

Market snapshot



Equities - India	Close	Chg. %	YTD. %
Sensex	29,421	0.3	10.5
Nifty-50	9,108	0.2	11.3
Nifty-M 100	16,936	0.3	18.0
Equities-Global	Close	Chg. %	YTD. %
S&P 500	2,344	-0.1	4.7
Nasdaq	5,829	0.2	8.3
FTSE 100	7,337	-0.1	2.7
DAX	12,064	0.2	5.1
Hang Seng	10,478	-0.1	11.5
Nikkei 225	19,263	0.9	0.8
Commodities	Close	Chg. %	YTD. %
Brent (US\$/Bbl)	50	1.1	-8.9
Gold (\$/OZ)	1,243	-0.1	7.9
Cu (US\$/MT)	5,777	-0.4	4.6
Almn (US\$/MT)	1,929	0.3	13.2
Currency	Close	Chg. %	YTD. %
USD/INR	65.4	-0.2	-3.7
USD/EUR	1.1	0.2	2.7
USD/JPY	111.3	0.3	-4.8
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	6.8	0.0	0.3
10 Yrs AAA Corp	8.1	0.0	0.5
Flows (USD b)	24-Mar	MTD	YTD
FII	0.1	3.3	4.8
DII	0.0	-1.3	-0.5
Volumes (INRb)	24-Mar	MTD*	YTD*
Cash	323	289	264
F&O	3,891	4,296	4,378

Note: YTD is calendar year, *Avg

Quote of the day

Financial security and independence are like a three-legged stool resting on savings, insurance and investments.



Today's top research idea

The Corner Office: M&M – Preparing for the changing landscape

- ✓ M&M is re-aligning itself to changing landscape, and believes it is relatively better placed due to synergies within the company and the group.
- ✓ Farming 3.0 would define the future of agriculture in India and M&M's FES business. It is holistic approach for driving next leg of growth of M&M's FES business.
- ✓ Farm Machinery business is expected to be the next big thing and M&M is well prepared with recent acquisitions/alliances in that space.
- ✓ In SUVs, its market share recovery strategy is based on recovery in existing models (by incorporating feedback from the ground) and new models (MPV U321 in 2HFY18 and compact SUV S201 in 1HFY19).
- ✓ BS-VI would be disruptive as relative economics of various segments would change. Convergence of trends like connectivity, safety and product design with BS-VI could change competitive positioning in the Indian market.



Research covered

Cos/Sector	Key Highlights
EcoScope	Corporate sector improved in 3QFY17, but interest coverage worsened
Mahindra & Mahindra	Preparing for the changing landscape
Hindustan Unilever	Interaction with the management
Aviation	Downward pressure on fares continues in seasonally weak 4Q
JK Cement (ART)	Return ratios remain subdued
HOEC	Execution capabilities par excellence
Dilip Buildcon	Rising star



Piping hot news

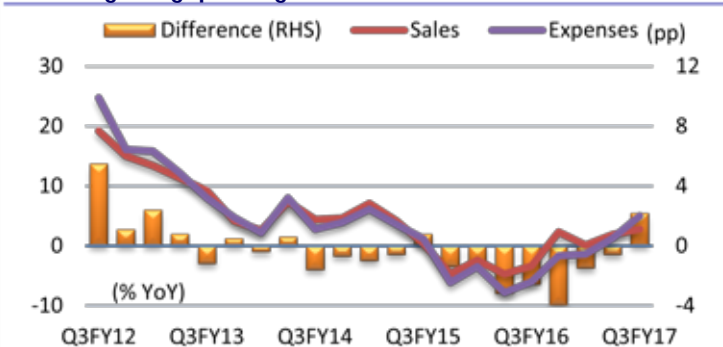
10 Multi-Modal Hubs Likely Under Transport Master Plan

- ✓ The Narendra Modi led government is working on a `10 lakh-crore National Transport Master Plan that will provide seamless movement of freight and passengers across multiple modes of transport.



Chart of the Day: Corporate sales in 3QFY17 grew fastest in nine quarters

Sales grew faster in 3QFY17, but expenses rose even faster, widening the gap to highest since FY13



To compute the growth rates in any quarter, a common set of companies for the current and previous period is considered

Industry-wise sales growth (% YoY)

	Share in sales (%)	3QFY16	2QFY17	3QFY17
		Sales (% YoY)		
Manufacturing	69.8	3.7	(5.2)	4.9
Food pdts & beverages	5.7	10.4	5.3	(3.3)
Textiles	4.1	3.1	(3.0)	(5.0)
Petroleum Products	8.3	(2.1)	(32.2)	9.3
Fertilizers & Pesticides	1.4	(9.2)	1.0	(12.8)
Iron and Steel	7.8	3.4	(20.8)	26.1
Construction	5.7	(6.1)	(2.1)	(6.4)
Services (other than IT)	11.2	(3.5)	5.2	(4.6)
Wholesale & retail trade	2.1	(29.1)	0.8	(21.9)
Telecommunication	3.7	6.8	6.2	(1.7)
IT services	9.6	7.2	9.6	7.3

Source: Reserve Bank of India (RBI), MOSL

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

Oil producers consider extending output cuts

Oil producers pledged to consider extending their pact limiting supply, as half a dozen nations said more time was needed to drain swollen stockpiles. Five the Organisation of Petroleum Exporting Countries members and Oman backed an extension, with Kuwait saying it should be...

2

JSW Group to invest Rs. 7,000 crore in global port business over 3 years

The JSW Group plans to invest about Rs. 7,000 crore to develop ports in India and abroad over the next three years, said Sajjan Jindal, Chairman, JSW Group. The group is also considering diluting up to a 15 per cent stake in JSW Infrastructure and going for an IPO by 2020. Jindal, addressing media persons at the JSW Infrastructure-run Jaigarh port here, said the company has already invested Rs. 2,000 crore in the project at Jaigarh. The port has a capacity of 40 mtpa, which will be doubled by 2020 and raised further to 125 mtpa by 2025...

3

Repro ties up with NHB to roll out subsidy scheme for middle-income group

Repro Home Finance Ltd (RHFL) has signed an agreement with National Housing Bank for implementation of credit-linked subsidy scheme for the middle income group. The scheme will be implemented for one year with effect from January 1, 2017, in all statutory towns as per the Census 2011 and towns notified ...

4

Goods vehicle owners association to go on indefinite strike from April 1

Goods vehicles are expected to be off the roads across the country from April 1 as the All India Confederation of Goods Vehicle Owners Association (ACOGOA), the national apex organisation of goods carriage owners, has decided to go on an indefinite strike to press for its demands...

5

National Waterway 1, linking Haldia, Sahibganj, Varanasi, likely to be ready by 2018

A decline in net invisibles receipts widened the current account deficit marginally to \$7.9 billion, or 1.4 per cent of the gross domestic product (GDP), in October-December 2016 from \$7.1 billion, or 1.4 per of the GDP, in the same quarter of the previous year. The deficit rose from \$3.4 billion, or 0.6 per cent of the GDP, in the July-September period. Over April-December, the current account deficit narrowed on a contraction in the trade deficit to \$11.6 billion, or 0.7 per cent of the GDP, from \$21.6 billion, or 1.4 per cent of the...

6

Motherson Sumi Now Weighs \$600-m Bid for Bosch Arm

Barely two months after acquiring Finnish auto components maker PKC Group, billionaire Vivek Chaand Sehgal is on the prowl again. This time, Sehgal's multinational auto components company Motherson Sumi is evaluating another potential \$600-million bid for Robert Bosch LLC's...

7

TCS COO Sees Healthy Demand in a Tough FY18

Tata Consultancy Services has not yet seen a customer talk about cutting its IT budget for the next financial year, the company's chief operating officer told ET, showing a positive signal for demand in what is widely expected to be a tough year for the sector. NG Subramaniam took over as COO in February...



Corporate sector improved in 3QFY17, but interest coverage worsened

RBI data confirm higher manufacturing GVA growth

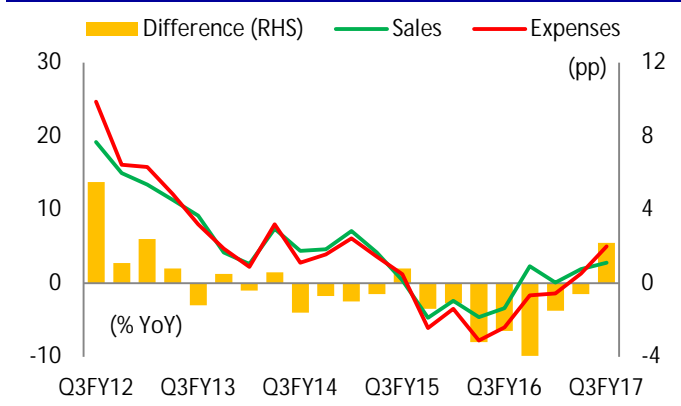
- n The Reserve Bank of India’s (RBI) recent data on the private corporate business sector show that aggregate sales growth was at a nine-quarter high of 2.8% YoY in 3QFY17, while expenses grew at a faster rate of 5% due to increasing raw material costs. Consequently, the differential between sales and expenses growth was the highest in almost five years.
- n Surprisingly, interest payments grew sharply in 3QFY17. In comparison to a year ago, the interest coverage ratio fell below 1x for three industries – textiles, construction and telecommunication. On the other hand, the ratio improved from 0.8x to 1.1x for the iron & steel industry.
- n The EBIDTA margin also eased marginally to 19%, but remains close to the highest level of 20% seen in the first two quarters of FY17.
- n Finally, manufacturing GVA growth – as per the RBI sample – doubled to 22.2% YoY in 3QFY17, confirming higher growth shown by the Central Statistics Office (CSO) in its national GVA/GDP data released last month.

From industry-wise data, the negative impact of demonetization on several labor-intensive or rural industries was apparent; however, aggregate growth picked up.

Corporate sales in 3QFY17 grew fastest in nine quarters...

As per the RBI data, sales of the private corporate sector (comprising financial results of 2,784 listed non-government non-finance companies) grew 2.8% YoY in 3QFY17, marking its highest growth in nine quarters (Exhibit 1). From industry-wise data, the negative impact of demonetization on several labor-intensive or rural industries was apparent; however, aggregate growth picked up. ‘Textiles’, ‘fertilizers & pesticides’, ‘plastic products’, ‘cement products’, ‘construction’ and ‘wholesale and retail trade’ activities contracted sharply in 3QFY17, despite a very favorable base in some of these activities (Exhibit 2). On the other hand, ‘mining & quarrying’, ‘petroleum products’, ‘iron & steel’, ‘precious & non-ferrous metals’, ‘electrical machinery’ and ‘hospital services’ witnessed fast growth in 3QFY17.

Exhibit 1: Sales grew faster in 3QFY17, but expenses rose even faster, widening the gap to highest since FY13



To compute the growth rates in any quarter, a common set of companies for the current and previous period is considered

Exhibit 2: Industry-wise sales growth (% YoY)

	Share in sales (%)	3QFY16	2QFY17	3QFY17
		Sales (% YoY)		
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Services (other than IT)	11.2	(3.5)	5.2	(4.6)
Wholesale & retail trade	2.1	(29.1)	0.8	(21.9)
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IT services	9.6	7.2	9.6	7.3

Source: Reserve Bank of India (RBI), MOSL



Preparing for the changing landscape

Getting set for bigger play in Farm business, and recovery in UVs

For Mahindra & Mahindra (MM), FY17 is a year of contrasting fortunes – highest-ever market share in Tractors and lowest-ever in UVs. Against this backdrop, we met with Dr Pawan Goenka (MD) and senior management team of MM to discuss, among other things, (i) the company's strategy to recover the lost market share in UVs, (ii) strategy to maintain market share in Tractors and (iii) emerging opportunities and challenges in both UVs and Tractors. Key takeaways:

- n **Changing landscape in UVs and Tractors:** Dr Goenka highlighted how the business dynamics are changing in both its key businesses. Critical success elements of the past – product, cost and distribution – have become hygiene factors now, while new success factors have emerged in the form of a) solutions, b) experience and c) purpose. MM is re-aligning itself to adapt to the changing landscape, and believes it is relatively well placed due to synergies within the company (Ssangyong, North American Technical Centre and Mahindra Research Valley Chennai) and the group (Pininfarina and Tech Mahindra) [Exhibit 1, 2 and 3].
- n **'Farming 3.0' – to define the future of agriculture in India and MM's FES business:** MM is focused on driving farm prosperity, and 'Farming 3.0' would provide a win-win situation for MM and farmers (defining the future of agriculture in India). From MM's perspective, 'Farming 3.0' is a holistic way to drive the next leg of growth in its FES business. MM will participate in all the five areas of Farming 3.0 [Exhibit 4].
- n **Farm Machinery – the next big thing:** MM has nurtured the five businesses (Agri, Farm Machinery, Powerol, Africa and the US) with potential of billion dollar revenues [Exhibit 5]. Within these businesses, Farm Machinery is expected to be the next big thing, and MM is well prepared to capitalize on the opportunities with recent acquisitions/alliances (Mitsubishi Agricultural Machinery, Sampo Rsoenlew and Hisarlar). At the consolidated level, it expects the share of Farm Machinery revenues to increase from 15% of consolidated FES revenues in FY17E to ~20% by FY19E. This would be driven by ramp-up in the nascent Farm Machinery business in India as well as growth in the global business [Exhibit 6].
- n **Passenger UVs – incorporating feedback and new product launches should help recover market share:** The UV industry has undergone significant changes, with customer preference changing toward compact SUVs. While its market share in bigger UVs (UV2) is intact, it needs to catch-up in compact SUVs (UV1). It is taking several product actions in existing models to incorporate feedback from the ground to drive a recovery in models like XUV500, KUV100 and TUV300. More importantly, it is betting big on two new products: U321 (MPV to be launched in 2HFY18, developed at Mahindra North America Technical Centre) and S201 (compact SUV based on Ssangyong platform, to be launched in 1HFY19).
- n **BS-VI would be disruptive, throwing up opportunity for the prepared:** The BS-VI implementation from April 2020 would require product overhaul, unlike past emission norm changes. Preparedness of OEMs would define the future of many OEMs in India, as relative economics of various segments would change and cause a shift (as cost of compliance would change economics of product – e.g. 3Ws and SCVs). It will offer competitive advantage to OEMs that find a balance between cost and performance. Similarly, the convergence of trends like connectivity, safety and product design with emission norms could change the competitive positioning in the Indian market.

