

Market snapshot



Equities - India	Close	Chg. %	YTD. %
Sensex	27,376	1.0	2.8
Nifty-50	8,476	1.0	3.5
Nifty-M 100	15,339	1.0	6.9
Equities-Global	Close	Chg. %	YTD. %
S&P 500	2,280	0.7	1.8
Nasdaq	9,448	0.3	2.1
FTSE 100	7,150	0.0	0.1
DAX	11,595	0.4	1.0
Hang Seng	9,759	0.3	3.9
Nikkei 225	18,788	-0.5	-1.7
Commodities	Close	Chg. %	YTD. %
Brent (US\$/Bbl)	55	-0.2	-1.3
Gold (\$/OZ)	1,209	-0.8	4.9
Cu (US\$/MT)	5,926	2.6	7.3
Almn (US\$/MT)	1,871	0.9	9.8
Currency	Close	Chg. %	YTD. %
USD/INR	68.1	-0.1	0.3
USD/EUR	1.1	0.3	2.3
USD/JPY	113.6	0.4	-2.9
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.4	0.0	-0.1
10 Yrs AAA Corp	7.5	0.0	-0.1
Flows (USD b)	24-Jan	MTD	CY16
FII	0.0	-0.4	2.9
DII	0.1	0.5	5.3
Volumes (INRb)	24-Jan	MTD*	CY16*
Cash	235	208	220
F&O	5,652	3,916	3,447

Note: YTD is calendar year, *Avg

Quote of the day

Time is the friend of the wonderful company, the enemy of the mediocre

Today's top research ideas



Budget Preview 2017-18

- Amid the uncertain economic environment, we expect the Indian government to stick to its fiscal deficit target of 3% of GDP for FY18.
- Our calculations (and assumptions) suggest that the government could garner additional resources of ~INR730b in FY18, including INR400b from the RBI as special dividends on account of extinguishment of the central bank's liabilities due to demonetization.
- To strike a balance between politics and economics, we expect the government to use half of these additional resources to provide (individual/corporate) tax relief and the remaining half for pro-poor spending schemes. Since this will be redistribution of wealth rather than fiscal stimulus, we do not expect it to add anything to FY18 GDP growth. However, these measures could help improve sentiment across the economy.



Research covered

Cos/Sector	Key Highlights
Budget Preview 2017-2018	What to expect from Union Budget 2017-18?
HDFC Bank 3QFY17	Demonetization breaks 10-quarter 20% earnings growth momentum
HCL Tech 3QFY17	Broad-based services traction
Asian Paints 3QFY17	Domestic consumer volumes disappoint; EBITDA in-line
Bharti Infra. 3QFY17	Sustainable tenancy growth to drive profitability
Zee Ent 3QFY17	Demonetization hits ad growth; opex levers more than salvage margins
Tata Comm 3QFY17	Healthy growth outlook; Maintain Buy
TVS Motor 3QFY17	In-line results; stable EBITDA margins; strong EPS growth to continue
M&M Fin 3QFY17	Sluggish operating performance and higher provisions lead to net loss
L&T Infotech 3QFY17	3QFY17 revenue growth strong; outlook positive
Inox Leisure 3QFY17	Weak content and demonetization led to poor show; Maintain Sell
Results Flash	Bharti Airtel Biocon Crompton Gr. Con Bharat Fin. Zensar Tech.
Results Expectation	ALPM ARVND AL CRIN EXID IDFCBK INBK KMB MSIL TELX WPRO



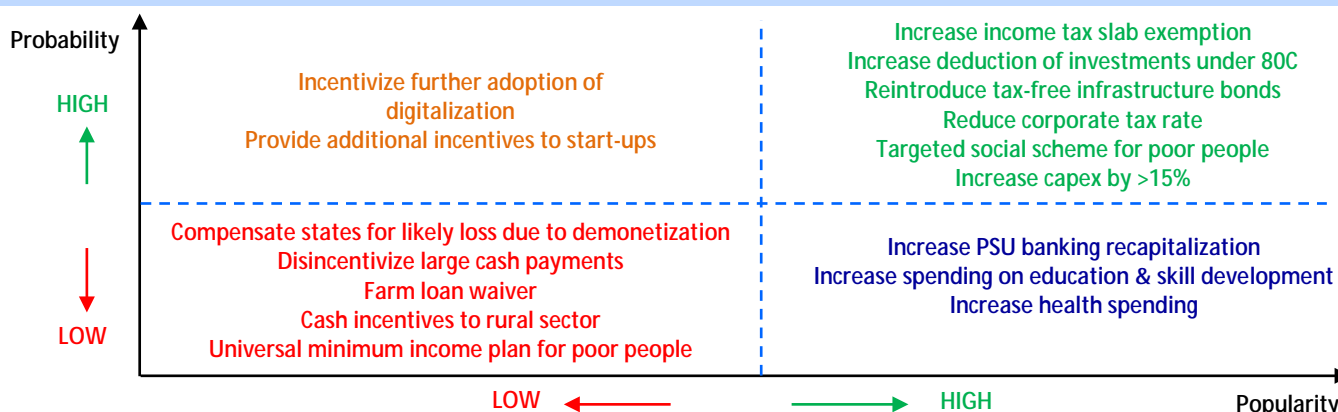
Piping hot news

2nd Round of Fund Infusion for PSBs Soon

- The government is likely to soon announce the second tranche of capital infusion in state-run lenders, as it tries to assess their requirements to help them maintain appropriated regulatory capital. Around six banks may get more than ₹ 10,000 crore in the second round.



Chart of the Day: Comparison of various schemes on basis of popularity and probability



Research Team (Gautam.Duggad@MotilalOswal.com)

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

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



Kindly click on numbers for the detailed news link

1

Shapoorji Pallonji Group to buy 51% stake in Gopalpur port from Odisha

The Odisha government has given its nod for the sale of 51 per cent stake in Gopalpur port to the Shapoorji Pallonji Group, owned by Cyrus Mistry's family. This is a major acquisition by the group after the ouster of Mistry as the chairman of Tata Sons...

2

Overall lending down 30% in two months since demonetisation: CIBIL

India witnessed a 30 per cent drop in overall credit across all loan categories in the first two months of demonetisation, Credit Information Bureau (India) said. Gold loans of NBFCs and banks witnessed a significant decline and there was close to a 60 per cent drop in consumer durable loans during November and December last year. The demand for two-wheeler loans fell 40 per cent, housing loans 27 per cent, personal loans 25 per cent, and auto loans 16 per cent, Harshala Chandorkar, Chief Operating Officer, CIBIL, said.

3

We would be least affected by Hire American policy: C Vijayakumar

In conversation with Karan Choudhury, C Vijayakumar, president and CEO of HCL Technologies, says that new geographies are being looked at and automation is not harmful...

4

Trump's decision to junk Trans-Pacific Partnership an opportunity for India

US president Donald Trump's decision to withdraw from the Trans-Pacific Partnership (TPP) that his predecessor Barack Obama pioneered may comfort India and pave the way for a more balanced outcome of the ongoing trade negotiations for the Regional Comprehensive Economic Partnership (RCEP)...

5

RINL in talks with SBI for Rs 1,600 crore debt for UP project

State-owned Rashtriya Ispat Nigam Ltd (RINL) is close to tying debt for its Rs 1,600-crore forged-wheel project planned for the railways in Uttar Pradesh. "Talks with State Bank of India (SBI) are in the advanced stage for a Rs 1,200-crore debt we need for the unit to be set up over 50 acre at Rae Bareilly," Chairman and Managing Director P Madhusudan told Business Standard. "Funding will be entirely done by RINL and the railways will be providing land for the project," he added.

6

Smartphone sales down 30%

Impacted by demonetisation, smartphone sales in the leading 50 cities fell by a whopping 30.5 per cent month-on-month in November, compared to October. This downward trend can be attributed to the cash crunch, along with the cyclically lean period after the festival season in October, according to an International Data Corporation's (IDC) smartphone tracker...

7

JSW Steel close to deal for control of Bhushan Steel

Sajjan Jindal's JSW Steel is close to finalising a deal with bankers to take over Bhushan Steel's debt of Rs. 30,000-33,000 crore and acquire a majority stake in the company. JSW Steel will get a 55 per cent stake, pledged by the company's promoters to avail bank loans, said sources close to the development...



Budget 2017-18



What to expect from Union Budget 2017-18?

Relief to tax payers and a targeted pro-poor scheme most likely

The Union Budget 2017-18 is scheduled to be released on 1st February 2017.

- n Uncertainty looms large ahead of the budget, especially with the economic impact of demonetization still unfolding and the timing of GST implementation yet not clear. However, with the government garnering additional resources post demonization, the market holds high expectations from the budget.
- n We believe that to strike a balance between economics and politics, the government could use half of the additional resources to provide relief to (individual/corporate) tax payers and the other half for major pro-poor schemes (under revenue spending). Also, in our view, the government would not want to breach its self-committed deficit target of 3% of GDP for FY18 to uphold its credibility in the market and among the ratings agencies.
- n The upcoming budget will be a key event from an equity market perspective. We believe the expected measures to reduce tax liability for individuals may provide a much-needed boost to the consumer-related sector. Companies with higher rural exposure (such as HMN, HUVR, Colgate, Dabur, JYL, Hero Motocorp, TVS Motor and M&M) could be the potential beneficiaries, in our view. Furthermore, higher capital spending may help the defense, road and railways sectors. Bharat Electronics, L&T, Bharat Forge, and Cummins are our top picks (refer the table on Page 3 for details on the potential beneficiaries of the Union Budget 2017-18).

The impact of the Indian government's recent demonetization drive on economic activity is yet to be fully ascertained. Our monthly economic activity index (EAI) indicates that the Indian economy grew 6.2% YoY in November 2016 (the month in which demonetization was announced), as against +6.8% YoY in October 2016 (and average growth of 6.6% in 1HFY16). Although official macroeconomic data do not show any significant drag on economic growth, we believe the confidence level has been impacted to a certain extent. This is visible in some high-frequency surveys such as PMI, which declined from 55.4 in October 2016 (composite index) to a three-year low of 47.6 in December 2016. The resultant uncertainty has forced some participants to defer their high-ticket consumption/investment plans. This is evident from two-wheeler sales, which fell to a six-year low in December 2016.

- n Maintain fiscal deficit target at 3% of GDP for FY18
- n Expect additional resources to be utilized for (individual/corporate) tax sops and one pro-poor spending scheme
- n Net borrowings likely to fall further to INR4.1t (or 2.4% of GDP) in FY18
- n **Potential beneficiaries:**
Consumer/retail sector: HMN, HUVR, Colgate, Dabur, JYL
Auto sector: Hero Motocorp, Tata Motors, M&M
Capital goods sector: L&T, BEL, Bharat Forge

Exhibit 1: Motilal Oswal's expectations on key fiscal indicators from Union Budget 2017-18

Economic indicators	Unit	FY15	FY16	FY17BE	FY17MO	FY18MO
Gross fiscal deficit	INR b	5,107	5,351	5,339	5,342	5,131
	% of GDP	4.1	3.9	3.5	3.5	3.0
Gross market borrowings	INR b	5,920	5,850	5,820	5,820	6,672
	% of GDP	4.7	4.3	3.9	3.9	4.0
Net market borrowings	INR b	4,532	4,406	4,082	4,082	4,105
	% of GDP	3.6	3.2	2.7	2.7	2.4
Nominal GDP	INR b	124,882	135,761	150,695	150,695	168,778
	% YoY	10.8	8.7	11.0	11.0	12.0

MO= Motilal Oswal's estimate

Source: Union Budget documents, MoSL

However, we believe the monetary authority has very limited room to cut interest rates further

Nevertheless, with the central government garnering additional resources post demonetization, expectations of a significant fiscal stimulus are very high.

Against this backdrop, the markets, not surprisingly, are expecting some relief from the policy makers. However, we believe the monetary authority has very limited room to cut interest rates further. We expect a maximum of one rate cut of 25 basis points (bp) over next 12-15 months. The Reserve Bank of India (RBI) could cut rates next month (or in April 2017) before taking a prolonged pause. Nevertheless, with the central government garnering additional resources post demonetization, expectations of a significant fiscal stimulus are very high. Thus, in this note, we present our expectations from the Union Budget 2017-18.

Our two key expectations from the Union Budget are: (1) reduction in tax liability for individuals, which should provide a boost to the consumer sector, and (2) higher capital spending, which should benefit sectors such as defense, roads and railways. Please see the table on the next page, which highlights sector-wise expectations, as well as the potential beneficiaries if those expectations are met.

Exhibit 2: Motilal Oswal's expectations from Union Budget 2017-18 in numbers

	FY16A	FY17BE		FY17RE*			FY18BE*		
	INR b	INR b	% of GDP	INR b	% YoY	% of GDP	INR b	% YoY	% of GDP
Total Receipts	12,409	14,442	9.6	14,759	18.9	9.8	17,281	17.1	10.2
Revenue receipts	11,953	13,770	9.1	14,289	19.5	9.5	16,576	16.0	9.8
Gross Taxes	14,569	16,309	10.8	17,550	20.5	11.6	19,695	12.2	11.7
Net Taxes	9,446	10,541	7.0	11,355	20.2	7.5	12,802	12.7	7.6
Direct taxes	7,348	8,471	5.6	8,302	13.0	5.5	9,240	11.3	5.5
Corporation Taxes	4,545	4,939	3.3	4,820	6.1	3.2	5,243	8.8	3.1
Income Taxes	2,803	3,532	2.3	3,481	24.2	2.3	3,997	14.8	2.4
Indirect taxes	7,221	7,838	5.2	9,248	28.1	6.1	10,455	13.0	6.2
Customs	2,103	2,300	1.5	2,264	7.6	1.5	2,513	11.0	1.5
Excise Duties	2,872	3,187	2.1	4,100	42.8	2.7	4,920	20.0	2.9
Services tax	2,114	2,310	1.5	2,605	23.2	1.7	3,022	16.0	1.8
Non-tax revenue	2,508	3,229	2.1	2,934	17.0	1.9	3,774	28.6	2.2
Non-debt capital receipts	456	671	0.4	470	3.1	0.3	705	50.0	0.4
Divestment	247	565	0.4	423	71.0	0.3	599	41.7	0.4
Total Expenditure	17,733	19,781	13.1	20,100	13.4	13.3	22,412	11.5	13.3
Total excl. Subsidies	15,155	17,466	11.6	17,786	17.4	11.8	20,097	13.0	11.9
Revenue expenditure	15,380	17,310	11.5	17,630	14.6	11.7	19,571	11.0	11.6
Interest payments	4,417	4,927	3.3	4,927	11.5	3.3	5,518	12.0	3.3
Defense	1,432	1,628	1.1	1,628	13.6	1.1	1,790	10.0	1.1
Subsidies	2,578	2,314	1.5	2,314	-10.2	1.5	2,314	0.0	1.4
Grants to states & UTs	1,082	1,184	0.8	1,184	9.4	0.8	1,302	10.0	0.8
Pensions	957	1,234	0.8	1,234	28.9	0.8	1,295	5.0	0.8
Pay & allowances	1,717	1,979	1.3	2,529	47.3	1.7	2,681	6.0	1.6
Assistance to States & UTs	2,018	2,276	1.5	2,276	12.8	1.5	2,503	10.0	1.5
Other	1,178	1,770	1.2	1,540	30.7	1.0	2,167	40.7	1.3
Capital expenditure	2,353	2,470	1.6	2,470	5.0	1.6	2,841	15.0	1.7
Fiscal Deficit	5,324	5,339	3.5	5,342		3.5	5,131		3.0
Revenue Deficit	3,427	3,540	2.3	3,342		2.2	2,995		1.8
Nominal GDP	135,761	150,651		150,651	11		168,729	12	

* Motilal Oswal's estimate

Source: Union Budget documents, MoSL

HDFC Bank

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	HDFCB IN
Equity Shares (m)	2,553
M.Cap.(INRb)/(USDb)	3,236.6 / 47.5
52-Week Range (INR)	1318 / 929
1, 6, 12 Rel. Per (%)	2/5/11
Avg Val, INRm	1782
Free float (%)	78.7

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
NII (INR b)	275.9	326.1	382.4
OP (INR b)	213.6	251.0	295.5
NP (INR b)	123.0	145.4	174.4
EPS (INR)	48.6	56.9	68.3
EPS Gr. (%)	19.3	17.0	20.0
BV/Share	287.3	327.9	380.3
P/E (x)	25.6	21.9	18.2
P/BV (x)	4.3	3.8	3.3
RoE (%)	18.3	18.6	19.3
RoA (%)	1.9	1.9	1.9

CMP: INR1,268 TP: INR1,510(+19%)

Buy

Demonetization breaks 10-quarter 20% earnings growth momentum

- n HDFCB's 3QFY17 PAT grew 15% YoY (in-line) to INR38.6b due to healthy core PPop growth of 17% YoY. Better-than-expected NIM (-10bp QoQ to 4.1% v/s estimate of 15bp+ decline) led to NII beat of 4%. While fee growth moderated to 10% YoY from 14% in 1HFY17, it was better than our estimate.
- n FCNR (B) redemption and demonetization restricted loan growth to 13% YoY. Adjusted for FCNR, loans grew 16% YoY. Retail loans grew 17% YoY, helped by (1) personal loans (+32% YoY), (2) housing loans (+25%) and (3) auto loans (+16%). Domestic corporate grew 18% YoY.
- n Investments into business slowed down, with just 7 branches and 71 ATMs added in 3Q. Employee base was reduced by 5% QoQ, a negative surprise.
- n **Other highlights:** a) Demonetization led to strong CASA flow (+37% YoY), led by SA growth of 38% YoY. CASA ratio improved 500bp QoQ to 45%. b) Excess liquidity parked in investments (+14% QoQ). c) Asset quality remains impeccable, with NSL of less than 50bp of loans.

Valuation and view: HDFCB is well positioned in the current environment, with 42%+ CASA ratio, growth outlook of at least 1.3x industry, and least asset quality risk. With tier 1 capital of 13.8%, strong capacity building amid the moderate growth cycle (branches at 4,555 v/s 1,412 in FY09) and significant digitalization initiatives, the bank is well placed to benefit from the expected pick-up in the economic growth cycle. RoE is expected to be ~19-20% in FY17-19. **Maintain Buy** with a target price of INR1,510 (3.6x Dec 2018E BV) based on RI model.

Quarterly Performance

	FY16				FY17E				(INR Million)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY16	FY17E
Net Interest Income	63,888	66,809	70,685	74,533	77,814	79,936	83,091	85,213	275,915	326,054
% Change (Y-o-Y)	23.5	21.2	24.0	24.0	21.8	19.6	17.6	14.3	23.2	18.2
Other Income	24,619	25,518	28,722	28,659	28,066	29,010	31,427	34,266	107,517	122,768
Net Income	88,507	92,327	99,407	103,192	105,881	108,945	114,518	119,479	383,432	448,822
Operating Expenses	40,008	41,898	42,048	45,843	47,689	48,700	48,425	53,006	169,797	197,820
Operating Profit	48,499	50,429	57,359	57,349	58,192	60,246	66,093	66,473	213,635	251,002
% Change (Y-o-Y)	26.2	24.2	20.0	21.5	20.0	19.5	15.2	15.9	22.7	17.5
Other Provisions	7,280	6,813	6,539	6,625	8,667	7,490	7,158	6,243	27,256	29,558
Profit before Tax	41,219	43,616	50,820	50,725	49,525	52,756	58,935	60,229	186,379	221,444
Tax Provisions	14,262	14,922	17,251	16,982	17,136	18,202	20,281	20,447	63,417	76,066
Net Profit	26,957	28,695	33,568	33,742	32,389	34,553	38,653	39,782	122,962	145,378
% Change (Y-o-Y)	20.7	20.5	20.1	20.2	20.2	20.4	15.1	17.9	20.4	18.2
Operating Parameters										
NIM (Reported, %)*	4.3	4.2	4.3	4.3	4.4	4.2	4.1		4.3	
Deposit Growth (%)	30.1	29.7	26.5	21.2	18.5	16.7	21.1	18.0	21.2	18.0
Loan Growth (%)	22.4	27.9	25.7	27.1	23.2	18.1	13.4	12.0	27.1	12.0
CD Ratio (%)	78.9	82.6	83.3	85.0	82.0	83.6	78.0	80.7	85.0	80.7
CASA Ratio (%)	39.6	39.7	40.0	43.2	39.9	40.4	45.4		43.2	
Asset Quality										
OSRL (INR B)	3.8	4.2	4.4	4.6	4.7	4.9	5.0		4.6	0.0
OSRL (%)	0.1	0.1	0.1	0.1	0.1	0.1	0.1		0.1	0.0
Gross NPA (INR B)	38.5	38.3	42.6	43.9	49.2	50.7	52.3	54.3	43.9	54.3
Gross NPA (%)	1.0	0.9	1.0	0.9	1.0	1.0	1.1	1.0	0.9	1.0

HCL Technologies

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	HCLT IN
Equity Shares (m)	1,413
M.Cap.(INRb)/(USDb)	1,199.8 / 18.0
52-Week Range (INR)	890 / 707
1, 6, 12 Rel. Per (%)	2/15/-11
Avg Val, INRm	1666
Free float (%)	39.6

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	311.4	470.3	545.1
EBITDA	68.2	102.9	116.3
PAT	56.7	82.1	91.5
EPS (INR)	40.1	58.1	64.7
Gr. (%)	-20.3	44.8	11.4
BV/Sh (INR)	200.2	228.6	259.8
RoE (%)	21.5	27.3	26.7
RoCE (%)	19.9	25.2	25.2
P/E (x)	21.2	14.6	13.1
P/BV (x)	4.2	3.7	3.3

Estimate change



TP change



Rating change



CMP: INR849

TP: INR980(+15%)

Buy

Broad-based services traction

Investments remain elevated

- Broad-based services growth:** HCLT's 3QFY17 revenue grew 3.0% QoQ CC, slightly ahead of our estimate of +2.1% QoQ. Notably, growth was broad-based across services, with Engineering leading the pack at 7.1% QoQ CC and other services growing 2-3%. With 9MFY17 growth at 12.9% YoY CC, HCLT kept its guidance of 12-14% CC growth intact, and should reach the higher end with contributions from two IBM partnerships, Butler America and GEOM integrations in 4Q.
- 100bp profitability beat:** EBIT margin was 20.4% (+30bp QoQ; +90bp v/s our estimate), at the higher end of the guided band of 19.5-20.5%. PAT rose 2.8% QoQ to INR20.7b (v/s est. of INR19.7b) on account of operating performance beat.
- Investments in IBM partnerships balloon to USD555m:** HCLT announced its third partnership with IBM for modernization in areas of application security, B2B data transformation, testing automation and mainframe management. It has committed to invest USD155m in this partnership, taking total investments to USD555m (60% paid; remainder due in CY17).
- Valuation view:** Residual contribution from existing partnerships and acquisitions will likely contribute ~4pp to HCLT in FY18, helping deliver double-digit CC revenue growth in next fiscal too. With EBIT margin of 20-20.5% in FY17 (despite 50%+ of contribution from partnerships/acquisitions), we see limited risk to our margin estimate of 19.8% in FY18. We expect USD revenue/earnings CAGR of 11%/10% over FY16-19E. Return on significant FY17 investments (acquisitions + three IBM partnerships) heightens the uncertainty, factoring which we value HCLT at 14x FY19E EPS. Our price target of INR980 implies 15% upside. Maintain **Buy**.

