

Q4FY16 Results Review

Stronger results aided by recovery in sales

Please click on sector to read:

Agrochemicals & Fertiliser	Construction & Infrastructure	Media & Entertainment	Power
Automobiles	Consumer	Metals & Mining	Retail
Banks & Fin. Services	Eng. & Capital Goods	Oil & Gas	Telecommunications
Cement	IT Services	Pharmaceuticals	Others

Dhananjay Sinha

Head of Research and Strategist
+91 22 6624 2435
dhananjay.sinha@emkayglobal.com

Top Picks and Surprises

Sector	Top Picks
Agri-input and Chemicals	DCM Sriram and Coromandel
Automobiles	Tata Motors and Eicher Motors
Banks & Fin. Services	HDFC Bank, IndusInd Bank, Cholamandlam & Mahindra Finance
Cement	Ultra Tech and Shree Cement
Construction & Infrastructure	Adani Ports and Ahluwalia Construction
Consumer	Pidilite and Britannia
Eng. & Capital Goods	Cummins India and TD Power
IT Services	Tech Mahindra and NIIT Tech
Media & Entertainment	Dish TV & ZEE Entertainment
Metals & Mining	Coal India and Hindalco
Oil & Gas	OMC's and Reliance Industries
Pharmaceuticals	Aurobindo Pharma and Sun Pharma
Power	Power Grid and GIPCL
Retail	PC Jewellers and Shoppers Stop
Telecommunications	Bharti Infratel

Positive Surprises	Negative Surprises
ACC	Alstom T&D
Adani Ports	Bayer CropScience
Apar Industries	Blue Star
Ashoka Buildcon	Federal Bank
Coromandel International	GSFC
DCM Shriram	HSIL
Glenmark Pharma	ICICI Bank
IL&FS Transportation	Indian Oil
JK Cement	Insecticides India
KNR Construction	MOIL
Larsen & Toubro	PC Jeweller
Mahindra Finance	Shriram City Union Finance
Mangalam Cement	Shriram Transport Finance
National Aluminium Co	TD Power Systems
NCC	Union Bank of India
OCL India	
Oil India	
ONGC	
PI Industries	
Rallis India	
Ramco Cements	
Sadbhav Engineering	
Sharda Cropchem	
Somany Ceramics	
Symphony	
Tata Chemicals	
Tata Motors	
Voltas	

Stronger results aided by recovery in sales

- **Q4FY16 earnings rebound:** After 5 quarters of contraction, sales growth turned positive in Q4 to 5.6% (ex oil & financials) for Sensex and Nifty companies. Recovery in sales is attributable to higher commodity prices, depreciation INR, higher government spending and lower base. Earnings growth for Sensex and Nifty companies also rebounded to 22.5% and 23.2% respectively. Operating profit margin for Sensex and Nifty companies rose sharply by 287bp and 259bp respectively due to better sales growth and lagged impact of lower raw material cost. Despite sharp increase in tax outflow (26.1% and 11.6%) and decline in other income (-12.3% and 1.6%) for Sensex and Nifty companies respectively, the profit growth improved substantially.
- Automobiles, Agri input & chemicals and Media & Entertainment sectors performed strongly in APAT while infrastructure related sectors such as Engineering & Capital goods and Metals & Mining continued to be a drag. This mimics the 1.9% contraction in gross fixed capital formation as reported in the GDP data for Q4FY16.
- **Sales growth for Emkay Universe** was robust (ex banking & oil) at 8.4% YoY. Robust sales growth came from Power, Automobiles and Construction & Infrastructure. Whereas Metals and Capital goods sales growth declined.
- **Margins still lower for Emkay Universe:** Operating margins (EBITDA) expanded 63bp YoY for Emkay Universe (ex Oil & financials) resulting in 12.1%YoY growth in EBITDA. APAT growth for Emkay Universe grew by 11.7% YoY that is relatively softer as compared to Sensex and Nifty companies. Core earnings for Emkay Universe (ex top and bottom 5) stood at 12.2%, indicating less skewness. Overall, Q4FY16 saw a negative surprise of 17% and 89bps on APAT and EBIDTA margin respectively.
- **Strong and weak earnings:** Tata motors, Torrent Pharma, Grasim, JSW Steel and Ashok Leyland were better performing companies. At the bottom of the table were Indian Oil, ICICI Bank, SBI, BHEL and Federal Bank.
- **Higer provisioning worsened the quarter for Banking:** Similar to the previous quarter, NII growth for Emkay's banking universe was subdued which was concentrated from private banks' NII, while that for PSU banks was flat. Overall, the operating performance for the quarter for private banks was in-line with expectations, however, higher provisioning costs led to lower than expected bottom line growth for most private banks. Compelled to recognize weak assets as NPAs and create adequate provisions to cover them, all PSU banks and few large private banks reported a sharp drop in net profits.

...Stronger results aided by recovery in sales

■ Emkay Universe has undergone 115 earning changes for FY17E, with 73 downgrades and 42 upgrades

- **Large-cap earnings changes:** The key large-cap upgrades were JSW Steel (119%), Vedanta (38%), Idea (24%), Bharti Airtel (23%) and HPCL (14%). The key-large cap downgrades were PNB (-35%), Sun Pharma (-20%), BHEL (-17%), Titan (-16%) and Cummins India (-14%)
- **Mid-cap earnings changes:** The highest upgrades were seen for Hindalco (10%), Voltas (10%) and Cholamandalam Finance (9%). Sharp downgrades were witnessed for Canara Bank (-58%), BOI (-49%) and Alstom T&D (-35%)
- **Emkay Universe FY18E earnings estimate for have undergone 57 changes, with 24 downgrades and 33 upgrades**