M&M



Dr Pawan Goenka —
Managing Director

Dr Pawan Goenka joined Mahindra in 1993 with the research and development division. Prior to his appointment at M&M, Dr Goenka worked for 14 years at General Motors (Detroit). He is a fellow of the Society of Automobile Engineers (International) and the Indian National Academy of Engineers. He holds a Bachelors of Science in Mechanical Engineering from the IIT, Kanpur; a PhD from Cornell University, USA; and is a graduate of the Harvard Business School Advanced Management Program.

- n **Product development – leveraging on global R&D network:** MM has its R&D network spread globally through: i) Mahindra Research Valley (Chennai), ii) Mahindra North American Technical Centre (MNATC), iii) Ssangyong, iv) Pininfarina and v) Mahindra Graphic Research Design (Italy). It is leveraging this global network with core activity being conducted at Chennai, with significant inputs from these companies. For example, the upcoming MPV U321 is being developed by MNATC, while the compact SUV S201 is developed in India with inputs from Ssangyong. On the other hand, Pininfarina is designing ICV under development and also helping in styling for MM tractor.
- n **Electric vehicles – idea whose time has come:** Dr Goenka believes that time for electric vehicle is ripe, with very high interest from fleet owners (taxis, last mile delivery, etc.) and the government. While OEMs will have to work on increasing range and reducing costs, the government will have work on increasing charging infrastructure [Exhibit 7]. For the first time, Dr Goenka is concerned with production keeping pace with demand over next one year. MM will have a different strategy for cost-conscious commercial vehicles and high-value personal EVs (mostly Pininfarina branded).
- n **Other takeaways**
 - n MM has been constantly evaluating alliances with global OEMs, but nothing specific to share (in context of rumors of alliance with Ford).
 - n Inputs from Ssangyong and Pininfarina would be on commercial basis. For example, S201, which is based on Ssangyong’s Tivoli platform, would have royalty payable by MM (details not disclosed).
 - n It has ~120 engineers at MNATC who have worked with global OEMs in the past. MRVL (Chennai) has ~3,500 engineers. MRVL is leveraging on technical capabilities of MNATC. MM (S/A) invested ~5% of sales in FY16 in R&D and product development, and applied for 173 patents [Exhibit 8].

Valuation and view

- n We now believe that the worst is over for MM in both Tractors (driven by normal monsoon) and UVs (driven by recent launches).
- n The recovery in rural markets improves visibility of volume revival in both core businesses. After a gap of four years, both Tractors and UVs would be delivering double-digit growth over FY17-19E.
- n MM is one of the cheapest large-cap auto stocks, with valuations of 17x/14.2x FY18/19E consolidated EPS and 15.2x/12.8x on core P/E basis (adj. for value in subs after 20% hold-co discount).
- n Maintain **Buy** with a target price of ~INR1,546 (FY19 SOTP-based).

Comparative valuations

Auto OEM's	CMP (INR)*	Rating	TP (INR)	P/E (x)		EV/EBITDA (x)		RoE (%)		RoCE (%)		EPS CAGR FY16E-18E
				FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	
Bajaj Auto	2,846	Buy	3,432	20.9	17.7	14.9	12.4	30.0	31.0	29.2	30.1	10.4
Hero MotoCorp	3,377	Neutral	3,190	19.3	17.7	12.8	11.7	40.1	36.8	39.1	36.1	9.8
TVS Motor	428	Buy	462	36.0	27.8	22.2	17.5	26.4	27.9	27.2	30.4	30.1
M&M	1,276	Buy	1,551	21.0	17.0	15.9	14.1	14.3	13.6	11.9	11.5	7.4
Maruti Suzuki	6,005	Buy	6,808	23.8	19.2	15.4	12.1	22.8	23.2	30.7	31.2	31.6
Tata Motors	471	Buy	653	36.9	13.3	5.9	4.2	5.2	13.3	4.8	10.7	-1.9
Ashok Leyland	87	Buy	114	18.1	13.6	9.5	7.5	23.1	26.3	17.0	20.6	28.2
Eicher Motors	24,366	Buy	27,458	39.1	28.1	30.3	23.0	41.1	41.2	27.5	30.9	32.7
Auto Ancillaries												
Bharat Forge	1,015	Buy	1,110	39.5	27.1	18.6	14.8	15.9	20.6	10.9	14.8	15.5
Exide Industries	215	Buy	233	26.1	22.2	16.5	14.1	14.2	14.9	14.7	15.5	14.6
Amara Raja Batteries	877	Buy	1,087	30.0	23.3	17.2	13.8	21.6	23.1	20.6	22.1	14.7
BOSCH	22,922	Neutral	22,049	46.9	35.8	36.6	26.3	18.8	23.4	26.3	32.5	15.0
Endurance Tech	731	Buy	732	30.2	24.2	13.9	11.8	21.2	21.8	15.4	17.2	20.8

Source: Company, MOSL

Hindustan Unilever

BSE SENSEX 29,421 S&P CNX 9,108

CMP: INR900 TP: INR893 (-1%) Neutral



Stock Info

Bloomberg	HUVR IN
Equity Shares (m)	2,164
52-Week Range (INR)	954/783
1, 6, 12 Rel. Per (%)	2/-4/13
M.Cap. (INR b)	1946.5
M.Cap. (USD b)	30.6
Avg Val (INRm)/Vol m	1179.0
Free float (%)	32.8

Financials Snapshot (INR b)

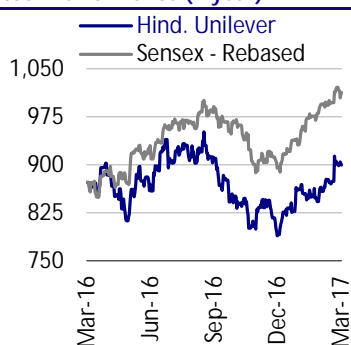
Y/E Mar	2017E	2018E	2019E
Sales	311.3	338.2	376.9
EBITDA	58.5	64.5	74.2
Adj. PAT	41.7	46.5	53.7
Adj. EPS (INR)	19.3	21.5	24.8
EPS Gr. (%)	1.1	11.7	15.4
BV/Sh.(INR)	28.0	26.9	26.8
P/E (x)	44.6	39.9	34.6
P/BV (x)	30.7	31.9	32.0
RoE (%)	67.6	78.4	92.5
RoCE (%)	88.5	102.0	120.9

Shareholding pattern (%)

As On	Dec-16	Sep-16	Dec-15
Promoter	67.2	67.2	67.2
DII	5.8	5.2	5.0
FII	13.1	13.8	13.9
Others	13.9	13.8	13.9

FII Includes depository receipts

Stock Performance (1-year)



Management interaction takeaways

We interacted with the management of Hindustan Unilever to get an update on the business. Our key takeaways:

- n The business seems to be recovering gradually on a month on month basis after demonetization.
- n Material costs, particularly crude and vegetable oils, peaked in the month of January.
- n Large part of the price increases needed to be taken were already taken by the December quarter.
- n Adspends were (surprisingly in our view) back to pre-demonetization levels. Promotions have been withdrawn in categories where commodity cost inflation is high and persist in some other categories.
- n Management remains confident of strong longer term growth from their WIMI (Winning in Many Indias Strategy)
- n We maintain Neutral rating on the stock with a target price of INR893.

Update on incremental impact of demonetization and outlook

- n **Demonetization** had effected on two sides (consumer and trade). While the consumer effect has recovered (premiumization continues and penetration process is increasing) and demand has moved back to pre-demon levels in March; some stress at trade level still remained for the quarter. Nevertheless overall performance has improved month after month since November.
- n Rural green shoots that were visible pre demonetization did not bear fruits despite good monsoon due to demonetization but management believes that recovery potential is high especially given government schemes to boost rural consumption. In the rural segment, January and February were still recovering.
- n In the month of March, FMCG sector volumes appear to be up YoY.
- n HUL continues to do better than broader FMCG segment.

Costs and price increases

- n **Material cost and price increases:** On a YoY basis, material costs are higher. Crude levels as well as vegetable oil costs have come off the peak in January 2017 albeit they are still up YoY. A large part of price increases had already been taken in December quarter, and hence price increases in the March quarter have been lower (did not share quantum).
- n **Ad spends** are at pre-demonetization level, which is a bit of a surprise.
- n **Consumer promotions** are off on categories which are facing pressure from higher commodity cost (soaps and detergents). In the other categories, some level of promotions is still going on.

Strategy

- n While the direct reach is increasing the company's focus now is higher on getting better throughputs through existing direct reach of ~3m outlets.
- n Management remains confident of longer term growth potential of around 1.5x growth of base business in their WIMI (Winning In Many Indias) plan. Central Indian states with weaker economies but higher growth potential are a part of this plan. There has been a bit of a blip in achieving 1.5x growth in the current year mainly due to demonetization.

Update on GST implementation

- n Management doesn't see any worry in terms of GST implementation up to the last mile retailer.



Annual Report Threadbare

JK CEMENT

Return ratios remain subdued

JK Cement's (JKCE) FY16 annual report highlights an improvement in the operating performance, with consolidated EBITDA rising 21% to INR5.5b (FY15: INR4.5b) due to stabilization at UAE operations and cost-control measures. However, consolidated PAT declined 57% to INR0.6b (FY15: INR1.4b), with the margin contracting to a five-year low of 1.6% due to higher finance and depreciation charges. Grey cement (70% of revenue) realizations (-6% YoY to INR3.6k/ton) and EBITDA margin (-10bp YoY to 8.6%) remained under pressure, partly offset by higher realizations (+4% YoY to INR11k/ton) and EBITDA margin (+210bp YoY to 28.3%) for white cement. CFO grew 123% to INR6.4b (FY15: INR2.9b) due to working capital changes and also supported by an increase in non-trade payables by INR1b. FCF remained negative for the fourth consecutive year at INR-0.1b (FY15: INR-4.9b) due to high capex, which led to higher reliance on debt. Consequently, D/E stood at 2.1x (FY15: 2.0x). RoCE ex-CWIP (pre-tax) stood at a mere 9% due to high capital intensity and low utilization (66%). Contingent liabilities stood at 27% of net worth.

- n **Operating performance improves:** EBITDA grew 21% to INR5.5b (FY15: INR4.5b), with the margin expanding 120bp to 14.4% (FY15: 13.2%) due to savings in input costs (mainly freight and fuel) and a positive operational contribution from the UAE business of INR0.6b (v/s operational loss in FY15).
- n **High depreciation and finance cost mars profitability:** Despite EBITDA increase, consolidated PAT fell 57% to INR0.6b (FY15: INR1.4b) on account of higher finance cost of INR3b (FY15: INR2.3b) and depreciation charge of INR1.9b (FY15: INR1.5b). The rise is attributable to the cost getting expensed (earlier capitalized) post the commissioning of plants from mid-FY15. Further, PAT margin contracted to a five-year low of 1.6%.
- n **Grey cement drags profitability, but white cement's performance improves:** Performance of grey cement (70% of revenue) remained muted with both realizations (-6% YoY) and margins (-10bp YoY at 8.6%) under pressure. On the contrary, white cement enjoyed higher realization (+4% YoY) and margin expansion (+210bp YoY at 28.3%).
- n **Operating cash flow improves; FCF remains negative:** CFO grew 123% to INR6.4b (FY15: INR2.9b) with easing of working capital requirements by INR1.2b (v/s -INR1.6b in FY15). Moreover, a rise in non-trade payables by INR1b (FY15: INR0.7b) continued to support cash flows. FCF post interest remained at INR-0.1b (FY15: -INR4.9b) due to high capex.
- n **Adjusted contingent liabilities rise:** Adjusted contingent liabilities increased 7% to INR4.3b (FY15: INR4b), majorly consisting of penalty imposed by CCI worth INR1.3b. Contingent liabilities aggregate to 27% of net worth.