Quarterly Performance (Consolidated)

Y/E June	FY16*			FY17				FY16*	FY17E	Est.	/ bp
	1Q	2Q	3Q	1Q	2Q	3Q	4Q			3QFY17	
Revenue (USD m)	1,545	1,566	1,587	1,691	1,722	1,745	1,818	4,698	6,976	1,735	0.6
QoQ (%)	0.5	1.4	1.3	6.5	1.9	1.4	4.1	7.1	11.9	0.7	61bp
Revenue (INR m)	100,970	103,410	106,980	113,360	115,190	118,140	123,605	311,360	470,295	117,094	0.9
YoY (%)	15.6	11.4	15.4	15.9	14.1	14.2	15.5	14.6	14.9	13.2	101bp
GPM (%)	34.4	34.6	34.9	34.4	33.6	33.9	33.2	34.6	33.8	33.2	75bp
SGA (%)	12.5	13.0	12.7	12.1	11.8	11.7	12.0	12.7	11.9	12.0	-33bp
EBITDA Margin (%)	21.9	21.5	22.2	22.2	21.8	22.2	21.3	21.9	21.9	21.2	5.1
EBIT Margin (%)	20.6	20.0	20.8	20.6	20.1	20.4	19.6	20.5	20.2	19.5	92bp
Other income	2,410	3,550	2,000	2,530	2,350	2,310	2,248	7,960	9,438	2,353	-1.8
ETR (%)	21.3	20.9	20.5	21.0	21.1	21.5	21.5	20.9	21.3	21.5	2bp
PAT before EOI	18,230	19,190	19,250	20,430	20,150	20,710	20,787	56,670	82,077	19,735	4.9
QoQ (%)	2.3	5.3	0.3	6.1	-1.4	2.8	0.4			-2.1	484bp
YoY (%)	6.1	-0.2	14.3	14.6	10.5	7.9	8.0	4.0	10.2	2.8	508bp
EPS	12.9	13.6	13.6	14.5	14.3	14.7	14.7	40.1	58.1	13.8	
Headcount	105,571	103,696	104,896	107,968	109,795	111,092	115,442	104,896	115,442	111,245	-0.1
Util excl. trainees (%)	83.6	84.7	85.6	85.8	85.3	84.6	84.8	81.8	83.0	85.5	-91bp
Attrition (%)	16.3	16.7	17.3	17.8	18.6						
Fixed Price (%)	56.2	57.0	56.8	60.9	61.3						

*FY16 is a nine month period ending March 2016

Asian Paints

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	APNT IN
Equity Shares (m)	959.2
M.Cap.(INRb)/(USDb)	934.3 / 14.3
52-Week Range (INR)	1230 / 827
1, 6, 12 Rel. Per (%)	6/-6/0
Avg Val, INRm	1200
Free float (%)	47.2

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	142.8	151.3	171.2
EBITDA	27.7	29.9	33.1
NP	18.0	19.4	22.0
EPS (INR)	18.7	20.2	22.9
EPS Gr. (%)	26.3	8.1	13.3
BV/Sh. (INR)	58.4	66.3	75.7
RoE (%)	34.7	32.5	32.3
RoCE (%)	30.6	29.2	29.0
P/E (x)	52.0	48.1	42.5
P/BV (x)	16.7	14.7	12.9

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR974
TP: INR1,035(+6%)
Neutral

Domestic consumer volumes disappoint; EBITDA in-line

- Consolidated sales up 2.6% YoY:** APNT reported consolidated sales growth of 2.6% YoY (against our estimate of 5% YoY) to INR39.4b, with a calculated volume growth of ~2% (our estimate was 6%) in the domestic decorative paints business. The base quarter was unfavorable, with 15% volume growth; hence, sales and volume performance, while below expectations, were still decent amidst the uncertainty over demonetization.
- Gross margin expands 60bp YoY:** Gross margin expanded 60bp YoY (we had expected flat gross margin) to 44%, led by benign raw material cost. Higher staff cost (up 40bp YoY) and other expenditure (up 100bp YoY) led to EBITDA margin contracting 80bp YoY (we had anticipated 150bp decline YoY) to 19.7%. EBITDA declined 1.2% YoY to INR7.76b (our estimate was INR 7.63b).
- Higher than anticipated depreciation (up 23.2% YoY) led to in-line PBT, despite marginal EBITDA beat. However, higher than anticipated tax rate (34.1% v/s estimate of 30% and 30.3% in base quarter) led to 10.6% YoY decline in PAT before Other Comprehensive Income to INR4.66b (our estimate was INR5.02b).
- Standalone performance:** Standalone net sales grew 0.7% YoY with an estimated volume growth of ~2%. Gross margin expanded 20bp YoY to 44.4% while EBITDA margin contracted 150bp YoY to 20.7%. Adjusted PAT before Other Comprehensive Income declined 12.9% YoY to INR4.26b.
- Concall highlights:** (1) December too witnessed subdued sales in many states. It is only in January that there is some element of stability in the operating environment. (2) There was a 1.3% QoQ increase in blended RM cost in 3QFY17. So far, 4QFY17 has witnessed further sequential increase.
- Maintain Neutral:** There is no material change to our FY18/FY19E EPS. Fair valuations (42.2x FY18E EPS, 36.2x FY19E EPS) prevent us from being more constructive. Maintain **Neutral** with a revised target price of INR1,035 (40x December 2018E EPS; in line with three-year average).

Quarterly Performance (Consolidated)

Y/E March	FY16				FY17				(INR Million)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY16	FY17	FY17	Var. (%)
Volume Growth % *	12.0	7.0	15.0	13.0	11.0	12.0	2.0	4.0	11.8	7.3	6.0	
Net Sales	33,343	34,349	38,356	36,698	36,374	37,633	39,370	37,892	142,811	151,269	40,343	-2.4%
Change (%)					9.1	9.6	2.6	3.3		5.9	5.0	
Raw Material/PM	19,088	19,641	21,719	20,055	19,191	20,876	22,045	20,765	80,497	82,877	22,799	
Gross Profit	14,254	14,708	16,637	16,643	17,183	16,758	17,325	17,127	62,314	68,393	17,544	-1.2%
Gross Margin (%)	42.8	42.8	43.4	45.4	47.2	44.5	44.0	45.2	43.6	45.2	43.5	
Operating Expenses	7,468	8,628	8,782	9,669	8,981	9,628	9,562	10,322	34,630	38,492	9,912	
% of Sales	22.4	25.1	22.9	26.3	24.7	25.6	24.3	27.2	24.2	25.4	24.6	
EBITDA	6,786	6,080	7,855	6,974	8,203	7,130	7,763	6,805	27,685	29,901	7,632	1.7%
Margin (%)	20.4	17.7	20.5	19.0	22.6	18.9	19.7	18.0	19.4	19.8	18.9	
Change (%)					20.9	17.3	-1.2	-2.4	34.5	8.0	-2.7	
Interest	89	92	76	149	64	60	92	136	407	352	76	
Depreciation	663	677	694	721	855	844	855	767	2,756	3,321	778	
Other Income	610	629	420	466	719	791	415	427	2,134	2,352	473	
PBT	6,643	5,940	7,504	6,570	8,003	7,017	7,231	6,329	26,656	28,581	7,250	-0.3%
Tax	2,047	1,843	2,274	2,279	2,603	2,207	2,465	1,585	8,444	8,860	2,175	
Effective Tax Rate (%)	30.8	31.0	30.3	34.7	32.5	31.5	34.1	25.0	31.7	31.0	30.0	
PAT before Minority	4,596	4,096	5,231	4,291	5,400	4,810	4,766	4,745	18,213	19,721	5,075	
Minority Interest	59	59	16	117	50	51	104	97	250	302	50	
Adjusted PAT	4,537	4,037	5,215	4,174	5,351	4,759	4,662	4,647	17,962	19,419	5,025	-7.2%




E: MOSL Estimates

Bharti Infratel

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	BHIN IN
Equity Shares (m)	1,850
M.Cap.(INRb)/(USDb)	653.3 / 9.6
52-Week Range (INR)	413 / 302
1, 6, 12 Rel. Per (%)	-1/-5/-15
Avg Val, INRm	777
Free float (%)	28.0

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	123.3	133.9	148.6
EBITDA	54.1	58.5	64.8
PAT	22.5	28.8	30.9
EPS (INR)	11.8	15.6	16.7
Gr. (%)	48.1	48.0	40.9
BV/Sh (INR)	96.7	96.8	108.6
RoE (%)	12.7	15.7	15.9
RoCE (%)	11.2	12.7	13.0
P/E (x)	29.3	22.3	20.8
P/BV (x)	3.6	3.6	3.2

Estimate change	
TP change	
Rating change	

CMP: INR353 TP: INR435(+23%) Buy

Sustainable tenancy growth to drive profitability

Consolidated revenue/EBITDA up 3%/2% QoQ, in line with estimates

Tenancy multiplies 3x QoQ, driving up revenue and EBITDA: BHIN reported healthy results. Consolidated revenue grew 10% YoY (and 3.3% QoQ) to INR34.01b (1.3% above our estimate). Rental revenue grew 7% YoY (and 2% QoQ) to INR21.2b on robust co-location additions of 6,139 (v/s 2,393 in 2Q). EBITDA grew 9% YoY (and 2% QoQ) to INR14.8b, broadly in line with our estimate of INR14.7b, with EBITDA margin contracting 50bp QoQ to 43.5%. Rental margin contracted 20bp QoQ (flat YoY) to 66.4% owing to contract renewals, which has kept tenancy rates flat at INR34,966 despite increase in rent and other expense. PAT declined 20% QoQ (but grew 25% YoY) to INR6.2b due to fluctuations in marked-to-market investment value.

Healthy tenancy outlook to support growth: Improving visibility on tenancy additions and completion of renewal cycle should support revenue growth. The completion of spectrum auction in the 2QFY17 and steady 4g-led data expansion has resulted in healthy co-location additions. We expect next four quarter's co-location additions also to remain steady at ~4,300, given telco's healthy data rollout plans. Additionally, as majority of the renewals have been completed, it is largely factored in the base. We expect revenue/EBITDA CAGR of 10% over FY16-19, led by ~7% tenancy growth and 1.5% rental improvement. We expect EBITDA margin to remain flat at 43.7% in FY19, given the moderate improvement in tenancy rates. This is owing to the rental freeze for partial tenancies.

Maintain Buy, with a TP of INR435: We have marginally tweaked our estimates, expecting 10% EBITDA CAGR over FY16-19, led by 7% growth in co-location. The stock trades at an EV of 9x FY18E EBITDA. We maintain Buy, with SOTP/DCF target of INR435 (unchanged). With improving outlook on co-location growth, the stock appears attractively priced.

Quarterly Performance (Consolidated)

Y/E March	FY16				FY17				(INR Million)	
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY16	FY17E
Revenue from operations	30,031	30,410	31,056	31,817	32,106	32,919	34,007	34,908	123,314	133,940
YoY Change (%)	5.6	3.8	5.3	8.0	6.9	8.3	9.5	9.7	5.7	8.6
Total Expenditure	17,135	17,315	17,433	17,322	18,159	18,421	19,206	19,616	69,205	75,402
EBITDA	12,896	13,095	13,623	14,495	13,947	14,498	14,801	15,291	54,109	58,537
Margins (%)	42.9	43.1	43.9	45.6	43.4	44.0	43.5	43.8	43.9	43.7
Depreciation	5,450	5,562	5,526	5,697	5,648	5,629	5,664	5,654	22,235	22,595
Interest	566	-1,675	292	-1,029	-1,281	-2,472	-947	-1,362	-1,847	-6,062
Other Income	564	564	487	433	352	333	357	0	2,048	1,042
PBT	7,444	9,772	8,292	10,260	9,932	11,674	10,441	11,000	35,769	43,047
Tax	3,020	3,855	3,342	3,076	2,369	3,936	4,237	3,740	13,293	14,282
Rate (%)	40.6	39.4	40.3	30.0	23.9	33.7	40.6	34.0	37.2	33.2
Reported PAT	4,424	5,917	4,950	7,184	7,563	7,738	6,204	7,260	22,476	28,764
Adj PAT	4,424	5,917	4,950	7,184	7,563	7,738	6,204	7,260	22,476	28,764
YoY Change (%)	-4.4	27.2	-2.3	28.9	71.0	30.8	25.3	1.0	12.8	28.0
Margins (%)	14.7	19.5	15.9	22.6	23.6	23.5	18.2	20.8	18.2	21.5

Zee Entertainment

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	Z IN
Equity Shares (m)	960
M.Cap.(INRb)/(USDb)	463.9 / 6.8
52-Week Range (INR)	589 / 350
1, 6, 12 Rel. Per (%)	3/1/9
Avg Val, INRm	974
Free float (%)	56.9

Financials & Valuations (INR b)

Y/E MARCH	2016	2017E	2018E
Net Sales	58.3	66.0	75.0
EBITDA	15.0	20.1	23.2
NP	10.2	14.3	16.8
EPS (INR)	10.6	12.2	17.6
EPS Gr. (%)	3.9	15.4	44.1
EPS ex-&TV, INR	11.8	12.9	18.7
RoE (%)	27.0	31.3	30.3
RoCE (%)	17.7	20.8	23.2
Div. Payout (%)	21.3	18.4	18.5

Valuations

P/E (x)	45.3	39.3	27.3
P/E ex-&TV (x)	40.7	37.1	25.6
EV/EBITDA (x)	30.9	21.5	18.4
Div. Yield (%)	0.5	0.5	0.7

Estimate change



TP change



Rating change



CMP: INR480 TP: INR600 (+25%)

Buy

Demonetization hits ad growth; opex levers more than salvage margins

Broader story intact; Maintain earnings estimates and TP

- Operational performance above expectations:** 3QFY17 EBITDA grew 20% YoY to INR5.16b (18% above estimate) despite muted revenues due to controlled A&P expenses. This, coupled with lower-than-expected content/employee cost and other opex, led to EBITDA beat. Sports biz too surprised positively. Reported PAT grew 9% YoY to INR2.51b (est. of INR3.02b). Adjusted for losses booked in P&L on account of fair value accounting of ZEE's preference shares and higher-than-expected other income, PAT missed estimate by 3%.
- Ad growth lower than expected; domestic subscription surprises positively:** Revenue grew 3% YoY to INR16.39b (largely in line). Ad revenue as expected was hurt by demonetization (+3.4% YoY to INR9.55b, slightly short of est. of INR9.79b). Revenue miss could have been higher had subscription revenue not surprised positively (+13.7% YoY to INR5.93b v/s est. of INR5.81b). Domestic subscription of INR4.81b (+15% YoY) beat estimate of INR4.69b by 2.7%, but this was largely a function of early closure of content deals with a few distribution platforms. International subscription grew 8% YoY to INR1.11b.
- Non-sports margin beats estimate by over 300bp; Sports biz too surprises positively:** Non-sports margin expanded 203bp YoY to 33.9% (est. of 30.7%) as Zee controlled its opex to offset the demonetization impact. While A&P spends were deferred to subsequent quarters, other expenses too were lower, largely led by a reduction in placement costs. Content cost remained flat YoY at INR7.03b (est. of INR7.76b) as there were no movie releases by Zee in 3Q. Sports biz reported EBITDA of INR77m (est. of -INR126m).
- Valuation and view:** We expect ad growth to revert to normal post 4Q. While FMCG spends are expected to moderate, fresh spends from Telecom, Auto, BFSI could help partially cushion the impact. We largely maintain earnings for FY18E/FY19E. Maintain **Buy** with a revised TP of INR600 (prior: INR590) based on 29x Dec-2018 EPS (ex-&TV) plus INR19 toward &TV DCF value less INR19 toward pref. share liability.

Quarterly Performance

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Advertsing Revenue	7,799	8,290	9,419	8,645	9,120	9,592	9,554	9,680	34,037	37,945
Subscription Revenue	4,625	4,791	5,218	5,944	5,282	5,833	5,935	6,753	20,578	23,803
Other Sales and Services	974	705	1,314	727	1,315	1,529	902	548	3,640	4,295
Net Sales	13,399	13,786	15,951	15,316	15,716	16,954	16,391	16,981	58,255	66,043
Change (%)	23.4	23.3	17.0	13.7	17.3	23.0	2.8	10.9	19.3	13.4
Prog, Trans, & Direct Exp	6,108	6,032	7,023	6,881	6,575	7,688	7,035	6,895	25,969	28,193
Staff Cost	1,380	1,197	1,288	1,297	1,499	1,533	1,419	1,527	5,209	5,979
Selling and Other Exp	2,799	2,971	3,337	3,002	3,110	2,841	2,780	3,024	12,084	11,756
EBITDA	3,112	3,586	4,302	4,136	4,532	4,892	5,158	5,534	14,992	20,115
Change (%)	0.7	11.9	21.8	52.7	45.6	36.4	19.9	33.8	22.5	34.2
EBITDA margin (%)	23.2	26.0	27.0	27.0	28.8	28.9	31.5	32.6	25.7	30.5
Depreciation	168	198	201	273	251	336	249	261	840	1,098
Finance cost	15	21	45	42	75	86	90	90	123	341
Other Income	680	589	290	458	734	432	525	547	2,016	2,238
Fair Value through P&L					-1,132	-829	-714			-2,675
PBT	3,609	3,626	4,346	4,278	3,807	4,074	4,630	5,730	15,714	18,240
Tax	1,185	1,123	1,602	1,618	1,626	1,634	2,081	1,043	5,528	6,384
Adj PAT after Minority Interest	2,438	2,846	2,750	2,605	2,170	2,384	2,508	4,667	10,495	11,727

Tata Communications

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	TCOM IN
Equity Shares (m)	285
M.Cap.(INRb)/(USDb)	201.9 / 3.0
52-Week Range (INR)	713 / 326
1, 6, 12 Rel. Per (%)	8/59/64
Avg Val, INRm	414
Free float (%)	25.0

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	205.5	186.1	191.7
EBITDA	31.0	30.0	33.7
PAT	0.4	4.0	10.1
EPS (INR)	1.6	14.0	35.5
Gr. (%)	1,986.6	801.0	153.5
BV/Sh (INR)	-14.7	-2.9	32.6
RoE (%)	-91.6	-159.4	238.9
RoCE (%)	0.9	5.9	10.7
P/E (x)	429.5	47.7	18.8
P/BV (x)	-45.5	-230.9	20.5

CMP: INR708 TP: INR811(+15%) Buy

Healthy growth outlook; Maintain Buy

Adjusted for one-offs, normalized data EBITDA up 5% QoQ

- Sale of data center and one-offs pull down EBITDA:** Core EBITDA declined 24% QoQ to INR5.9b, led by a 23% QoQ drop in data EBITDA to INR5.1b. Data center sale, impact of demonetization on the ATM business and unfavorable ruling of the High Court on the TRAI's AFC regulations impacted earnings. Normalized data EBITDA (excluding one-offs impact) grew 5% QoQ to INR6.9b, with 60bp EBITDA margin improvement to 23.3%. The Transformation and growth segment witnessed healthy 6% QoQ revenue growth and 400-700bp margin improvement. Voice EBITDA declined 28% QoQ to INR845m. Core debt was down USD310m to USD1.3b.
- Neotel and data sale to be completed in 4QFY17:** Management mentioned that with approvals from ICASA and competition commission in place, Neotel sale should be concluded in 4QFY17. Singapore data center sale too should be completed in 4QFY17, generating additional USD110m cash. This should deleverage balance sheet and reduce recurring capex by 30% to USD250m, improving FCF generation to ~INR10b by FY19E.
- Expect 17% data EBITDA CAGR over FY16-19E:** The Traditional segment should see 8% EBITDA CAGR over FY16-19E, while the Transformation and growth segment's cumulative EBITDA should reach INR4b from FY16 loss of INR560m. This should lead to data EBITDA CAGR of 17% over FY16-19E. Focus on value-added offerings should support data growth.
- Maintain Buy with revised TP of INR811:** We broadly maintain data EBITDA estimates, which constitutes ~95% of enterprise value. We revise up TP by 4% to INR811, increasing target multiple to 8x from 7.5x EV/EBITDA, on the back of improved visibility of Neotel and data center sale (expected in 4QFY17). The stock appears attractively priced at 6.7x EV/EBITDA on FY19E, given its potential ROIC of 17% by FY19E and healthy FCF generation, as against single-digit ROCE of conventional telcos trading at 6-7x EV/EBITDA.

Quarterly Performance (Consolidated)

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	51,796	51,301	50,995	51,452	50,317	45,091	43,601	45,463	205,539	184,471
YoY Change (%)	1.3	1.2	3.8	6.9	-2.9	-12.1	-14.5	-11.6	3.2	-10.3
Total Expenditure	44,505	43,580	43,397	43,343	41,690	38,466	37,910	38,305	174,562	156,370
EBITDA	7,291	7,720	7,598	8,109	8,627	6,625	5,691	7,158	30,978	28,101
Margins (%)	14.1	15.0	14.9	15.8	17.1	14.7	13.1	15.7	15.1	15.2
Depreciation	4,888	5,694	5,908	7,259	5,378	4,644	4,677	4,669	22,166	19,368
Interest	1,966	1,756	1,730	1,689	1,721	960	999	1,749	7,191	5,429
Other Income	930	791	108	1,028	608	728	909	428	2,958	2,673
PBT before EO expense	1,367	1,061	69	190	2,136	1,750	924	1,168	4,578	5,977
Extra-Ord expense	0	0	0	1,928	920	0	0	0	1,928	920
PBT	1,367	1,061	69	-1,738	1,216	1,750	924	1,168	2,650	5,057
Tax	931	998	-154	695	793	899	923	385	2,386	2,999
Rate (%)	68.1	94.1	-224.1	-40.0	65.2	51.4	99.9	33.0	90.0	59.3
Minority Interest & Profit/Loss of Asso. Cos.	3	3	3	5	6	6	-7	3	14	8
Reported PAT	433	60	219	-2,438	418	845	7	779	250	2,049
Adj PAT	433	60	219	261	738	845	7	779	443	2,424
YoY Change (%)	-302.5	-93.5	-79.8	-78.8	70.5	1,303.7	-96.6	198.6	1,986.6	447.6
Margins (%)	0.8	0.1	0.4	0.5	1.5	1.9	0.0	1.7	0.2	1.3

TVS Motor Company

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	TVSL IN
Equity Shares (m)	475.1
M.Cap.(INRb)/(USDb)	190.6 / 2.8
52-Week Range (INR)	418 / 256
1, 6, 12 Rel. Per (%)	3/42/29
Avg Val, INRm	637
Free float (%)	42.6

Financials & Valuations (INR b)

Y/E March	2016	2017E	2018E
Sales	112.4	122.7	143.1
EBITDA	7.5	9.2	11.5
Adj. PAT	4.3	5.6	7.3
EPS (INR)	9.1	11.9	15.4
EPS Gr. (%)	24.2	30.6	29.6
BV/Sh (INR)	40.8	49.3	61.1
RoE (%)	24.1	26.4	27.9
RoCE (%)	23.3	27.2	30.4
P/E (x)	44.1	33.8	26.1
P/BV (x)	9.8	8.1	6.6

Estimate change



TP change



Rating change



CMP: INR401 TP: INR462(+15%)

Buy

In-line results; stable EBITDA margins; strong EPS growth to continue

- Demonetization slowed volume growth** to 2.4% YoY (-12% QoQ) to 718.5k units. Growth of ~4.6% YoY in domestic 2Ws was offset by a decline of ~40% YoY in 3W exports. Realizations fell 1% QoQ (+0.7% YoY) to ~INR41.5k due to higher share of mopeds. Net sales grew 3% YoY (-13% QoQ) to INR29.8b.
- Negative operating leverage pulled down EBITDA margin** to 7.3% (-80bp QoQ, flat YoY; est. of 7.2%). PAT grew 10% YoY to INR1.33b (v/s est. of INR1.31b), supported by lower tax expenses.
- Earnings call highlights:** a) Demand has improved in January compared to last two months, but still not fully recovered. Rural scenario continues to be sluggish. b) Commodity prices were largely stable in 1HFY17, with a mild increase in steel prices in 3QFY17; TVSL does not expect significant increase in prices in 4Q. c) **Price hike:** TVSL has taken a price increase in January (~INR200-600) to offset impact of higher commodity prices. d) **BS IV norms:** It envisages a price hike of ~ INR500-1,800 at retail level on implementation of BSIV norms. e) Invested INR334m in Indonesian subsidiary and guided to invest further INR200-250m in 4QFY17. f) Invested ~INR400m in its associate Emerald Haven Realty (a group company focused on low-cost housing).

