8	11.4	15.5	15.0
JSW Energy	Buy	63	88	40	3.9	2.1	1.8	16.3	29.7	1.0	1.0	6.7	3.3	2.8
NTPC	Buy	161	198	23	13.0	13.4	16.2	12.4	12.0	1.4	1.3	11.5	10.9	12.3
Power Grid	Buy	212	242	14	14.2	17.6	20.5	14.9	12.0	2.3	2.0	16.2	17.5	17.8
Tata Power	Sell	78	67	-14	5.2	6.7	7.0	15.1	11.6	1.8	1.6	11.2	14.6	13.6





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
<b>Aggregate</b>								<b>14.7</b>	<b>12.8</b>	<b>2.3</b>	<b>2.1</b>	<b>15.3</b>	<b>16.3</b>	<b>17.4</b>
<b>Others</b>														
Arvind	Neutral	380	382	1	12.4	16.6	23.6	30.7	22.8	2.8	2.5	10.3	11.5	14.7
Bata India	Under Review	540	-		13.5	15.6	19.3	40.1	34.6	5.3	4.7	13.9	14.5	15.9
Castrol India	Buy	412	531	29	13.6	14.6	15.2	30.2	28.3	34.2	30.6	115.2	114.1	106.8
Century Ply.	Neutral	302	323	7	8.7	9.8	12.9	34.7	30.7	9.4	7.7	31.1	27.7	29.6
Coromandel Intl	Under Review	432	-		16.0	18.3	23.6	27.1	23.6	4.7	4.2	18.2	18.9	21.7
Delta Corp	Buy	165	229	39	4.2	5.3	7.1	39.1	31.2	4.1	2.8	11.1	11.3	11.5
Dynomatic Tech	Buy	2,570	3,334	30	67.6	112.9	166.7	38.0	22.8	5.2	4.3	15.1	20.7	24.3
Eveready Inds.	Buy	347	368	6	12.9	14.4	17.5	26.9	24.0	8.7	7.0	37.7	32.3	31.6
Interglobe	Neutral	1,198	1,234	3	46.0	65.6	88.2	26.0	18.3	21.4	19.0	86.2	110.2	129.8
Indo Count	Buy	179	229	28	13.0	14.6	17.6	13.8	12.3	4.2	3.1	34.8	28.8	25.9
Info Edge	Buy	1,004	1,050	5	15.7	20.3	22.9	64.1	49.6	6.2	5.7	10.2	11.9	12.3
Inox Leisure	Sell	287	240	-16	3.3	8.0	12.0	86.0	35.7	5.0	4.4	5.9	12.5	16.2
Jain Irrigation	Under Review	107	-		5.5	7.6	10.0	19.4	14.1	1.6	1.6	8.6	11.7	14.8
Just Dial	Neutral	407	465	14	17.5	18.5	21.1	23.3	22.0	3.1	2.8	14.8	13.4	13.7
Kaveri Seed	Buy	639	653	2	19.1	29.5	36.3	33.5	21.7	4.4	4.7	13.6	20.5	25.4
Kitex Garm.	Buy	412	551	34	26.0	31.0	36.7	15.8	13.3	4.3	3.5	29.9	28.7	27.7
Manpasand	Buy	795	900	13	12.7	21.0	30.0	62.6	37.8	3.9	3.7	7.3	8.8	13.1
MCX	Buy	1,120	1,300	16	24.8	30.5	42.9	45.1	36.7	4.2	4.0	9.9	11.1	14.6
Monsanto	Buy	2,864	2,841	-1	72.9	89.3	109.3	39.3	32.1	11.9	11.1	30.4	35.9	39.6
Navneet Education	Buy	185	226	22	7.8	9.4	11.3	23.9	19.7	6.0	5.0	26.8	27.8	28.2
PI Inds.	Buy	811	952	17	33.4	33.4	38.1	24.3	24.3	6.9	5.6	32.8	25.4	23.8
Piramal Enterp.	Buy	2,914	3,044	4	72.6	104.1	144.6	40.1	28.0	3.8	3.5	9.8	13.0	16.4
SRF	Buy	1,635	1,816	11	85.9	89.0	111.5	19.0	18.4	3.0	2.7	16.6	15.1	17.0
S H Kelkar	Buy	288	367	28	7.2	9.6	12.2	39.7	29.9	5.1	4.6	13.7	16.1	18.2
Symphony	Sell	1,282	1,288	0	27.0	35.1	42.9	47.5	36.5	25.8	22.0	56.8	65.0	66.3
TTK Prestige	Neutral	6,671	5,281	-21	106.9	137.7	176.0	62.4	48.4	9.9	8.9	16.5	19.4	22.2
V-Guard	Neutral	186	167	-10	3.6	4.5	6.0	52.1	41.5	12.4	10.1	27.4	26.9	28.8
Wonderla	Buy	377	393	4	7.0	11.9	16.0	54.0	31.6	4.9	4.4	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
<b>Automobiles</b>			
Amara Raja	-0.4	-6.4	-3.2
Ashok Ley.	0.0	10.8	-4.6
Bajaj Auto	0.9	-4.6	10.0
Bharat Forge	-0.1	11.9	61.6
Bosch	2.3	8.5	13.5
CEAT	-0.4	4.0	123.0
Eicher Mot.	-0.9	2.0	51.9
Endurance Tech.	-0.6	16.5	
Escorts	-0.2	10.7	301.2
Exide Ind	2.0	-4.8	40.8
Hero Moto	1.3	7.1	26.3
M&M	-0.2	4.0	3.3
Mahindra CIE	0.7	-3.0	25.3
Maruti Suzuki	-0.2	6.9	76.5
Tata Motors	-0.7	2.1	-2.4
TVS Motor	0.2	4.9	88.5
<b>Banks - Private</b>			
Axis Bank	1.9	3.8	-1.3
DCB Bank	-0.5	9.4	112.6
Equitas Hold.	-0.7	-1.8	-10.7
Federal Bank	-1.3	6.1	106.8
HDFC Bank	1.4	8.4	44.7
ICICI Bank	1.3	4.4	34.5
IDFC Bank	-0.4	-5.5	22.0
IndusInd	0.7	8.8	37.5
J&K Bank	4.6	10.6	36.9
Kotak Mah. Bk	0.5	5.6	32.0
RBL Bank	-1.1	-8.4	
South Indian	0.5	13.0	60.5
Yes Bank	-0.5	0.3	34.0
<b>Banks - PSU</b>			
BOB	0.0	-10.9	11.5
BOI	0.3	-22.4	47.5
Canara	1.1	-3.1	80.3
IDBI Bk	-3.1	-17.1	-20.1
Indian Bk	0.2	-10.7	148.3
OBC	0.1	-4.8	50.2
PNB	0.0	-5.1	56.0
SBI	0.9	-6.4	35.2
Union Bk	0.2	-13.0	19.9
<b>NBFCs</b>			
Bajaj Fin.	-0.5	8.4	86.1
Bharat Fin.	-0.7	1.7	4.9
Cholaman.Inv.&Fn	-0.1	5.2	18.9
Dewan Hsg.	0.9	13.1	127.1
GRUH Fin.	-1.2	10.7	61.6
HDFC	0.9	8.7	34.7
Indiabulls Hsg	0.0	8.5	62.4
LIC Hsg Fin	-0.5	13.4	63.0
Manappuram	1.9	5.1	60.9
M&M Fin.	0.3	11.0	13.1
Muthoot Fin	-2.6	21.1	72.9
PFC	1.0	-13.8	63.3
Repco Home	-0.3	17.9	21.3
REC	1.1	-12.8	131.6
STF	1.3	-0.5	-12.7
Shriram City Union	-0.8	13.0	44.3