The ART of annual report analysis



- Ø EBITDA grew 21% to INR5.5b due to cost savings and stabilization of the UAE operations. However, PAT fell 57% to INR0.6b (FY15: INR1.4b) due to higher finance and depreciation charge.
- Ø OCF grew to INR6.4b (FY15: INR2.9b), partially supported by an increase in non-trade liabilities by INR1b (FY15: INR0.7b). FCF post interest remained negative due to high capex.
- Ø Rising capital intensity, along with low capacity utilization, led to RoCE ex-CWIP (pre-tax) of mere 9%.

Stock Info

Bloomberg	JKCE IN
CMP (INR)	630
Equity Shares (m)	69.9
52-Week Range (INR)	990 / 550
1,6,12 Rel. Perf. (%)	-3/5/24
M.Cap. (INR b) / (USD b)	62.0/0.9

Shareholding pattern (%)

As on	Dec-16	Sep-16	Dec-15
Promoter	67.0	67.0	67.0
DII	15.3	14.1	25.1
FII	10.1	11.2	0.0
Others	7.6	7.6	7.9

Note: FII Includes depository receipts

Auditor's name

P.L. Tandon & Company, Chartered Accountants

Sandeep Ashok Gupta

(S.Gupta@MotilalOswal.com); +91 22 39825544

Mehul Parikh

(Mehul.Parikh@MotilalOswal.com); +9122 3010 2492

Somil Shah

(Somil.Shah@MotilalOswal.com); +91 22 3312 4975

ART #1 ACCOUNTING / AUDITING MATTERS

Standalone performance improves; higher finance cost mars profitability

Standalone PAT fell 35% to INR1b (FY15: INR1.6b) on rising finance and depreciation cost.

- n JKCE's Indian business registered meager revenue growth of 6% (FY15: +20%) to INR35.6b (FY15: INR33.6b), despite volume growth of 9% (FY15: +16%), as realizations declined 3%.
- n The uptrend in raw material cost continued (+11% to INR889/tonne v/s INR799 in FY15) due to higher royalty and landing costs, further stressing the gross margin.
- n EBITDA grew 12% to INR5.2b (FY15: INR4.6b), with margin expanding marginally by 80bp to 14.6% (FY15: 13.8%) due to the benefit of low inputs.
- n Power & fuel cost (~21% of revenue) declined 15% on per tonne basis, mainly due to soft petcoke prices. However, we highlight that petcoke prices have increased 60% post balance sheet date, which will adversely impact the margin unless countered by a hike in realizations.
- n Freight cost (~21% of revenue) declined 7% per tonne due to the benefit of railway sidings installed during the year. However, freight costs continued to be higher than peers even after a steep fall in FY16.
- n Depreciation expense grew 14% to INR1.6b (FY15: 1.4b), while finance cost increased 23% to INR2.7b (FY15: INR2.2b). Consequently, PAT dropped 35% to INR1b (FY15: INR1.6b).

Exhibit 3: Standalone EBITDA improves marginally; high finance cost hurts profitability (INR b)

Particulars	Standalone Operations - India									
	FY12	%	FY13	%	FY14	%	FY15	%	FY16	%
Net Revenue (Operations)	25.5	100	29.1	100	28.0	100	33.6	100	35.6	100
Raw Materials Consumed	3.1	12.0	3.8	13.2	4.2	15.2	5.6	16.6	6.8	19.0
Gross Margin	22.4	88.0	25.3	86.8	23.7	84.8	28.0	83.4	28.8	81.0
Power and Fuel	6.5	25.7	7.1	24.5	6.7	24.1	7.9	23.6	7.4	20.8
Freight and Handling Outward	4.9	19.2	6.0	20.6	6.3	22.7	7.3	21.9	7.5	21.0
Other operating expenses	4.4	17.3	5.0	17.0	5.2	18.6	6.1	18.1	6.5	18.1
Personnel Cost	1.4	5.5	1.6	5.4	1.7	6.0	2.0	6.0	2.3	6.5
EBITDA	5.2	20.3	5.6	19.2	3.7	13.4	4.6	13.8	5.2	14.6
Depreciation	1.3	4.9	1.3	4.4	1.3	4.8	1.4	4.1	1.6	4.4
EBIT	3.9	15.4	4.3	14.8	2.4	8.6	3.3	9.7	3.6	10.2
Financial Charges	1.4	5.7	1.4	4.8	1.5	5.5	2.2	6.5	2.7	7.6
EBT	2.5	9.7	2.9	10.0	0.9	3.2	1.1	3.2	0.9	2.6
Other Income	0.5	1.8	0.5	1.7	0.5	1.7	0.5	1.5	0.5	1.4
PBT (Before Exceptional Items)	2.9	11.5	3.4	11.7	1.4	4.9	1.6	4.7	1.4	4.0
Exceptional Items	(0.1)	(0.3)	-	-	-	-	-	-	-	-
PBT	2.9	11.2	3.4	11.7	1.4	4.9	1.6	4.7	1.4	4.0
Tax	1.1	4.3	1.1	3.7	0.4	1.4	0.0	0.1	0.4	1.2
PAT	1.8	7.0	2.3	8.0	1.0	3.5	1.6	4.7	1.0	2.9

Source: Company Annual Report, MOSL

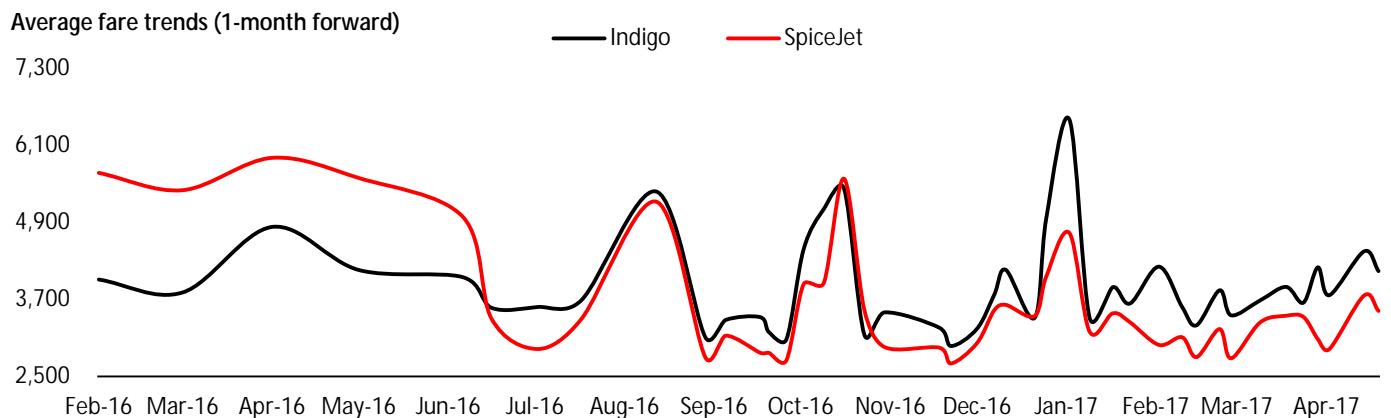
Aviation

Downward pressure on fares continues in seasonally weak 4Q

Strong passenger growth, but at the cost of yields

- Average fares down YoY/OoQ:** Our 1-month forward fare tracker for 11 routes shows a flattish fare trend over a seasonally weak 4Q; average fares declined YoY/OoQ. In our interactions, airlines' management also suggested that fares have faced downward pressure in January and February 2017. In the seasonally strong 3Q too, there was significant pressure on yields; IndiGo's yield declined ~16% YoY and SpiceJet's yield declined ~10% YoY in 3QFY17. We believe the downward pressure on yields continues in 4QFY17.
- Strong passenger growth continues, but at the cost of yields:** Passenger growth remains strong – up 20% YoY in February after 25% growth in January; 31 consecutive months of double-digit growth. However, we believe the strong domestic passenger growth is stimulated by lower fares, as seen in the air ticket price trend. Increased industry PLF (~83% in 4QFY15 to ~88% in 4QFY17) on a robust ASK growth (21 consecutive months of double-digit growth) has resulted in strong RPK growth (29 consecutive months of double-digit growth).
- Rising ATF prices could weigh on profitability:** ATF price increased to INR55.4/liter in 4QFY17 from INR50/liter in 3QFY17 and INR40/liter in 4QFY16. Our fare tracker shows flattish fare trend during 4QFY17, suggesting limited ability of airlines to pass on ATF price increase due to seasonal weakness and intensified competition. Continued downward pressure on yields along with higher ATF prices would weigh on airlines' profitability for 4QFY17.

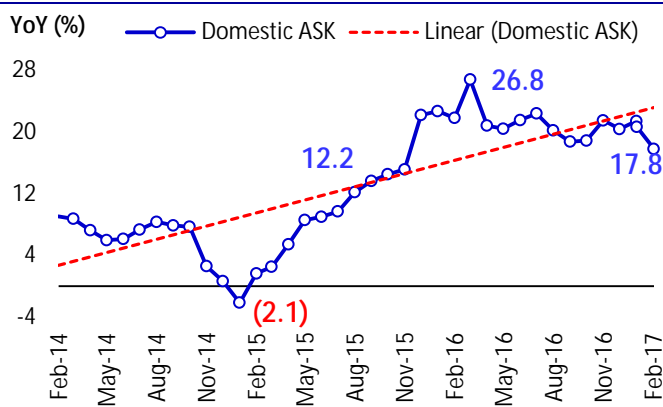
Exhibit 1: Average fare trends of 11 major routes*: 1-month forward fares on major routes since February 2016



*Note: Not a reflection of company-level averages

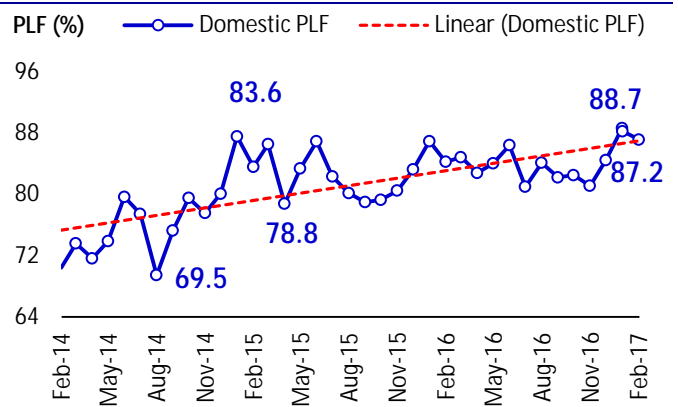
Source: MOSL

Exhibit 2: Favorable macros enabled airlines to add capacity – 21 months of double-digit ASK growth



Source: DGCA, MOSL

Exhibit 3: Domestic passenger load factor has increased significantly; ~88% in 4QFY17 v/s ~83% in 4QFY15



Source: DGCA, MOSL



BSE SENSEX
29,421

S&P CNX
9,108

CMP: INR71

Not Rated



Stock Info

	HOEX IN
Bloomberg	
Equity Shares (m)	130.5
52-Week Range (INR)	80/30
M.Cap. (INR b)	9.4
M.Cap. (USD b)	0.1

Financials Snapshot (INR b)

Y/E Mar	FY14A	FY15A	FY16A
Net Sales	0.8	0.6	0.5
EBITDA	-0.2	-0.1	0.1
PAT	-1.2	-0.6	0.0
EPS (INR)	-9.5	-4.3	0.2
Gr. (%)	-458.2	158.9	-102.6
BV/Sh (INR)	41.1	21.5	22.1
RoE (%)	-20.6	-13.6	1.1
RoCE (%)	-7.3	-4.6	1.1
P/E (x)	0.0	-16.9	296.6
P/BV (x)	0.0	3.3	3.2

Rising star

To commence gas production from Assam soon

Post its management change in early-2015, Hindustan Oil Exploration (HOEC) has exhibited an increased focus on operations, instilling a greater clarity on strategy. The immediate focus is on monetizing its gas field in Assam, improving the recovery factor in Cambay marginal fields and reviving PY3 via integration of PY1 and PY3 fields. The company is also focused on building a portfolio of marginal fields – it won bids for two fields in the recently concluded Discovered Small Fields (DSF) round 2016.