Valuation view: We lower our estimates for FY18 by 7%, mainly due to a cut in EBITDA on account of a) raw material cost pressures in FY18 and b) higher-than-expected fixed costs. The stock trades at 26.1x/18.4x FY18E/19E EPS. Maintain **Buy** with a TP of INR462 (~18x FY19E EPS + ~INR69/share for BMW alliance).

Quarterly Performance

Y/E March (INR m)	FY16				FY17				FY17		Var.	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY16	FY17E	3QE	(%)
Volumes (units)	638,033	678,749	702,044	659,512	717,964	815,562	718,562	694,069	2,678,338	2,946,157	718,562	0.0
Growth (%)	9.2	0.4	7.1	9.4	12.5	20.2	2.4	5.2	6.3	10.0	2.4	
Realization (INR/unit)	40,344	41,803	41,250	42,688	40,127	42,014	41,519	42,913	41,981	41,645	42,224	-1.7
Growth (%)	2.2	5.3	1.9	4.8	(0.5)	0.5	0.7	0.5	5.3	(0.8)	0.8	
Net Sales	25,741	28,374	28,959	28,154	28,809	34,265	29,834	29,784	112,439	122,692	30,341	-1.7
Growth (%)	11.7	5.8	9.2	14.6	11.9	20.8	3.0	5.8	12.0	9.1	3.2	
RM (% of sales)	73.0	72.1	72.3	70.2	72.6	72.3	72.0	71.9	71.4	72.2	72.7	-70bp
Emp cost (% of sales)	6.0	5.7	6.1	5.8	6.3	5.8	6.4	6.3	5.9	6.2	5.8	70bp
Other exp (% of sales)	14.2	14.2	14.4	17.6	14.2	13.8	14.2	14.2	16.0	14.1	14.4	-20bp
EBITDA	1,728	2,270	2,102	1,785	2,004	2,767	2,185	2,246	7,507	9,202	2,169	0.7
EBITDA Margin(%)	6.7	8.0	7.3	6.3	7.0	8.1	7.3	7.5	6.7	7.5	7.2	20bp
Interest	130	115	98	131	98	94	115	99	462	406	90	28.0
Depreciation	504	565	621	518	660	724	720	729	1,898	2,833	700	2.8
Other Income	210	195	248	243	362	392	348	361	513	1,462	350	-0.6
PBT after EO Exp	1304	1785	1631	1380	1608	2340	1698	1779	5,660	7425	1729	-1.8
Tax rate (%)	23.2	25.5	26.3	14.7	24.6	24.2	21.9	25.2	23.6	24.0	24.5	-260bp
Adjusted PAT	1,001	1,330	1,202	1,178	1,213	1,774	1,327	1,330	4,321	5,643	1,306	1.6
Growth (%)	38.4	40.2	33.3	30.1	21.2	33.4	10.4	13.0	24.2	30.6	21.2	

Mahindra Financial Services

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	MMFS
Equity Shares (m)	563.5
M.Cap.(INRb)/(USDb)	156.1 / 2.3
52-Week Range (INR)	405 / 173
1, 6, 12 Rel. Per (%)	3/-11/27
Avg Val, INRm	-
Free float (%)	-

Financials & Valuations (INR b)

Y/E March	2016	2017E	2018E
NII	32.1	31.7	36.1
PPP	20.9	18.1	20.4
PAT	6.7	4.8	6.2
EPS (INR)	11.9	8.4	11.1
BV/Sh.(INR)	107.8	111.5	117.5
ABV/Sh (INR)	92.5	90.2	93.0
RoA on AUM (%)	1.9	1.2	1.4
RoE (%)	11.4	7.7	9.7
Payout (%)	47.2	56.2	46.8

Valuations

P/E (x)	23.3	32.9	25.0
P/BV (x)	2.6	2.5	2.4
P/ABV (x)	3.0	3.1	3.0
Div. Yield (%)	1.4	1.5	1.6

CMP: INR277

TP: INR323 (+17%)

Buy

Sluggish operating performance and higher provisions lead to net loss

- MMFS reported 3QFY17 net loss of INR156m (v/s est. of profit of INR1.54b), led by sluggish operating profit of INR3.95b (-11% YoY, -12% QoQ) and higher provisions of INR4.19b (+23% YoY, +38% QoQ).
- Reported AUM increased 13% YoY (+4% QoQ) to INR457b, driven by a 15% YoY rise in value of assets financed. NII rose 2.7% YoY, but declined 5.9% QoQ due to lower margins of 7.24% (down 70-80bp QoQ and YoY)
- Despite the impact of demonetization on recovery and administration costs, total operating expenses grew a meager 2%.
- GNPA ratio was largely stable QoQ at 11.1%. However, on account of ageing of loans, MMFS had to incur additional provisioning expenses (up to INR4.2b from INR3.4b in 3QFY16 and INR3.0b in 2QFY17). PCR increased 450bp QoQ to 56.4%.
- Post demonetization, the company accelerated its vehicle repossessions (up from ~3,000 vehicles per month to 5,000-6,000; stock of repossessed vehicles stands at ~15,000) on loan accounts where management was not confident of asset quality improvement.
- Management continues to focus on liability mix. Share of bank borrowings declined 400bp QoQ to 26% due to substitution by market borrowings. This is favorable for cost of funds, especially since MMFS borrows at base rate from banks.
- Valuation and view:** The business environment for MMFS continues remaining weak. While reported NPLs are likely to remain high (due to rural stress and change in NPL norms), we view this as a cyclical adjustment and not a structural breakdown. The company's long-term prospects remain strong, but earnings are expected to remain subdued over FY18 due to the impact of migration to 90dpd NPA recognition. We expect a rebound in FY19 as rural recovery and asset quality improvement play out. We cut FY17/18 estimates by 34%/24% to factor in higher provision costs. The stock trades at 2.5/2.4x FY17E/18E P/B. We use SOTP to arrive at a TP of INR323 (2.6x FY19E P/B).

Quarterly Performance

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Operating Income	13,608	14,200	14,002	16,721	13,664	14,916	14,904	17,246	58,532	60,731
Other Income	76	183	85	176	93	241	130	211	519	675
Total income	13,684	14,383	14,087	16,897	13,757	15,157	15,035	17,458	59,051	61,406
YoY Growth (%)	6.7	5.1	0.9	9.9	0.5	5.4	6.7	3.3	5.7	4.0
Interest Expenses	6,445	6,542	6,696	6,711	6,910	7,086	7,441	7,593	26,393	29,029
Net Income	7,239	7,841	7,391	10,186	6,847	8,071	7,593	9,865	32,658	32,377
Operating Expenses	2,635	2,808	2,946	3,391	3,260	3,567	3,645	3,837	11,781	14,308
Operating Profit	4,604	5,033	4,445	6,795	3,587	4,504	3,949	6,029	20,877	18,068
YoY Growth (%)	-0.2	0.7	-6.8	5.7	-22.1	-10.5	-11.2	-11.3	0.3	-13.5
Provisions	3,228	2,772	3,406	1,089	2,245	3,042	4,190	1,245	10,495	10,722
Profit before Tax	1,376	2,261	1,039	5,706	1,341	1,462	-241	4,784	10,383	7,347
Tax Provisions	486	799	367	2,003	472	514	-85	1,685	3,656	2,586
Net Profit	890	1,462	672	3,703	870	948	-156	3,099	6,727	4,761
YoY Growth (%)	-42.6	-29.4	-50.8	11.1	-2.2	-35.1	-123.3	-16.3	-19.1	-29.2
Cost to Income Ratio (%)	36.4	35.8	39.9	33.3	47.6	44.2	48.0	38.9	36.1	44.2
Provisions/Operating Profits (%)	70.1	55.1	76.6	16.0	62.6	67.5	106.1	20.6	50.3	59.3
Tax Rate (%)	35.3	35.3	35.3	35.1	35.2	35.2	35.2	35.2	35.2	35.2

E: MOSL Estimates

L&T Infotech

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	LTI IN
Equity Shares (m)	170
M.Cap.(INRb)/(USD b)	112.8 / 1.7
52-Week Range (INR)	716 / 595
1, 6, 12 Rel. Per (%)	-5/1/-
Avg Val, INRm	162
Free float (%)	15.7

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	58.5	65.2	73.1
EBITDA	10.4	12.2	13.2
PAT	9.2	9.5	10.1
EPS (INR)	52.4	54.2	57.5
Gr. (%)	17.0	3.4	6.2
BV/Sh (INR)	115.6	143.8	173.7
RoE (%)	45.3	41.8	36.2
RoCE (%)	39.9	44.6	38.9
P/E (x)	13.0	12.6	11.8
P/BV (x)	5.9	4.7	3.9

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR680
TP: INR800(+18%)
Buy

3QFY17 revenue growth strong; outlook positive

- Strong revenue growth in seasonally weak quarter:** LTI's 3QFY17 revenue grew 3.8% QoQ in constant currency terms, against our expectation of 2.1% QoQ growth. Though revenue from North America and Europe was stable, volatility was seen in other markets (13% of total revenue). India saw 39% QoQ growth, led by the CBDT deal and some other ramp-ups. The key positives, however, were the 6.7% QoQ growth in Energy and 10.3% QoQ growth in the top client, which address (prospective) concerns.
- Positive outlook on healthy momentum:** LTI expects current momentum to sustain in the foreseeable future, led by: [1] Robust new deal wins with a TCV of USD100m, [2] Turnaround in Energy, [3] Positive outlook on demand environment in the US, [4] Growth in Digital (now 28% of total revenue), and [5] Discontinuation of one-time issues in 3Q (ramp-down in large Hi-Tech client, which also impacted growth in APAC).
- Profitability marginally below estimate:** On account of seasonality and business mix (India's share in growth), margins got negatively impacted by 90bp QoQ to 18.1% (v/s estimate of 18.5%). However, with confidence of revenue growth and multiple traditional levers in hand, there appears limited risk to our conservative assumption of a cumulative 120bp decline in margins over FY18-19. PAT at INR2.5b (+6.6% QoQ) was higher than our estimate, led by higher other income.
- Valuation and view:** With Energy turning around and BFS picking up because of the ramp up in newly signed deals with the top client, concerns around a skewed portfolio towards vulnerable verticals are getting alleviated. We expect a CAGR of 8.5% in revenue and 11.7% in earnings (ex forex) over FY16-19. Valuations at 11.8x FY18E and 10.9x FY19E earnings are attractive on the base of conservative estimates. Our target price of INR800 discounts FY19E EPS by 13x. **Buy.**

Quarterly Performance

Y/E March	FY16				FY17				FY16	FY17
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenue (USD m)	209	224	225	230	231	240	245	249	887	965
QoQ (%)	0.0	7.3	0.5	2.1	0.6	3.7	2.3	1.7	9.5	8.8
Revenue (INR m)	13,332	14,682	14,870	15,939	15,550	16,020	16,667	16,954	58,471	65,191
YoY (%)	14.5	18.7	12.4	20.5	16.6	9.1	12.1	6.4	17.5	11.5
GPM (%)	34.0	34.5	36.4	35.0	35.3	35.4	34.3	34.7	33.5	34.9
SGA (%)	18.5	17.9	16.8	14.9	15.7	16.4	16.2	16.3	15.8	16.2
EBITDA	2,068	2,431	2,914	3,204	3,050	3,044	3,018	3,114	10,359	12,226
EBITDA Margin (%)	15.5	16.6	19.6	20.1	19.6	19.0	18.1	18.4	17.7	18.8
EBIT Margin (%)	12.2	13.6	16.7	17.4	16.9	16.1	15.3	15.5	14.7	15.9
Other income	512	532	285	500	372	365	598	307	2,802	1,642
ETR (%)	18.2	24.4	18.8	19.2	21.2	21.0	21.2	21.0	19.7	21.1
PAT	1,746	1,917	2,245	2,644	2,359	2,326	2,480	2,317	9,171	9,482
QoQ (%)	-21.2	9.8	17.1	17.8	-10.8	-1.4	6.6	-6.6		
YoY (%)	7.5	7.2	12.5	19.4	35.1	21.3	10.5	-12.4	21.5	3.4
EPS (INR)	10.0	11.0	12.8	15.1	13.5	13.3	14.2	13.2	52.4	54.2
Headcount	20,331	22,689	22,477	20,072	19,292	21,074	21,976	22,246	20,072	22,246
Util incl. trainees (%)	73.8	72.8	74.0	75.9	77.4	78.7	78.1	76.0	73.8	77.5
Attrition (%)	20.1	19.7	18.5	18.4	19.5	18.5				
Offshore rev. (%)	51.9	51.7	51.3	52.4	51.9	51.2	52.3	52.7	49.7	52.0

E: MOSL Estimates

Inox Leisure

BSE SENSEX	S&P CNX
27,376	8,476
Bloomberg	INOL IN
Equity Shares (m)	96
M.Cap.(INRb)/(USDb)	24.0 / 0.4
52-Week Range (INR)	293 / 170
1, 6, 12 Rel. Per (%)	2/0/6
Avg Val, INRm	45
Free float (%)	51.3

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	11.6	12.1	14.6
EBITDA	1.9	1.4	2.3
PAT	0.8	0.2	0.7
EPS (INR)	8.4	2.5	8.2
Gr. (%)	284.0	-70.4	226.4
BV/Sh (INR)	61.4	63.8	71.6
RoE (%)	14.9	3.8	11.5
RoCE (%)	13.2	4.6	9.9
P/E (x)	28.3	95.7	29.3
P/BV (x)	3.9	3.7	3.3

Estimate change



TP change



Rating change


CMP: INR239
TP: INR207(-13%)
Sell

Weak content and demonetization led to poor show; Maintain Sell

Huge miss on all fronts: INOL's revenue stood at INR2,980m in 3QFY17 (est. of INR3,122m; flat v/s INR2,979m in 3QFY16). Ticket sales declined 3% YoY, while F&B/advertisement revenue grew 3%/2% YoY. Footfall declined 3% YoY to 12.9m (-10% on comparable basis). ATP grew 2% YoY to INR182, while SPH increased 7% YoY to INR63. Occupancy declined to 26% from 28% in 3QFY16. EBITDA margin contracted 730bp to 10.6% (est. of 16.6%) from 17.9% in the year-ago period. EBITDA thus declined 41% to INR317m (est. of INR518m) from INR534m in 3QFY16. Consequently, adj. PAT dropped 82% YoY to INR37m.

Poor content and demonetization impact growth: Weak content and demonetization curtailed spends by customers and thus by advertisers, leading to flattish revenue growth. Management highlighted that ad growth would have been 10% higher in the absence of demonetization. Ad volume declined ~15%, but the company expects a gradual pick-up from January 2017.

Guides for addition of 33 screens in 4Q: The company has guided for addition of 7 new properties with 33 screens in 4QFY17. Post FY17, the company expects to add 411 screens (55-60 screens annually). Capex per screen is in the range of INR25-30m

Valuation and view: We cut earnings by 39%/5% for FY17E/FY18E in view of lower footfall and no immediate signs of ad revenue improvement. We introduce FY19E, and expect revenue/PAT CAGR of 16%/9% over FY16-19E. Maintain Sell with a TP of INR207 (18x FY19E EPS), implying 13% downside.

Quarterly Performance (Consolidated)

(INR Million)

Y/E Mar	FY16				FY17				FY16	FY17E	FY17	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			3QE	%
Net Sales	3,025	3,078	2,979	2,513	3,369	2,974	2,980	2,729	11,595	12,054	3,122	-4.6
YoY Change (%)	30.2	15.7	-0.9	15.4	11.4	-3.4	0.0	8.6	14.0	18.5	5.0	
Total Expenditure	2,380	2,512	2,445	2,363	2,748	2,702	2,663	2,552	9,700	10,672	2,604	
EBITDA	645	565	534	151	621	272	317	177	1,895	1,382	518	-38.8
Margins (%)	21.3	18.4	17.9	6.0	18.4	9.1	10.6	6.5	16.3	11.5	16.6	
Depreciation	197	197	197	207	203	208	214	255	798	865	240	
Interest	62	62	61	59	58	58	65	75	244	259	66	
Other Income	15	20	18	16	25	21	22	15	68	84	20	
PBT before EO expense	400	327	293	-100	385	27	60	-138	921	343	232	-74.2
Extra-Ord expense	0	0	-50	0	0	0	0	0	-50	0	0	
PBT	400	327	244	-100	385	27	60	-138	871	343	232	-74.2
Tax	148	115	73	-262	136	11	23	-62	74	113	55	
Rate (%)	36.9	35.0	29.9	N.M	35.2	41.7	38.8	N.M	8.5	33.0	23.5	
Reported PAT	253	213	171	161	250	17	37	-76	797	230	178	-79.4
Adj PAT	253	213	205	161	250	17	37	-76	843	230	178	-79.4
YoY Change (%)	452.0	302.5	43.6	N.M	-1.3	-92.1	-82.2	N.M	305.6	-72.8	-6.7	
Margins (%)	8.4	6.9	6.9	6.4	7.4	0.6	1.2	-2.8	7.3	1.9	5.7	

E: MOSL Estimates

Bharti Airtel

BSE SENSEX 27,376
S&P CNX 8,476

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

Conference Call Details

Date: 25th Jan 2017

Time: 2:30pm IST

Dial-in details:

+91-22- 4444 9999

+91-11-4444 9999

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Sales	965.3	960.7	973.7
EBITDA	340.1	355.4	358.5
NP	47.5	43.6	33.1
Adj EPS (INR)	11.9	10.9	8.3
EPS Gr. (%)	72.5	-21.9	-30.3
BV/Sh (INR)	164.2	172.7	179.3
RoE (%)	7.4	6.5	4.7
RoCE (%)	5.9	5.3	4.8
Payout (%)	11.9	16.2	19.8
Valuations			
P/E (x)	26.2	28.6	37.6
P/BV (x)	1.9	1.8	1.7
EV/EBITDA (x)	6.3	6.5	6.3
Div. Yield (%)	0.4	0.4	0.4

CMP: INR316

TP: INR410(+30%)

Buy

Consolidated EBITDA declines on weak India wireless performance
India ARPU down 8% QoQ to INR172

- Consolidated revenue declined 5.3% QoQ (-2.7% YoY) to INR233.6b, missing our estimate by 3%. Consolidated EBITDA dropped 10% QoQ (flat YoY) to INR84.8b, 2.5% below our estimate. Consolidated EBITDA margin shrunk 200bp QoQ (+130bp) to 36.3%, broadly in line with our estimate.
- The company saw first full quarter impact of RJio's free services launch. India wireless revenue declined 6% QoQ (-1% YoY) to INR138.4b, with EBITDA down 16% QoQ (-3% YoY) to INR52.6b, 4% below our estimate. India EBITDA margin contracted 440bp QoQ (-90bp YoY) to 38%.
- Africa business (after adjustment for sale and currency depreciation last quarter) saw subdued 1% QoQ growth in revenue/EBITDA to INR53.6b/INR12.7b. Africa EBITDA margin was flat QoQ at 23.7%.
- PAT declined 65% QoQ (-55% YoY) to INR5b on exceptional item of INR2b and higher effective tax.
- ARPU declined 8% QoQ to INR172 (1% below our estimate). India voice RPM declined a steep 9% QoQ to INR0.294/min due to higher proportion of incoming traffic. Average data price fell 11% QoQ to INR0.18/MB.
- Voice revenue declined 4.5% QoQ to INR97.2b. Data revenue fell 14% QoQ to INR30.9b, broadly in line with our estimate.

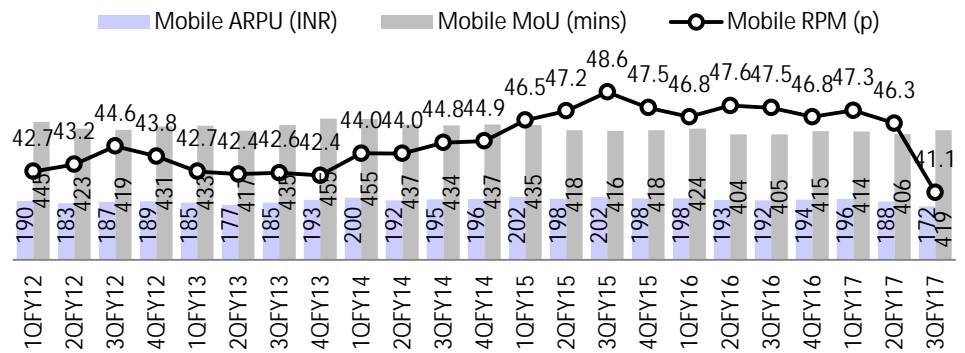
Key questions for management

- Bharti's strategy to counter RJio's service offering.
- Network investment and capex intensity over next two years.

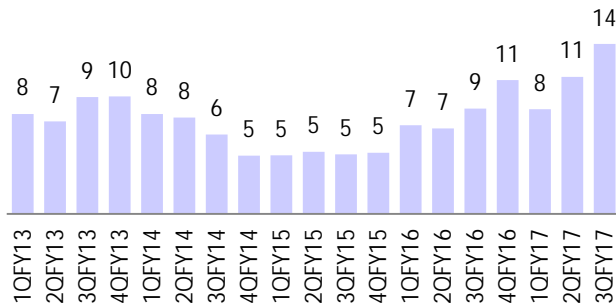
Valuation and view: We will revisit our estimates post the earnings call. Based on our current estimates, at CMP of INR316, the stock trades at 6x EV/EBITDA on FY18. We have a **Buy** rating with a target price of INR410.