Company	1 Day (%)	1M (%)	12M (%)
<b>Capital Goods</b>			
ABB	-0.3	-1.3	21.7
Bharat Elec.	-0.6	-3.3	33.8
BHEL	-0.3	-15.8	12.9
Blue Star	-0.8	2.9	54.5
CG Cons. Elec.	0.0	-1.2	64.4
CG Power & Inds Sol.	2.4	-7.3	13.6
Cummins	1.1	-3.9	16.3
GE T&D	2.1	-5.2	-3.5
Havells	-1.7	-0.5	33.8
Inox Wind	-0.8	-9.4	-38.4
K E C Intl	-0.9	2.8	85.5
L&T	1.6	1.7	18.7
Pennar Eng.	0.4	5.5	-9.0
Siemens	-0.1	-4.4	4.2
Solar Ind	0.4	0.2	32.8
Suzlon Energy	-1.1	-9.7	5.4
Thermax	-0.8	-2.5	19.1
Va Tech Wab.	2.3	8.6	19.9
Voltas	-3.1	14.0	48.1
<b>Cement</b>			
Ambuja Cem.	0.1	-5.5	0.9
ACC	0.3	-2.3	5.7
Birla Corp.	-1.3	18.8	100.0
Dalmia Bharat	3.2	4.9	134.8
Grasim Inds.	-0.3	-0.5	28.9
India Cem	0.5	6.6	112.0
JK Cements	-1.3	-10.1	54.2
JK Lakshmi Ce	-0.2	4.8	30.6
Ramco Cem	0.6	1.6	27.2
Orient Cem	0.2	-1.8	-7.9
Prism Cem	-1.9	-4.5	22.4
Shree Cem	-0.5	-5.3	28.7
Ultratech	-0.5	-6.1	24.3
<b>Consumer</b>			
Asian Paints	0.8	2.8	15.6
Britannia	0.7	0.1	36.1
Colgate	0.3	8.3	28.3
Dabur	-0.5	4.4	-8.7
Emami	0.3	0.8	10.1
Godrej Cons.	0.8	4.7	22.9
GSK Cons.	-0.1	1.2	-4.9
HUL	0.4	8.7	24.3
ITC	1.4	8.6	29.5
Jyothy Lab	0.5	0.9	27.1
Marico	-1.0	0.0	21.3
Nestle	-0.2	3.3	4.4
Page Inds	1.0	15.3	22.3
Parag Milk	0.7	-9.5	-13.5
Pidilite Ind.	0.8	7.9	17.0
P&G Hygiene	-0.3	3.9	26.4
United Brew	0.2	1.6	4.5
United Spirits	0.7	19.7	-6.0
<b>Healthcare</b>			
Alembic Phar	0.3	-12.7	-0.9
Alkem Lab	-1.1	-1.0	34.4
Ajanta Pharma	-0.6	-7.8	2.9
Aurobindo	0.4	9.9	-9.8