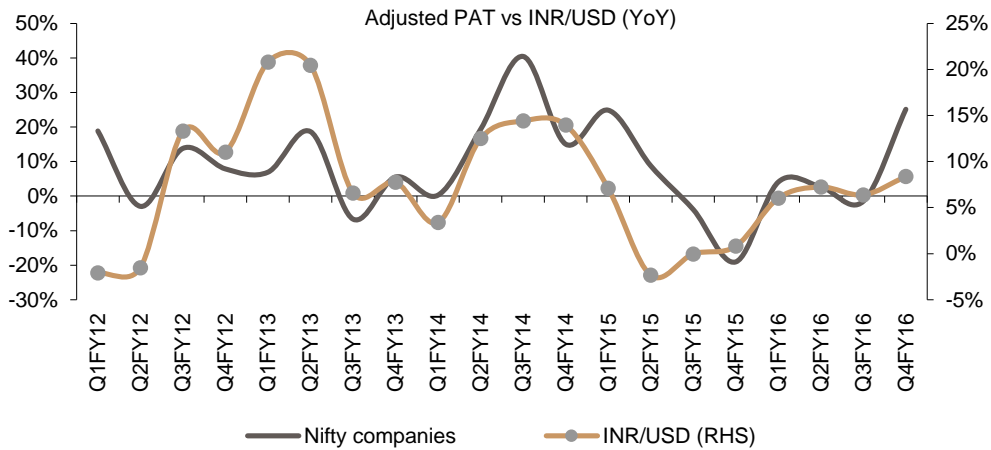
Key rating upgrades: HDFC, Mahindra Finance, Ashoka Buildcon and SKS Microfinance

Key Rating downgrades: Yes Bank, UPL, Tata Chemicals and Chambal Fertilizers

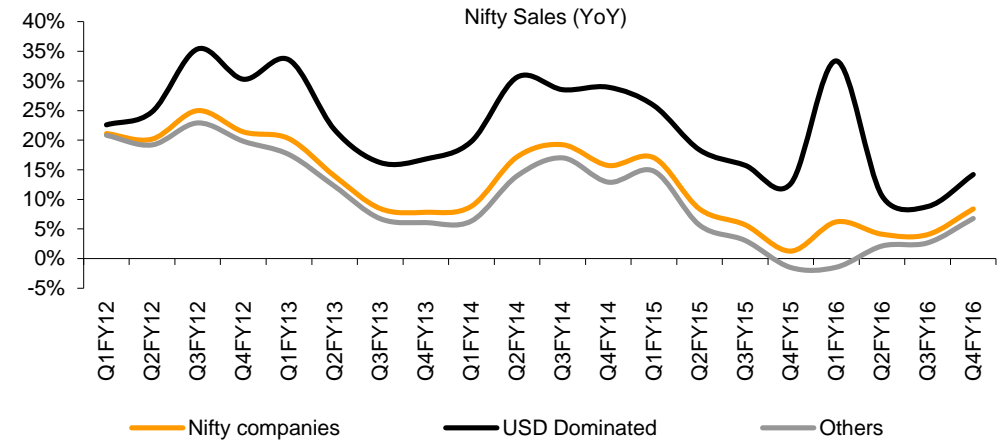
Outlook: We believe, with counter cyclical approaches adopted by the central & state government coupled with RBI supplying substantial liquidity in the system is likely to boost consumption growth and resulting in inflationary pressure. Recent pickup in international commodity prices as well as latent depreciation in the currency will reinforce recovery in sales and inflationary scenario. Given this context, we expect the sales growth to be higher in FY17 especially from the consumption-oriented sectors while margins might come under pressure with rising commodity prices. Hence, even as a sales growth improves, moderation in operating margins will likely moderate profit growth in the coming quarters. Sector/companies that can retain the benefit of sales recovery are those that can compress other expenses e.g. selling & distribution expenses, in a scenario of rising input cost. Similarly, earning can also expand in sectors where sales growth rebounds faster than raw material costs (e.g. services, durables, consumer discretionary). Rising prospects of rural demand from renewed focus of government on rural expenditure and normal monsoon is likely to shift the focus of the consumption-oriented companies towards rural economy. Additionally, slackened private investment activity coupled with lower government capital expenditure is likely to prolong the subdued scenario for capital goods sector in FY17.

Sales improves with INR depreciation and higher inflation

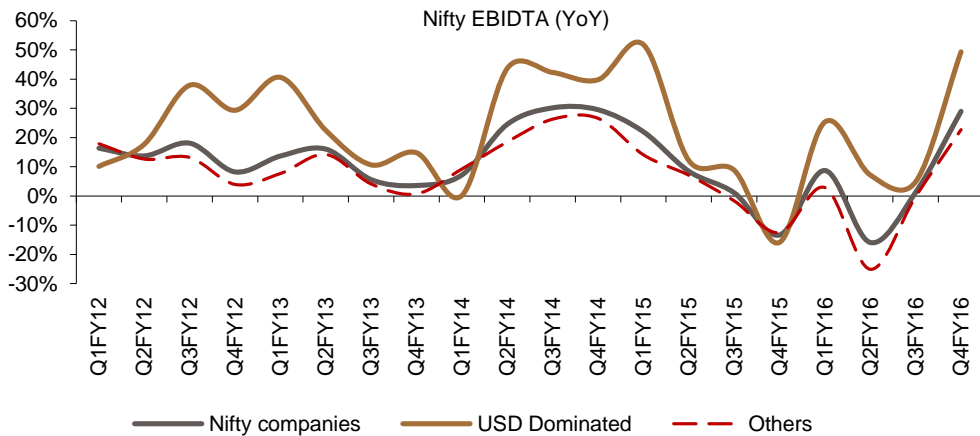
Depreciation in the currency aided APAT growth with a lag