Gas production from Assam to commence shortly

- n The company has drilled and completed four wells so far, and has approval to drill two more. A 4.5" pipeline connecting the gas field in Assam to Oil India's network is ready and can support gas transmission of up to 10mmscfd.
- n Initial total production to be 20mmscfd of gas and 100 barrels of condensate by June 2017; to ramp up to peak production of 40mmscfd by end-FY18.
- n The company is constructing a 12" pipeline. It is expected to be completed by June 2017, with gas transmission capacity of 40mmscfd.
- n Although HOEC has a 27% PI in the field, it is entitled to a higher share of revenue in initial years (with PI in exploration being 40%); minimal profit sharing with the government in initial years due to cost carry.

Cambay PSC expected to be executed soon

- n Production has continued from the marginal fields of North Balol (0.38mmscfd), Asjol (16bopd) and CB-ON-7 (102bopd).
- n HOEC expects allotment of additional R2 area through a new production sharing contract (PSC), which would increase the prospects of the area.

Integration of PY-1 and PY-3 could brighten prospects

- n Prior to its shutdown in 2011, PY-3 was producing 3,000bopd. The company has submitted a proposal for the integration of PY-3 with the existing facilities at PY-1 through a 6km pipeline.
- n This would enable recovery of 1P of 14.6mmt of oil.

Set for an upward trajectory

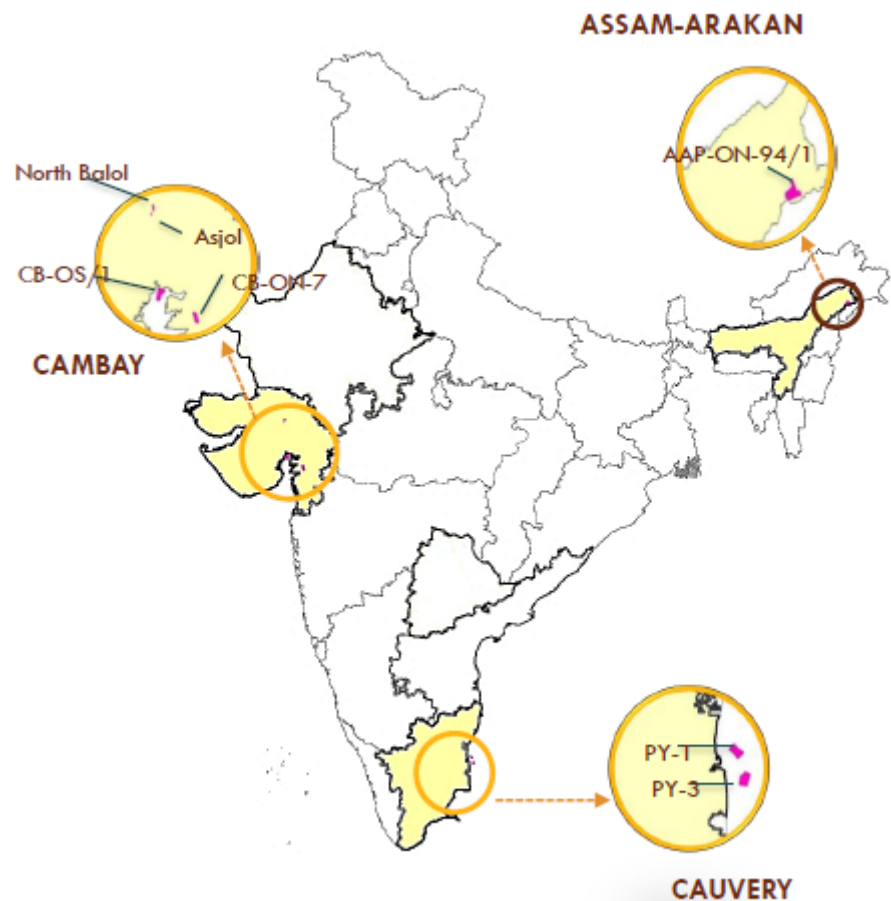
- n Production of 20mmscfd of gas will be ramped up to 40mmscfd by end-FY18. HOEC is entitled to a higher share of revenue in initial years (40%). The current production is 2mmscfd of gas and 100 barrels of oil.
- n The company has also won two contract areas – B-80 (Offshore, Bombay High) and Kherem (Onshore, Arunachal) – during the recent Discovered Small Fields Bid Round 2016.
 - Ø B-80 was discovered in 1997. With in-place reserves of 13.2m bbl of oil and 10.5bcf of gas, it test flowed 3,737bbl of oil and 7.5mmscfd of gas.
 - Ø Kherem was discovered in 1994. It has in-place reserves of 3m bbl of oil and 17bcf of gas.
- n The company recorded adj. PAT of INR98m in 9MFY17 v/s INR29m in FY16.
- n Debt-free balance sheet; INR204cr of cash and equivalents (as of Dec-2016).

HOEC, a pure E&P company, has a strong portfolio of onshore and offshore fields in India, with a judicious mix of development and production assets. It has seven blocks – four producing (Gujarat and Tamil Nadu) and one under development (Assam); development is deferred on two. It has presence in three (Cauvery, Cambay and Assam-Arakan) of the six producing basins in India.

Balanced portfolio of assets to maintain growth momentum

- n HOEC has four producing assets and one development asset. Its producing assets are spread over the Cauvery (Block PY-1) and Cambay (Block CB-ON-7, Block Asjol and North Balol field) basins. Of these, two are oil-producing and two gas-producing.

Exhibit 4: Geographical spread-out of HOEC's blocks



Source: Company, MOSL



Dilip Buildcon

BSE SENSEX
29,421S&P CNX
9,108**CMP: INR349****Not Rated**

Execution capabilities par excellence

Target to be debt-free over next three years

We recently met management of Dilip Buildcon (DBL) to get a perspective of the business. We also visited the Guna-Biaora road and Mohanpura dam sites and were impressed with the company's execution capabilities. Key highlights:

Differentiated business model with strong execution capabilities

DBL operates under a differentiated business model with 100% in-house execution capabilities. This, along with an employee base of 25,000 and an asset base of 8,500 construction equipment, eliminates the need to outsource work to subcontractors, helping complete the projects on and before time. DBL has been able to complete ~47 projects (covering 5,612km; 90% of the projects undertaken) ahead of schedule and thus claim early completion bonus from the authority.

Focus on intensive pre-bidding survey to ensure selection of right projects

The company has developed criteria to carefully select projects so as to ensure that the bids submitted are rational and that the projects, if won, are executed on time. Before bidding, the company follows a process to visit the site, ensure that clearances are in place, and check about land availability and project clustering potential. Management is also very selective in terms of regions, not bidding for the projects in Odisha, north-east, Kerala and Himachal Pradesh. The pre-bidding survey helps ensure that it selects the right projects and execution does not suffer.

Focus shifts to large-ticket orders to improve manpower/equipment utilization

DBL has shifted its focus to large-ticket orders (INR5-6b) from small-ticket orders (INR2.5b). The intent is to reduce the number of sites under operation from 45 currently to around 22, ensuring better utilization of equipment/manpower and helping manage inventory at optimal level. Management expects to increase revenues from INR50b in FY17E to INR70b by FY19E without incurring much incremental capex. Better asset utilization/cost rationalization will help generate better cash flow.

Diversification of business to reduce business risk

To leverage its execution capabilities and reduce business risk, DBL has forayed into the mining segment, where it will provide overburden removal services. The company has order book of INR32.5b; it has booked revenue of INR1.2b in FY17, which is expected to increase to INR10b by FY19. DBL also plans to foray into metro projects, where it will form joint ventures with other players for technical qualification. It plans to participate in upcoming metro project tenders in Bhopal and Indore (30km, INR70b each).

Robust order book provides strong revenue visibility

DBL has order book of INR147b, which provides revenue visibility of 2.5x its FY16 revenue of INR50b. Of the total order book, the road segment accounts for INR117b and the mining segment for the rest (to be executed over next three years).

Valuation: The stock currently trades at 17x/16x its FY17/FY18E consensus standalone EPS of INR20.5/22.4 respectively. We do not have rating on the stock

Site visit

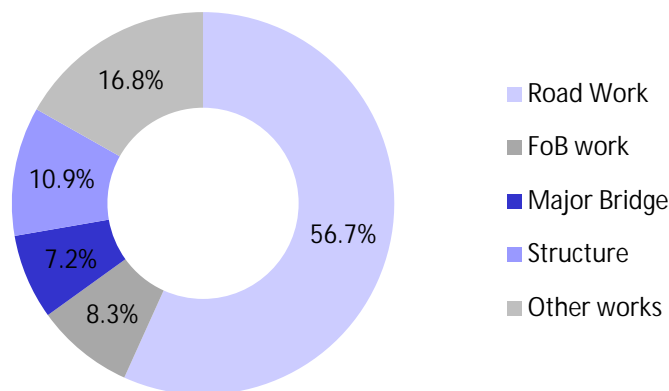
Guna-Biaora project

DBL has won the project on Design-Build-Finance-Operate-Transfer (DBFOT) basis. This INR9.0b project will cater to traffic flowing from Agra/Uttar Pradesh to Mumbai. On completion of this project and the other two adjoining stretches (being developed by other contractors) by FY19, management expects commercial traffic to shift from NH8 to NH3 to save time and fuel (~80km shorter route). The construction activity is in full swing, and the company has already completed four-laning of ~36km and 40% of total project work. The project is expected to be completed one year ahead of the scheduled commissioning date of March 2019. This will enable DBL to begin early toll collection from the project. Toll collection in the first year is expected to be INR900m.

Exhibit 5: Project Details

Project Description	n	Four-laning of Guna BiaoraSection of NH-3 from KM97+700 to KM191+200 in the state of Madhya Pradesh under NHDP phase-IV on DBFOT pattern on BOT (Toll) basis
Project Length	n	93.5 KM
Project cost	n	INR9013.2m
Client	n	NHAI
Concessionaire	n	M/S Jalpa Devi Tollways Ltd
EPC Contractor	n	M/S Dilip Buildcon Limited
Independent Engineer	n	M/S Aarvee associates
Safety consultants	n	M/S Rites Ltd
Appointed Date	n	7th Sept 2016
Construction Period	n	910 days from appointed date
Maintenance Period	n	26 year
LoA date	n	29th June 2015
Agreement Date	n	19th Sept 2015
Schedule completion date	n	6th March 2019

Exhibit 6: Project cost distribution





1. Maruti Suzuki: See no need for price hikes; higher retail sales in march; RC Bhargava, Chairman

- n Will not be affected with BS IV norms being implemented from April '17, have been selling BS IV vehicles for some years now.
- n Looking forward to the introduction of GST; have been working with our suppliers and our dealers to make sure that they are ready for GST.
- n Have asked our vendors to work with their tier II and tier III suppliers to make sure that they also become GST compliant by July 1.
- n In order to maintain market share, the most important factor is the ability to keep turning out new models, which are very market friendly and accepted by the consumers as being products they would like to buy.
- n March to see high levels of retail sales. There is no slowing down of sentiment or slowing down of any kind of demand for cars, this will continue in the next year as well.
- n The introduction of GST and all is creating a very favourable sentiment that this will very much stabilise the whole business and will promote the sale of all kinds of products in the economy.

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2. HPCL: Expect to end FY17 with GRM of USD 6/BBL; MK Surana, CMD

- n Seeing a downward trend in the crude oil prices. We keep a close watch on the product and the crude prices and adjust the market prices accordingly. As and when required we will make adjustment to that effect.
- n We should end up the year with GRM around USD 6 a barrel. GRM is the function of crude prices, volatility and our own efficiencies.
- n Organization of the Petroleum Exporting Countries (OPEC) has a meeting in May again, need to be watchful of their move and its impact on the crude prices.
- n We have crossed the record throughput of any earlier years in this year around 8 days back, operational efficiency wise we are doing well.
- n Yet to see any clarity on the ONGC-HPCL merger.

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3. Hinduja Global: There are lot of opportunities in health insurance; Partha De Sarkar, Global CEO

- n Quite optimistic about the prospects of the BPM industry. Growth will come from outsourcing and offshoring of people who hold their work in their captives and that will come to suppliers of high quality.
- n Our onshore, offshore mix is very strategically designed to be able to utilise opportunities that happen onshore as well on the back of protectionism.
- n Have delivered about 20% CAGR in the last five years; hopeful of matching those numbers going forward as well.
- n Health insurance is going to be the prime mover of our growth going forward as well.

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1. UP results and aspirational india. by GN Bajpai

n The results of the recently concluded elections in the five States have reaffirmed the winning political narrative of 2014 Parliamentary elections — developmental economics. Aspirational India has rejected the politics of ‘social justice’ and ‘inclusiveness’ à la social engineering. It has also discarded the model of coalition politics and transited to a clear mandate and diffused responsibility to full accountability. Deliver or get booted out. This transformation looks to be an expression of trust deficit in the competence of social engineers and their model to deliver the promise.