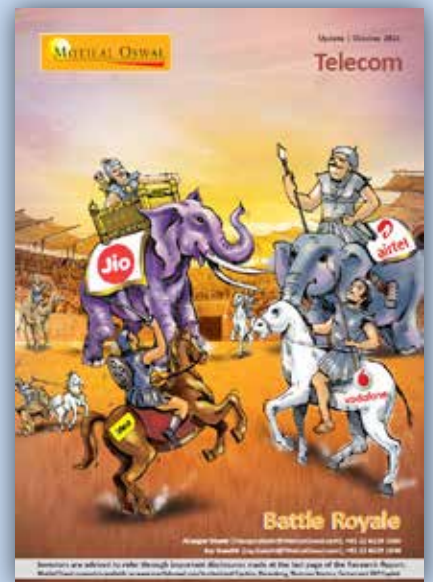
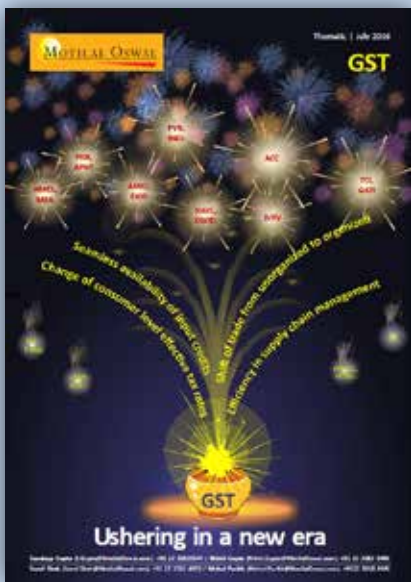
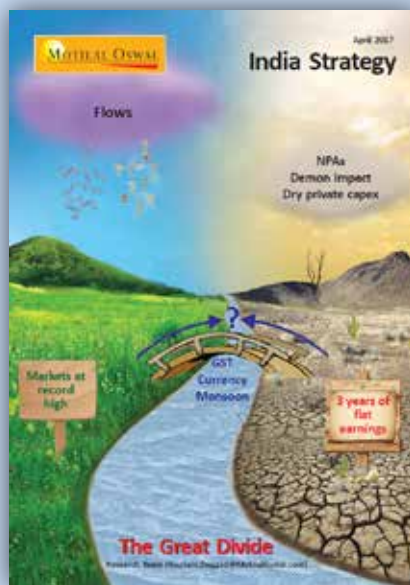
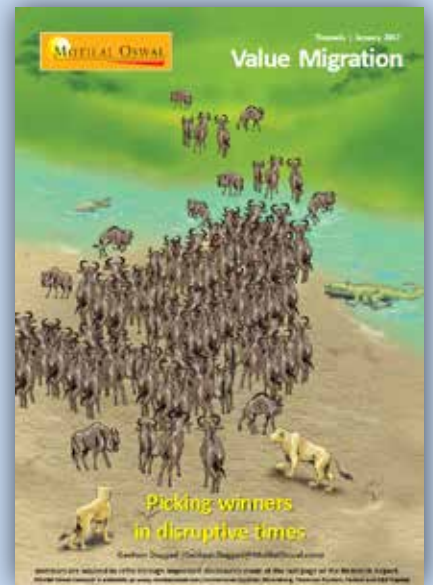
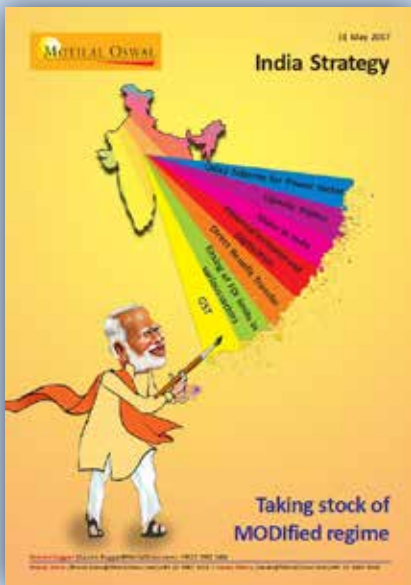