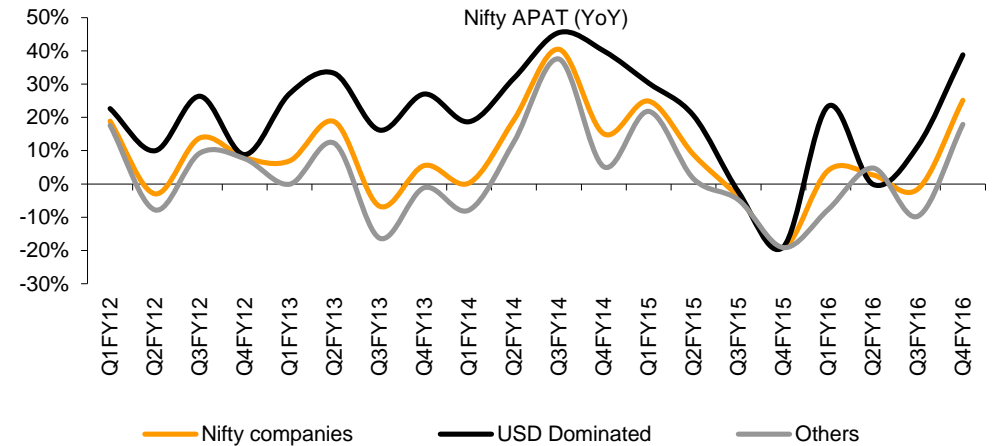
Uptick in sales growth led by rising commodity prices and INR depreciation



Operating margin improves substantially in Q4



APAT growth improves near to 2 year high



Source: Capitaline, Company, Emkay Global

Nifty Companies - Ex Vedanta, BPCL, Reliance Ind, ONGC, Wipro and Banks & Financial Services

Q4FY16 – Sectoral Assessments

- **Agro inputs & Chemicals:** Monsoon forecast by IMD as well as private agencies such as Skymet for the kharif season has been extremely favorable with expectation of above normal monsoon with uniform distribution. Consequently, there has been significant inventory build-up for agri-inputs in the channel in anticipation of a strong demand environment. This led to revenue growth during Q4FY16 for most domestic agri-input players. Key international markets of Latin America, Europe and North America saw increased demand as the sowing season commenced in these regions. Subsequently, companies like UPL (strong presence in Latin America and North America) and Sharda (strong presence in Europe) saw higher than anticipated revenue growth. Despite this, CRAMS segment has seen slower offtake as global clients continued to face headwinds in terms of lower agri-commodity prices and lower farm incomes. Aggregate revenue for agrochemical companies under our coverage increased by a healthy 17% yoy while fertiliser & chemical segment (ex – agrochemicals) sales reported growth of 8% yoy. Most companies in our coverage have seen a sharp run up in stock price in the last quarter subsequent to the announcement of normal monsoon. If the monsoon pans out as predicted, the rally could sustain and there could be a scope for upward revision in our as well as consensus estimates. We maintain our positive bias on DCM Shriram and Coromandel International in the fertiliser space.
- **Automobiles:** Our Auto OEM universe saw a revenue growth of 18% YoY, while Auto Ancillaries universe grew just 5% YoY. Eicher Motors, Ashok Leyland and Tata Motors saw the highest revenue growth in our OEM universe at 47%, 32% and 19% respectively. Except M&M, TVSL and MSIL, all other OEMs in our coverage universe posted >30% YoY EBITDA growth, aided either by soft input costs or operating leverage. Amongst the ancillaries, MSS and Exide posted 17%/12% YoY EBITDA growth. While MSIL and TTMT posted results, which were above estimates, AL, TVSL, AMRJ and APTY disappointed. Management commentaries in the concalls revolved around possibility of demand recovery from H2, benefitting from demand revival in rural sector from an expected good monsoon. While almost all companies saw their gross margins expand in Q4, they expect headwinds from reversal of soft commodity prices. Our top picks in the OEM space remain TTMT (on exciting product pipeline leading to global market share gain), MSIL (play on new launches and demand recovery) and HMCL (a pure demand recovery play as rural sentiments improve on normal monsoons). Amongst the ancillaries, MSS is a strong growth story and remains our preferred pick, followed by AMRJ.

- **Banking & financial services:** Similar to the previous quarter, NII growth for Emkay's banking universe was subdued with yoy growth of 7%, which was primarily driven by an 18% yoy growth in private banks' NII, while that for PSU banks was flat on a yoy basis. Overall, the operating performance for the quarter for private banks was in-line with expectations, however, higher provisioning costs led to lower than expected bottom line growth for most private banks. Advances growth for our coverage universe was also restrained (similar to Q3FY16), with the divergence between PSU banks and private banks increasing further. NIM performance across banks remained sluggish, driven by subdued credit demand and higher interest income reversals. While cost of funds are expected to soften ahead, lower pricing power due to weak credit demand is likely to constrain credit yields and NIMs in coming quarters. Asset quality deterioration continued unabated in Q4FY16. While RBI's AQR related stress recognition was one of the reasons for higher fresh stress addition, additional disclosures related to the watchlist of corporate stressed exposures for private as well as PSU banks, is worrisome. Compelled to recognize weak assets as NPAs and create adequate provisions to cover them, all PSU banks and few large private banks reported a sharp drop in net profits. Except SBI and Union Bank of India, all large PSU banks under coverage reported net losses during the quarter. On the contrary, NBFCs had what could be termed as a good quarter with most asset financing NBFCs reporting stable to improving asset quality (CIFC and MMFS) despite transitioning to more stringent NPL recognition norms by the RBI. Growth though remained slow (except for BAF), doesn't seem to be too much of a worry. Outlook on the asset quality front appears to be more sanguine, although outcome of monsoon will play a crucial role in the same.