Consolidated - Quarterly Earning Model

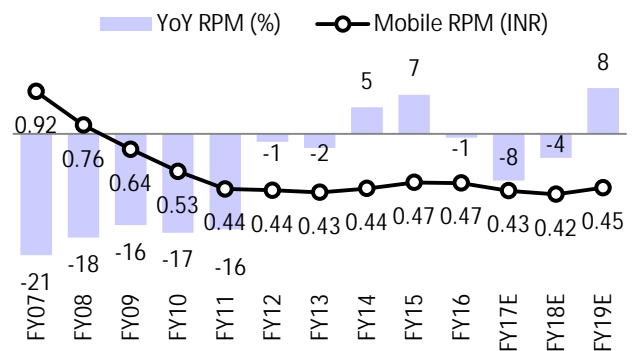
Y/E March	FY16				FY17				(INR Million)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY16	FY17E	3QFY17E	Variance (%)
Gross Revenue	236,709	238,357	240,659	249,596	255,465	246,515	233,357	225,325	965,321	960,662	240,516	-3.0
YoY Change (%)	3.1	4.3	3.7	8.4	7.9	3.4	-3.0	-9.7	328.4	NA	-0.1	
Total Expenditure	154,466	156,014	156,522	158,474	159,985	152,113	148,542	144,632	625,259	605,272	153,551	-3.3
EBITDA	82,243	82,343	84,137	91,122	95,480	94,402	84,815	80,693	340,062	355,390	86,965	-2.5
Margins (%)	34.7	34.5	35.0	36.5	37.4	38.3	36.3	35.8	35.2	37.0	36.2	19bps
Depreciation	40,404	42,390	43,541	48,163	50,402	49,560	48,350	55,265	174,498	203,577	51,058	-5.3
Interest	19,206	18,752	14,167	17,010	19,399	19,057	19,364	18,036	68,865	74,527	18,036	7.4
Other Income	2,419	1,929	3,037	3,129	2,787	1,568	3,495	2,987	9,501	10,328	2,963	18.0
PBT before EO expense	25,051	23,129	29,465	29,078	28,466	27,353	20,596	10,379	106,200	87,615	20,834	-1.1
Extra-Ord expense	-21,384	-6,761	3,405	2,999	3,536	66	2,040	0	-14,505	5,642	0	
PBT	46,435	29,890	26,060	26,079	24,930	27,287	18,556	10,379	120,705	81,973	20,834	-10.9
Tax	21,827	13,394	13,523	10,789	10,089	11,136	11,841	4,226	59,368	37,292	8,482	39.6
Rate (%)	47.0	44.8	51.9	41.4	40.5	40.8	63.8	40.7	49.2	45.5	40.7	2310bps
Minority Interest & Profit/Loss of Asso.	3,478	1,133	1,457	2,095	222	1,544	1,678	726	6,495	4,170	1,458	15.1
Reported PAT	21,130	15,363	11,080	13,195	14,619	14,607	5,037	5,428	54,842	40,511	10,894	-53.8
Mobile ARPU (INR/month)	198.2	192.6	192.0	194.2	195.7	187.9	172.0	153.0	192.9	177.5	173.9	-1.1
QoQ Growth (%)	-0.1	-2.8	-0.3	1.1	0.8	-4.0	-8.4	-11.0	-2.6	-7.9	-7.4	
Mobile MOU/sub/month	345.0	333.7	325.8	321.3	310.1	329.3	329.3	322.1	342.7	311.5	303.3	8.6
QoQ Growth (%)	-1.7	-3.3	-2.4	-1.4	-3.5	6.2	0.0	-2.2	-1.1	-9.1	-7.9	
Mobile Traffic (B Min)	9,097	9,480	10,066	10,102	9,427	8,819	8,819	8,850	38,746	35,914	9,460	-6.8
QoQ Growth (%)	4.4	4.2	6.2	0.4	-6.7	-6.4	0.0	0.4	8.2	-7.3	7.3	
Mobile RPM (INR)	0.57	0.58	0.59	0.60	0.6	0.6	0.5	0.5	0.6	0.6	0.6	-8.9
QoQ Growth (%)	1.7	0.4	2.1	2.5	4.5	-9.6	-8.4	-9.1	-1.5	1.3	0.5	

Exhibit 1: India mobile KPIs


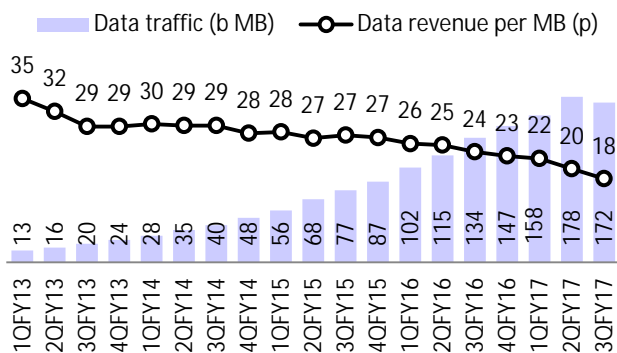
Source: Company, MOSL

Exhibit 2: Bharti India: YoY mobile traffic growth (%)


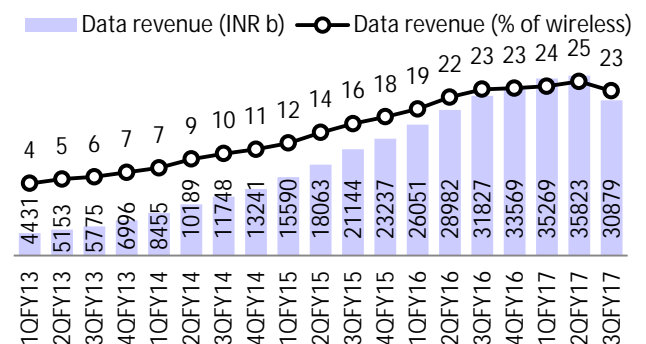
Source: Company, MOSL

Exhibit 3: Bharti India: Mobile RPM trend (incl data)


Source: Company, MOSL

Exhibit 4: Bharti India: Mobile data traffic and pricing


Source: Company, MOSL

Exhibit 5: Bharti India: Data revenue & contribution to wireless rev


Source: Company, MOSL

BSE SENSEX 27,376
S&P CNX 8,476

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

Conference Call Details


Date: 25th January 2017

Time: 09:00am IST

Dial-in details:

+91-22-3938 1081

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	34.5	40.5	49.2
EBITDA	7.9	9.6	12.1
NP	4.6	5.4	6.9
EPS (INR)	23.2	27.1	34.3
EPS Gr. (%)	15.5	16.5	26.5
BV/Sh. (INR)	202.7	221.9	246.1
RoE (%)	11.5	12.2	13.9
RoCE (%)	15.9	8.7	10.1
Payout (%)	13.4	29.3	29.3
Div. Yield	0.5	0.7	0.9

CMP: INR995.5 TP: INR750(-24.7%) Sell

Strong results; Monetization of Biosimilars key catalyst ahead Operating leverage drive EBITDA margins

- n Biocon posted strong operating performance in 3QFY17
- n Revenue (Ind-AS) grew 24% YoY to INR10.3b (vs our est of INR9.3b), driven by strong growth in biologics and small molecules businesses, higher licensing income, and steady growth in Syngene.
- n EBITDA grew 45% YoY to INR2.6b (vs our est of INR2.25b) and EBITDA margin was 25.4% (up 370 bps YoY).
- n PAT (Ind-AS) grew 66% YoY to ~INR1.7b (vs our est of INR1.4b).
- n R&D expense stood at INR1b in 3Q (including capitalization of INR150m).

Key questions for the management

- n Update on progress related to Biotech fillings in US
- n Update on US ANDA fillings in US
- n Clarity regarding impact of fire at Syngene plant
- n Malaysia plant commissioning timeline and depreciation impact of that
- n Negative operating leverage from Gujarat

Valuation and view: We will revisit our estimates post earnings call. The recent run-up in stock price is primarily on the back of positive developments in the biosimilars portfolio. Though the progress is impressive, we believe there are still uncertainties that cap the upside potential. In the near term, increase in R&D coupled with high depreciation cost would put pressure on profits. We maintain our Sell rating with TP of INR750 @ 22x FY18E EPS.

Quarterly Performance (Consolidated)

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E	FY17E	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			3QE	vs Est
Net Sales	8,105	7,860	8,282	9,450	9,814	9,400	10,293	11,820	34,507	40,473	9,273	11.0%
YoY Change (%)	12.8	4.9	8.8	13.8	21.1	19.6	24.3	25.1	12.8	17.3	12.0	
Total Expenditure	6,127	6,270	6,483	7,598	7,276	7,150	7,683	9,476	26,654	30,922	7,020	
EBITDA	1,978	1,590	1,799	1,852	2,538	2,250	2,610	2,344	7,853	9,551	2,253	15.8%
Margins (%)	24.4	20.2	21.7	19.6	25.9	23.9	25.4	19.8	22.8	23.6	24.3	
Depreciation	591	610	621	647	661	680	703	803	2,423	2,765	621	
Interest	44	30	15	166	57	70	88	50	102	252	75	
Other Income	304	-750	289	3,014	502	520	625	103	1,192	1,500	375	
PBT	1,647	200	1,452	4,053	2,322	2,020	2,444	1,594	6,520	8,034	1,932	26.5%
Tax	376	290	241	591	552	420	544	355	1,131	1,727	400	
Rate (%)	22.8	145.0	16.6	14.6	23.8	20.8	22.3	22.3	17.3	21.5	20.7	
Minority Interest	33	20	181	159	104	130	187	316	744	893	150	
Adj PAT	1,238	970	1,030	742	1,466	1,470	1,713	923	4,646	5,414	1,382	23.9%
YoY Change (%)	20.2	-4.9	13.4	-63.2	34.6	51.5	66.3	-72.1	-7.0	16.5	34.2	
Margins (%)	15.3	12.3	12.4	7.9	17.0	15.6	16.6	7.8	13.5	13.4	14.9	

CG Consumer Electricals

BSE SENSEX
27,376S&P CNX
8,476

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

Conference Call Details

Date: 25th January 2017

Time: 11:00am IST

Dial-in details:

+91-22-3960 0738

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	18.1	37.6	42.9
EBITDA	2.1	4.0	5.3
NP	1.1	2.3	3.2
EPS (INR)	1.9	3.7	5.1
EPS Gr. (%)	(70.3)	96.6	37.6
BV/Sh. (INR)	3.6	5.6	8.3
RoE (%)	52.1	80.9	74.2
RoCE (%)	27.4	30.2	33.4
Payout (%)	-	40.0	40.0
Div. Yield	-	0.9	1.3

CMP: INR172 TP: INR180 (+5%)

Buy

Limited Demonetization impact

Operating performance meaningfully above estimates

- n Sales at INR8.9b (+10% YoY) vs. our estimate of INR7.7b. Sales in lighting segment were at INR2.84b (+5% YoY) while sales in the Electrical Consumer Durables segment were at INR6b (+12 % YoY). Impact of demonetization has been limited during the quarter.
- n Gross margins at 31.6% (+250bps YoY, +70bps QoQ) vs. our estimate of 31.5% driven by a better product mix. Impact of rise in copper prices likely to be felt going into Q417.
- n EBITDA at INR0.99b (+20% YoY) vs. consensus INR0.7b; Margin of 11.2% vs. our estimate of 7.2% (Consensus 8.9%). Lighting margins remained stable at 11.2% whereas electrical consumer durables segment witnessed margin expansion of 330bps YoY and stood at 16.1%.
- n Employee costs have gone up by 32% YoY due to the impact of ESOP costs (INR85m) which have to be expensed from Q317 onwards.
- n PAT at INR0.57b (+35% YoY) vs. our estimate of INR0.33b (Consensus INR0.38b).

Valuation and view: We will revisit our estimates post the earnings call. Outlook on growth and margin post demonetization will be keenly sought. Based on current estimates, it trades at 33/27x FY18/19E EPS. Maintain **BUY**.

Quarterly Performance (Standalone)

(INR Million)

Y/E March	FY16		FY17				FY16	FY17	Vs Est. 3Q	Var. (%)
	3Q	4Q	1Q	2Q	3Q	4Q				
Sales	8,101	10,016	11,208	8,900	8,889	8,563	18,117	37,561	7,700	15.4%
Change (%)	12.0	10.6			9.7	-14.5		107.3	(4.9)	
EBITDA	828	1,272	1,550	974	993	404	2,095	4,047	555	78.9%
Change (%)	-8.1	2.0			19.9	-68.2		93.2	-33.0	
As of % Sales	10.2	12.7	13.8	10.9	11.2	4.7	11.6	10.8	7.2	
Depreciation	30	33	28	27	26	27	63	109	25	
Interest	158	159	180	161	162	162	318	709	160	
Other Income	1	0	34	42	50	-6	39	165	25	
PBT	641	1,079	1,376	827	855	209	1,753	3,394	395	116.4%
Tax	218	321	457	273	281	41	525	1,052	70	
Effective Tax Rate (%)	33.9	29.7	33.2	33.0	32.9	19.4	29.9	31.0	17.7	
Adjusted PAT	424	759	919	554	574	169	1,228	2,342	325	76.5%
Change (%)	(51.1)	(10)			35.4	(78)	(69.4)	90.7	(23.3)	
Extra-ordinary Income (net)	(11.9)	(93)	-	-	-	-	(139.3)		-	
Reported PAT	412	666	919	554	574	169	1,089	2,342	325	76.5%
Change (%)	(52.4)	(21)			39.3	(75)	(72.9)	115.1	(21.1)	

Bharat Financial Inclusion

BSE SENSEX 27,376
S&P CNX 8,476

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

Financials & Valuations (INR b)

Y/E March	2016	2017E	2018E
NII	5,796	7,902	10,954
PPP	4,325	5,592	7,750
PAT	3,030	5,858	5,278
EPS (INR)	23.8	42.7	38.5
BV/Share (INR)	108.6	198.4	236.9
RoA on AUM (%)	5.1	6.3	3.8
RoE (%)	24.9	28.6	17.7
Valuations			
P/E (x)	28.4	15.8	17.6
P/BV (x)	6.2	3.4	2.9

CMP: INR677 TP: INR893 (+32%) Buy

- BHAFIN's 1QFY17 PAT grew 80% YoY to INR1.4b (37% above estimates), led by strong NII growth (+38% YoY), controlled opex (+46% YoY, +5%QoQ) and lower provisions (-57% YoY, -58% QoQ).
- Despite the impact of demonetization, the company was able to disburse INR29b worth of loans (unchanged YoY, -26% QoQ). We await further details of the same at the analyst meet. Collections, however, were largely unchanged QoQ at INR35b. Collection efficiency declined from a run-rate of 99.8% to 95% in the quarter. However, borrowers have been repaying with some lag. Collection efficiency for dues in November stood at 91%, but improved to 97.5% by 19th January. A similar trend was witnessed for dues in December.
- As a result, the loan book shrunk 6% QoQ to INR85b. Management expects the loan book to remain at these levels till end-FY17 and then grow 50% YoY to INR12.75b in FY18. We believe this should be possible as sufficient currency is back in circulation and the RBI is likely to gradually lift restrictions on cash withdrawals by corporates.
- Spreads declined 10bp QoQ to 9.5%. Marginal cost of borrowings remained stable at 10.4%. We believe this could be due to the change in liability mix during the quarter (share of bank borrowings increased 500bp to 67%, while that of securitized assets declined similarly to 12%). We expect the company to gain significantly from the MCLR cuts by banks over next 1-2 quarters.

Valuation and view: Large unmet demand, low competitive intensity, supportive regulations, strong balance sheet and best-in-class operating metrics have put BHAFIN on a high growth path. While there has been a hit due to demonetization, we believe the long-term growth story remains unchanged. We believe BHAFIN's business model is robust and expect it to capitalize on this opportunity. We will revise estimates and target price post the analyst meet later today.

Quarterly Performance

Y/E March	FY16				FY17		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Income from operations	2,173	2,664	2,805	3,000	3,341	3,692	3,682
Other Income	236	249	268	297	348	382	407
Total income	2,409	2,913	3,073	3,298	3,690	4,074	4,089
Y-o-Y Growth (%)	58.6	53.2	66.6	66.9	53.2	39.9	33.1
Interest expenses	1,008	1,169	1,327	1,341	1,361	1,576	1,643
Other income	418	330	362	406	452	422	460
Net Income	1,819	2,073	2,107	2,362	2,780	2,921	2,906
Y-o-Y Growth (%)	50.1	54.8	64.3	67.8	52.9	40.9	37.9
Operating Expenses	952	974	989	1,121	1,269	1,372	1,440
Provisions	72	88	87	139	120	90	38
Profit before tax	795	1,012	1,031	1,102	1,391	1,459	1,428
Y-o-Y Growth (%)	61.2	78.2	151.1	137.2	74.9	44.2	38.5
Tax Provisions	183	233	236	257	-969	0	0
Net Profit	611	779	795	845	2,359	1,459	1,428
Y-o-Y Growth (%)	24.0	37.2	93.6	108.4	285.8	87.4	79.6

Zensar Technologies

BSE SENSEX 27,376
S&P CNX 8,476

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

Conference Call Details


Date: 25th January 2017

Time: 16:00 IST

Dial-in details:

+91-22-3938 1079

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	29.6	31.5	36.6
EBITDA	4.3	4.4	5.6
NP	3.1	3.0	4.0
EPS (INR)	68.2	67.2	88.7
EPS Gr. (%)	17.0	-1.9	32.0
BV/Sh. (INR)	314.4	374.2	443.7
RoE (%)	24.0	19.5	21.7
RoCE (%)	28.5	24.7	26.9
Payout (%)	17.6	11.5	18.5
Div. Yield	1.3	0.8	1.8

CMP: INR915 TP: INR1,250(+37%)
Buy

Stellar deal wins demonstrate strategy execution

Quarterly performance largely in line

- ZENT's 3QFY17 revenue grew 1.9% QoQ CC, largely in line with our estimate of +2.1% QoQ CC. In USD terms, revenue grew 1.3% QoQ to USD118m, indicating a cross-currency impact of -60bp.
- The quarter also included incremental revenue from the acquisition of Foolproof. Our estimates included ~2 months of revenue from the acquisition, adding 1.6pp to revenue. The actual addition will have to be checked with the company.
- Gross margin expanded 30bp QoQ to 30% (estimate of 29.6%). However, EBITDA margin contracted 30bp QoQ to 13.8% (estimate of flat margins at 14.1%). Margins were bogged down by increased SGA expenses (16.2% of revenue, compared to 15.6% in the previous quarter).
- PAT at INR811m (+18.1% QoQ) was a tad lower than our estimate of INR820m (+19.4% QoQ).

Large deal wins of USD127m in 3QFY17

- The focus on large deals post the leadership change is reflected in deal pipeline growth so far. In 3Q, ZENT announced large deal wins worth USD126.7m, which is highly encouraging.
- Portfolio reconstitution remained on track, as Infrastructure Management saw growth in Services and decline in Maintenance. Also, RoW declined 31% QoQ, removing non-core geographies/accounts.
- Performance in top clients was a concern though. Most top client buckets saw a decline, and growth was driven by non-top 20 accounts.

Valuation and view: We will revisit our estimates post the earnings call. Outlook on growth, especially in top accounts, and insights on execution of strategy would be keenly watched. Based on current estimates, it trades at 10.3/9.7x FY18/19E EPS. Maintain **Buy**.

Quarterly Performance (Consolidated)

Y/E March	FY16				FY17				FY16	FY17E	Est. 3QFY17	Var. (% / bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Revenue (USD m)	111	116	115	111	114	116	118	120	453	467	118	-0.3
QoQ (%)	5.1	4.8	-1.4	-3.7	3.1	1.8	1.3	1.9	5.4	3.2	1.6	-28bp
Revenue (INR m)	7,046	7,564	7,568	7,464	7,624	7,767	7,922	8,142	29,643	31,455	7,954	-0.4
YoY (%)	16.5	16.8	5.5	13.5	8.2	2.7	4.7	9.1	12.8	6.1	5.1	-42bp
GPM (%)	31.7	32.1	30.6	30.8	29.1	29.7	30.0	30.4	31.3	29.8	29.6	40bp
SGA (%)	16.4	16.6	16.2	18.5	15.3	15.6	16.2	16.0	16.9	15.8	15.5	70bp
EBITDA	1,080	1,171	1,089	922	1,053	1,092	1,090	1,171	4,262	4,407	1,119	-2.5
EBITDA Margin (%)	15.3	15.5	14.4	12.4	13.8	14.1	13.8	14.4	14.4	14.0	14.1	-30bp
EBIT Margin (%)	13.8	14.0	12.9	10.7	12.5	12.5	12.4	12.9	12.8	12.6	12.6	-18bp
Other income	148	229	95	116	169	37	183	63	588	451	186	-1.6
ETR (%)	29.8	26.9	30.4	21.1	30.5	28.0	28.0	28.0	27.3	29.0	28.0	
PAT	762	913	715	703	763	687	811	773	3,094	3,034	820	-1.1
QoQ (%)	6.2	19.8	-21.7	-1.7	8.5	-10.0	18.1	-4.8			19.4	-128bp
YoY (%)	36.3	35.7	2.9	-2.1	0.1	-24.8	13.4	9.9	17.0	-1.9	14.7	-123bp
EPS (INR)	17.6	20.6	15.8	15.5	16.9	15.2	18.0	17.1	68.2	67.2	18.2	
Headcount	7,895	8,050	8,192	8,256	8,238	8,316	8,564	8,614	8,256	8,614	8,517	0.6
Utilization (%)	79.0	80.0	82.0	81.0	79.8	80.1	79.5	80.0	80.5	79.9	79.0	50bp
Offshore rev. (%)	35.0	37.0	34.0	36.0	31.2	33.8	33.5	34.1	35.5	33.2	33.4	5bp



Alembic Pharma

Bloomberg	ALPM IN
Equity Shares (m)	188.5
M. Cap. (INR b)/(USD b)	114 / 2
52-Week Range (INR)	700 / 514
1,6,12 Rel Perf. (%)	-4 / 7 / -15

Financial Snapshot (INR Billion)

y/e march	2016	2017E	2018E	2019E
Sales	31.5	31.9	38.5	45.1
EBITDA	10.0	6.7	8.9	10.8
NP	4.8	4.4	5.8	6.9
EPS (INR)	38.2	23.5	30.7	36.5
EPS Gro. (%)	154.6	-38.4	30.4	18.8
BV/Sh. (INR)	84.9	102.4	127.1	157.6
RoE (%)	38.8	25.1	26.8	25.6
RoCE (%)	50.6	23.5	25.6	24.9

Valuations

P/E (x)	15.8	25.7	19.7	16.6
P/BV (x)	7.1	5.9	4.8	3.8
EV/EBITDA (x)	11.1	16.7	12.7	10.2
EV/Sales (x)	3.5	3.5	2.9	2.4
Div. Yield (%)	0.7	0.8	0.8	0.8

CMP: INR605 TP: INR640 (+6%) Neutral

- n We expect Alembic Pharma (ALPM) to post 12.3% YoY decline in 3QFY17 reported sales to INR8b. International business is expected to decline 34.4% YoY owing to lower contribution from gAbilify, while India business is expected to witness 14.2% YoY growth aided by strong traction within the Anti-Infective portfolio.
- n Reported EBITDA is likely to decline 55% YoY to INR1.7b, with EBITDA margin contracting 2070bp YoY, primarily on account of lower gAbilify sales in 3QFY17 numbers.
- n We expect reported PAT to decrease 57.7% YoY to INR1.1b, in line with operational performance.
- n We believe increase in competition in gAbilify, coupled with high R&D expense and rise in depreciation due to planned capex of INR15b over next 2-3 years, will keep profit growth under check. The stock trades at 19.7x FY18E EPS—in line with peers. We maintain our Neutral rating with a target price of INR640 (20x FY18E EPS).

Key issues to watch out

- Ø Contribution of Chronic portfolio and growth strategy.
- Ø Performance of US operations amid market pressure.
- Ø Outlook on future ANDA launches/filings.