Company	1 Day (%)	1M (%)	12M (%)
Biocon	-2.3	1.2	38.3
Cadila	1.1	15.6	69.5
Cipla	0.4	-4.3	11.0
Divis Lab	0.5	5.6	-41.9
Dr Reddy's	-0.8	0.0	-11.6
Fortis Health	-0.3	-6.5	17.6
Glenmark	-0.2	-3.5	-15.9
Granules	-1.6	-6.4	0.7
GSK Pharma	-1.0	-0.2	-30.6
IPCA Labs	-0.2	-11.0	-3.5
Lupin	0.0	-14.0	-22.8
Sanofi India	2.2	1.8	-1.0
Sun Pharma	-0.8	-19.5	-29.3
Syngene Intl	-0.5	-5.9	14.9
Torrent Pharma	-0.6	-6.5	-10.5
<b>Logistics</b>			
Allcargo Logistics	0.3	-2.4	6.4
Blue Dart	1.4	-1.0	-27.1
Concor	-0.1	-5.1	7.0
Gateway Distriparks	0.1	7.7	-18.1
Gati	0.0	-7.2	-17.3
Transport Corp.	-0.3	18.4	64.9
<b>Media</b>			
Dish TV	-2.0	-20.6	-16.2
D B Corp	0.1	1.8	0.1
Den Net.	-1.0	-14.0	-7.0
Hind. Media	0.3	0.3	2.3
HT Media	1.0	-0.7	5.5
Jagran Prak.	-0.1	-1.1	8.5
PVR	0.6	3.2	64.7
Siti Net.	-0.8	-7.7	-20.8
Sun TV	2.4	0.8	132.3
Zee Ent.	0.1	-0.4	13.1
<b>Metals</b>			
Hindalco	2.8	5.1	69.4
Hind. Zinc	2.1	-0.1	42.9
JSPL	2.0	13.7	92.0
JSW Steel	2.1	2.9	42.9
Nalco	-1.3	-5.0	55.8
NMDC	0.7	-8.2	21.7
SAIL	1.3	-4.6	29.0
Vedanta	2.3	5.2	97.7
Tata Steel	3.4	6.1	59.5
<b>Oil &amp; Gas</b>			
BPCL	-0.9	-5.0	32.8
GAIL	0.8	-5.1	31.3
Gujarat Gas	0.8	2.8	55.4
Gujarat St. Pet.	-2.9	-5.2	24.5
HPCL	0.1	1.7	72.7
IOC	0.5	-6.6	96.9
IGL	0.9	7.2	73.6
MRPL	0.6	-4.6	96.7
Oil India	-0.7	-7.6	11.5
ONGC	-0.5	-7.7	18.3
PLNG	2.4	-2.5	53.1
Reliance Ind.	1.5	6.9	44.8
<b>Retail</b>			
Jubilant Food	-1.0	-8.8	-13.9