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2. Arun Jaitley may be right when he said victimisation kept India INC from donating via cheque. by The Financial Express

n Finance minister Arun Jaitley may well be right when he says the fear of victimisation has kept India Inc from donating to political parties by cheque—he has also removed the cap on donations now. If company A, according to this logic, gives funds to party B then, when it comes to power, party C will try and take revenge for funding rivals. Once RBI election bonds are available, companies can simply buy the bonds and give them to political parties—since the party will not disclose who gave it the bonds to, there will be no chance of repercussions.

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3. Knowhow: the ignored factor of production. by Ricardo Hausmann

n It has been a quarter-century since apartheid ended, and 23 years since the African National Congress (ANC) took power in South Africa. But, as President Jacob Zuma reported in his recent state of the nation address, the country’s whites remain in control. “White households earn at least five times more than black households,” said Zuma, and “only 10% of the top 100 companies on the Johannesburg Stock Exchange are owned by black South Africans”. Whites still represent 72% of top management. The Gini coefficient, a widely-used measure of inequality, shows no sign of falling and remains one of the highest in the world.

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4. The tyranny of bad laws. by Livemint

n The colonial British government passed a law in 1867 that gave it powers to punish the owner of any sarai—defined in the law as “any building used for the shelter and accommodation of travellers”—who refused to give free drinking water to people who were passing by. This is one of the many ridiculous laws that the Centre for Civil Society, a think tank, identified in its 100 Laws Repeal Project that sought to cut down the forest of outdated edicts in the country. The inheritors of the colonial bureaucracy still seem to cling to such ideas. Sarais may be history but there is a new category of innkeeper that can now be harassed.

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5. 2017: Also a love story. by Abheek Barman

n In his socks, Desmond Coutin ho stands at a maximum 5 ft. It is Imphal, 2013, and he is 51 ye ars old, his grey hair receding, and a scraggly stubble around his face. He is outside a courtroom in the city, where the love of his life will receive the same sentence she got for 13 years: another year in jail. He is clutching a jhola inside which he's got a shawl that he shows off, and perhaps a few books, for his loved one. Hours of waiting from that early morning hour, and then, flocks of people streaming in. Later, an armoured vehicle, escorted by a posse of more armoured vehicles. You'd think Osama bin Laden was in one of those vans.

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International

6. A franco-german bargain to save europe. by Philip Stephens

n The importance of the Treaty of Rome lay in the fact that even at the moment of signature Germany and France did not agree. Germany wanted the common market, while France was more enthusiastic about the new atomic energy agency, Euratom. Bonn was keen to abolish tariffs on manufactured products; Paris was determined to protect the incomes of its farmers. The future strength of the European enterprise rested on a shared willingness to put aside such differences in the cause of compromise. There is a mythology, particularly prevalent in Britain, that says that the EU has always reflected a close identity of interests and outlook between the continent's two largest nations.

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Automobiles														
Amara Raja	Buy	877	1,087	24	29.2	37.7	45.4	30.0	23.3	6.0	4.9	21.6	23.1	22.9
Ashok Ley.	Buy	87	114	31	4.8	6.4	8.2	18.1	13.6	3.9	3.3	23.1	26.3	28.2
Bajaj Auto	Buy	2,846	3,432	21	136.2	160.6	182.3	20.9	17.7	5.9	5.1	30.0	31.0	30.9
Bharat Forge	Buy	1,015	1,110	9	25.7	37.5	46.7	39.5	27.1	6.0	5.2	15.9	20.6	22.0
Bosch	Neutral	22,922	22,049	-4	489.0	639.6	735.0	46.9	35.8	9.2	7.7	18.8	23.4	22.6
CEAT	Buy	1,320	1,406	6	89.9	107.6	140.6	14.7	12.3	2.2	1.9	16.4	16.9	18.9
Eicher Mot.	Buy	24,366	27,458	13	623.7	868.2	1,072.1	39.1	28.1	13.9	9.9	41.1	41.2	37.1
Endurance Tech.	Buy	731	732	0	24.2	30.2	36.6	30.2	24.2	5.8	4.8	21.2	21.8	22.1
Escorts	Buy	527	596	13	21.8	32.8	42.6	24.2	16.1	2.7	2.4	11.4	15.6	17.7
Exide Ind	Buy	215	233	8	8.2	9.7	11.8	26.1	22.2	3.7	3.3	14.2	14.9	15.9
Hero Moto	Neutral	3,377	3,190	-6	175.2	190.7	199.4	19.3	17.7	7.1	6.0	40.1	36.8	33.0
M&M	Buy	1,276	1,546	21	60.7	75.0	89.4	21.0	17.0	3.1	2.9	14.3	13.6	14.5
Mahindra CIE	Not Rated	200	-		6.2	9.7	11.9	32.3	20.6	2.2	2.0	7.7	10.3	11.3
Maruti Suzuki	Buy	6,005	6,808	13	252.7	313.1	379.5	23.8	19.2	5.5	4.5	22.8	23.2	23.2
Tata Motors	Buy	471	653	39	12.8	35.5	70.1	36.9	13.3	1.9	1.7	5.2	13.3	22.2
TVS Motor	Buy	428	462	8	11.9	15.4	21.9	36.0	27.8	8.7	7.0	26.4	27.9	31.4
Aggregate								26.9	18.5	4.0	3.5	15.0	18.9	22.0
Banks - Private														
Axis Bank	Neutral	489	535	9	14.1	25.0	46.8	34.8	19.6	2.1	1.9	6.3	10.3	17.3
DCB Bank	Neutral	166	134	-19	7.1	8.6	10.9	23.4	19.3	2.4	2.1	10.9	11.8	13.1
Equitas Hold.	Buy	159	240	51	6.1	6.9	8.7	26.2	22.8	2.4	2.1	11.3	9.9	11.1
Federal Bank	Buy	90	105	17	4.6	5.5	6.9	19.5	16.4	1.8	1.6	9.4	10.4	12.1
HDFC Bank	Buy	1,425	1,510	6	56.9	68.3	81.5	25.0	20.9	4.3	3.7	18.6	19.3	19.8
ICICI Bank	Buy	275	345	26	17.2	17.9	21.8	16.0	15.4	1.9	1.7	10.4	9.9	11.3
IDFC Bank	Neutral	61	68	11	3.1	3.9	4.9	20.0	15.5	1.4	1.3	7.4	8.9	10.2
IndusInd	Buy	1,390	1,535	10	48.4	58.7	71.2	28.7	23.7	4.2	3.6	15.5	16.4	17.2
J&K Bank	Neutral	75	75	1	-25.2	13.0	15.4	NM	5.7	0.7	0.6	-21.1	11.6	12.5
Kotak Mah. Bk	Buy	879	940	7	26.3	32.3	41.3	33.5	27.2	4.2	3.7	13.5	14.5	16.0
RBL Bank	Buy	493	450	-9	12.4	17.5	24.6	39.6	28.1	4.3	3.8	12.6	14.4	17.7
South Indian	Neutral	20	21	3	2.8	3.1	3.8	7.3	6.6	0.7	0.6	9.7	10.0	11.3
Yes Bank	Buy	1,529	1,575	3	79.3	97.0	118.4	19.3	15.8	3.9	3.3	22.1	22.6	23.0
Aggregate								24.7	19.5	3.0	2.7	12.0	13.6	15.5
Banks - PSU														
BOB	Buy	169	221	31	7.5	18.3	25.3	22.5	9.2	1.1	1.0	5.0	11.5	14.4
BOI	Neutral	133	123	-7	-5.6	17.1	23.2	NM	7.8	0.6	0.5	-2.4	7.0	8.9
Canara	Neutral	293	300	2	23.9	36.7	56.0	12.3	8.0	0.6	0.6	4.9	7.2	10.3
IDBI Bk	Neutral	76	49	-35	1.5	6.4	8.6	49.4	11.7	0.7	0.7	1.4	5.8	7.3
Indian Bk	Buy	262	330	26	30.4	32.2	38.1	8.6	8.1	0.9	0.8	10.4	10.2	11.1
OBC	Neutral	144	114	-21	6.6	19.6	24.1	21.9	7.4	0.4	0.3	1.7	4.8	5.6
PNB	Buy	141	185	31	6.7	12.7	17.2	21.0	11.1	0.8	0.7	3.9	6.8	8.6
SBI	Buy	276	350	27	8.6	21.6	29.5	32.0	12.8	1.2	1.1	3.9	9.2	11.5
Union Bk	Neutral	154	172	12	8.5	30.5	45.3	18.2	5.0	0.5	0.5	2.8	9.7	13.0
Aggregate								26.0	10.3	0.9	0.8	3.3	7.9	10.1
NBFCs														
Bajaj Fin.	Buy	1,180	1,276	8	34.1	44.6	59.3	34.6	26.4	7.1	5.8	22.5	24.1	25.9
Bharat Fin.	Neutral	843	848	1	44.6	39.5	51.5	18.9	21.3	4.2	3.5	29.6	18.0	19.4
Dewan Hsg.	Buy	362	405	12	30.7	35.6	42.0	11.8	10.2	1.8	1.6	16.6	16.6	17.2
GRUH Fin.	Neutral	376	348	-7	7.9	9.8	11.7	47.8	38.2	13.6	11.2	31.0	32.1	31.6
HDFC	Buy	1,462	1,580	8	46.8	51.7	57.3	31.2	28.3	5.8	5.3	19.6	19.6	19.0
Indiabulls Hsg	Buy	957	1,015	6	69.5	86.2	109.6	13.8	11.1	3.4	3.0	26.0	28.9	32.3
LIC Hsg Fin	Buy	600	693	16	37.6	44.7	52.6	16.0	13.4	2.8	2.4	19.1	19.5	19.6
Manappuram	Not Rated	97	-		3.8	4.3	5.2	25.3	22.5	2.8	2.7	11.4	12.2	14.0
M&M Fin.	Buy	320	323	1	8.4	11.1	13.9	38.0	29.0	2.9	2.7	7.7	9.7	11.4