Quarterly performance

Y/E March	FY16				FY17				(INR million)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY16	FY17E
Net Sales	5,833	10,033	9,210	6,256	7,270	8,716	8,075	7,824	31,453	31,885
YoY Change (%)	18.0	83.7	80.3	24.7	24.6	-13.1	-12.3	25.1	68.8	1.4
EBITDA	1,021	3,748	3,839	1,423	1,559	1,771	1,696	1,670	10,025	6,696
Margins (%)	17.5	37.4	41.7	22.7	21.4	20.3	21.0	21.3	31.9	21.0
Depreciation	129	133	217	244	194	206	222	405	722	1,027
Interest	6	7	10	13	11	10	3	-11	37	12
Other Income	0	10	28	26	14	12	15	-9	91	32
PBT	886	3,618	3,640	1,192	1,369	1,567	1,486	1,267	9,357	5,688
Tax	188	737	951	286	333	332	350	237	1,986	1,251
Rate (%)	21.2	20.4	26.1	24.0	24.3	21.2	23.6	18.7	21.2	22.0
MI & Profit/Loss of Asso. Cos.	1	-1	-1	-5	16	49	-1	-5	6	-2
Reported PAT	698	2,882	2,690	911	1,020	1,187	1,137	1,034	7,365	4,438
Adj PAT	698	2,882	2,690	911	1,020	1,187	1,137	1,034	7,365	4,438
YoY Change (%)	7.9	273.1	280.7	29.5	46.2	-58.8	-57.7	13.6	212.8	-39.7
Margins (%)	12.0	28.7	29.2	14.6	14.0	13.6	14.1	13.2	23.4	13.9

E: MOSL Estimates



Arvind

Bloomberg	ARVND IN
Equity Shares (m)	258.2
M. Cap. (INR b)/(USD b)	92 / 1
52-Week Range (INR)	424 / 236
1,6,12 Rel Perf. (%)	3 / 8 / -1

Financial Snapshot (INR Billion)

Y/E March	2016	2017E	2018E	2019E
Sales	84.5	92.7	106.2	120.8
EBITDA	10.7	10.5	13.4	15.6
NP	3.6	3.8	6.2	7.7
EPS (INR)	14.0	14.8	24.0	29.8
EPS Gr. (%)	6.3	5.6	61.9	24.0
BV/Sh. (INR)	112.8	148.9	168.1	191.8
RoE (%)	12.9	11.3	15.2	16.5
RoCE (%)	10.5	9.5	12.0	13.3
Div Payout (%)	20.5	29.0	20.8	20.8

Valuations

P/E (x)	25.5	24.1	14.9	12.0
P/BV (x)	3.2	2.4	2.1	1.9
EV/EBITDA (x)	11.6	11.0	8.5	7.1
Div Yield (%)	0.7	1.0	1.1	1.4

CMP: INR358 TP: INR444 (+24%)
Buy

- n We expect single-digit growth in the textiles segment, with margin improvement following inventory gains (cotton price increase). Based on our industry checks and management interaction, we believe (a) all formats (EBO/MBO/Key Accounts (KA)) in the B&R division did well in October due to festive season, (b) all formats performed poorly in November due to demonetization, and (c) the EBO and KA format have returned to normalcy in December, while MBO is still impacted.
- n We expect ARVND's revenue to grow 6% YoY (but decline 2% QoQ) to INR22.9b in 3QFY17, driven by impact on brand and retail segments due to demonetization.
- n We expect EBITDA margin to decline 90bp YoY (but expand 210bp QoQ) to 12.1%, and estimate EBITDA at INR2.77b (-1.3% YoY). Adjusted PAT is likely to grow 7.7% to INR1.12b. **Buy**.

Key things to watch for

- Ø Impact of demonetization in the brand and retail (B&R) segment.
- Ø Performance of newly acquired brands and newer formats.
- Ø Realizations in textiles segment.

Quarterly Performance (Consolidated)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	17,868	19,571	21,575	23,196	21,041	23,311	22,869	25,515	82,210	92,695
YoY Change (%)	0.8	-0.4	4.0	13.7	17.8	19.1	6.0	10.0	4.7	12.8
Total Expenditure	15,792	17,294	18,770	20,229	18,627	20,988	20,102	22,555	72,084	82,221
EBITDA	2,077	2,277	2,805	2,967	2,415	2,323	2,767	2,960	10,126	10,475
Margins (%)	11.6	11.6	13.0	12.8	11.5	10.0	12.1	11.6	12.3	11.3
Depreciation	586	572	654	664	691	719	710	700	2,477	2,810
Interest	959	906	895	945	891	731	660	690	3,705	2,971
Other Income	270	196	188	208	196	221	230	240	862	881
PBT before EO expense	802	994	1,445	1,566	1,029	1,094	1,627	1,810	4,807	5,575
Extra-Ord expense	-29	56	-13	0	-2	-63	0	0	80	61
PBT	773	1,050	1,432	1,566	1,027	1,031	1,627	1,810	4,727	5,514
Tax	233	358	386	458	317	270	504	570	1,434	1,764
Rate (%)	30.2	34.1	26.9	29.2	30.9	26.1	31.0	31.5	30.3	32.0
MI & Profit/Loss of Asso. Cos.	-12	-15	13	5	-24	45	0	0	-9	82
Reported PAT	552	707	1,033	1,103	734	717	1,123	1,240	3,284	3,831
Adj PAT	572	670	1,042	1,104	735	763	1,123	1,240	3,684	3,873
YoY Change (%)	-36.9	-30.1	-6.1	47.0	28.5	13.9	7.7	12.3	-3.7	5.1
Margins (%)	3.1	3.6	4.8	4.8	3.5	3.1	4.9	4.9	4.0	4.1

E: MOSL Estimates



Ashok Leyland

Bloomberg	AL IN
Equity Shares (m)	2845.9
M. Cap. (INR b)/(USD b)	239 / 4
52-Week Range (INR)	113 / 74
1,6,12 Rel Perf. (%)	8 / -12 / -13

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
Sales	188.2	205.2	239.2	273.7
EBITDA	21.7	24.4	29.7	34.1
NP	11.1	14.1	18.7	22.5
Adj. EPS (INR)	3.9	4.9	6.6	7.9
EPS Gr. (%)	375.1	26.6	32.9	20.2
BV/Sh. (INR)	19.4	22.7	26.9	32.1
RoE (%)	20.9	23.5	26.5	26.8
RoCE (%)	12.8	17.3	20.8	21.8
Payout (%)	25.6	30.4	30.4	28.5

Valuations

P/E (x)	21.5	17.0	12.8	10.6
P/BV (x)	4.3	3.7	3.1	2.6
EV/EBITDA (x)	11.5	9.9	7.8	6.4
Div. Yield (%)	1.2	1.8	2.4	2.7

CMP: INR84
TP: INR92 (+9%)
Buy

- Volumes grew 6% YoY (-2% QoQ). M&HCV sales grew 9% YoY, while LCV sales declined 3% YoY led by demonetization impact, especially in Dec-16.
- We expect realization to improve 4.9% YoY (flat QoQ) on price increase and higher contribution from Defense business.
- Net revenue is likely to grow ~13% YoY (flat QoQ), led by growth in volume and realization.
- EBITDA margin is likely to expand 40bp YoY (-70bp QoQ), driven by lower RM costs YoY.
- EBITDA should grow 17% YoY (decline 6% QoQ) to ~INR5b.
- Further, lower interest and higher other income would boost adjusted PAT growth by 38% YoY (+1% QoQ) to INR2.8b.
- The stock trades at EV of 7.8x FY18E and 6.4x FY19E EBITDA. **Buy.**

Key issues to watch

- Current demand environment and discounting trend, as well as plant and channel inventory for MHCVs post demonetization.
- Pre-buying in 4QFY17.
- Raw material cost outlook and margin guidance for FY17-18.
- Capex and investment guidance for FY17.

Quarterly Performance

	FY16				FY17E				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Total Volumes (nos)	28,154	37,369	30,928	43,991	31,163	33,446	32,838	47,751	140,457	145,198
Growth %	41.2	47.3	21.8	28.8	10.7	-10.5	6.2	8.5	33.9	3.4
Realizations (INR '000)	1,379	1,329	1,321	1,354	1,367	1,382	1,386	1,468	1,340	1,413
% change	11.0	4.8	-0.2	2.6	-0.9	4.0	4.9	8.5	3.7	5.5
Net operating revenues	38,831	49,672	40,853	59,553	42,588	46,224	46,272	70,120	188,216	205,205
RM/sales %	68.4	69.7	70.8	71.0	68.7	67.8	68.3	69.2	70.5	68.6
Staff/sales %	8.5	7.6	8.5	5.7	8.4	8.0	7.8	7.0	7.4	7.7
Other exp/sales %	13.0	10.2	10.1	10.7	11.6	12.6	13.0	10.8	10.6	11.9
EBITDA	3,925	6,240	4,297	7,531	4,820	5,365	5,021	9,173	21,660	24,380
EBITDA Margins(%)	10.1	12.6	10.5	12.6	11.3	11.6	10.9	13.1	11.5	11.9
Other Income	78	454	259	320	385	316	475	680	1,099	1,856
Interest	701	631	666	602	338	339	425	500	2,735	1,603
PBT before EO Item	1,984	4,754	2,803	6,071	4,154	4,146	3,846	8,168	15,586	20,315
EO Exp/(Inc)		1,570	65	3,793		0	0	0	3,858	0
Effective Tax Rate (%)	36.3	45.9	27.5	66.2	30.0	29.0	27.0	26.9	38.1	28.0
Adj. PAT	1,264	2,571	2,034	4,563	2,908	2,944	2,808	5,967	11,112	14,627
Change (%)	-364	527	534	93	130	14	38	31	330.0	31.6

E: MOSL Estimates



Coromandel International

Bloomberg	CRIN IN
Equity Shares (m)	291.3
M. Cap. (INR b)/(USD b)	88 / 1
52-Week Range (INR)	307 / 146
1,6,12 Rel Perf. (%)	20 / 23 / 57

Financial Snapshot (INR Billion)

Y/E March	2016	2017E	2018E	2019E
Sales	115.2	116.4	129.8	143.1
EBITDA	7.7	9.6	10.6	12.6
NP	3.4	4.7	5.8	7.4
EPS (INR)	11.8	16.3	20.0	25.5
EPS Gr. (%)	-14.9	37.8	22.7	27.6
BV/Sh. (INR)	83.2	92.3	103.9	119.2
RoE (%)	14.9	18.5	20.4	22.8
RoCE (%)	10.8	13.6	15.6	18.8

Valuations

P/E (x)	25.6	18.6	15.2	11.9
P/BV (x)	3.6	3.3	2.9	2.5
EV/EBITDA (x)	14.1	10.4	9.1	7.4
EV/Sales (x)	0.9	0.9	0.7	0.7

CMP: INR304

Under Review

- n We expect revenue to grow 3% YoY (decline 21% QoQ) to INR28.4b in 3QFY17 on a low base.
- n EBITDA margin is likely to expand 220bp YoY (shrink 260bp QoQ) to 8.2%. EBITDA should grow 41% YoY to INR2.33b.
- n We expect adjusted PAT to grow 83% YoY to INR1,177m on a very low base.

Key issues to watch for

- ⊗ Performance of exports in the non-subsidy business.

Quarterly Performance

(INR Million)

Y/E March	FY16				FY17				FY16	FY17E
Consolidated	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	22,041	36,003	27,555	30,209	20,595	35,752	28,381	31,719	115,807	116,448
YoY Change (%)	17.2	3.9	-7.0	0.8	-6.6	-0.7	3.0	5.0	2.4	0.6
Total Expenditure	21,112	32,930	25,902	28,205	19,709	31,906	26,054	29,150	108,149	106,818
EBITDA	929	3,072	1,653	2,004	886	3,846	2,327	2,569	7,658	9,630
Margins (%)	4.2	8.5	6.0	6.6	4.3	10.8	8.2	8.1	6.6	8.3
Depreciation	261	281	247	275	244	254	270	280	1,063	1,064
Interest	599	498	542	567	651	586	480	470	2,206	2,178
Other Income	156	247	142	116	125	177	180	198	660	688
PBT before EO expense	225	2,540	1,006	1,278	117	3,183	1,757	2,017	5,049	7,078
Extra-Ord expense	0	0	-250	0	0	0	0	0	-250	0
PBT	225	2,540	1,256	1,278	117	3,183	1,757	2,017	5,299	7,078
Tax	72	844	453	351	38	1,054	580	666	1,720	2,336
Rate (%)	32.0	33.2	36.0	27.5	32.1	33.1	33.0	33.0	32.4	33.0
Minority Interest & Profit/Loss of Asso. Cos.	0	1	0	0	5	-4	0	0	1	0
Reported PAT	153	1,695	804	927	75	2,134	1,177	1,352	3,579	4,742
Adj PAT	153	1,695	644	927	75	2,134	1,177	1,352	3,410	4,742
YoY Change (%)	-53.0	-5.8	-47.9	35.0	-51.0	25.9	82.9	45.8	-15.6	39.1
Margins (%)	0.7	4.7	2.3	3.1	0.4	6.0	4.1	4.3	2.9	4.1

E: MOSL Estimates



Exide Industries

Bloomberg	EXID IN
Equity Shares (m)	850.0
M. Cap. (INR b)/(USD b)	155 / 2
52-Week Range (INR)	208 / 116
1,6,12 Rel Perf. (%)	2 / 6 / 22

Financial Snapshot (INR b)

Y/E MARCH	2016	2017E	2018E	2019E
Net Sales	68.1	73.4	82.7	94.6
EBITDA	10.2	10.9	12.7	14.9
Adj. PAT	6.2	6.6	8.0	9.5
Adj. EPS (INR)	7.3	7.8	9.4	11.2
EPS Gr. (%)	14.1	6.7	20.7	18.2
BV/Sh. (INR)	52.2	57.4	64.3	72.9
RoE (%)	14.0	13.6	14.7	15.3
RoCE (%)	14.5	14.0	15.3	16.0
Payout (%)	32.8	28.1	23.3	19.7

Valuations

P/E (x)	24.8	23.3	19.3	16.3
P/BV (x)	3.5	3.2	2.8	2.5
EV/EBITDA (x)	12.6	11.8	9.9	7.9
Div. Yield (%)	1.3	1.2	1.2	1.2

CMP: INR182
TP: INR205 (+12%)
Buy

- n We expect net revenue to grow 2% YoY (-19% QoQ) to INR15.5b as moderation in OEM demand due to the impact of demonetization is likely to slow down sales.
- n EBITDA margin is likely to contract by 150bp YoY (-120bp QoQ) to 13.9%, as employee expenses are likely to jump on account of lower volumes.
- n Lead prices increased 9% QoQ in 2QFY17, the effect of which will be reflected in 3Q raw material costs.
- n EBITDA is estimated to decrease 7.5% YoY (-25% QoQ) to ~INR2.1b.
- n PAT is likely to decline by 4% YoY (-28% QoQ) to INR1.3b. The fall in PAT is likely to be arrested due to higher other income.
- n The stock trades at 19.3x FY18E and 16.3x FY19E EPS; maintain **Buy**.

Key issues to watch

- Ø Update on demand environment for OEMs, auto replacement and industrial battery segments post demonetization.
- Ø Update on market share in autos and non-autos.
- Ø Outlook for raw material cost trend, recent pricing action and currency hedges, if any.
- Ø Update on technological upgradation.
- Ø Update on capacity expansion plans across product segments.

S/A Quarterly Performance

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	18,064	17,442	15,211	17,605	20,081	19,233	15,515	18,545	68,092	73,375
Growth YoY (%)	-5.4	-0.9	-2.2	7.0	11.2	10.3	2.0	5.3	-0.8	7.8
RM(%)	64.2	62.2	62.2	61.0	62.4	61.2	62.2	62.2	64.1	62.0
Employee cost (%)	6.1	6.7	7.9	7.0	6.4	6.9	8.9	7.6	7.0	7.3
Other Exp(%)	15.1	16.5	14.5	17.0	15.5	16.9	15.0	15.9	14.0	15.9
EBITDA	2,655	2,553	2,343	2,652	3,150	2,901	2,167	2,660	10,171	10,877
EBITDA Margin(%)	14.7	14.6	15.4	15.0	15.7	15.1	13.9	14.3	14.9	14.8
Change (%)	-8.8	22.9	30.0	11.3	18.6	13.6	-7.5	0.3	11.3	7.0
Non-Operating Income	31	84	75	226	143	190	175	158	497	666
Interest	2	0	1	0	17	6	5	2	3	30
Depreciation	362	378	406	439	491	506	505	517	1,602	2,019
PBT after EO Exp	2,322	2,259	2,011	2,439	2,784	2,579	1,832	2,298	9,063	9,494
Effective Tax Rate (%)	32.9	31.4	33.4	27.2	29.6	30.7	30.0	29.7	31.3	30.0
Adj. PAT	1,557	1,551	1,339	1,776	1,961	1,787	1,283	1,616	6,228	6,646
Change (%)	-16.0	23.3	37.8	29.1	25.9	15.2	-4.3	-9.0	14.1	6.7

E: MOSL Estimates



IDFC Bank

Bloomberg	IDFCBK IN
Equity Shares (m)	3392.6
M. Cap. (INR b)/(USD b)	203 / 3
52-Week Range (INR)	83 / 43
1,6,12 Rel Perf. (%)	-11 / 31 / -2

Financial Snapshot (INR b)

Y/E March	2H2016	2017E	2018E	2019E
NII	8.5	20.5	25.3	31.1
OP	7.4	18.4	22.9	31.2
NP	4.7	10.6	14.3	19.3
NIM (%)		2.5	2.2	2.2
EPS (INR)		3.1	4.2	5.7
EPS Gr. (%)			34.8	35.2
BV/Sh. (INR)	40.2	42.6	45.8	50
ABV/Sh. (INR)	37.8	39.4	42.1	46
RoE (%)		7.5	9.5	11.9
RoA (%)		1.1	1.1	1.3

Valuations

P/E(X)	19.2	14.2	10.5
P/BV (X)	1.4	1.3	1.2
P/ABV (X)	1.5	1.4	1.3
Div. Yield (%)	1.0	1.4	1.9

CMP: INR60

Under Review

- n We expect 22% YoY (5% QoQ) loan growth, aided by greater focus on retail banking. Though incremental deposits raised in 3Q would aid cost of funds, we expect NIM (calculated) to remain largely stable at 2%, led by lower asset yields.
- n Non-interest income would be ~INR2.5b (-40% QoQ due to one-off gains in 2Q), led by moderate fee income growth. Trading gains are expected to be healthy. Operating expenses are likely to grow 15% QoQ (v/s 16% QoQ de-growth in total income), driven by costs associated with expansion of retail and rural banking franchise and demonetization-related overheads, leading to 33% QoQ decline in PPP (flat YoY).
- n We expect high provisioning at ~INR1.05b.
- n The stock trades at 1.3x FY18E BV and 14.2x FY18E EPS. Under Review

Key issues to watch for

- Ø Outlook on balance sheet growth and costs.
- Ø Retail franchise building plans and update.

Quarterly Performance

(INR Million)

	FY16		FY17E		2HFY16		FY17E
	3Q	4Q	1Q	2Q	3QE	4QE	
Net Interest Income	3,863	4,168	4,989	4,956	5,143	5,408	20,496
% Change (Y-o-Y)					33.1	29.8	NA
Other Income	2,179	1,377	2,128	4,101	2,500	3,270	12,000
Net Income	6,042	5,545	7,117	9,057	7,643	8,679	32,496
Operating Expenses	2,153	2,947	2,768	3,234	3,731	4,400	14,134
Operating Profit	3,889	2,598	4,349	5,823	3,912	4,278	18,362
% Change (Y-o-Y)					0.6	64.7	NA
Other Provisions	123	119	236	223	1,050	1,044	2,554
Profit before Tax	3,766	2,479	4,113	5,600	2,862	3,234	15,809
Tax Provisions	1,345	829	1,465	1,722	944	1,085	5,217
Net Profit	2,422	1,651	2,648	3,878	1,917	2,149	10,592
% Change (Y-o-Y)	NA	NA	NA	NA	-20.8	30.2	NA
Operating Parameters							
NIM (Reported,%)	2.0	2.1	2.4	2.2			
Tax Rate (%)	35.7	33.4	35.6	30.8	33.0	33.6	33.0

E: MOSL Estimates



Indian Bank

Bloomberg	INBK IN
Equity Shares (m)	480.3
M. Cap. (INR b)/(USD b)	108 / 2
52-Week Range (INR)	276 / 76
1,6,12 Rel Perf. (%)	-8 / 51 / 95

Financial Snapshot (INR b)

Y/E March	2016	2017E	2018E	2019E
NII	44.5	49.7	55.2	66.8
OP	30.3	39.6	41.9	48.6
NP	7.1	14.6	15.3	18.5
NIM (%)	2.5	2.6	2.7	2.9
EPS (INR)	14.8	30.4	31.9	38.5
EPS Gr. (%)	-29.2	105.3	5.0	20.5
BV/Sh. (INR)	281	304	328	358
ABV/Sh (INR)	202	222	262	305
RoE (%)	5.5	10.4	10.1	11.2
RoA (%)	0.4	0.7	0.7	0.7
Div. Payout (%)	23.2	23.2	23.2	23.2

Valuations

P/E (x)	15.2	7.4	7.1	5.9
P/ BV (x)	0.8	0.7	0.7	0.63
P/ABV (x)	1.1	1.0	0.9	0.74
Div. Yield (%)	0.7	2.7	2.8	3.4

CMP: INR225 TP: INR314 (+40%) Buy

- n We expect an uptick in deposit growth to 5.6% v/s 3.2% in 2QFY17 and 2.1% in FY16. Net loans are expected to decline ~5% YoY owing to muted credit environment. Decline in cost of funds would be negated by excessive liquidity and reducing yields, leading to ~17bp decline in margins on a QoQ basis.
- n Fee income would be subdued. Trading gains growth is expected to drive 62% YoY growth in non-interest income.
- n We expect slippage ratio to remain elevated at 2.7% and credit costs to increase to 1.6% v/s 1.1% in 2QFY17, as INBK looks to improve provision coverage; however, trading gains will provide cushion to earnings
- n INBK trades at 0.7x FY18E BV and 7.1x FY18E EPS. Maintain Buy.

Key issues to watch for

- Ø Outlook on business growth and asset quality remains the key factor to monitor.
- Ø Quantum of loans rescheduled under the 5/25 scheme.
- Ø View on margins with an improvement in liquidity and lower interest rates.