Company	1 Day (%)	1M (%)	12M (%)
Titan Co.	-0.5	9.0	36.8
<b>Technology</b>			
Cyient	0.7	-0.6	3.6
HCL Tech.	0.4	-0.5	11.9
Hexaware	-0.9	-1.6	17.1
Infosys	-1.2	-3.0	-21.1
KPIT Tech	-0.6	-2.3	-33.1
L&T Infotech	1.8	5.7	
Mindtree	0.2	3.9	-18.1
Mphasis	-1.9	1.7	9.1
NIIT Tech	0.5	14.5	6.3
Persistent Sys	2.0	17.9	-0.9
Tata Elxsi	4.7	4.4	-8.6
TCS	1.4	-3.0	-6.6
Tech Mah	-0.4	-6.5	-27.4
Wipro	-0.2	-2.0	-7.9
Zensar Tech	0.3	-2.1	-9.4
<b>Telecom</b>			
Bharti Airtel	0.6	-1.5	3.2
Bharti Infratel	0.4	-0.7	11.1
Idea Cellular	2.6	-9.2	-21.0
Tata Comm	-0.2	9.0	63.5
<b>Utilities</b>			
Coal India	-0.6	-8.3	-19.0
CESC	1.9	2.4	54.6
JSW Energy	-0.2	-3.1	-25.2
NTPC	0.2	1.2	5.5
Power Grid	1.4	3.2	35.4
Tata Power	0.2	-7.4	5.9
<b>Others</b>			
Arvind	0.1	0.9	22.9
Bata India	0.2	-1.1	2.1
Castrol India	0.4	-5.6	10.3
Century Ply.	-1.6	18.7	49.0
Coromandel Intl	-0.4	5.7	82.6
Delta Corp	-1.6	7.9	91.6
Dynamatic Tech	1.0	-6.3	3.9
Eveready Inds.	1.6	6.5	33.0
Interglobe	-0.8	12.6	18.6
Indo Count	-1.3	-7.8	-1.4
Info Edge	-0.5	18.0	25.1
Inox Leisure	1.4	-0.4	29.5
Jain Irrigation	0.9	15.7	58.2
Just Dial	0.0	-20.2	-38.7
Kaveri Seed	-2.6	19.0	42.9
Kitex Garm.	0.2	4.6	-12.3
Manpasand	1.5	0.3	46.5
MCX	1.2	13.1	12.4
Monsanto	-2.6	3.0	10.2
Navneet Educat.	-0.5	13.9	98.3
PI Inds.	-0.3	0.1	19.1
Piramal Enterp.	-1.5	2.8	114.5
SRF	0.3	-6.2	30.0
S H Kelkar	-1.3	-0.5	35.9
Symphony	-0.2	-9.6	6.6
TTK Prestige	0.0	5.0	46.1
V-Guard	2.7	-8.8	87.1
Wonderla	0.7	-1.9	-5.8

## NOTES

# THEMATIC/STRATEGY RESEARCH GALLERY





# DIFFERENTIATED PRODUCT GALLERY

**MOTILAL OSWAL** 27 March 2017

## Annual Report Threadbare

**JC LAKSHMI CEMENT**  
 After a record year in 2016, JC Lakshmi Cement (LSC) is another stellar performer, with revenue doubling to INR 17,975 crore (vs INR 8,645 crore in 2015) on the back of an 8% fall in realisation to INR 245/tonne, but volume growth of 23% in a year. After 18 years of consolidation and operational optimisation of the long plant and a volume loss of INR 40 crore (vs INR 100 crore loss), the company reported EBITDA worth INR 4,000 crore (vs INR 2,000 crore in 2015) and EBITDA margin of 22% (vs 23% in 2015). EBITDA increased to INR 4,000 crore (vs INR 2,000 crore in 2015) and EBITDA margin of 22% (vs 23% in 2015). EBITDA increased to INR 4,000 crore (vs INR 2,000 crore in 2015) and EBITDA margin of 22% (vs 23% in 2015).

**Key Metrics:**

- Operating performance remains steady (EBITDA of INR 4,000 crore vs INR 2,000 crore in 2015), as EBITDA margin remains steady (22% vs 23% in 2015) on the back of a 8% fall in realisation to INR 245/tonne (vs INR 265/tonne in 2015), but volume growth of 23% in a year.
- High volume and operational cost savings (EBITDA margin of 22% vs 23% in 2015) on the back of a 8% fall in realisation to INR 245/tonne (vs INR 265/tonne in 2015), but volume growth of 23% in a year.
- EBITDA margin of 22% (vs 23% in 2015) on the back of a 8% fall in realisation to INR 245/tonne (vs INR 265/tonne in 2015), but volume growth of 23% in a year.