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Muthoot Fin	Buy	350	409	17	29.7	34.7	40.5	11.8	10.1	2.2	1.9	19.8	20.3	20.8
PFC	Neutral	145	117	-19	24.0	25.5	40.5	6.1	5.7	1.0	0.9	16.8	16.2	22.3
Repco Home	Buy	670	752	12	29.0	34.2	40.5	23.1	19.6	3.7	3.2	17.5	17.5	17.7
REC	Neutral	174	134	-23	29.4	35.3	39.9	5.9	4.9	1.0	0.9	18.8	19.5	18.9
Shriram City Union	Buy	2,095	2,500	19	91.2	130.5	164.2	23.0	16.1	2.8	2.4	12.7	16.1	17.6
STF	Buy	1,030	1,225	19	58.1	77.9	96.7	17.7	13.2	2.1	1.9	12.3	14.7	16.1
Aggregate								16.9	14.6	2.9	2.6	17.2	17.7	18.9
Capital Goods														
ABB	Neutral	1,194	1,190	0	18.4	26.1	32.6	64.8	45.8	7.7	6.6	11.9	14.4	15.9
Bharat Elec.	Buy	156	180	16	6.2	7.3	8.5	25.1	21.2	4.6	4.0	19.7	19.0	19.3
BHEL	Sell	167	115	-31	5.5	5.7	5.8	30.2	29.2	1.2	1.2	4.0	4.0	4.0
CG Cons. Elec.	Buy	198	205	3	4.6	5.5	6.7	43.5	36.3	32.9	22.4	94.3	73.3	66.1
CG Power & Indu.	Sell	77	45	-42	3.6	3.9	4.5	21.2	19.8	1.1	1.1	5.4	5.5	6.0
Cummins	Neutral	924	990	7	26.6	30.5	36.5	34.7	30.3	7.4	6.7	22.6	23.2	25.3
GE T&D	Neutral	313	340	9	6.0	11.0	11.4	52.0	28.3	6.2	5.6	11.7	20.7	19.2
Havells	Neutral	446	425	-5	8.9	12.1	14.1	50.0	37.0	10.1	9.1	20.3	24.6	25.1
Inox Wind	Neutral	174	175	1	19.4	16.5	17.6	8.9	10.5	1.7	1.5	21.2	15.3	14.3
K E C Intl	Buy	209	175	-16	10.5	12.3	13.5	19.8	17.0	3.1	2.7	16.6	16.8	16.2
L&T	Buy	1,551	1,660	7	53.6	65.0	79.7	29.0	23.9	3.0	2.8	10.9	12.2	13.6
Pennar Eng.	Not Rated	127	-		10.5	12.4	16.8	12.0	10.2	1.7	1.5	14.5	14.6	16.6
Siemens	Neutral	1,243	1,340	8	17.0	25.7	33.5	73.1	48.3	6.7	5.8	9.2	11.9	14.2
Solar Ind	Neutral	738	800	8	19.0	22.3	26.5	38.8	33.1	6.6	5.7	18.4	18.6	19.0
Suzlon Energy	Not Rated	19	-		0.2	0.6	0.7	86.9	33.7	-2.1	-2.2	NM	-6.7	-8.4
Thermax	Sell	909	781	-14	24.4	27.9	31.3	37.2	32.6	4.3	4.0	12.1	12.6	13.1
Va Tech Wab.	Buy	670	760	13	26.5	34.5	40.3	25.3	19.4	3.5	3.1	8.9	16.7	17.3
Voltas	Neutral	389	365	-6	13.1	15.9	18.8	29.6	24.4	4.8	4.2	17.1	18.2	18.8
Aggregate								32.7	27.1	3.5	3.2	10.8	11.9	12.9
Cement														
Ambuja Cem.	Buy	230	277	20	4.9	7.3	7.9	47.1	31.3	2.4	2.3	5.0	7.4	7.7
ACC	Neutral	1,395	1,339	-4	33.7	46.7	58.6	41.3	29.9	3.1	3.1	7.5	10.4	13.2
Birla Corp.	Buy	691	869	26	21.5	41.2	54.1	32.1	16.8	1.9	1.8	6.0	10.9	13.3
Dalmia Bharat	Buy	1,900	2,246	18	32.3	50.7	73.8	58.9	37.4	4.1	3.7	7.2	10.4	13.4
Grasim Inds.	Neutral	1,061	1,067	1	70.2	86.5	110.7	15.1	12.3	1.7	1.5	12.0	13.1	14.7
India Cem	Neutral	158	138	-13	7.3	10.7	12.4	21.6	14.8	1.3	1.2	5.8	7.6	7.8
J K Cements	Buy	884	1,024	16	32.6	37.2	49.3	27.1	23.7	3.4	3.1	13.3	13.6	16.0
JK Lakshmi Ce	Buy	433	455	5	5.9	12.2	17.8	73.0	35.4	3.8	3.6	5.2	10.5	14.7
Ramco Cem	Buy	646	815	26	29.0	31.9	40.1	22.3	20.2	4.2	3.5	20.3	18.9	20.0
Orient Cem	Buy	128	167	30	-1.8	3.2	5.8	NM	40.5	2.7	2.6	-3.7	6.6	11.3
Prism Cem	Buy	98	112	14	-0.6	2.6	4.8	NM	37.4	5.2	4.7	-3.1	13.1	20.8
Shree Cem	Buy	16,250	19,006	17	387.1	582.8	729.9	42.0	27.9	7.7	6.1	19.9	24.4	24.3
Ultratech	Buy	3,972	4,058	2	93.5	129.6	161.2	42.5	30.6	4.7	4.2	11.7	14.5	15.8
Aggregate								33.7	24.3	3.3	3.0	9.9	12.5	14.0
Consumer														
Asian Paints	Neutral	1,066	1,035	-3	20.2	22.9	26.8	52.7	46.5	16.1	14.1	32.5	32.3	32.5
Britannia	Buy	3,300	3,775	14	71.9	83.0	101.3	45.9	39.7	17.6	13.9	42.9	39.1	37.9
Colgate	Buy	980	1,170	19	21.7	25.8	31.6	45.2	38.0	23.6	22.1	54.9	60.1	68.5
Dabur	Neutral	281	300	7	7.3	8.3	9.7	38.6	33.9	10.1	8.6	28.3	27.3	27.2
Emami	Buy	1,029	1,260	22	24.5	29.8	36.0	42.1	34.5	12.4	10.5	33.8	33.0	33.2
Godrej Cons.	Neutral	1,665	1,655	-1	36.8	42.8	49.6	45.2	38.9	9.4	8.0	22.4	22.2	21.9
GSK Cons.	Neutral	5,206	5,300	2	157.7	178.8	190.8	33.0	29.1	7.7	6.7	25.1	24.7	23.1
HUL	Neutral	900	865	-4	19.3	21.5	24.8	46.7	41.8	32.1	33.4	67.6	78.4	92.5
ITC	Buy	281	295	5	8.4	9.5	10.8	33.6	29.6	8.9	7.8	28.4	28.1	28.2
Jyothy Lab	Neutral	353	365	3	7.6	9.0	10.5	46.7	39.3	7.1	6.5	15.7	17.2	18.3
Marico	Buy	291	335	15	6.1	7.1	8.4	48.0	41.2	14.4	12.4	33.3	32.4	34.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Nestle	Neutral	6,338	6,840	8	118.7	144.0	171.0	53.4	44.0	20.1	17.3	35.9	39.2	42.3
Page Inds	Buy	14,652	16,910	15	235.6	305.1	388.4	62.2	48.0	25.7	20.3	41.3	42.2	43.2
Parag Milk	Neutral	225	215	-4	7.0	9.7	12.1	32.0	23.3	2.6	2.3	10.8	10.5	12.9
Pidilite Ind.	Neutral	689	720	4	16.6	18.3	20.5	41.4	37.7	10.7	8.7	28.0	25.4	23.4
P&G Hygiene	Buy	6,952	8,250	19	145.7	167.7	198.8	47.7	41.5	12.9	11.1	29.0	28.8	29.5
United Brew	Buy	774	1,044	35	10.7	15.4	19.8	72.5	50.4	8.7	7.5	12.6	16.0	17.8
United Spirits	Buy	2,226	2,885	30	28.6	47.0	64.0	77.8	47.4	14.7	11.4	20.8	24.0	24.9
Aggregate								42.2	36.5	12.4	10.9	29.5	29.8	30.3
Healthcare														
Alembic Phar	Neutral	602	630	5	23.2	27.9	35.1	25.9	21.5	5.9	4.9	24.8	24.7	25.3
Alkem Lab	Neutral	2,212	1,850	-16	79.3	85.7	100.0	27.9	25.8	6.2	5.2	24.4	22.0	21.7
Ajanta Pharma	Buy	1,827	2,028	11	56.0	63.8	79.6	32.6	28.7	10.2	7.8	35.9	30.9	29.9
Aurobindo	Buy	688	915	33	40.5	47.0	54.6	17.0	14.6	4.3	3.4	29.0	26.0	23.8
Biocon	Sell	1,142	750	-34	33.2	35.6	44.5	34.5	32.1	5.1	4.5	14.7	14.1	15.7
Cadila	Buy	446	510	14	12.0	17.7	23.0	37.2	25.3	7.4	6.1	21.4	26.5	27.9
Cipla	Neutral	593	550	-7	18.1	24.1	31.1	32.7	24.6	3.7	3.2	11.2	13.2	14.7
Divis Lab	Neutral	623	600	-4	45.4	34.6	40.6	13.7	18.0	3.5	3.2	26.7	18.4	19.5
Dr Reddy's	Neutral	2,623	2,875	10	77.7	121.7	151.4	33.7	21.6	3.2	2.9	10.0	14.1	15.4
Fortis Health	Buy	177	240	36	3.0	3.2	6.5	59.9	55.5	2.0	1.7	3.4	3.3	6.0
Glenmark	Neutral	887	990	12	41.6	49.2	60.5	21.3	18.0	4.4	3.4	20.5	18.9	19.1
Granules	Buy	137	160	17	7.0	8.0	11.7	19.6	17.0	3.4	2.3	19.9	16.6	18.4
GSK Pharma	Neutral	2,754	2,700	-2	34.5	55.5	64.4	79.8	49.6	17.9	21.3	22.4	43.0	56.9
IPCA Labs	Neutral	587	540	-8	15.8	27.9	37.3	37.1	21.0	3.0	2.7	8.4	13.5	15.9
Lupin	Buy	1,484	1,850	25	61.8	79.0	89.3	24.0	18.8	5.0	4.1	22.9	23.9	22.1
Sanofi India	Buy	4,651	5,000	8	129.0	161.6	193.8	36.1	28.8	5.9	5.4	16.4	18.7	19.8
Sun Pharma	Buy	703	850	21	27.4	35.1	42.2	25.7	20.0	4.9	4.1	20.0	22.3	22.4
Syngene Intl	Not Rated	522	-		13.0	16.1	18.0	40.1	32.4	8.1	6.6	22.2	22.5	20.7
Torrent Pharma	Buy	1,412	1,700	20	56.8	76.3	93.4	24.9	18.5	6.0	4.9	26.0	29.2	29.6
Aggregate								26.7	21.3	4.8	4.0	17.9	18.9	19.3
Logistics														
Allcargo Logistics	Buy	166	191	15	9.5	11.1	12.5	17.6	15.0	2.4	2.1	12.0	14.9	15.0
Blue Dart	Not Rated	5,039	-		102.5	129.9	163.2	49.1	38.8	21.8	16.6	50.5	48.6	46.8
Concor	Neutral	1,252	1,309	5	36.0	45.8	50.0	34.8	27.4	2.9	2.7	8.6	10.3	10.6
Gateway Distriparks	Buy	254	314	24	8.8	15.7	20.1	29.1	16.2	2.2	2.0	7.6	12.9	15.3
Gati	Not Rated	140	-		8.4	15.9	23.9	16.7	8.8	2.3	2.0	12.4	19.4	25.4
Transport Corp.	Not Rated	218	-		16.9	21.0	25.9	12.9	10.4	2.0	1.7	16.7	17.8	18.6
Aggregate								31.0	23.5	3.4	3.1	11.0	13.3	14.3
Media														
Dish TV	Buy	107	115	8	1.7	3.2	4.8	63.4	33.9	20.3	12.7	38.2	46.1	44.7
D B Corp	Buy	379	450	19	21.1	23.9	27.4	18.0	15.9	4.6	4.1	27.0	27.1	27.5
Den Net.	Neutral	81	75	-7	-3.6	1.9	7.7	NM	43.6	0.9	0.9	-4.1	2.1	8.1
Hathway Cab.	Buy	38	47	23	-2.4	-0.8	0.4	NM	NM	2.9	3.1	-16.6	-6.1	3.3
Hind. Media	Buy	285	355	25	26.5	29.4	33.2	10.8	9.7	1.9	1.6	19.3	17.8	16.9
HT Media	Neutral	82	85	4	8.0	8.2	8.7	10.1	10.0	0.7	0.7	7.7	7.1	7.0
Jagran Prak.	Buy	175	215	23	10.8	12.2	13.9	16.2	14.3	3.2	2.8	20.7	20.6	20.4
PVR	Buy	1,426	1,533	8	20.8	35.7	56.8	68.6	39.9	7.0	6.1	10.6	16.3	22.0
Siti Net.	Neutral	38	40	5	-0.9	2.7	1.2	NM	14.0	4.0	2.7	-10.2	23.5	11.2
Sun TV	Neutral	755	735	-3	25.1	29.7	34.5	30.1	25.4	7.5	6.9	25.1	27.3	29.0
Zee Ent.	Buy	518	600	16	12.2	17.6	20.9	42.4	29.4	10.0	8.1	31.3	30.3	29.3
Aggregate								35.0	25.3	6.1	5.2	17.3	20.6	21.7
Metals														
Hindalco	Buy	194	240	23	17.2	22.9	25.6	11.3	8.5	1.7	1.5	16.1	18.8	17.7
Hind. Zinc	Neutral	323	307	-5	19.8	28.2	29.5	16.3	11.4	3.2	2.6	20.9	25.2	22.0