Quarterly Performance

(INR Million)

	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	11,203	10,804	11,108	11,346	12,363	12,783	12,238	12,359	44,463	49,744
% Change (Y-o-Y)	4.5	-8.2	0.5	2.4	10.4	18.3	10.2	8.9	-0.3	11.9
Other Income	3,756	4,375	4,390	5,294	4,417	5,846	7,126	6,906	17,814	24,295
Net Income	14,959	15,179	15,498	16,640	16,780	18,629	19,364	19,265	62,277	74,039
Operating Expenses	7,873	7,824	7,893	8,366	7,748	8,567	9,243	8,864	31,955	34,421
Operating Profit	7,086	7,355	7,605	8,274	9,032	10,062	10,121	10,402	30,322	39,618
% Change (Y-o-Y)	11.2	-3.8	-4.3	1.2	27.5	36.8	33.1	25.7	6.9	18.9
Other Provisions	4,081	1,371	7,181	8,136	4,170	4,783	5,103	5,275	20,768	19,331
Profit before Tax	3,006	5,984	425	138	4,862	5,279	5,018	5,126	9,554	20,286
Tax Provisions	853	2,291	2	-707	1,788	1,228	1,305	1,359	2,439	5,680
Net Profit	2,153	3,693	423	845	3,074	4,051	3,713	3,767	7,115	14,606
% Change (Y-o-Y)	3.9	17.5	-84.8	-59.0	42.8	9.7	777.8	345.8	-29.2	105.3
Operating Parameters										
NIM (Rep, %)	2.4	2.3	2.3	2.4	2.5	2.6			2.3	
NIM (Cal, %)	2.5	2.4	2.5	2.5	2.7	2.8	2.6	2.6	2.5	2.7
Deposit Growth (%)	12.9	4.7	8.1	5.4	1.1	3.2	5.6	7.0	5.4	7.0
Loan Growth (%)	5.7	5.0	6.4	2.5	1.5	0.1	-4.7	-2.0	2.5	-2.0
Asset Quality										
OSRL (INR b)	101.1	100.6	88.6	63.7	62.9	64.1			63.7	
OSRL (%)	8.3	8.2	7.0	4.9	5.1	5.2			4.9	
Gross NPA (INR b)	58.2	57.7	70.7	88.3	88.9	91.9	93.9	94.6	88.3	94.6
Gross NPA (%)	4.7	4.6	5.6	6.7	7.0	7.3	7.6	7.3	6.7	7.3

E: MOSL Estimates



Kotak Mahindra Bank

Bloomberg	KMB IN
Equity Shares (m)	1834.4
M. Cap. (INR b)/(USD b)	1275 / 19
52-Week Range (INR)	836 / 587
1,6,12 Rel Perf. (%)	-6 / -4 / -5

Financial Snapshot (INR b)

Y/E MARCH	2016	2017E	2018E	2019E
NII	69.0	80.6	93.8	117.1
OP	40.4	56.9	70.5	93.7
NP	20.9	33.2	41.3	55.2
Cons. NP	34.6	48.7	59.4	76.6
NIM (%)	4.1	4.4	4.5	4.6
Cons. EPS (INR)	18.9	26.6	32.4	41.7
EPS Gr. (%)		40.8	22.0	28.8
Cons. BV. (INR)	182	207	239	279
Cons. RoE (%)	10.9	13.6	14.5	16.1
RoA (%)	1.1	1.6	1.8	2.0
Payout (%)	5.1	5.8	5.8	5.8

Valuations

P/E(X) (Cons.)	36.9	26.2	21.4	16.6
P/BV (X) (Cons.)	3.8	3.4	2.9	2.5
Div. Yield (%)	0.0	0.1	0.1	0.1

CMP: INR695
TP: INR932 (+34%)
Buy

- n We expect the standalone bank to report 10%+ loan growth and 11%+ deposit growth in 3QFY17. NIMs are expected to decline marginally by ~10bp QoQ, but improve 10bp on a YoY basis. Overall, we expect NII growth of 14% YoY.
- n With strong customer acquisition and merger synergies from eIVBL, fee growth should remain healthy. Traction on CASA should pick up considerably post demonetization, leading to incrementally lower cost of funds.
- n We expect asset quality to remain stable, with GNPA less than ~2.5%, and NSL to decline sequentially, with increase in provision coverage ratio.
- n On a reported basis, we expect standalone bank earnings to grow 27% YoY.
- n The stock trades at 2.9x FY18E consolidated BV and 21.4x FY18E consolidated earnings. Maintain Buy.

Key issues to watch for

- Ø Guidance on balance sheet growth.
- Ø Performance on CASA, fees and growth – the initial pain of merger is behind now.
- Ø Performance of non-banking subsidiaries and their contribution to overall profit.

Quarterly Performance

Y/E March	FY16				FY17E				FY16	FY17
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Kotak Bank (standalone)										
Net Interest Income	15,982	16,787	17,662	18,572	19,191	19,954	20,213	21,260	69,004	80,618
% Change (Y-o-Y)	59.5	61.6	66.7	65.4	20.1	18.9	14.4	14.5	63.4	16.8
Operating Profit	5,970	10,448	12,052	11,942	13,150	14,401	13,713	15,684	40,411	56,948
% Change (Y-o-Y)	-10.3	42.4	63.4	38.7	120.3	37.8	13.8	31.3	34.8	40.9
Net Profit	1,898	5,695	6,347	6,958	7,420	8,133	8,049	9,564	20,898	33,165
% Change (Y-o-Y)	-55.8	28.1	36.6	32.0	291.0	42.8	26.8	37.5	12.0	58.7
Other Businesses										
Kotak Prime	1,190	1,270	1,260	1,300	1,200	1,300	1,375	1,483	5,025	5,358
Kotak Mah. Investments	300	360	390	500	400	530	575	623	1,540	2,128
Kotak Mah. Capital Co	30	70	60	170	230	50	210	276	320	766
Kotak Securities	670	780	550	510	600	960	700	765	2,515	3,025
International subs	250	320	260	220	130	310	225	235	1,050	900
Kotak Mah. AMC & Trustee Co.	200	230	40	250	190	70	150	443	720	853
Kotak Investment Advisors	0	0	-10	50	110	10	80	100	50	300
Kotak OM Life Insurance	660	480	600	770	710	630	650	646	2,510	2,636
Con.adj and MI	-30	230	-40	-180	-240	30	-95	-115	-19	-420
Conso. PAT	5,168	9,435	9,457	10,548	10,750	12,023	11,919	14,019	34,608	48,710
% Change (Y-o-Y)	-25.9	31.5	32.0	15.5	108.0	27.4	26.0	32.9	13.7	40.8

E: MOSL Estimates, Quarterly numbers vary from full year number due to difference in reporting



Maruti Suzuki

Bloomberg	MSIL IN
Equity Shares (m)	302.1
M. Cap. (INR b)/(USD b)	1664 / 24
52-Week Range (INR)	5972 / 3202
1,6,12 Rel Perf. (%)	5 / 34 / 16

Financial Snapshot (INR b)

Y/E MARCH	2016	2017E	2018E	2019E
Sales	576.5	667.8	805.1	930.1
EBITDA	89.0	106.2	132.4	156.0
Adj. PAT	53.7	76.2	92.7	112.7
EPS (INR)*	155.5	257.4	312.5	379.1
EPS Gr. (%)	23.4	65.5	21.4	21.3
BV/Sh. (INR)	894.0	1,092	1,327	1,616
RoE (%)	19.9	23.1	23.1	23.1
RoCE (%)	27.2	31.1	31.0	30.5
Payout (%)	23.7	21.4	23.5	22.6

Valuations

P/E (x)	35.4	21.4	17.6	14.5
P/CE (x)	22.1	16.0	13.4	11.3
EV/EBITDA (x)	16.7	13.6	10.3	8.2
Div. Yield (%)	0.6	0.8	1.1	1.3

*Consol. & adjusted

CMP: INR5,510 TP:INR6,415 (+16%) Buy

- Volume growth moderated to ~3.5% YoY (-7.5% QoQ) in 3QFY17 to ~387,251 units, as growth for the mini and compact segment took a hit on demonetization woes. Moderation in volumes was limited due to the waiting period of Baleno and Brezza.
- Net realization is likely to improve 6.3% YoY (flat QoQ) to INR428,514 per unit, boosting net revenue by 10% YoY (-7% QoQ) to INR165.9b. Growth in realization is likely to be driven by improvement in product mix due to compact UV, *Vitarra Brezza*, and premium hatchback, *Baleno*.
- We expect margin to expand 80bp YoY (+180bp QoQ) to 15.2% on marginally lower fixed costs on operating leverage benefits as well as increased exports to Japan on a YoY basis.
- EBITDA is estimated to grow 16% YoY (-17% QoQ) to INR25.2b.
- We expect PAT to grow 39% YoY (-19% QoQ) to INR19.4b.
- We are lowering our EPS estimate by ~3% for FY17/FY18 to ~INR257/INR312 to factor in cut in volumes due to demonetization.
- The stock trades at 17.6x FY18E and 14.5x FY19E EPS. Maintain **Buy**.

Key issues to watch

- Update on retail demand scenario, channel inventory, discounting trends and new launches (Brezza) post demonetization impact.
- Progress on commissioning of Gujarat plant.

Quarterly Performance

(INR Million)

	FY16				FY17E				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Total Volumes (nos)	341,329	353,335	374,182	360,354	348,443	418,470	387,251	416,244	1,429,200	1,570,408
Change (%)	13.8	9.8	15.5	3.9	2.1	18.4	3.5	15.5	10.6	9.9
Realizations (INR/car)	391,907	392,013	403,063	424,742	428,202	426,382	428,514	418,577	403,394	425,243
Change (%)	2.8	2.5	3.6	8.1	9.3	8.8	6.3	-1.5	4.3	5.4
Net operating revenues	133,769	138,512	150,819	153,057	149,204	178,428	165,942	174,230	576,530	667,804
Change (%)	17.1	12.5	19.7	12.3	11.5	28.8	10.0	13.8	15.4	15.8
RM Cost (% of sales)	67.4	66.9	68.5	66.0	67.9	67.7	68.2	67.5	67.4	67.8
Staff Cost (% of sales)	3.5	3.0	3.3	3.9	3.9	2.9	3.5	3.7	3.4	3.5
Other Cost (% of sales)	12.9	13.9	13.8	14.8	13.4	12.4	13.1	12.5	13.8	12.8
EBITDA	21,673	22,457	21,701	23,500	22,157	30,374	25,229	28,410	88,962	106,170
EBITDA Margins (%)	16.2	16.2	14.4	15.4	14.9	17.0	15.2	16.3	15.4	15.9
Non-Operating Income	2,065	4,736	4,065	3,744	4,833	8,126	8,000	3,949	14,610	24,908
Interest	190	178	244	203	181	197	200	222	815	800
Depreciation	6,716	6,694	7,221	7,608	6,389	6,300	6,500	7,087	28,239	26,276
PBT	16,832	20,321	18,301	19,433	20,420	32,003	26,529	25,050	74,518	104,003
Effective Tax Rate (%)	28.2	26.3	23.8	28.6	27.2	25.1	26.8	28.5	28.0	26.8
PAT	12,081	14,973	13,943	13,868	14,862	23,980	19,433	17,907	53,654	76,182
Adjusted PAT	12,081	14,973	13,943	13,868	14,862	23,980	19,433	17,907	53,654	76,182
Change (%)	58.5	73.6	68.2	8.0	23.0	60.2	39.4	29.1	44.6	42.0

E:MOSL Estimates



Tata Elxsi

Bloomberg	TELX IN
Equity Shares (m)	31.1
M. Cap. (INR b)/(USD b)	44 / 1
52-Week Range (INR)	2396 / 1022
1,6,12 Rel Perf. (%)	5 / -17 / -40

Financial Snapshot (INR Billion)

Y/E March	2016	2017	2018E	2019E
Sales	10.8	12.4	14.7	17.3
EBITDA	2.5	3.0	3.6	4.3
PAT	1.5	1.9	2.3	2.8
EPS (INR)	49.7	60.2	73.6	88.4
EPS Gr. (%)	50.5	21.1	22.2	20.1
BV/Sh. (INR)	123.9	157.7	195.3	235.8
RoE (%)	46.3	42.8	41.7	41.0
RoCE (%)	46.3	42.8	41.7	41.0
Payout (%)	33.8	43.8	48.9	36.2

Valuations

P/E (x)	28.2	23.3	19.0	15.8
P/BV (x)	11.3	8.9	7.2	5.9
EV/EBITDA (x)	16.9	13.6	10.9	8.8
Div. Yield (%)	1.0	1.6	2.1	2.9

CMP: INR1,419 TP: INR1,766 (+25%) Buy

- n We expect revenue to grow 13% YoY (and 2% QoQ) to INR3.1b in 3QFY17, driven by the automotive and broadcast divisions.
- n EBITDA margin is likely to expand 76bp YoY to 25%. EBITDA should grow 17% YoY to INR773m.
- n We estimate PAT at INR494m as against INR399m in 3QFY16, a growth of 23.8% YoY. **Buy.**

Key things to watch for

- ⊗ Impact of EUR depreciation.
- ⊗ Impact of Brexit on the company's operations and clients.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY16				FY17				FY16	FY17E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	2,435	2,637	2,741	2,940	2,943	3,033	3,097	3,380	10,752	12,445
YoY Change (%)	27.7	28.1	23.7	27.1	20.9	15.0	13.0	15.0	26.6	15.7
Total Expenditure	1,875	2,024	2,077	2,268	2,253	2,288	2,324	2,591	8,244	9,433
EBITDA	560	613	663	672	691	745	773	790	2,508	3,012
Margins (%)	23.0	23.2	24.2	22.8	23.5	24.6	25.0	23.4	23.3	24.2
Depreciation	90	57	57	59	67	64	62	62	263	249
Interest	0	0	0	0	0	0	0	0	0	0
Other Income	76	27	10	6	11	-30	37	40	119	70
PBT	546	583	616	618	634	651	748	767	2,363	2,833
Tax	189	202	217	208	215	220	254	261	815	958
Rate (%)	34.6	34.7	35.2	33.6	33.8	33.8	34.0	34.0	34.5	33.8
Reported PAT	357	381	399	411	419	431	494	506	1,548	1,875
Adj PAT	357	381	399	411	419	431	494	506	1,548	1,875
YoY Change (%)	71.8	61.2	43.8	37.7	17.4	13.1	23.8	23.3	50.5	21.1
Margins (%)	14.7	14.5	14.6	14.0	14.2	14.2	15.9	15.0	14.4	15.1

E: MOSL Estimates



Wipro

Bloomberg	WPRO IN
Equity Shares (m)	2466.0
M. Cap. (INR b)/(USD b)	1173 / 17
52-Week Range (INR)	607 / 410
1,6,12 Rel Perf. (%)	3 / -13 / -19

Financial Snapshot (INR b)

Y/E Mar	2016	2017E	2018E	2019E
Sales	512.4	556.2	618.8	672.0
EBITDA	108.1	109.2	127.5	134.5
PAT	88.9	84.4	95.8	107.1
EPS (INR)	36.1	34.3	39.5	44.1
EPS Gr. (%)	2.9	-5.1	15.2	11.8
BV/Sh. (INR)	189.7	198.8	225.7	251.8
RoE (%)	20.3	17.7	18.5	18.5
RoCE (%)	16.7	14.4	16.3	16.0
Payout (%)	16.6	37.4	32.9	34.0

Valuations

P/E (x)	13.2	13.9	12.1	10.8
P/BV (x)	2.5	2.4	2.1	1.9
EV/EBITDA (x)	9.8	9.5	7.7	7.0
Div Yld (%)	1.3	2.7	2.7	3.1

CMP: INR476
TP: INR560 (+18%)
Neutral

- n We expect revenue to decline by 0.1% in USD terms and growth of 1.3% QoQ in constant currency terms; a negative impact of 140bp is likely on account of depreciation of currencies against the USD.
- n In 2Q, WPRO had guided for 0-2% QoQ growth in 3Q. However, this includes incremental revenue from the acquisition of Appirio. Our CC revenue growth estimate bakes in 0.3% QoQ CC organic growth and 1pp contribution from Appirio (1-month revenue).
- n We expect EBIT margin in IT Services to decline by 60bp because of flattish organic revenue and the integration of lower margin Appirio.
- n We expect overall EBIT margin to expand by 40bp, led by improved profitability in the Products business.
- n Our PAT estimate is INR21.9b, 5.8% QoQ growth on account of improved profitability and higher other income.
- n The stock trades at 13.9x FY17E and 12.6x FY18E earnings. Neutral.

Key issues to watch for

- ☒ Revenue growth guidance for 4QFY17.
- ☒ Stabilization of the Energy vertical.
- ☒ Commentary on large deal wins and ramp-up schedule.

Quarterly Performance (IFRS)

Y/E March	FY16				FY17E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY16	FY17E
Revenue (USD m)	1,794	1,832	1,838	1,882	1,931	1,916	1,914	1,971	7,346	7,732
QoQ (%)	1.1	2.1	0.3	2.4	2.6	-0.8	-0.1	2.9	3.7	5.3
Revenue (INR m)	122,376	125,135	128,605	136,324	135,992	137,657	138,960	143,607	512,440	556,216
QoQ (%)	0.8	2.3	2.8	6.0	-0.2	1.2	0.9	3.3		
YoY (%)	9.9	7.1	7.2	12.3	11.1	10.0	8.1	5.3	9.1	8.5
GPM (%)	30.7	31.4	29.8	29.7	29.1	28.9	28.7	29.1	30.4	29.0
SGA (%)	12.2	12.4	12.0	12.3	13.0	13.2	12.5	12.5	12.2	12.8
EBITDA Margin (%)	21.3	21.8	20.8	20.6	19.5	19.3	19.7	20.0	21.1	19.6
IT Serv. EBIT (%)	21.0	20.7	20.2	20.1	17.8	17.8	17.2	17.5	20.5	17.6
EBIT Margin (%)	18.5	19.0	17.9	17.4	16.1	15.8	16.2	16.6	18.2	16.1
Other income	5,286	5,138	5,715	5,426	4,848	4,958	5,687	3,800	21,565	19,293
ETR (%)	21.2	22.4	21.8	22.7	22.9	22.2	22.2	22.2	22.1	22.4
PAT	21,877	22,354	22,341	22,350	20,518	20,672	21,863	21,393	88,922	84,446
QoQ (%)	-3.8	2.2	-0.1	0.0	-8.2	0.8	5.8	-2.2		
YoY (%)	4.0	7.2	1.9	-1.8	-6.2	-7.5	-2.1	-4.3	2.7	-5.0
EPS (INR)	8.9	9.1	9.1	9.1	8.3	8.5	9.0	8.8	36.1	34.3
Headcount	161,789	168,396	170,664	172,912	173,863	174,238	174,623	179,208	172,912	179,208
Util excl. trainees (%)	81.9	82.3	78.0	77.5	79.7	82.8	82.8	82.8	74.9	76.9
Attrition (%)	16.4	16.4	16.3	16.1	16.5	16.6				
Offshore rev. (%)	45.4	46.1	46.2	45.8	45.6	46.1	45.7	45.1	45.9	45.6
Rev Guidance (USDm)	1821-1857	1841-1878	1875-1912	1901-1939	1931-1950	1931-1950				
Fixed Price (%)	54.5	53.4	55.9	56.9	56	56.4				

E: MOSL Estimates



1. L&T Infotech: To sustain q3 growth momentum in Q4FY17; Sanjay Jalona, CEO & MD

- n The real world expertise, depth of the verticals and focus on micro verticals has helped maintain performance in Q3 despite it being a traditionally weak quarter for the industry.
- n Investments in five areas – automation, digital, analytics, internet of things (IoT) and cloud along with sales execution helped services portfolio.
- n Confident of the third quarter momentum continuing in the fourth quarter. Given the growth trend for the first 9 months, the company is confident of beating industry growth in FY17.
- n Bagged three large deals this quarter. The benefits of that will start flowing from the first quarter of FY18.
- n The Mindcraft programme with the focus on top 50 accounts has started bearing fruit.

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2. TATA Comm: Voice business down, data services to drive growth; Pratibha Advani, CFO

- n Pinning our hopes on growth in data services, with the voice business continuing to show a decline.
- n There has been both volume and margin pressure on the voice business, but the company depended on it for free cashflows; voice will continue to generate free cash flows of ~USD 50 million
- n Data services continued to display robust performance but the revenue showed a de-growth, however, if this was normalised as a one-off, the result would be different.
- n Neotel approvals are in place and we should be able to close before the end of current financial year.

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1. Spend the days happily. by Aurodeep Nandi

- n Central spending has increased by around ₹ 2 trillion from last year. How much did India's GDP increase as a result? If your answer is ₹ 2 trillion, read on. Suppose, on February 1, finance minister Arun Jaitley announces an extra ₹ 100 to be spent on highways. This ₹ 100 note will travel from North Block to the road contractor. He will keep some of it, and pass on the bulk of the remaining to his staff, labourers and subcontractors as payment to build the road. Each of them will save a bit, and then spend the rest to buy goods and services from other citizens.

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2. Broadcasting industry - turn on the television. by Girish Srivastava

- n The Indian broadcasting and content distribution sector is among the fastest growing in the country. Backed by advertising and subscription revenue growth, the television industry grew by about 15% in 2015. It is expected to touch ₹ 1,098 billion by 2020 from the present ₹ 617 billion. By 2019, TV households will surge to 200 million from 175 million in 2016, of which cable and satellite (C&S) homes are expected to grow from today's 120 million to 187 million by 2019. The industry employs nearly 10 million people across the value chain. In all, it is expected to contribute ₹ 30,000-35,000 crore in direct and indirect taxes by 2020.

[→ Read More](#)

3. Is Indian banking losing its balance? by RK Pattnaik & Jagdish Rattanani

- n Away from the immediate concerns on growth and currency management in the light of the recent demonetisation drive, a recently released report by the Reserve Bank of India points to some deeper concerns, particularly in India's financial sector. On the one hand, India's macroeconomic conditions broadly remain stable and resilient with considerable moderation in consumer price inflation. And though the growth impetus has slackened recently, there is a positive undercurrent of growth moving to a higher trajectory. The current account deficit remains modest.

[→ Read More](#)

4. Why roadmap to cut VAT, corporate tax rates must be laid out. by The Financial Express

- n The Indian economy has witnessed some unprecedented events in the past few months. At a global level, the Brexit and US presidential elections surprised everyone whereas on the domestic front, the sudden demonetisation announcement created an uncertain economic outlook in the country. This year's Budget, likely to be advanced to February 1, is therefore more eagerly awaited than ever before. The key expectations at a broader level are fairly straightforward—fire up growth, encourage digitisation, help the aam aadmi and curb black money.

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5. Solving oil sector's tax mess. by The Financial Express

- n Whether an ONGC, say, explores for oil and gas on its own, or whether it does this along with a Cairn shouldn't really make a difference as far as its tax status is concerned, right? Going by the rash of tax notices sent to India's oil companies, including the state-owned ONGC, however, it makes a big difference. If an ONGC, in this hypothetical example, explores for oil/gas on its own, it is not liable to pay any service tax unless it farms out the work to contractors—the tax is then to be paid on the service-value of the contract.

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6. The beginning of the china reset. by V. Anantha Nageswaran

- n Nearly a quarter-century ago, former president Bill Clinton began the American tilt away from Japan. With the inauguration of President Donald Trump, the reset of US-China relations has begun. Along with the eradication of radical Islamic terrorism and deregulation of the US economy, the China reset is likely to be one of the important policy agendas of the new administration. My friend Prosenjit Basu told me that the very reason Laura D'Andrea Tyson was appointed chief economic adviser to the president by Bill Clinton was her "Japan-bashing".

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International

7. Four possible outcomes in uk supreme court's brexit ruling. by David Allen Green

- n The UK Supreme Court will hand down its judgment later this morning in the Article 50 appeal case. Nobody outside the court will know the decision before today, and the lawyers for the parties will be told just in advance. The appeal hearing was in December, and the Supreme Court has moved quickly to get the judgment out by the end of January. (My post on what we learnt from the Supreme Court hearing is [here](#), and my reports from the hearing are [here](#). The excellent and fully linked Supreme Court page is [here](#).)