... Q4FY16 – Sectoral Assessments

- **Cement:** Sales volume for our coverage universe grew 15.4% yoy/15.7% qoq in Q4FY16 led by strong demand from government projects. As per core industries data, cement production was up 11.4% yoy to 78.2mt in Q4FY16, highest in last 14 quarters. Amongst the large players, Shree Cement's volume grew 29.7% yoy followed by 14% growth for UltraTech. Volume growth for Ambuja/ ACC was at 9.9%/9.3% yoy. Among mid-sized players Orient Cement/JK Lakshmi/OCL India/JK Cement reported volume growth of 40.0%/39.0%/29.4%/13.1%; however, sales volume for Prism/ Mangalam cement was down 9.4%/5.9% yoy. Despite strong demand growth, cement prices were under pressure across India (ex-South) for the quarter (decline of 3.1% yoy). Prices in the East region declined 7.4% yoy largely due to oversupply situation in the region. Drought-like situation in most parts of the West impacted the construction activity and led to price decline of 6.7% yoy. Average realisation for our coverage universe was down 7.2% yoy/3.9% qoq. Lower fuel prices (pet coke and international coal) benefitted all companies and helped 8.6% yoy/8.1% qoq decline in opex/t for our coverage universe. However, decline in realization led to 4.5% yoy (+16.7% qoq) decline in average EBIDTA/t for our coverage companies. Ramco Cement reported highest EBITDA/tn of Rs1,467 amongst our coverage companies followed by Rs1,186 by OCL India. We expect demand to improve post monsoon which along with slowing pace of capacity addition would provide better pricing power to cement manufacturers. Our top picks: UltraTech, Shree, Grasim Ind, Orient Cement, JK Cement and OCL India.
- **Consumer:** Contrary to consensus, many FMCG staples have sprung a pleasantly positive surprise in Q4FY16 on volume growth, despite demand headwinds in rural economy, slow moving urban demand and rising competitive intensity. Categories like home care, hair care, oral care, biscuits, beverages, ayurvedic products, etc have reported resilient volume growth. Sustained low commodity inflation has further lend margin support to companies, thereby leaving cushion for increasing ad & promotion spends. There is reasonable hope of uptick in volume growth in FY17 aided by transitional factors like prediction of normalised monsoon, benefits of direct cash transfer and implementation of 7th pay commission. Companies are hopeful of a better H2FY17.
- **Construction & Infrastructure:** Revenue growth and margins were healthy for our universe on the back of better operational performance by road asset developers (IL&FS Transportation) and contractors (NCC, KNR Construction, Ahluwalia Contracts) while port players (Adani Ports, Gujarat Pipavav) exhibited muted performance. Operational profitability improved for the sector, up 149 bps YoY and 237 bps QoQ. We retain our buy recommendation on Adani Ports, IRB Infrastructure, Ashoka Buildcon, Sadbhav Engineering, NCC, J Kumar Infrastructure, Ahluwalia Contracts and KNR Construction.

... Q4FY16 – Sectoral Assessments

- **Engineering & Capital Goods:** Companies in our ECG universe (ex-BHEL) posted muted 1%YoY revenue growth at Rs114bn. Including BHEL, the revenues in our ECG universe dipped by 11%YoY to Rs214bn. Except for Cummins, Voltas, Alstom T&D (ATD), Siemens and Triveni Turbines Ltd (TTL) all other companies in our ECG universe reported decline in EBITDAM. Ex-BHEL, the EBITDAM increased by 30bps YoY to 9.9%. Including BHEL, the EBITDAM declined by 450bps YoY to 7%. The net profits (ex-BHEL) has remained constant at ~ Rs8.3bn; including BHEL, the ECG universe reported net profits of Rs12bn (Net profit of Rs17bn YoY). Order inflows and backlog improved by 37% YoY and 6% YoY to ~Rs252bn and Rs1.5tn respectively.
- **Indian IT Services:** Stabilization in US\$ revenue growth trajectory visible for TWITCH group largely due to abating cross currency headwinds as YoY constant currency growth moderated to 10.3% YoY in Mar'16 quarter V/s 12% YoY growth in Dec'15 quarter. Low double digit YoY growth trajectory continued from North America while performance in Europe was mixed bag in constant currency terms for Tier I IT services players; Growth from BFSI stagnates while revenues from retail and manufacturing depicted uptick. FY16 saw a significant moderation in revenue growth across the sector (with Infosys being the sole exception). In our view, FY17 will be a testing year on the margin front for the sector given-(1) challenges on growth persist, (2) need to make the necessary investments in newer tech areas and (3) likely absence of benefits from INR depreciation. We upgraded TechM as top pick in the Tier I space in mid Mar'16 and continue to back the name on relatively inexpensive valuations with business normalizing as M&A related headwinds wane. NIIT Tech and Hexaware are our preferred picks in the Tier II space.
- **Media:** In the broadcasting space, Zee Ent. continue to outperform on ad and subscription growth, driven by 1) continued ad spends by sectors like FMCG, Telecom, 2) incremental revenue from new channel '&TV' and market share gains in regional channels. SUN TV on the other hand continued with disappointing ad revenues (-6% yoy). Print media companies reported an ad revenue growth of 6% yoy to Rs11.2bn, driven by 1) healthy growth by HMVL (+15% yoy) and Jagran (+13.4% yoy). DB Corp on the other hand continued to disappoint with subpar ad revenues (flat yoy). Vernacular ad revenue increased by 8% yoy to Rs8.2n, while English ad revenue (HT Media) was up mere 1.3% yoy. Strong ad revenue and low base aided EBITDA growth of 53% yoy for Zee Ent. EBITDA for the print universe (Ex-Radio for Jagran) improved 9.5% yoy (driven by 44% yoy growth for HT Media on account of low base), with margins at 17.8% vs 18.4% in Q4FY15. EBITDA for Dish TV was down 2% qoq due to higher programming and content cost.