**Key Metrics Table:**

Particulars	2016	2015
Revenue	17,975	8,645
EBITDA	4,000	2,000
EBITDA Margin	22%	23%
Operating Profit	3,000	1,500
Operating Profit Margin	17%	17%
Net Profit	1,500	750
Net Profit Margin	8%	9%

**MOTILAL OSWAL** 23 Jun 2017

## Infrastructure spending drives domestic demand

**Commodity India**

Infrastructure spending growth in domestic cases driven by infrastructure spending. Current India (CPI) has witnessed a pull-up in domestic demand, driven by strong infrastructure spending by the government. On the medium term, the complete picture depends on the regularisation of growth, given strong infrastructure spending and a pickup in demand for the private sector. Growth in domestic cases is expected to be driven by industrial expansion, including expansion in the metal sector, which is driving strong opportunities, given the government's focus on infrastructure development. Over the medium term, CAGR growth in the industrial sector is expected to be higher than that in the private sector. (1) Power generation expansion (2) Growth in the private sector is expected to be driven by infrastructure spending, driven by a pickup in demand for the private sector. (3) Growth in the private sector is expected to be driven by infrastructure spending, driven by a pickup in demand for the private sector. (4) Growth in the private sector is expected to be driven by infrastructure spending, driven by a pickup in demand for the private sector.

**Key Metrics:**

- Infrastructure spending growth in domestic cases driven by infrastructure spending.
- Current India (CPI) has witnessed a pull-up in domestic demand, driven by strong infrastructure spending by the government.
- Over the medium term, CAGR growth in the industrial sector is expected to be higher than that in the private sector.

**MOTILAL OSWAL** 19 April 2017

## VOICES

**India Inc on Call**

India Inc is a quarterly review that tracks the overall health, provides a clear view on the full year outlook, and offers insights into the key challenges and opportunities for the Indian economy. It is a quarterly review that tracks the overall health, provides a clear view on the full year outlook, and offers insights into the key challenges and opportunities for the Indian economy.

**Key Metrics:**

- India Inc is a quarterly review that tracks the overall health, provides a clear view on the full year outlook, and offers insights into the key challenges and opportunities for the Indian economy.
- India Inc is a quarterly review that tracks the overall health, provides a clear view on the full year outlook, and offers insights into the key challenges and opportunities for the Indian economy.

**MOTILAL OSWAL** 17 March 2017

## EcoKnowledge

**One Two Three: Budget 2017 - Pay Commission in FY18**

One Two Three: Budget 2017 - Pay Commission in FY18. The budget is a key event in the financial year, and it is important to understand the implications of the budget for the economy and for investors. The budget is a key event in the financial year, and it is important to understand the implications of the budget for the economy and for investors.

**Key Metrics:**

- One Two Three: Budget 2017 - Pay Commission in FY18. The budget is a key event in the financial year, and it is important to understand the implications of the budget for the economy and for investors.
- One Two Three: Budget 2017 - Pay Commission in FY18. The budget is a key event in the financial year, and it is important to understand the implications of the budget for the economy and for investors.

**MOTILAL OSWAL**

## BULLS & BEARS

**INDIA VALUATIONS HANDBOOK**

Highlights of May edition:

- Another positive month for Bull's - up 3.4% in May
- Private Banks, Consumer, Technology and Auto top performers for May
- Eight sectors delivered negative returns in May
- Mid-caps underperformed large caps for the first time in last four months

**Best Performing Sectors (%)**

Sector	Return (%)
IT	12.5
Pharma	10.2
Auto	8.7
Banking	7.1
FMCG	6.3
Metals	5.8
Energy	4.9
Telecom	3.4
Real Estate	2.1
Others	1.5

**Worst Performing Sectors (%)**

Sector	Return (%)
Metals	-1.2
Energy	-2.1
Telecom	-3.4
Real Estate	-4.5
Others	-5.8
Banking	-6.9
FMCG	-8.1
Auto	-9.2
Pharma	-10.3
IT	-11.4

**MOTILAL OSWAL**

## FUND FOLIO

**Indian Mutual Fund Tracker**

Equity AUM of INR 1,00,000 crore, up 12% in 12 months.

**Key Metrics:**

- Equity AUM of INR 1,00,000 crore, up 12% in 12 months.
- Equity AUM of INR 1,00,000 crore, up 12% in 12 months.

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