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Automobiles														
Amara Raja	Buy	861	1,087	26	28.7	29.2	37.7	29.5	22.8	5.8	4.8	25.8	21.6	23.1
Ashok Ley.	Buy	89	92	3	3.9	4.9	6.6	18.0	13.5	3.9	3.3	20.9	23.5	26.5
Bajaj Auto	Buy	2,796	3,097	11	131.8	133.0	158.9	21.0	17.6	5.8	5.1	33.2	29.4	30.9
Bharat Forge	Buy	940	1,096	17	28.1	25.8	36.4	36.5	25.8	5.5	4.8	18.7	15.9	20.0
Bosch	Neutral	21,780	20,937	-4	483.3	507.6	657.7	42.9	33.1	8.9	7.4	19.4	19.7	24.5
Eicher Mot.	Buy	23,007	28,755	25	492.9	608.7	869.5	37.8	26.5	13.2	9.4	35.8	40.3	41.6
Endurance Tech.	Buy	597	715	20	20.7	22.6	28.7	26.4	20.8	4.8	4.0	22.4	19.9	21.1
Escorts	Buy	363	410	13	11.1	20.7	34.2	17.5	10.6	1.9	1.6	6.1	10.9	16.3
Exide Ind	Buy	197	205	4	7.3	7.8	9.4	25.2	20.9	3.4	3.1	14.0	13.6	14.7
Hero Moto	Neutral	3,133	3,011	-4	158.3	169.5	192.2	18.5	16.3	6.7	5.6	43.6	39.0	37.5
M&M	Buy	1,220	1,497	23	53.6	66.0	83.7	18.5	14.6	1.5	1.4	15.4	14.5	14.5
Mahindra CIE	Not Rated	195	-		4.2	6.2	9.7	31.4	20.0	2.2	2.0	4.5	7.7	10.3
Maruti Suzuki	Buy	5,739	6,415	12	177.6	252.2	306.9	22.8	18.7	5.3	4.3	19.9	23.1	23.1
Tata Motors	Buy	541	613	13	36.9	29.0	45.6	18.6	11.9	2.0	1.8	18.3	11.5	15.9
TVS Motor	Buy	401	407	1	9.1	11.9	16.5	33.6	24.3	8.1	6.4	24.1	26.5	29.5
Aggregate								23.2	17.5	3.9	3.4	18.8	16.9	19.2
Banks - Private														
Axis Bank	Neutral	451	535	19	34.5	14.1	25.0	32.1	18.1	2.0	1.8	17.1	6.3	10.3
DCB Bank	Neutral	119	134	13	6.8	7.1	8.6	16.8	13.8	1.7	1.5	11.8	10.9	11.8
Equitas Hold.	Buy	160	240	50	6.2	6.0	6.8	26.7	23.4	2.4	2.2	13.3	11.2	9.7
Federal Bank	Buy	79	105	34	2.8	4.6	5.5	17.1	14.3	1.6	1.4	6.0	9.4	10.4
HDFC Bank	Buy	1,268	1,510	19	48.6	57.9	69.8	21.9	18.2	3.8	3.3	18.3	18.7	19.5
ICICI Bank	Buy	257	332	29	16.7	17.2	18.0	14.9	14.3	1.2	1.1	11.3	10.4	10.0
IDFC Bank	Under Review	64	-			3.1	4.2	20.4	15.1	1.5	1.4		7.5	9.5
IndusInd	Buy	1,252	1,430	14	38.4	48.4	58.7	25.9	21.3	3.8	3.3	16.6	15.5	16.4
J&K Bank	Neutral	63	68	8	8.6	Loss	14.5	Loss	4.4	0.6	0.5	6.6	Loss	12.4
Kotak Mah. Bk	Buy	743	932	25	18.9	26.6	32.4	28.0	22.9	3.6	3.1	10.9	13.6	14.5
RBL Bank	Buy	391	450	15	9.0	12.4	17.5	31.4	22.3	3.4	3.0	11.2	12.6	14.4
South Indian	Neutral	21	21	-1	2.5	2.8	3.1	7.7	6.9	0.7	0.7	9.3	9.7	10.0
Yes Bank	Buy	1,360	1,575	16	60.4	79.3	97.0	17.1	14.0	3.5	2.9	19.9	22.1	22.6
Aggregate								22.1	17.4	2.7	2.4	13.7	12.0	13.7
Banks - PSU														
BOB	Buy	156	223	43	Loss	12.3	18.8	12.7	8.3	1.0	0.9	Loss	8.1	11.5
BOI	Neutral	115	125	9	Loss	Loss	18.5	Loss	6.2	0.5	0.5	Loss	Loss	7.5
Canara	Neutral	277	300	8	Loss	23.9	36.7	11.6	7.6	0.6	0.5	Loss	4.9	7.2
IDBI Bk	Neutral	76	49	-35	Loss	1.5	6.4	49.8	11.8	0.7	0.7	Loss	1.4	5.8
Indian Bk	Buy	258	314	22	14.8	30.4	31.9	8.5	8.1	0.8	0.8	5.5	10.4	10.1
OBC	Neutral	114	108	-5	4.9	19.3	21.3	5.9	5.4	0.3	0.3	1.2	4.8	5.1
PNB	Buy	132	172	31	Loss	8.5	13.2	15.5	10.0	0.7	0.7	Loss	4.8	7.0
SBI	Buy	255	338	33	15.7	9.8	23.3	25.9	10.9	1.1	1.0	7.6	7.5	9.2
Union Bk	Buy	139	168	21	19.7	15.6	30.4	8.9	4.6	0.5	0.4	7.0	5.2	9.5
Aggregate								16.6	10.6	0.8	0.7	-2.7	4.7	7.0
NBFCs														
Bajaj Fin.	Buy	929	1,096	18	23.9	31.8	41.3	29.3	22.5	5.7	4.7	21.1	21.1	22.8
Bharat Fin.	Buy	677	893	32	23.8	42.7	38.5	15.8	17.6	3.4	2.9	24.9	28.6	17.7
Dewan Hsg.	Buy	277	405	46	25.0	30.7	35.6	9.0	7.8	1.4	1.2	15.1	16.6	16.6
GRUH Fin.	Neutral	336	348	4	6.7	7.9	9.8	42.8	34.2	12.1	10.0	31.5	31.0	32.1
HDFC	Buy	1,281	1,553	21	30.6	34.3	36.9	37.3	34.7	5.2	4.7	21.4	19.5	18.9
Indiabulls Hsg	Buy	751	1,015	35	55.7	69.5	86.2	10.8	8.7	2.7	2.4	27.1	26.0	28.9
LIC Hsg Fin	Buy	526	693	32	32.9	37.6	44.7	14.0	11.8	2.5	2.1	19.6	19.1	19.5
Manappuram	Not Rated	78	-		3.5	3.8	4.3	20.5	18.2	2.3	2.2	10.8	11.4	12.2
M&M Fin.	Buy	277	339	22	11.9	12.7	14.6	21.9	19.0	2.4	2.2	11.4	11.3	11.9
Muthoot Fin	Buy	298	373	25	20.3	27.5	32.0	10.8	9.3	1.9	1.7	15.1	18.4	19.0
PFC	Neutral	134	117	-13	23.8	24.0	25.5	5.6	5.3	0.9	0.8	18.3	16.8	16.2



Company	Reco	CMP	TP	% Upside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
		(INR)	(INR)	Downside	FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Repco Home	Buy	634	842	33	24.0	25.7	37.7	24.6	16.8	3.6	3.0	17.0	15.7	19.6
REC	Neutral	141	134	-5	28.5	29.4	35.3	4.8	4.0	0.8	0.7	21.0	18.8	19.5
Shriram City Union	Buy	1,997	2,500	25	80.4	100.7	124.8	19.8	16.0	2.6	2.3	12.3	13.9	15.3
STF	Buy	944	1,282	36	53.3	63.5	82.3	14.9	11.5	1.9	1.7	12.2	13.4	15.4
Aggregate								14.7	12.6	2.6	2.3	17.8	17.5	17.9
Capital Goods														
ABB	Neutral	1,116	1,125	1	15.8	18.2	26.9	61.3	41.4	7.0	6.0	11.1	11.4	14.5
Bharat Elec.	Buy	1,520	1,600	5	56.9	60.0	69.9	25.3	21.7	4.5	4.0	15.6	19.2	18.3
BHEL	Sell	132	110	-16	Loss	3.9	5.5	33.4	23.9	1.0	0.9	Loss	2.9	3.9
CG Cons. Elec.	Buy	172	180	5	1.9	3.7	5.1	46.0	33.4	30.7	20.8	52.1	80.9	74.2
Crompton Grv.	Sell	64	48	-25	2.1	0.6	1.9	114.5	34.4	0.9	0.9	3.0	4.2	6.0
Cummins	Neutral	841	836	-1	27.2	26.0	30.2	32.4	27.8	6.7	6.1	24.9	22.0	23.1
GE T&D	Neutral	322	320	-1	3.0	5.6	10.7	57.0	30.2	6.4	5.8	5.9	-6.8	20.1
Havells	Buy	412	440	7	7.8	8.9	12.0	46.1	34.4	9.0	8.1	19.0	19.5	23.6
Inox Wind	Neutral	190	200	5	20.7	17.5	20.0	10.9	9.5	1.9	1.6	27.9	19.3	18.6
K E C Intl	Buy	147	160	9	7.4	10.1	12.1	14.6	12.2	2.2	1.9	13.5	16.0	16.7
L&T	Buy	1,420	1,600	13	44.7	53.6	62.2	26.5	22.8	2.8	2.6	9.9	10.9	11.7
Pennar Eng.	Not Rated	148	-		8.8	10.5	12.4	14.0	11.9	2.0	1.7	14.2	14.5	14.6
Siemens	Neutral	1,163	1,260	8	16.9	17.0	25.3	68.4	45.9	6.3	5.8	11.8	9.2	12.6
Solar Ind	Neutral	705	690	-2	18.4	19.3	22.9	36.6	30.8	6.3	5.4	20.2	18.6	19.0
Suzlon Energy	Not Rated	17	-		Loss	Loss	0.6	Loss	30.3	Loss	Loss	Loss	Loss	Loss
Thermax	Sell	811	706	-13	23.5	24.8	27.6	32.8	29.5	3.8	3.5	12.5	12.2	12.5
Va Tech Wab.	Buy	497	620	25	16.3	25.2	32.6	19.7	15.2	2.5	2.2	9.7	13.2	15.4
Voltas	Neutral	325	370	14	11.7	11.8	14.0	27.6	23.1	4.0	3.6	15.3	15.4	16.4
Aggregate								31.3	25.1	3.3	3.0	7.6	10.5	12.0
Cement														
Ambuja Cem.	Buy	223	246	10	5.5	5.7	6.9	39.4	32.3	1.7	1.6	8.3	5.9	7.1
ACC	Neutral	1,359	1,321	-3	32.0	32.6	48.9	41.7	27.8	3.0	3.0	7.2	7.2	10.9
Birla Corp.	Buy	718	759	6	20.4	33.8	44.5	21.3	16.1	1.6	1.5	5.9	8.5	9.8
Dalmia Bharat	Buy	1,837	1,736	-5	21.5	34.2	50.4	53.7	36.4	3.9	3.6	5.5	7.6	10.3
Grasim Inds.	Under Review	910	-		48.3	76.1	88.7	12.0	10.3	1.5	1.3	9.2	12.9	13.3
India Cem	Neutral	143	118	-18	4.4	8.9	10.6	16.0	13.6	1.1	1.1	3.9	7.0	7.4
J K Cements	Buy	729	767	5	14.5	26.4	36.5	27.6	20.0	2.9	2.6	6.3	10.9	13.7
JK Lakshmi Ce	Buy	355	440	24	0.4	4.7	12.2	75.1	29.1	3.1	3.0	0.3	4.2	10.5
Ramco Cem	Buy	641	698	9	23.4	29.4	31.5	21.8	20.4	4.1	3.5	19.5	20.6	18.6
Orient Cem	Buy	128	175	37	3.0	Loss	3.3	Loss	38.3	2.7	2.5	6.2	Loss	6.8
Prism Cem	Buy	93	102	9	0.1	0.9	3.5	104.4	26.5	4.5	4.0	0.7	4.5	16.0
Shree Cem	Buy	15,671	17,096	9	201.1	394.3	582.0	39.7	26.9	7.4	5.9	12.2	20.2	24.3
Ultratech	Buy	3,653	4,058	11	79.3	93.5	129.6	39.1	28.2	4.4	3.8	11.0	11.7	14.5
Aggregate								29.5	22.4	3.4	2.9	9.3	11.6	12.8
Consumer														
Asian Paints	Neutral	974	1,020	5	18.7	20.2	22.6	48.3	43.0	14.7	12.9	34.7	32.4	32.0
Britannia	Buy	3,148	3,380	7	70.1	70.6	82.1	44.6	38.3	16.8	13.3	55.9	42.2	38.8
Colgate	Buy	899	1,200	33	22.3	22.3	27.2	40.4	33.0	21.6	20.1	67.9	56.3	63.2
Dabur	Neutral	277	300	8	7.1	7.2	8.5	38.6	32.6	9.9	8.4	33.3	27.8	27.9
Emami	Buy	1,008	1,240	23	25.2	24.7	30.6	40.8	33.0	12.1	10.2	43.4	34.1	33.6
Godrej Cons.	Neutral	1,530	1,655	8	33.2	36.8	43.8	41.6	35.0	8.6	7.3	23.4	22.3	22.7
GSK Cons.	Neutral	5,040	5,465	8	167.1	157.7	178.8	32.0	28.2	7.5	6.5	30.8	25.1	24.7
HUL	Neutral	861	865	0	19.0	19.3	21.5	44.7	40.0	30.8	32.0	82.4	67.6	78.4
ITC	Buy	260	290	12	7.7	8.4	9.6	31.0	27.1	8.2	7.2	29.3	28.4	28.3
Jyothy Lab	Neutral	354	365	3	4.1	7.6	9.0	46.7	39.4	7.1	6.5	9.1	15.7	17.2
Marico	Buy	258	300	16	5.6	6.0	7.2	43.2	35.6	12.8	11.0	36.9	32.8	33.1
Nestle	Neutral	5,962	6,410	8	119.9	111.5	139.2	53.5	42.8	18.1	15.6	40.9	35.9	39.2
Page Inds	Buy	14,298	17,100	20	208.6	247.4	312.7	57.8	45.7	24.8	19.5	46.0	42.9	42.7



Company	Reco	CMP	TP	% Upside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
		(INR)	(INR)	Downside	FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Parag Milk	Neutral	260	285	9	6.7	7.0	9.7	37.1	26.9	3.0	2.7	19.5	10.8	10.5
Pidilite Ind.	Buy	655	700	7	14.8	16.4	18.4	40.0	35.7	10.2	8.3	29.9	27.6	25.6
P&G Hygiene	Buy	6,921	8,340	21	129.9	138.5	168.9	50.0	41.0	13.0	11.2	30.8	27.7	29.4
Radico Khaitan	Neutral	115	120	4	6.9	5.3	7.1	21.8	16.3	1.5	1.4	10.3	7.3	9.1
United Brew	Buy	818	1,065	30	11.1	12.3	16.4	66.3	50.0	9.1	7.9	14.8	14.5	16.9
United Spirits	Buy	2,209	2,885	31	16.7	28.6	47.0	77.1	47.0	14.6	11.3	19.8	20.8	24.0
Aggregate								39.8	34.1	11.6	10.2	31.8	29.2	29.8
Healthcare														
Alembic Phar	Neutral	585	640	9	38.2	23.5	30.7	24.9	19.1	5.7	4.6	38.8	25.1	26.8
Alkem Lab	Neutral	1,652	1,800	9	64.7	77.3	84.4	21.4	19.6	4.7	3.9	23.8	23.9	21.8
Aurobindo	Buy	711	1,050	48	33.9	42.0	49.9	16.9	14.3	4.4	3.4	32.5	29.9	27.2
Biocon	Sell	998	750	-25	23.2	27.1	34.3	36.9	29.1	4.5	4.1	11.5	12.2	13.9
Cadila	Buy	359	450	25	15.4	13.6	18.7	26.4	19.2	5.8	4.7	32.8	23.9	27.2
Cipla	Neutral	580	525	-9	18.8	18.1	25.6	32.0	22.7	3.6	3.1	12.8	11.2	13.9
Divis Lab	Neutral	683	975	43	41.9	45.4	51.0	15.0	13.4	3.8	3.3	28.6	26.7	26.5
Dr Reddy's	Neutral	2,972	3,000	1	132.3	82.7	141.7	35.9	21.0	3.6	3.2	18.8	10.6	16.1
Fortis Health	Buy	189	240	27	Loss	Loss	3.5	Loss	53.4	2.2	1.9	Loss	Loss	3.8
Glenmark	Neutral	876	990	13	24.9	41.4	49.7	21.2	17.6	4.3	3.4	16.4	20.4	19.1
Granules	Buy	113	160	42	5.5	7.1	10.0	15.9	11.3	2.8	2.3	21.6	20.5	22.7
GSK Pharma	Neutral	2,717	3,150	16	44.2	50.4	61.8	53.9	44.0	16.0	17.9	22.1	29.6	40.8
IPCA Labs	Neutral	550	540	-2	10.5	17.0	29.4	32.3	18.7	2.8	2.5	5.9	9.0	14.1
Lupin	Buy	1,504	1,825	21	50.4	61.6	77.0	24.4	19.5	5.1	4.2	22.9	22.8	23.4
Sanofi India	Buy	4,184	5,200	24	103.2	142.2	172.8	29.4	24.2	5.2	4.7	14.2	17.8	19.4
Sun Pharma	Buy	642	925	44	19.6	27.8	37.9	23.1	16.9	4.5	3.7	16.5	20.3	23.9
Syngene Intl	Not Rated	565	-		11.1	13.0	16.1	43.4	35.0	8.8	7.2	23.3	22.2	22.5
Torrent Pharma	Buy	1,295	1,750	35	59.7	57.7	78.4	22.4	16.5	5.5	4.5	34.4	26.4	29.9
Aggregate								25.2	19.0	6.0	5.0	25.8	23.8	26.1
Logistics														
Allcargo Logistics	Buy	171	196	14	10.8	10.5	12.8	16.3	13.4	2.4	2.1	13.2	13.3	16.9
Blue Dart	Not Rated	4,595	-		84.4	102.5	129.9	44.8	35.4	19.9	15.1	55.5	50.5	48.6
Concor	Neutral	1,192	1,317	11	40.6	36.3	45.9	32.9	25.9	2.8	2.6	10.2	8.6	10.3
Gateway Distriparks	Buy	243	313	29	11.4	9.6	15.6	25.4	15.6	2.1	1.9	10.1	8.3	12.8
Gati	Not Rated	119	-		3.2	9.3	17.6	12.8	6.7	1.9	1.7	5.1	12.4	19.4
Transport Corp.	Not Rated	163	-		13.5	16.9	21.0	9.6	7.7	1.5	1.3	15.4	16.7	17.8
Aggregate								28.4	21.6	3.2	2.9	11.6	11.3	13.5
Media														
Dish TV	Buy	86	115	34	6.5	2.0	3.3	43.6	25.7	Loss	9.7	NM	43.2	46.3
D B Corp	Buy	364	450	24	16.2	21.1	23.9	17.3	15.3	4.4	3.9	22.6	27.0	27.1
Den Net.	Neutral	88	75	-15	Loss	Loss	1.9	Loss	47.4	1.0	1.0	Loss	Loss	2.1
Hathway Cab.	Buy	37	47	27	Loss	Loss	-0.8	Loss	-47.3	2.8	3.0	Loss	Loss	-6.1
Hind. Media	Buy	270	355	32	24.6	26.5	29.4	10.2	9.2	1.8	1.5	21.9	19.3	17.8
HT Media	Neutral	81	85	6	7.3	5.9	7.5	13.5	10.8	0.8	0.7	7.7	5.8	6.7
Jagran Prak.	Buy	180	215	20	10.5	10.8	12.2	16.7	14.7	3.2	2.8	24.7	20.7	20.6
PVR	Buy	1,300	1,429	10	25.5	20.4	35.8	63.8	36.3	6.4	5.5	18.7	10.4	16.4
Siti Net.	Buy	39	45	15	Loss	Loss	2.7	Loss	14.3	4.1	2.8	0.1	Loss	23.5
Sun TV	Under Review	525	-		21.1	25.4	30.3	20.7	17.3	5.2	4.8	23.4	25.3	27.6
Zee Ent.	Buy	480	590	23	10.6	11.7	17.7	41.2	27.1	9.3	7.5	27.0	29.4	30.7
Aggregate								31.4	21.8	5.3	4.5	18.2	16.8	20.8
Metals														
Hindalco	Buy	187	234	25	12.0	18.5	22.1	10.1	8.5	1.7	1.4	11.6	17.3	18.1
Hind. Zinc	Neutral	303	282	-7	19.8	21.5	25.4	14.1	12.0	2.9	2.5	20.7	22.5	22.6
JSPL	Neutral	81	88	9	Loss	Loss	Loss	Loss	Loss	0.5	0.5	Loss	Loss	Loss
JSW Steel	Buy	194	195	1	Loss	Loss	18.7	Loss	10.4	2.2	1.9	Loss	14.9	19.6
Nalco	Buy	75	73	-3	2.7	3.7	4.8	20.4	15.7	1.4	1.3	5.4	7.1	8.7



Company	Reco	CMP	TP	% Upside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
		(INR)	(INR)	Downside	FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
NMDC	Buy	147	162	10	8.4	10.9	10.8	13.5	13.6	2.0	1.9	15.9	12.8	14.2
SAIL	Sell	62	28	-55	Loss	Loss	Loss	Loss	Loss	0.7	0.9	Loss	Loss	Loss
Vedanta	Neutral	252	250	-1	10.8	21.4	27.3	11.8	9.2	1.3	1.2	7.9	13.0	14.8
Tata Steel	Sell	464	321	-31	7.7	11.7	37.1	39.6	12.5	4.0	3.2	4.6	8.7	28.3
Aggregate								19.7	14.3	1.6	1.5	5.1	8.2	10.6
Oil & Gas														
BPCL	Buy	682	756	11	55.2	55.5	56.4	12.3	12.1	3.0	2.6	31.6	26.2	22.7
Cairn India	Neutral	275	-		11.4	14.0	12.5	19.7	22.0	1.0	1.0	4.0	5.3	4.6
GAIL	Neutral	474	429	-10	18.1	28.7	36.4	16.5	13.0	1.8	1.7	7.7	12.9	13.2
Gujarat St. Pet.	Neutral	155	168	9	7.9	8.8	11.0	17.6	14.0	2.0	1.8	11.7	11.9	13.5
HPCL	Buy	518	543	5	38.0	52.7	45.1	9.8	11.5	2.4	2.1	22.4	26.6	19.7
IOC	Buy	367	464	26	20.3	49.3	40.1	7.4	9.2	2.0	1.8	13.6	29.3	20.8
IGL	Neutral	930	898	-3	29.7	42.0	43.7	22.2	21.3	4.6	3.9	18.4	21.8	19.8
MRPL	Buy	102	115	13	7.4	17.0	15.8	6.0	6.4	2.0	1.6	22.1	39.4	28.4
Oil India	Buy	339	376	11	29.1	33.3	40.3	10.2	8.4	1.1	1.1	10.6	11.6	13.1
ONGC	Neutral	202	223	11	13.6	14.8	20.0	13.6	10.1	1.3	1.3	9.5	10.1	13.1
PLNG	Buy	371	411	11	11.2	19.8	26.9	18.7	13.8	3.7	3.1	14.0	21.5	24.7
Reliance Ind.	Neutral	1,028	1,057	3	93.0	99.2	107.9	10.4	9.5	1.1	1.0	12.0	11.6	11.4
Aggregate								11.3	10.6	1.5	1.4	11.4	13.7	13.3
Retail														
Jubilant Food	Neutral	838	900	7	15.0	10.8	18.5	78.0	45.3	6.9	6.9	13.4	8.9	15.3
Shopper's Stop	Neutral	297	300	1	5.8	3.0	9.2	97.5	32.4	2.9	2.7	6.3	3.1	8.8
Titan Co.	Neutral	364	360	-1	8.0	8.7	9.8	41.7	37.3	7.9	6.9	21.3	20.2	19.7
Aggregate								46.2	37.9	7.0	6.3	16.8	15.2	16.7
Technology														
Cyient	Buy	474	600	26	30.7	33.4	42.7	14.2	11.1	2.3	2.0	16.5	15.9	17.8
HCL Tech.	Buy	849	960	13	40.1	56.7	63.2	15.0	13.4	3.7	3.1	21.5	26.6	25.5
Hexaware	Neutral	198	230	16	12.9	13.6	15.5	14.5	12.7	3.8	3.2	28.9	27.7	27.5
Infosys	Buy	945	1,250	32	59.0	62.8	67.8	15.0	13.9	3.1	2.8	24.7	23.2	22.5
KPIT Tech	Neutral	136	150	11	14.1	11.7	13.8	11.6	9.8	1.7	1.4	21.0	14.0	15.9
L&T Infotech	Buy	677	800	18	52.4	54.9	58.6	12.3	11.6	4.7	3.9	45.3	42.3	36.8
Mindtree	Neutral	471	530	13	35.9	25.1	33.7	18.7	14.0	3.1	2.8	27.4	17.1	21.0
Mphasis	Neutral	529	560	6	34.5	42.2	54.0	12.5	9.8	1.7	1.5	12.3	13.7	16.3
NIIT Tech	Neutral	435	470	8	45.7	38.2	49.3	11.4	8.8	1.6	1.4	19.0	14.2	16.5
Persistent Sys	Neutral	620	730	18	37.2	38.9	46.2	15.9	13.4	2.5	2.4	19.5	17.5	18.9
Tata Elxsi	Buy	1,505	1,619	8	49.7	60.2	73.6	25.0	20.5	9.5	7.7	46.3	42.8	41.7
TCS	Neutral	2,318	2,550	10	123.2	135.2	145.3	17.1	16.0	5.4	4.6	37.1	33.8	31.1
Tech Mah	Buy	470	550	17	35.1	30.9	36.0	15.2	13.1	2.7	2.3	23.4	19.1	19.3
Wipro	Neutral	481	560	16	36.1	34.3	39.5	14.0	12.2	2.4	2.1	20.3	17.7	18.5
Zensar Tech	Buy	920	1,250	36	68.2	69.5	92.5	13.2	9.9	2.5	2.1	24.0	20.3	22.8
Aggregate								15.8	14.3	3.7	3.3	24.4	23.7	22.8
Telecom														
Bharti Airtel	Buy	316	410	30	11.9	12.4	9.4	25.5	33.6	1.8	1.7	7.4	7.3	5.3
Bharti Infratel	Buy	351	435	24	11.8	17.2	17.8	20.4	19.7	3.6	3.2	12.7	17.2	16.6
Idea Cellular	Sell	76	65	-14	8.6	Loss	Loss	Loss	Loss	1.2	1.4	12.6	Loss	Loss
Tata Comm	Buy	708	778	10	1.6	14.0	35.5	50.6	20.0	-245.2	21.7	-91.6	-159.4	238.9
Aggregate								38.2	70.0	2.1	2.1	9.3	5.6	3.0
Utilities														
Coal India	Neutral	310	297	-4	22.6	16.8	20.0	18.4	15.4	6.4	6.3	42.2	34.5	41.0
CESC	Buy	737	940	28	27.8	48.4	70.7	15.2	10.4	1.7	1.5	3.1	4.7	6.3
JSW Energy	Buy	61	83	36	7.6	4.1	3.3	14.9	18.7	1.1	1.1	15.5	7.7	6.0
NTPC	Buy	172	199	15	12.3	11.9	14.3	14.5	12.1	1.5	1.4	11.9	10.6	11.9
Power Grid	Buy	203	209	3	11.5	14.2	16.8	14.3	12.1	2.2	1.9	14.7	16.1	16.6
Aggregate								15.9	13.4	2.4	2.2	17.7	15.3	16.8
Others														