... Q4FY16 – Sectoral Assessments

- **Metals & Mining:** Q4FY16 earnings for our metals and mining universe came as a breather, as most of the companies have reported superior performance after several quarters. This was on the back of better realizations and sales volume, a part of which is due to seasonality. Steel companies were supported by the regulatory measures both in terms of volume and realizations. Operating leverage has helped most of the non-ferrous metal companies. Expect volume to remain higher for the metals and mining companies going forward. Realizations however, are likely to be volatile. Based on company specific developments we prefer Coal India, Hindalco, Nalco, HZL, MOIL and JSW Steel.
- **Oil & Gas:** OMC's reported strong set of numbers on account of robust growth in marketing margin. However, GRM declined sequentially mainly on account of declined in cracks of middle distillates. Net realisation of upstream companies declined on qoq basis on correction of crude oil price. RIL results were above our and consensus estimates with PAT at Rs73.2bn on account of robust operational performance in both Refining and Petchem. GRM was lower at 10.8/bbl against \$11.4/bbl on account of weak middle distillate cracks. In natural Gas universe results broadly came in line except GSPL, which came below our estimates due to lower than expected volume and transmission tariff. As expected, PLNG surprised positively on volume as demand for LNG increase post RasGas pricing solution. GAIL, IGL & Gujarat gas result were broadly in line. Sequentially, transmission volume decreased marginally by 2.2% to 119mmscmd. However, imported LNG volume increased by 8.2% sequentially to 154tbtu. We maintain our BUY rating on GSPL, PLNG, GAIL, HOLD on IGL and SELL on Gujarat gas. Our top picks: OMC's, Reliance, GAIL, PLNG and GSPL.
- **Pharmaceuticals:** Q4FY16 was a gloomy quarter for Indian pharma companies with Dr Reddy and Ipca exhibiting a weak performance, while Torrent and Lupin outperformed expectations. Ex-gGleevec and gGlumetza, base business Ebitda margins contracted sequentially for all pharmaceutical companies except Granules and Aurobindo. This was primarily attributable to higher R&D run rate. USFDA regulatory headwinds also continue to plague the sector. Growth in European markets was a bright spot for most pharmaceutical companies. The Europe business of pharma companies grew c11% QoQ. RoW/Latam business also witnessed a strong quarter benefiting most companies excluding Dr Reddy and Sun Pharma. Since these high revenue growth geographies are branded markets, higher SG&A costs also weighed down operating margins.

... Q4FY16 – Sectoral Assessments

- **Power:** Overall the results were a mixed bag. Power grid capitalized assets worth Rs49 bn during the quarter, which resulted in highest overall capitalization of Rs317bn in FY16. Going forward, we believe that capitalization will continue to remain strong in FY17E (Rs 325 bn) and in FY18E (Rs 293 bn) despite high FY16 base. CESC's standalone operational performance was also above expectation, as Core RoE for the quarter was 6.4% vs our estimate of 5.1%. Spencer's reported a loss of Rs1.4bn for FY16 while Chandarpur reported Rs5.9bn loss in FY16. Haldia continued with its strong operational performance during the quarter with PLF reaching 70% in first year of operation. GIPCL reported strong set of Q4FY16 numbers on the back of better PAF across all its plants. While the sector continues to face constraints in terms of 1) gas availability & pricing, 2) environment clearances (primarily in Hydro) and 3) SEB's financials, recent initiatives taken by the government like UDAY, auctioning of gas (primarily to service debt) etc would provide some relief to the participants. However, States are still reluctant to invite Case-I bids which offers lesser options for power producers to get into long term PPA. The top pick in our coverage universe is Power Grid and GIPCL.
- **Retail:** Weak urban demand coupled with the advancement of End of Season Sale (EOSS) to Q3FY16 impacted Like to Like (LTL) growth in our universe. While store expansion is an important growth driver, demand uptick remains key trackable metric. In fashion retail, we like Page (TP 15,050) and Shoppers Stop (TP 476), we maintain Accumulate rating on Arvind (TP 330). In jewellery retail, we await sustainable trend on demand revival and clarity on effect of PAN card rule. We have BUY rating on PC Jeweller (TP 475) and HOLD on Titan (TP 330). We also have BUY rating on Phoenix Mills (TP 399).
- **Telecom:** Domestic wireless revenue grew 4.8% and 5.2% for Bharti and Idea, respectively. Growth for Bharti was volume driven while for Idea it was driven by improvement in realizations. Voice traffic for Bharti increased 6% qoq while for Idea decelerated 1.2% qoq (focus was on discount reduction). VRPM for Idea improved 4.7% qoq while for Bharti it was down 1.5% qoq. Data volume for Idea was impacted due to increase in realization while benefits of 3G coverage expansion and 4G launches are yet to be seen in coming quarters. Idea and Vodafone largely saw similar trend with improved realizations resulting to deceleration in volumes. Lower than expected network opex and SG&A spends led to EBITDA beat in both Bharti and Idea. Total EBITDA growth for service providers was 10% qoq. EBITDA margin at 37%, improved 150bps qoq. Higher depreciation and interest charge dented PAT. Huge spectrum payouts and elevated capex would continue to weigh on balance sheet in medium term. Aggressive focus on enhanced 3G footprint and 4G launch would add pain to P&L with higher opex.

Emkay vs. Other Indices Quarterly Analysis (YoY)

Parameters ---->	Net Sales Growth	EBITDA Growth	EBITDA Margin Growth	EBIT Margin Growth	Adjusted PBT Growth	Adjusted PAT Growth	Interest Cost Growth	Tax Growth
Sensex	5.6%	23.1%	287 bps	243 bps	24.1%	22.5%	-5.0%	26.1%
NIFTY	5.6%	20.3%	259 bps	194 bps	20.2%	23.2%	6.0%	11.6%
BSE 500	9.1%	12.9%	61 bps	16 bps	8.6%	16.9%	6.7%	-12.0%
BSE 200	9.9%	14.9%	83 bps	36 bps	12.5%	18.1%	4.1%	-4.4%
BSE100	5.4%	16.5%	196 bps	121 bps	13.5%	17.5%	11.4%	-2.1%
NSE Midcap	28.0%	9.9%	-233 bps	-227 bps	-8.0%	9.7%	18.0%	-62.1%
BSE 500 ex-Nifty	12.9%	2.8%	-137 bps	-163 bps	-12.9%	5.5%	7.0%	-53.1%
BSE 200 ex-Nifty	18.3%	3.5%	-216 bps	-234 bps	-7.9%	5.2%	2.4%	-44.6%
BSE 100 ex-Nifty	4.5%	0.3%	-75 bps	-193 bps	-21.8%	-10.1%	22.1%	-75.5%
Emkay Universe	8.4%	12.1%	63 bps	12 bps	8.6%	11.7%	11.6%	-3.3%
Emkay Large Cap	8.4%	11.0%	47 bps	-10 bps	7.5%	9.8%	5.2%	-2.8%
Emkay Mid Cap	5.3%	15.2%	145 bps	106 bps	8.1%	17.7%	35.9%	-17.2%
Emkay Small Cap	15.5%	32.5%	181 bps	187 bps	62.0%	75.2%	26.9%	39.8%
Emkay Universe ex Top 3 Cos	7.8%	8.5%	13 bps	-57 bps	2.0%	4.8%	22.5%	-10.8%
Emkay Universe ex Top 5 Cos	7.0%	7.2%	3 bps	-72 bps	0.3%	3.1%	20.5%	-12.4%
Emkay Universe ex Top 3 and Bottom 3 Cos	9.5%	14.2%	90 bps	28 bps	10.0%	11.4%	19.5%	1.7%
Emkay Universe ex Top 5 and Bottom 5 Cos	8.4%	11.6%	63 bps	3 bps	9.4%	12.2%	11.3%	-3.0%