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
JSPL	Buy	120	180	50	-23.9	-17.5	-2.2	NM	NM	0.3	0.3	-8.0	-4.5	-0.6
JSW Steel	Buy	187	226	21	13.6	19.0	19.4	13.7	9.8	2.1	1.8	16.4	19.6	17.1
Nalco	Buy	75	83	11	3.6	5.3	5.5	20.9	14.0	1.4	1.3	6.9	9.7	9.3
NMDC	Buy	137	179	31	12.2	12.3	12.9	11.2	11.1	1.8	1.7	13.5	15.6	15.0
SAIL	Sell	62	28	-55	-8.7	-14.2	-1.3	NM	NM	0.7	0.9	-9.6	-17.9	-1.8
Vedanta	Neutral	267	279	5	18.9	31.1	33.1	14.1	8.6	1.5	1.4	11.7	17.1	16.4
Tata Steel	Sell	493	401	-19	17.4	43.8	51.4	28.4	11.3	4.0	3.1	12.6	31.3	28.9
Aggregate								20.0	13.2	1.5	1.4	7.4	10.5	12.2
Oil & Gas														
BPCL	Buy	650	778	20	56.6	55.5	60.0	11.5	11.7	3.0	2.5	27.5	23.4	21.8
Cairn India	Neutral	296	-		14.0	12.5	12.8	21.2	23.7	1.1	1.1	5.3	4.6	4.6
GAIL	Neutral	381	335	-12	23.9	28.5	31.0	16.0	13.4	1.9	1.8	14.1	13.7	13.7
Gujarat St. Pet.	Neutral	159	163	3	8.8	11.0	13.2	18.0	14.4	2.1	1.8	12.0	13.5	14.5
HPCL	Buy	518	620	20	53.8	45.0	46.2	9.6	11.5	2.6	2.2	27.9	20.7	18.7
IOC	Buy	373	458	23	43.5	39.9	41.7	8.6	9.4	2.1	1.8	25.9	20.7	19.1
IGL	Neutral	1,005	1,032	3	43.0	42.6	49.9	23.4	23.6	4.9	4.2	22.1	19.3	19.4
MRPL	Neutral	102	114	12	12.9	12.7	13.9	7.9	8.0	2.2	1.8	31.0	24.7	22.5
Oil India	Buy	333	382	15	27.5	39.0	39.8	12.1	8.5	1.1	1.0	9.5	12.7	12.1
ONGC	Neutral	192	204	6	12.6	21.1	21.0	15.3	9.1	1.3	1.3	8.7	14.4	14.2
PLNG	Buy	397	460	16	22.8	26.9	36.6	17.4	14.7	3.9	3.3	24.4	24.2	27.4
Reliance Ind.	Neutral	1,286	1,240	-4	100.2	115.1	122.7	12.8	11.2	1.4	1.3	11.7	12.1	11.7
Aggregate								12.6	10.9	1.7	1.5	13.2	13.9	13.5
Retail														
Jubilant Food	Neutral	1,081	1,008	-7	12.8	22.4	29.9	84.3	48.3	8.8	9.6	10.4	19.9	25.1
Shopper's Stop	Neutral	342	300	-12	4.1	8.0	12.6	83.6	42.7	3.4	3.1	4.2	7.7	11.0
Titan Co.	Neutral	448	420	-6	9.2	9.7	11.2	48.5	46.3	9.6	8.4	21.2	19.3	19.7
Aggregate								52.5	46.0	8.5	7.7	16.2	16.8	18.1
Technology														
Cyient	Buy	473	600	27	32.8	39.1	43.3	14.4	12.1	2.3	2.0	15.7	16.5	16.2
HCL Tech.	Buy	871	1,000	15	58.1	65.1	70.6	15.0	13.4	3.8	3.7	27.3	27.7	27.8
Hexaware	Neutral	221	220	0	13.7	15.3	15.9	16.1	14.4	3.9	3.3	26.5	25.0	22.2
Infosys	Buy	1,032	1,250	21	62.8	67.8	74.4	16.4	15.2	3.4	3.1	23.2	22.5	22.3
KPIT Tech	Neutral	132	150	14	11.7	13.8	15.3	11.3	9.6	1.7	1.4	14.0	15.9	15.1
L&T Infotech	Buy	689	800	16	54.2	57.5	62.3	12.7	12.0	4.8	4.0	41.8	36.2	32.8
Mindtree	Neutral	469	530	13	25.1	33.7	38.1	18.7	13.9	3.1	2.8	17.1	21.0	21.1
Mphasis	Neutral	603	550	-9	42.6	41.4	45.0	14.2	14.6	2.2	2.0	14.1	14.4	14.8
NIIT Tech	Neutral	421	470	12	38.2	49.3	51.9	11.0	8.5	1.5	1.3	14.2	16.5	15.5
Persistent Sys	Neutral	603	730	21	38.9	46.2	52.6	15.5	13.1	2.5	2.3	17.5	18.9	20.6
Tata Elxsi	Buy	1,500	1,780	19	59.3	72.1	89.0	25.3	20.8	9.7	7.7	42.5	41.3	40.8
TCS	Neutral	2,427	2,550	5	135.6	146.5	159.2	17.9	16.6	5.7	5.7	33.9	33.4	33.3
Tech Mah	Buy	474	580	22	32.5	36.7	41.5	14.6	12.9	2.7	2.4	20.1	20.0	19.7
Wipro	Neutral	513	540	5	33.4	37.2	41.7	15.3	13.8	2.5	2.2	17.0	17.0	17.3
Zensar Tech	Buy	917	1,250	36	68.6	85.0	93.3	13.4	10.8	2.5	2.1	20.0	21.1	19.8
Aggregate								16.7	15.5	4.0	3.7	23.7	24.0	23.1
Telecom														
Bharti Airtel	Buy	340	410	20	11.3	7.7	11.8	30.1	44.5	2.0	1.9	6.7	4.3	6.4
Bharti Infratel	Buy	310	435	40	15.6	16.7	19.9	20.0	18.6	3.2	2.9	15.7	15.9	16.7
Idea Cellular	Buy	91	120	32	-3.1	-13.2	-14.0	NM	NM	1.3	1.6	-4.4	-21.4	-28.5
Tata Comm	Buy	730	811	11	8.5	31.4	44.8	85.8	23.2	-92.5	31.1	-75.4	402.2	97.6
Aggregate								38.0	109.2	2.2	2.2	5.8	2.0	4.0
Utilities														
Coal India	Neutral	298	315	6	17.2	20.0	22.5	17.4	14.9	6.1	6.1	35.2	41.0	46.0
CESC	Buy	828	970	17	50.2	74.5	82.1	16.5	11.1	1.9	1.6	11.0	15.8	15.2
JSW Energy	Buy	62	81	31	3.7	3.0	1.2	16.8	20.6	1.2	1.1	7.0	5.6	2.2
NTPC	Buy	164	199	21	12.0	14.3	17.3	13.7	11.5	1.4	1.3	10.8	11.9	13.3



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			P/E (x)		P/B (x)		ROE (%)		
					FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY19E
Power Grid	Buy	194	243	25	15.3	17.7	20.7	12.6	10.9	2.1	1.8	17.4	17.5	17.7
Aggregate								14.6	12.4	2.3	2.1	15.8	17.1	18.0
Others														
Arvind	Buy	391	430	10	13.5	21.8	28.6	28.9	18.0	2.7	2.4	10.4	14.0	16.3
Bata India	Buy	539	483	-10	10.9	14.2	17.7	49.6	38.0	5.4	4.9	11.3	13.4	15.0
Castrol India	Buy	419	510	22	13.6	13.8	14.6	30.7	30.3	32.3	29.2	110.9	101.4	97.0
Century Ply.	Buy	248	211	-15	4.6	8.8	11.3	54.2	28.2	9.4	7.6	18.2	29.8	30.7
Coromandel Intl	Under Review	317	-		16.3	20.0	25.5	19.5	15.9	3.4	3.0	18.5	20.4	22.8
Delta Corp	Buy	177	229	29	3.3	6.9	7.6	54.3	25.8	4.7	3.5	9.0	15.7	17.0
Dynamatic Tech	Buy	2,864	3,388	18	67.6	112.9	166.7	42.4	25.4	5.8	4.8	15.1	20.7	24.3
Eveready Inds.	Buy	249	287	15	12.4	13.9	16.9	20.1	17.9	6.7	5.4	37.8	33.1	32.5
Interglobe	Neutral	1,020	1,010	-1	39.3	54.1	72.2	26.0	18.9	17.9	15.6	72.8	88.1	101.2
Indo Count	Buy	203	205	1	13.7	17.1	20.6	14.9	11.9	4.3	3.1	33.8	30.2	26.8
Info Edge	Buy	823	1,075	31	16.9	19.0	21.9	48.6	43.3	5.2	4.8	11.1	11.5	12.3
Inox Leisure	Sell	250	207	-17	2.5	8.2	11.5	100.0	30.6	3.9	3.5	3.8	11.5	14.3
Jain Irrigation	Under Review	95	-		5.5	7.6	10.0	17.2	12.5	1.5	1.4	8.6	11.7	14.8
Just Dial	Buy	573	443	-23	17.2	18.5	22.1	33.4	31.0	5.1	4.5	16.5	15.5	16.2
Kaveri Seed	Neutral	560	577	3	23.4	28.6	36.1	23.9	19.6	4.0	3.7	17.3	19.8	22.9
Kitex Garm.	Buy	422	551	31	26.0	31.0	36.7	16.2	13.6	4.4	3.5	29.9	28.7	27.7
Manpasand	Buy	718	843	17	14.9	23.1	38.3	48.1	31.0	3.5	3.2	8.6	9.6	16.3
MCX	Buy	1,216	1,400	15	28.3	40.8	54.3	42.9	29.8	4.7	4.3	11.4	15.2	18.5
Monsanto	Under Review	2,501	-		72.9	89.3	109.3	34.3	28.0	10.4	9.7	30.4	35.9	39.6
PI Inds.	Buy	854	1,046	22	30.4	34.8	43.6	28.1	24.5	7.7	6.2	30.9	27.9	27.8
Piramal Enterp.	Buy	1,859	2,200	18	74.5	127.1	164.7	25.0	14.6	2.4	2.2	10.0	15.7	18.2
SRF	Buy	1,593	1,825	15	82.4	99.9	125.1	19.3	15.9	3.0	2.6	16.5	17.4	19.1
S H Kelkar	Buy	305	371	22	7.5	10.1	13.3	40.8	30.1	5.3	4.7	13.5	16.6	19.1
Symphony	Sell	1,518	1,053	-31	27.0	35.1	42.9	56.2	43.2	30.6	26.0	56.8	65.0	66.3
TTK Prestige	Neutral	5,806	5,326	-8	107.8	139.9	178.6	53.9	41.5	8.6	7.8	16.6	19.7	22.4
V-Guard	Neutral	169	125	-26	3.7	4.6	5.4	45.7	36.9	12.1	9.7	29.4	29.1	27.6
Wonderla	Buy	382	393	3	7.0	11.9	16.0	54.7	32.0	5.0	4.5	9.5	14.8	17.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	-0.4	3.7	-2.8
Ashok Ley.	0.1	-3.6	-17.6
Bajaj Auto	-0.6	1.2	20.9
Bharat Forge	0.8	-5.1	14.5
Bosch	-0.2	4.3	13.5
CEAT	-0.2	14.1	22.8
Eicher Mot.	0.0	-2.1	31.4
Endurance Tech.	-0.8	5.9	
Escorts	-0.5	25.5	277.4
Exide Ind	-0.4	1.2	58.8
Hero Moto	0.3	6.3	17.6
M&M	0.2	-2.5	2.1
Mahindra CIE	-2.4	-0.9	2.3
Maruti Suzuki	-0.1	-0.5	60.7
Tata Motors	-0.3	1.8	24.8
TVS Motor	0.1	-1.2	38.4
Banks - Private			
Axis Bank	0.2	-7.3	11.8
DCB Bank	0.8	8.5	118.5
Equitas Hold.	-0.5	-11.8	
Federal Bank	1.7	6.7	80.5
HDFC Bank	-0.4	2.2	35.8
ICICI Bank	2.9	-3.4	17.3
IDFC Bank	0.8	-2.7	29.0
IndusInd	0.5	3.7	49.8
J&K Bank	-1.6	-3.1	22.8
Kotak Mah. Bk	1.0	8.6	33.1
RBL Bank	-1.4	7.9	
South Indian	0.7	-1.0	26.6
Yes Bank	0.8	5.8	80.3
Banks - PSU			
BOB	4.3	0.5	17.4
BOI	5.0	4.2	37.3
Canara	3.9	0.7	57.9
IDBI Bk	0.3	-7.5	6.8
Indian Bk	0.2	-9.3	148.5
OBC	6.5	15.9	57.9
PNB	4.1	0.6	66.7
SBI	2.8	2.1	40.3
Union Bk	3.3	6.7	20.1
NBFCs			
Bajaj Fin.	-0.3	10.4	71.5
Bharat Fin.	0.1	-3.2	58.9
Dewan Hsg.	0.8	9.4	90.9
GRUH Fin.	1.6	0.8	56.2
HDFC	0.4	5.6	25.7
Indiabulls Hsg	2.6	10.7	48.7
LIC Hsg Fin	0.2	6.0	25.5
Manappuram	3.3	-2.1	177.5
M&M Fin.	2.2	10.1	33.7
Muthoot Fin	-1.0	-0.9	97.0
PFC	1.6	7.6	68.6
Repco Home	-1.4	0.9	13.4
REC	4.4	9.8	106.8
STF	-0.1	10.2	13.7
Shriram City Union	4.4	8.5	38.0