Company	Reco	CMP	TP	% Upside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
		(INR)	(INR)	Downside	FY16	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY16	FY17E	FY18E
Arvind	Buy	366	444	21	14.0	14.8	24.0	24.6	15.2	2.5	2.2	12.9	11.3	15.2
Bata India	Buy	465	483	4	11.2	10.9	14.2	42.7	32.7	4.6	4.2	13.1	11.3	13.4
Castrol India	Buy	402	499	24	9.6	12.8	13.4	31.3	30.0	34.5	31.0	76.0	118.4	108.8
Century Ply.	Buy	181	211	17	7.5	4.6	8.8	39.5	20.6	6.9	5.6	36.3	18.2	29.8
Coromandel Intl	Under Review	328	-		11.8	16.3	20.0	20.1	16.4	3.5	3.2	14.9	18.5	20.4
Dynamatic Tech	Buy	3,045	3,388	11	19.4	67.6	112.9	45.0	27.0	6.2	5.1	4.7	15.1	20.7
Eveready Inds.	Buy	242	266	10	9.2	9.2	12.9	26.3	18.8	7.1	5.7	16.2	29.5	33.7
Interglobe	Neutral	926	1,015	10	55.2	58.3	72.5	15.9	12.8	15.4	13.0	176.5	105.1	110.2
Indo Count	Buy	175	223	27	13.4	15.7	18.5	11.2	9.4	3.5	2.5	48.9	37.8	31.2
Info Edge	Buy	853	1,050	23	13.0	18.4	20.7	46.3	41.1	5.3	4.9	9.2	12.0	12.3
Inox Leisure	Sell	239	206	-14	8.4	4.1	8.6	58.0	27.8	3.7	3.2	14.9	6.2	11.8
Jain Irrigation	Under Review	91	-		2.2	5.5	7.6	16.4	11.9	1.4	1.4	4.0	8.6	11.7
Just Dial	Buy	359	426	19	20.4	15.6	18.5	23.0	19.4	3.3	2.9	21.1	15.1	15.7
Kaveri Seed	Buy	489	489	0	24.9	23.1	28.8	21.2	17.0	3.5	3.3	20.7	17.1	20.0
Kitex Garm.	Buy	416	631	52	23.6	29.3	35.1	14.2	11.9	4.2	3.3	35.5	33.1	31.0
Manpasand	Buy	622	761	22	10.1	14.9	23.8	41.7	26.1	3.0	2.8	11.4	8.6	9.9
MCX	Buy	1,177	1,400	19	23.4	28.3	40.8	41.6	28.8	4.5	4.2	3.5	11.4	15.2
Monsanto	Buy	2,250	2,706	20	60.1	68.4	87.2	32.9	25.8	9.5	9.0	26.4	28.8	35.9
PI Inds.	Buy	877	959	9	22.1	31.3	38.4	28.0	22.8	7.9	6.1	29.2	31.7	30.1
SRF	Buy	1,666	1,915	15	73.7	81.0	105.0	20.6	15.9	3.2	2.7	17.0	16.2	18.2
S H Kelkar	Buy	318	338	6	5.5	7.5	10.1	42.6	31.4	5.5	4.9	12.6	13.5	16.6
Symphony	Sell	1,204	1,053	-13	15.6	27.0	35.1	44.6	34.3	24.2	20.7	35.0	56.8	65.0
TTK Prestige	Neutral	5,971	4,896	-18	100.7	107.8	139.9	55.4	42.7	55.4	42.7	17.2	16.6	19.7
V-Guard	Neutral	186	179	-4	3.7	4.5	5.8	41.1	32.2	9.8	8.0	26.3	26.1	27.4
Wonderla	Buy	371	392	6	10.6	7.0	12.0	52.9	31.0	4.9	4.3	15.8	9.5	14.8



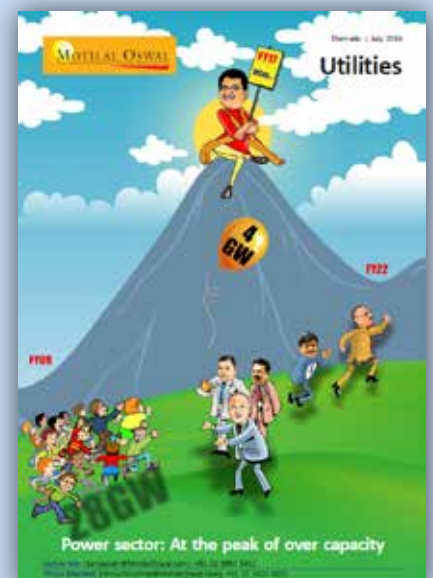
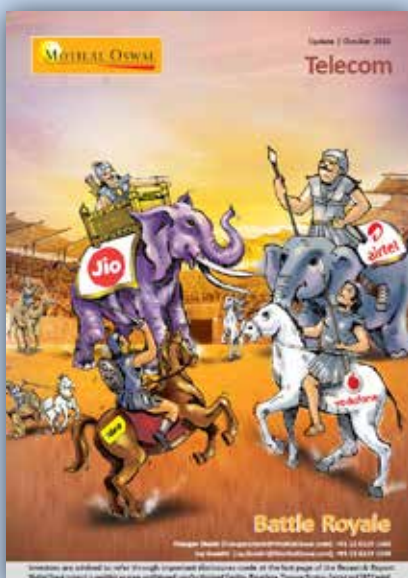
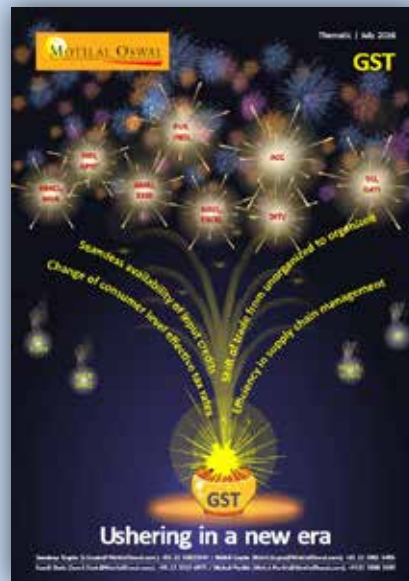
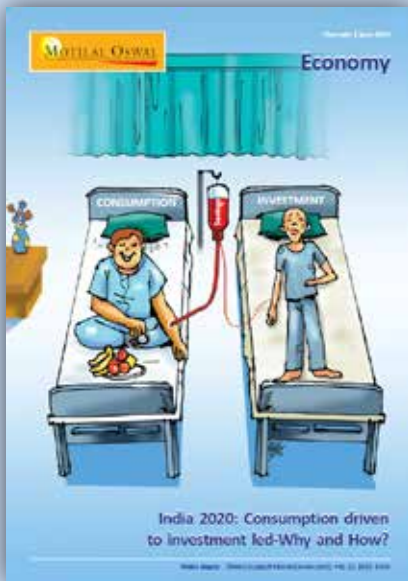
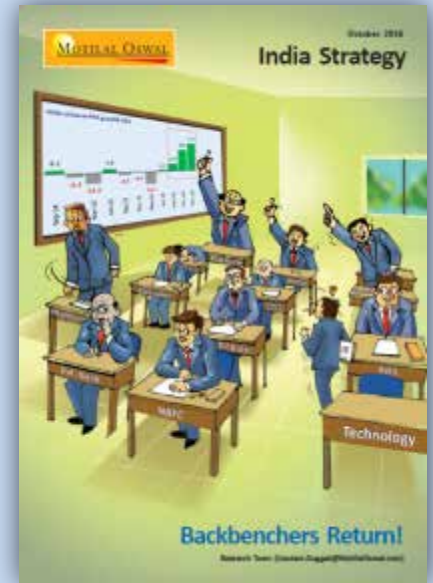
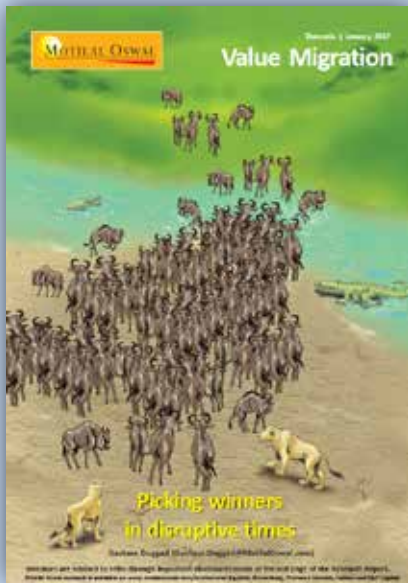
Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	-1.3	-2.8	5.0
Ashok Ley.	2.8	14.2	3.6
Bajaj Auto	3.3	6.7	20.6
Bharat Forge	0.6	3.2	17.7
Bosch	2.5	10.7	25.6
Eicher Mot.	1.2	10.0	39.7
Endurance Tech.	2.0	6.3	
Escorts	0.9	25.3	174.5
Exide Ind	1.5	13.7	57.7
Hero Moto	1.1	3.2	21.2
M&M	2.7	4.1	2.4
Mahindra CIE	0.2	9.5	-11.6
Maruti Suzuki	0.6	10.5	39.7
Tata Motors	1.7	16.1	59.5
TVS Motor	5.5	8.3	40.7
Banks - Private			
Axis Bank	1.4	2.9	6.4
DCB Bank	0.5	12.8	65.8
Equitas Hold.	0.9	11.5	
Federal Bank	0.6	20.7	61.5
HDFC Bank	1.8	6.9	23.0
ICICI Bank	-0.1	2.0	10.5
IDFC Bank	0.3	8.2	38.6
IndusInd	1.6	17.8	39.4
J&K Bank	0.7	4.8	-8.3
Kotak Mah. Bk	1.6	4.1	8.8
RBL Bank	0.4	16.0	
South Indian	0.2	5.7	15.5
Yes Bank	-1.5	20.9	98.9
Banks - PSU			
BOB	1.2	2.0	19.8
BOI	0.2	7.1	13.7
Canara	0.9	-0.8	48.8
IDBI Bk	0.3	12.5	27.3
Indian Bk	3.7	23.5	179.9
OBC	0.7	5.6	4.0
PNB	1.5	9.6	42.1
SBI	0.2	2.2	38.2
Union Bk	0.4	9.9	15.3
NBFCs			
Bajaj Fin.	0.0	14.9	59.6
Bharat Fin.	1.2	30.2	40.2
Dewan Hsg.	1.3	18.6	48.7
GRUH Fin.	1.6	8.8	39.2
HDFC	1.8	4.5	10.6
Indiabulls Hsg	-0.5	17.6	5.8
LIC Hsg Fin	0.2	-2.9	8.8
Manappuram	0.4	28.3	190.4
M&M Fin.	0.9	8.2	38.6
Muthoot Fin	0.6	8.6	70.4
PFC	0.5	11.9	69.0
Repco Home	0.2	21.0	2.2
REC	0.2	15.1	53.9
STF	2.6	17.5	25.5
Shriram City Union	1.1	12.9	38.1

Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	-0.1	9.0	15.4
Bharat Elec.	0.3	9.8	27.1
BHEL	2.5	10.5	-10.6
CG Cons. Elec.	3.4	19.0	
Crompton Grv.	0.1	11.1	8.0
Cummins	0.5	5.2	-7.7
GE T&D	1.7	8.6	-23.6
Havells	0.8	26.6	38.4
Inox Wind	-0.8	2.7	-38.4
K E C Intl	1.0	9.2	26.5
L&T	1.9	6.2	24.3
Pennar Eng.	-2.4	-2.7	-1.6
Siemens	0.4	8.6	16.5
Solar Ind	0.3	6.6	10.2
Suzlon Energy	-2.8	22.0	-9.6
Thermax	-0.2	4.9	-3.3
Va Tech Wab.	1.2	9.7	-13.9
Voltas	-3.9	3.1	14.3
Cement			
Ambuja Cem.	1.5	11.6	15.8
ACC	1.7	4.8	9.4
Birla Corp.	2.0	13.0	76.0
Dalmia Bharat	2.4	31.1	144.7
Grasim Inds.	3.1	10.0	32.0
India Cem	3.1	27.8	63.1
J K Cements	1.1	12.2	43.1
JK Lakshmi Ce	0.9	4.6	18.8
Ramco Cem	2.6	21.1	71.0
Orient Cem	-0.2	7.1	-10.3
Prism Cem	3.7	15.0	29.6
Shree Cem	3.7	14.9	57.3
Ultratech	3.8	17.6	34.3
Consumer			
Asian Paints	1.0	11.5	12.0
Britannia	2.1	11.4	20.3
Colgate	-0.3	-0.5	1.8
Dabur	0.1	5.4	14.6
Emami	1.1	4.1	0.0
Godrej Cons.	-0.6	6.9	35.5
GSK Cons.	0.7	1.7	-11.1
HUL	-0.3	8.9	11.4
ITC	0.1	15.5	26.2
Jyothy Lab	0.9	8.0	29.5
Marico	1.1	4.7	17.6
Nestle	1.0	2.3	9.3
Page Inds	1.6	5.9	16.4
Parag Milk	0.1	0.7	
Pidilite Ind.	4.2	11.5	20.9
P&G Hygiene	1.8	4.5	28.1
Radico Khaitan	-1.2	3.7	3.0
United Brew	1.3	7.4	3.8
United Spirits	0.3	19.3	-20.0
Healthcare			
Alembic Phar	-0.5	-4.1	-7.8
Alkem Lab	0.4	3.1	21.0
Aurobindo	2.7	9.8	-12.5

Company	1 Day (%)	1M (%)	12M (%)
Biocon	-0.1	7.4	107.1
Cadila	0.6	6.3	19.4
Cipla	0.5	-0.5	-0.6
Divis Lab	-0.6	-21.1	-36.9
Dr Reddy's	1.5	-1.1	3.1
Fortis Health	3.7	5.2	5.3
Glenmark	0.0	-5.3	16.5
Granules	0.5	3.8	-6.1
GSK Pharma	-0.2	-0.1	-13.2
IPCA Labs	-0.5	4.2	-14.4
Lupin	1.4	4.0	-12.4
Sanofi India	-0.8	-1.2	0.2
Sun Pharma	1.2	2.9	-18.7
Syngene Intl	-1.4	4.9	42.5
Torrent Pharma	0.7	1.0	-6.7
Logistics			
Allcargo Logistics	1.0	-3.1	-5.0
Blue Dart	0.2	6.3	-28.9
Concor	1.8	8.4	-0.7
Gateway Distriparks	3.4	8.6	-21.5
Gati	-0.3	3.4	10.4
Transport Corp.	0.2	8.2	12.8
Media			
Dish TV	0.9	2.9	-1.9
D B Corp	1.0	3.8	14.5
Den Net.	-4.7	36.5	6.9
Hathway Cab.	-2.6	9.5	0.4
Hind. Media	0.2	0.9	5.5
HT Media	1.3	9.7	1.6
Jagran Prak.	0.3	6.7	9.4
PVR	2.3	24.0	77.8
Siti Net.	1.3	4.7	5.0
Sun TV	1.1	7.2	50.2
Zee Ent.	-0.7	8.4	20.8
Metals			
Hindalco	3.2	17.3	158.5
Hind. Zinc	2.7	17.7	108.6
JSPL	2.7	19.1	22.9
JSW Steel	-0.1	23.7	82.0
Nalco	1.4	31.1	119.1
NMDC	1.1	19.3	83.0
SAIL	0.8	24.7	43.1
Vedanta	2.8	16.4	289.3
Tata Steel	0.6	18.8	87.9
Oil & Gas			
BPCL	0.9	11.6	54.5
Cairn India	1.8	12.8	143.5
GAIL	0.7	9.9	29.1
Gujarat St. Pet.	-1.6	12.3	12.9
HPCL	1.4	23.2	94.5
IOC	2.6	17.1	80.6
IGL	0.8	6.3	63.2
MRPL	0.0	14.6	52.9
Oil India	0.8	3.3	31.6
ONGC	0.9	4.5	39.7
PLNG	1.9	3.8	47.7
Reliance Ind.	1.1	-2.9	2.4

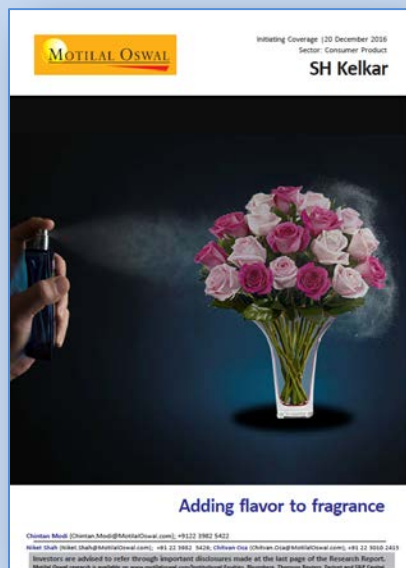
Company	1 Day (%)	1M (%)	12M (%)
Retail			
Jubilant Food	-0.8	6.5	-30.4
Shopper's Stop	2.2	0.5	-22.4
Titan Co.	0.1	16.0	4.7
Technology			
Cyient	1.8	-2.1	11.9
HCL Tech.	-0.9	6.9	1.2
Hexaware	0.3	-3.3	-6.9
Infosys	-0.7	-4.5	-16.8
KPIT Tech	-0.5	-0.8	-3.8
L&T Infotech	2.0	0.1	
Mindtree	-0.4	-5.4	-35.3
Mphasis	0.6	-4.7	17.7
NIIT Tech	-1.5	1.6	-9.4
Persistent Sys	1.2	2.8	5.4
Tata Elxsi	1.1	13.7	-14.1
TCS	0.5	1.2	1.0
Tech Mah	0.2	0.7	-8.5
Wipro	0.4	4.8	-12.6
Zensar Tech	0.1	-2.7	-1.0
Telecom			
Bharti Airtel	-1.0	7.1	5.9
Bharti Infratel	0.9	4.3	-3.2
Idea Cellular	3.2	6.8	-29.2
Tata Comm	5.4	13.2	76.2
Utilities			
Coal India	2.0	7.4	3.2
CESC	5.8	19.1	64.2
JSW Energy	2.8	4.7	-17.6
NTPC	1.5	7.0	25.0
Power Grid	1.6	11.4	52.6
Others			
Arvind	1.5	7.6	16.7
Bata India	-0.3	9.4	-1.8
Castrol India	1.9	9.5	-3.7
Century Ply.	-0.1	10.4	14.4
Coromandel Intl	2.5	19.3	98.6
Dynamatic Tech	0.7	5.3	63.7
Eveready Inds.	1.4	13.5	-8.3
Interglobe	-0.7	12.4	-4.4
Indo Count	1.7	10.1	-16.5
Info Edge	-0.9	3.3	8.1
Inox Leisure	-0.9	7.6	18.0
Jain Irrigation	1.1	6.8	48.1
Just Dial	2.3	5.8	-55.2
Kaveri Seed	1.1	24.8	47.8
Kitex Garm.	-1.3	2.7	-23.3
Manpasand	2.5	17.6	36.2
MCX	-0.9	-6.1	41.9
Monsanto	0.0	-0.6	5.7
PI Inds.	4.7	5.5	39.6
SRF	0.7	11.5	46.9
S H Kelkar	0.0	7.8	29.9
Symphony	1.8	2.2	15.9
TTK Prestige	-0.6	11.1	43.0
V-Guard	2.1	13.1	115.5
Wonderla	1.6	8.9	-4.5

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DIFFERENTIATED PRODUCT GALLERY

ANNUAL REPORT THREADBARE

The ART of Threadbare to start 2018

WIPAW IN FY18

- The sales increased due to 50% increase in sales for the first 10 months of the year.
- The net profit increased by 10% in FY18 as compared to FY17.
- The net profit increased by 10% in FY18 as compared to FY17.

Particulars	2017-18	2016-17
Revenue	100	100
Operating Profit	10	10
Net Profit	10	10

CornerOffice

Interview with the CEO

Democratization: A significant task for India's largest bank

CEO of State Bank of India (SBI) is the first to take a call on the democratization of the Indian banking system. He is the first to take a call on the democratization of the Indian banking system. He is the first to take a call on the democratization of the Indian banking system.

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VOICES

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EcoKnowledge

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BULLS & BEARS

INDIA VALUATIONS HANDBOOK

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FUND FOLIO

Indian Mutual Fund Tracker

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In respect of any matter arising from or in connection with the research you could contact the following representatives of Motilal Oswal Capital Markets Singapore Pte Limited:

Varun Kumar

Varun.kumar@motilaloswal.com

Contact : (+65) 68189232

Office Address: 21 (Suite 31), 16 Collyer Quay, Singapore 04931



Motilal Oswal Securities Ltd

Motilal Oswal Tower, Level 9, Sayani Road, Prabhadevi, Mumbai 400 025

Phone: +91 22 3982 5500 E-mail: reports@motilaloswal.com