*All numbers are Ex- oil & gas and banking

Top 5 companies based on Contribution to PAT Growth are Tata Motors , Tata Steel, Infosys, Infosys, L&T and Tech Mahindra

Bottom 5 companies based on Contribution to PAT Growth are SAIL, NMDC, BHEL, Idea Cellular and Sun Pharma

Actual vs. Estimated Results

Company Name	Sector	Sales (Rs mn)			EBITDA (Rs mn)			APAT (Rs mn)			EBITDA Margin (%)		
		Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	bps chg
Bayer CropScience	Agri Input & Chemicals	5272	5146	2%	200	501	-60%	165	377	-56%	4%	10%	-594
Chambal Fertilisers	Agri Input & Chemicals	15953	17986	-11%	1235	1426	-13%	826	648	27%	8%	8%	-18
Coromandel International	Agri Input & Chemicals	30209	23697	27%	2004	1419	41%	927	543	71%	7%	6%	65
DCM Shriram	Agri Input & Chemicals	13330	15052	-11%	1215	991	23%	512	222	131%	9%	7%	253
Deepak Fertilisers	Agri Input & Chemicals	10868	8037	35%	932	924	1%	259	332	-22%	9%	11%	-292
Dhanuka Agritech	Agri Input & Chemicals	1744	1815	-4%	301	306	-1%	285	238	19%	17%	17%	44
GSFC	Agri Input & Chemicals	17016	14151	20%	741	835	-11%	326	502	-35%	4%	6%	-154
Insecticides India	Agri Input & Chemicals	1781	1543	15%	81	149	-46%	5	62	-92%	5%	10%	-512
PI Industries	Agri Input & Chemicals	5848	6009	-3%	1093	1026	6%	953	723	32%	19%	17%	160
Rallis India	Agri Input & Chemicals	3483	3226	8%	419	384	9%	323	173	87%	12%	12%	13
Sharda Cropchem	Agri Input & Chemicals	5244	3661	43%	1519	603	152%	1017	517	97%	29%	16%	1250
Tata Chemicals	Agri Input & Chemicals	40070	37002	8%	5201	4638	12%	2423	1528	59%	13%	13%	45
UPL	Agri Input & Chemicals	43397	39845	9%	9813	8168	20%	5841	4682	25%	23%	21%	211
Amara Raja Batteries	Auto Ancillaries	11697	12196	-4%	1908	2198	-13%	1086	1298	-16%	16%	18%	-171
Apollo Tyres	Auto Ancillaries	29897	31806	-6%	4773	5570	-14%	2452	3185	-23%	16%	18%	-155
Exide Industries	Auto Ancillaries	17614	17509	1%	2674	2661	0%	1776	1565	13%	15%	15%	-2
Motherson Sumi	Auto Ancillaries	102349	105914	-3%	10643	10334	3%	4186	3742	12%	10%	10%	64
Ashok Leyland	Automobiles	59553	60324	-1%	7531	7842	-4%	4563	4245	7%	13%	13%	-35
Bajaj Auto	Automobiles	54114	54940	-2%	11515	12087	-5%	8031	8504	-6%	21%	22%	-72
Eicher Motors	Automobiles	37649	39795	-5%	6399	6413	0%	3345	3430	-2%	17%	16%	88
Hero Motocorp	Automobiles	75122	75778	-1%	11758	12269	-4%	8142	8600	-5%	16%	16%	-54
Mahindra & Mahindra	Automobiles	108008	106630	1%	10490	10450	0%	5777	5887	-2%	10%	10%	-9
Maruti Suzuki India	Automobiles	153057	151517	1%	23500	22121	6%	11336	11355	0%	15%	15%	75

Actual vs. Estimated Results (Cont'd)