Company	1 Day (%)	1M (%)	12M (%)
Capital Goods			
ABB	0.1	-0.5	-0.8
Bharat Elec.	-0.9	3.2	29.7
BHEL	-0.5	8.9	43.5
CG Cons. Elec.	2.0	-1.1	
CG Power & Inds Sol.	3.8	14.3	60.8
Cummins	1.6	4.5	5.1
GE T&D	-1.5	3.3	-22.2
Havells	-1.3	9.1	46.6
Inox Wind	0.2	-2.9	-35.1
K E C Intl	9.4	25.9	73.0
L&T	0.3	4.4	24.9
Pennar Eng.	-1.9	7.6	-18.4
Siemens	0.3	3.3	13.7
Solar Ind	1.0	0.9	9.8
Suzlon Energy	-0.3	4.7	41.0
Thermax	-0.2	6.8	19.4
Va Tech Wab.	7.5	20.3	24.3
Voltas	0.6	8.9	44.2
Cement			
Ambuja Cem.	-1.1	-0.7	0.9
ACC	-0.5	-2.9	1.8
Birla Corp.	-0.8	-0.7	83.2
Dalmia Bharat	0.4	0.2	138.2
Grasim Inds.	-3.0	3.6	40.3
India Cem	-0.2	-5.0	83.7
JK Cements	0.2	0.7	40.3
JK Lakshmi Ce	-1.7	9.7	28.5
Ramco Cem	-1.5	-1.0	57.4
Orient Cem	0.0	-13.1	-12.6
Prism Cem	-0.1	3.4	21.9
Shree Cem	0.5	-0.9	30.1
Ultratech	-0.1	4.8	24.2
Consumer			
Asian Paints	0.4	5.7	25.4
Britannia	0.3	2.2	21.3
Colgate	-0.2	9.6	16.5
Dabur	-0.1	4.4	13.1
Emami	-0.6	-4.7	10.5
Godrej Cons.	-1.8	-0.2	28.3
GSK Cons.	-2.4	0.0	-12.5
HUL	-0.2	4.8	3.1
ITC	1.1	5.8	30.0
Jyothy Lab	-0.1	-5.8	23.7
Marico	-0.2	8.2	20.8
Nestle	0.3	-0.4	20.5
Page Inds	-0.6	4.6	28.8
Parag Milk	0.7	1.6	
Pidilite Ind.	-0.7	0.1	14.9
P&G Hygiene	0.1	-1.1	9.4
United Brew	0.3	-1.5	-7.3
United Spirits	1.0	-4.6	-14.9
Healthcare			
Alembic Phar	1.1	5.4	-1.1
Alkem Lab	1.3	6.7	63.0
Ajanta Pharma	-0.5	7.3	30.3
Aurobindo	0.2	3.1	-8.6
Biocon	1.0	2.5	146.3



Company	1 Day (%)	1M (%)	12M (%)
Cadila	-0.2	3.8	39.3
Cipla	-0.6	0.3	11.4
Divis Lab	0.0	-16.8	-35.7
Dr Reddy's	-0.3	-9.2	-13.9
Fortis Health	0.3	-9.6	-2.3
Glenmark	-0.6	-5.0	7.9
Granules	0.3	6.6	12.8
GSK Pharma	-0.1	3.3	-25.2
IPCA Labs	2.4	8.5	-1.8
Lupin	-0.4	2.1	-2.7
Sanofi India	1.0	12.4	12.0
Sun Pharma	-0.1	4.1	-16.9
Syngene Intl	-0.8	1.6	36.1
Torrent Pharma	-1.5	9.0	1.0
Logistics			
Allcargo Logistics	0.8	1.3	6.7
Blue Dart	-1.6	18.4	-18.7
Concor	0.4	5.3	2.6
Gateway Distriparks	-0.8	0.8	-5.7
Gati	-1.0	13.5	28.6
Transport Corp.	0.0	6.1	29.1
Media			
Dish TV	-1.0	14.4	28.8
D B Corp	-0.4	-0.3	23.7
Den Net.	-0.4	1.4	-8.4
Hathway Cab.	0.5	7.3	5.8
Hind. Media	-0.6	5.2	14.9
HT Media	0.3	-2.0	3.4
Jagran Prak.	2.0	-5.4	12.8
PVR	0.8	13.6	99.8
Siti Net.	0.5	0.9	7.7
Sun TV	0.6	7.1	103.9
Zee Ent.	-1.1	-0.1	33.4
Metals			
Hindalco	0.3	6.7	113.0
Hind. Zinc	0.8	6.8	90.4
JSPL	-4.5	2.6	92.5
JSW Steel	0.0	0.2	49.7
Nalco	1.1	13.8	94.0
NMDC	1.2	-3.5	34.5
SAIL	0.6	3.7	37.9
Vedanta	0.5	1.7	175.7
Tata Steel	-0.5	1.7	55.8
Oil & Gas			
BPCL	-0.7	-9.3	49.8
Cairn India	-0.9	3.4	87.0
GAIL	1.2	-1.7	42.7
Gujarat St. Pet.	-0.3	1.0	17.7
HPCL	-0.7	-9.3	107.4
IOC	-1.0	-3.2	89.7
IGL	0.4	-2.8	81.9
MRPL	0.1	-4.1	60.2
Oil India	0.2	1.8	39.9
ONGC	-0.6	-1.9	34.2
PLNG	0.8	-1.1	58.0
Reliance Ind.	0.9	8.8	25.0
Retail			
Jubilant Food	-0.7	7.4	-12.3

Company	1 Day (%)	1M (%)	12M (%)
Shopper's Stop	7.1	8.3	-3.6
Titan Co.	-0.9	3.5	27.1
Technology			
Cyient	-0.2	0.2	10.4
HCL Tech.	-0.5	3.4	6.5
Hexaware	-1.1	0.2	-17.6
Infosys	-0.8	2.3	-14.6
KPIT Tech	0.2	-4.3	-7.9
L&T Infotech	0.4	-3.3	
Mindtree	-0.8	-0.2	-27.9
Mphasis	0.6	2.7	20.8
NIIT Tech	1.7	0.1	-16.6
Persistent Sys	-0.3	-3.4	-17.0
Tata Elxsi	-0.3	2.0	-22.4
TCS	-1.3	-2.2	-1.9
Tech Mah	-1.6	-5.7	-1.1
Wipro	0.6	5.6	-7.8
Zensar Tech	-0.5	-1.0	7.1
Telecom			
Bharti Airtel	0.6	-7.0	-5.1
Bharti Infratel	-1.0	4.1	-19.4
Idea Cellular	-0.8	-24.1	-13.6
Tata Comm	-0.5	-1.6	94.7
Utilites			
Coal India	0.8	-9.3	0.2
CESC	-0.6	-3.3	75.3
JSW Energy	0.9	-1.4	-11.9
NTPC	-0.1	-0.7	28.9
Power Grid	0.4	-2.7	41.2
Others			
Arvind	0.6	5.2	41.8
Bata India	-0.8	8.3	6.2
Castrol India	0.0	0.2	11.8
Century Ply.	-0.8	9.5	47.1
Coromandel Intl	-0.1	-4.7	74.0
Delta Corp	-0.6	29.8	180.2
Dynamatic Tech	-1.2	-3.0	67.7
Eveready Inds.	1.3	-0.8	4.0
Interglobe	4.5	21.8	13.8
Indo Count	3.3	27.4	10.8
Info Edge	-0.5	-3.1	8.1
Inox Leisure	0.2	5.0	28.2
Jain Irrigation	1.3	1.5	68.9
Just Dial	0.3	7.0	-22.5
Kaveri Seed	1.5	23.1	47.8
Kitex Garm.	0.5	-1.1	3.6
Manpasand	-0.6	4.0	55.6
MCX	-0.2	6.6	43.0
Monsanto	-0.6	0.9	37.6
PI Inds.	-0.1	-0.3	48.2
Piramal Enterp.	-1.1	-0.4	88.8
SRF	0.0	2.6	27.7
S H Kelkar	-1.4	4.2	28.3
Symphony	2.5	17.6	26.2
TTK Prestige	-0.2	8.6	32.7
V-Guard	-0.6	11.1	175.7
Wonderla	1.1	2.7	1.6

REPORT GALLERY

RECENT INITIATING COVERAGE REPORTS

MOTILAL OSWAL

Initiating Coverage | 23 March 2017
Sector: Entertainment
Delta Corp

Favorable odds

Chetan Modi (chetan.modi@motilaloswal.com) +91 22 3982 5422
Nikhil Shah (nikhil.shah@motilaloswal.com) +91 22 3982 5424

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MOTILAL OSWAL

Initiating Coverage | 17 March 2017
Sector: Healthcare
Ajanta Pharma

Promising growth trajectory

Domestic: Aggressive launches, improving MR productivity
USA: Healthy pipeline, manufacturing capacity, front end

Tushar Manuohare (tushar.manuohare@motilaloswal.com) +91 22 3920 2498
Sonal Bhutra (sonal.bhutra@motilaloswal.com) +91 22 3982 5558

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 17 February 2017
Sector: Pharmaceuticals
Piramal Enterprises

Winner's Edge

Shash Mittal (shash.mittal@motilaloswal.com) +91 22 3925 5111 / Anurag Sankhla (anurag.sankhla@motilaloswal.com) +91 22 3925 5101
Anish Chopra (anish.chopra@motilaloswal.com) +91 22 3925 5111 / Pooja Engineer (pooja.engineer@motilaloswal.com) +91 22 3925 5101

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MOTILAL OSWAL

Initiating Coverage | 16 February 2017
Sector: Automobiles
CEAT

Well balanced

Nikhil Shah (nikhil.shah@motilaloswal.com) +91 22 3982 5426
Chetan Modi (chetan.modi@motilaloswal.com) +91 22 3982 5422

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/InstitutionalEquities, Bloomberg, Thomson Reuters, Factset and I&P Capital.

MOTILAL OSWAL

Initiating Coverage | 30 December 2016
Sector: Consumer Product
SH Kelkar

Adding flavor to fragrance

Chetan Modi (chetan.modi@motilaloswal.com) +91 22 3982 5422
Nikhil Shah (nikhil.shah@motilaloswal.com) +91 22 3982 5426, Chirvan Dasa (chirvan.dasa@motilaloswal.com) +91 22 3929 2425

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MOTILAL OSWAL

Initiating Coverage | 16 December 2016
Sector: Automobile
Endurance Technologies

Gaining ground

Venil Shah (venil.shah@motilaloswal.com) +91 22 6129 1534
Bhaskar Ganesh (bhaskar.ganesh@motilaloswal.com) +91 22 6129 1534 / Aditya Vora (aditya.vora@motilaloswal.com)

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MOTILAL OSWAL

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

Proficient miner

Sagar Lata (sagar.lata@motilaloswal.com) +91 22 3982 5585
Anish Chopra (anish.chopra@motilaloswal.com) +91 22 3982 5424

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MOTILAL OSWAL

Initiating Coverage | 10 November 2016
Sector: Financials
RBL Bank

A unique model - on a fast lane

Strong growth
Improving return profile
Investment phase

Sankal Mishra (sankal.mishra@motilaloswal.com) +91 22 3982 5505
Ajaykumar Mishra (ajaykumar.mishra@motilaloswal.com) +91 22 3982 5424

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MOTILAL OSWAL

Initiating Coverage | 10 November 2016
Sector: Utilities
CESC

Best fully integrated power DISCOM

Steady growth high RoE
Robust utility business
Do-diverged balance sheet
Distribution privatization
Growth at Fibrecore
Etarival PPA
Sponsor involvement

Divya Muthal (divya.muthal@motilaloswal.com) +91 22 6129 1549
Srinjay Jain (srinjay.jain@motilaloswal.com) +91 22 6129 1523

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DIFFERENTIATED PRODUCT GALLERY

MOTILAL OSWAL

SUN PHARMACEUTICAL

Our research team into annual report season highlights several performance highlights from Sun Pharma's 2016-17 annual report. Revenue grew by 23% to INR 2,450 crore, with gross margin expansion. Key highlights include:

- Operating cash flow and net income increased by 40% and 35% respectively, primarily due to improved working capital management.
- Operating leverage improved to 1.1x, indicating that operating income is growing faster than revenue.
- Operating leverage improved to 1.1x, indicating that operating income is growing faster than revenue.

ANNUAL REPORT TREADBARE

The ART of Trends to watch in 2017

Key takeaways from the annual report:

- Operating leverage improved to 1.1x, indicating that operating income is growing faster than revenue.
- Operating leverage improved to 1.1x, indicating that operating income is growing faster than revenue.

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CornerOffice

Democratization & monetization: Look for India's largest bank

Key takeaways from the annual report:

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VOICES

India Inc on Call

Key takeaways from the annual report:

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MOTILAL OSWAL

EcoKnowledge

Identify data confirms 6.5% growth is for real in India

Key takeaways from the annual report:

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BULLS & BEARS

INDIA VALUATION HANDBOOK

Key takeaways from the annual report:

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- Operating leverage improved to 1.1x, indicating that operating income is growing faster than revenue.

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FUND FOLIO

Indian Mutual Fund Tracker

Key takeaways from the annual report:

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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@motilalosal.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@motilalosal.com