Company Name	Sector	Sales (Rs mn)			EBITDA (Rs mn)			APAT (Rs mn)			EBITDA Margin (%)		
		Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	bps chg
Tata Motors	Automobiles	806844	724972	11%	124607	104937	19%	45727	32944	39%	15%	14%	97
TVS Motor	Automobiles	28154	27559	2%	1785	2040	-12%	1178	1125	5%	6%	7%	-106
Axis Bank	Banks & Financial Services	45526	42860	6%	43985	46940	-6%	21543	24710	-13%	97%	110%	-1290
Bajaj Finance	Banks & Financial Services	11110	12206	-9%	6455	7036	-8%	3150	3581	-12%	58%	58%	46
Bank of Baroda	Banks & Financial Services	33304	32318	3%	25725	22681	13%	-32301	8359	n.a	77%	70%	706
Bank of India	Banks & Financial Services	31872	28842	11%	14642	17116	-14%	-35871	3961	n.a	46%	59%	-1340
Canara Bank	Banks & Financial Services	23738	23634	0%	16466	17472	-6%	-39055	2226	n.a	69%	74%	-456
Cholamandalam Finance	Banks & Financial Services	5994	5539	8%	3948	3344	18%	1920	1623	18%	66%	60%	550
Federal Bank	Banks & Financial Services	6859	6335	8%	3945	3747	5%	103	1903	-95%	58%	59%	-164
HDFC	Banks & Financial Services	23239	24954	-7%	41871	42630	-2%	26071	28909	-10%	180%	171%	934
HDFC Bank	Banks & Financial Services	74533	72067	3%	57349	56759	1%	33742	33972	-1%	77%	79%	-181
ICICI Bank	Banks & Financial Services	54045	57527	-6%	71075	78239	-9%	7019	37671	-81%	132%	136%	-449
Indusind Bank	Banks & Financial Services	12682	11833	7%	11512	11799	-2%	6204	6264	-1%	91%	100%	-894
LIC Housing Finance	Banks & Financial Services	8214	8125	1%	7319	7294	0%	4480	4839	-7%	89%	90%	-66
Magma Fincorp	Banks & Financial Services	3331	3403	-2%	2001	1760	14%	653	538	21%	60%	52%	835
Mahindra Finance	Banks & Financial Services	10010	9146	9%	6795	6068	12%	3703	2409	54%	68%	66%	154
Punjab National Bank	Banks & Financial Services	27677	41131	-33%	32279	29715	9%	-53671	-3391	n.a	117%	72%	4438
Shriram City Union Fin.	Banks & Financial Services	6223	6558	-5%	3425	3941	-13%	555	1357	-59%	55%	60%	-505
Shriram Transport Finance	Banks & Financial Services	14438	13459	7%	10739	10159	6%	1439	2607	-45%	74%	75%	-110
SKS Microfinance	Banks & Financial Services	1889	1731	9%	1241	1227	1%	845	888	-5%	66%	71%	-522
South Indian bank	Banks & Financial Services	3743	4168	-10%	2223	1808	23%	730	1021	-29%	59%	43%	1602
State Bank of India	Banks & Financial Services	152908	145119	5%	141919	108001	31%	12638	16094	-21%	93%	74%	1839
Union Bank of India	Banks & Financial Services	20847	21259	-2%	14096	14796	-5%	961	1554	-38%	68%	70%	-198

Actual vs. Estimated Results (Cont'd)

Company Name	Sector	Sales (Rs mn)			EBITDA (Rs mn)			APAT (Rs mn)			EBITDA Margin (%)		
		Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	bps chg
Yes Bank	Banks & Financial Services	12414	12253	1%	12255	11501	7%	7021	6965	1%	99%	94%	485
ACC	Cement	29274	29697	-1%	3696	3278	13%	2322	1767	31%	13%	11%	159
Ambuja Cements	Cement	24183	25075	-4%	4235	4126	3%	2827	2486	14%	18%	16%	106
India Cements	Cement	11471	11133	3%	2115	1971	7%	512	472	9%	18%	18%	73
JK Cement	Cement	9496	9321	2%	1729	1503	15%	705	416	69%	18%	16%	209
Jk Lakshmi Cement	Cement	7351	7143	3%	859	701	22%	484	-26	n.a	12%	10%	187
Mangalam Cement	Cement	2102	2384	-12%	294	263	12%	141	88	60%	14%	11%	298
OCL India	Cement	8205	6831	20%	1914	1143	68%	1333	324	311%	23%	17%	660
Orient Cement	Cement	4473	4537	-1%	597	403	48%	194	-11	n.a	13%	9%	446
Prism Cement	Cement	14555	15169	-4%	988	907	9%	-5	6	n.a	7%	6%	81
Ramco Cements	Cement	9788	10136	-3%	3093	2986	4%	2043	1508	35%	32%	29%	214
Shree Cements	Cement	19856	19856	0%	4753	4753	0%	1747	1747	0%	24%	24%	0
Ultratech Cement	Cement	64359	63627	1%	12850	12909	0%	6814	7128	-4%	20%	20%	-32
Adani Ports	Construction & Infrastructure	18597	15739	18%	11373	9758	17%	7699	5557	39%	61%	62%	-84
Ahluwalia Contracts	Construction & Infrastructure	3829	3860	-1%	526	425	24%	267	224	19%	14%	11%	274
Ashoka Buildcon	Construction & Infrastructure	7292	8330	-12%	2054	1996	3%	497	300	65%	28%	24%	420
Gujarat Pipavav	Construction & Infrastructure	1610	1845	-13%	991	1061	-7%	498	591	-16%	62%	58%	408
IL&FS Transportation	Construction & Infrastructure	25480	19361	32%	7771	6970	11%	570	63	801%	30%	36%	-550
IRB Infrastructure	Construction & Infrastructure	15368	13774	12%	7396	7268	2%	1525	1497	2%	48%	53%	-464
J Kumar	Construction & Infrastructure	3905	3899	0%	499	585	-15%	286	322	-11%	13%	15%	-223
KNR Construction	Construction & Infrastructure	2958	2583	15%	451	338	33%	580	159	264%	15%	13%	216
Larsen & Toubro	Construction & Infrastructure	331570	311051	7%	48592	39503	23%	24051	18025	33%	15%	13%	196
NCC	Construction & Infrastructure	24522	20930	17%	2091	1863	12%	904	589	54%	9%	9%	-37

Actual vs. Estimated Results (Cont'd)

Company Name	Sector	Sales (Rs mn)			EBITDA (Rs mn)			APAT (Rs mn)			EBITDA Margin (%)		
		Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	bps chg
Sadbhav Engineering	Construction & Infrastructure	8580	8010	7%	814	825	-1%	497	320	55%	9%	10%	-81
Simplex Infrastructure	Construction & Infrastructure	15014	15811	-5%	1387	1692	-18%	158	191	-18%	9%	11%	-146
Asian Paints	Consumers	39713	39193	1%	7037	6958	1%	4088	4403	-7%	18%	18%	-3
Berger Paints	Consumers	11297	11681	-3%	1594	1601	0%	928	941	-1%	14%	14%	41
Britannia Industries	Consumers	22114	23241	-5%	2912	3288	-11%	1902	2074	-8%	13%	14%	-98
Colgate-Palmolive	Consumers	10911	10655	2%	2335	2502	-7%	1459	1585	-8%	21%	23%	-208
Dabur	Consumers	21613	21072	3%	4154	3938	5%	3319	3148	5%	19%	19%	53
Emami	Consumers	6708	6669	1%	1823	1829	0%	759	780	-3%	27%	27%	-25
Glaxosmithkline Consumer	Consumers	11086	13018	-15%	2343	3236	-28%	1807	2456	-26%	21%	25%	-373
Godrej Consumer Products	Consumers	22691	22827	-1%	4436	4426	0%	3129	3023	3%	20%	19%	16
Hindustan Unilever	Consumers	79457	79837	0%	14668	14497	1%	10308	10112	2%	18%	18%	30
Jubilant FoodWorks	Consumers	6180	6261	-1%	750	771	-3%	295	324	-9%	12%	12%	-17
Marico	Consumers	13070	13038	0%	2166	1986	9%	1385	1273	9%	17%	15%	134
Pidilite Industries	Consumers	12409	11720	6%	2384	1903	25%	1526	1217	25%	19%	16%	297
ABB	Engineering & Capital Goods	20003	20038	0%	1491	1845	-19%	710	782	-9%	7%	9%	-175
Alstom T&D	Engineering & Capital Goods	9779	14385	-32%	913	1152	-21%	299	724	-59%	9%	8%	133
BHEL	Engineering & Capital Goods	100048	110768	-10%	3638	7877	-54%	3655	3960	-8%	4%	7%	-347
Blue Star	Engineering & Capital Goods	11034	9182	20%	571	678	-16%	239	397	-40%	5%	7%	-220
Cummins India	Engineering & Capital Goods	10654	12434	-14%	1708	2114	-19%	1642	1739	-6%	16%	17%	-97
Siemens	Engineering & Capital Goods	27836	24969	11%	3061	2456	25%	1774	1471	21%	11%	10%	116
TD Power Systems	Engineering & Capital Goods	1187	1336	-11%	-2	117	n.a	0	27	-99%	0%	9%	-891
Thermax	Engineering & Capital Goods	12932	15503	-17%	1182	1623	-27%	1112	1308	-15%	9%	10%	-133
Triveni Turbine	Engineering & Capital Goods	2094	2577	-19%	529	505	5%	343	343	0%	25%	20%	563

Actual vs. Estimated Results (Cont'd)

Company Name	Sector	Sales (Rs mn)			EBITDA (Rs mn)			APAT (Rs mn)			EBITDA Margin (%)		
		Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	bps chg
Voltas	Engineering & Capital Goods	18888	16095	17%	1853	1064	74%	1485	881	68%	10%	7%	320
eClerx Services	IT Services	3432	3496	-2%	1407	1225	15%	1083	855	27%	41%	35%	596
Firstsource Solutions	IT Services	8730	8732	0%	1162	1137	2%	797	751	6%	13%	13%	29
HCL Tech	IT Services	106980	107641	-1%	23790	24404	-3%	19250	19305	0%	22%	23%	-43
Infosys	IT Services	165500	167264	-1%	46390	46195	0%	35970	35264	2%	28%	28%	41
Mindtree	IT Services	13242	12960	2%	2259	2261	0%	1562	1504	4%	17%	17%	-39
Mphasis	IT Services	15173	15700	-3%	2344	2393	-2%	1548	1920	-19%	15%	15%	21
MPS	IT Services	652	677	-4%	231	266	-13%	223	211	6%	36%	39%	-380
NIIT	IT Services	2389	2322	3%	133	161	-18%	178	171	4%	6%	7%	-138
NIIT Tech	IT Services	6847	6926	-1%	1261	1242	2%	789	739	7%	18%	18%	49
Persistent Systems	IT Services	6771	6280	8%	1074	1294	-17%	808	850	-5%	16%	21%	-474
TCS	IT Services	284486	284855	0%	79068	81803	-3%	63412	62394	2%	28%	29%	-92
Tech Mahindra	IT Services	68837	69244	-1%	11613	11282	3%	8971	7083	27%	17%	16%	58
Wipro	IT Services	137417	139874	-2%	24836	26555	-6%	22350	23989	-7%	18%	19%	-91
DB Corp	Media & Entertainment	5143	5113	1%	1142	1197	-5%	642	631	2%	22%	23%	-121
Dish TV	Media & Entertainment	7994	8078	-1%	2608	2759	-5%	799	705	13%	33%	34%	-153
Entertainment Network	Media & Entertainment	1472	1386	6%	385	345	12%	202	190	6%	26%	25%	130
Hathway Cable & Datacom	Media & Entertainment	3399	3176	7%	798	597	34%	-116	-251	n.a	23%	19%	467
HMVL	Media & Entertainment	2275	2227	2%	511	519	-2%	470	434	8%	22%	23%	-84
HT Media	Media & Entertainment	6310	6328	0%	697	823	-15%	376	358	5%	11%	13%	-196
Inox Leisure	Media & Entertainment	2513	2399	5%	151	219	-31%	161	-50	n.a	6%	9%	-315
Jagran Prakashan	Media & Entertainment	5295	5258	1%	1358	1362	0%	801	662	21%	26%	26%	-27
PVR	Media & Entertainment	4126	3839	7%	465	269	73%	-73	-194	n.a	11%	7%	425

Actual vs. Estimated Results (Cont'd)

Company Name	Sector	Sales (Rs mn)			EBITDA (Rs mn)			APAT (Rs mn)			EBITDA Margin (%)		
		Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	bps chg
Sun TV Network	Media & Entertainment	5707	6043	-6%	4266	4693	-9%	2180	2282	-4%	75%	78%	-291
ZEE Entertainment	Media & Entertainment	15316	14567	5%	4136	3642	14%	2606	2600	0%	27%	25%	200
Coal India	Metals & Mining	214028	199934	7%	55339	49298	12%	42424	42017	1%	26%	25%	120
Hindalco	Metals & Mining	85427	85043	0%	10416	6971	49%	3563	-83	n.a	12%	8%	400
Hindustan Zinc	Metals & Mining	31324	32741	-4%	13081	14370	-9%	21495	16718	29%	42%	44%	-213
JSW Steel	Metals & Mining	106975	110442	-3%	18236	13505	35%	1714	-1429	n.a	17%	12%	482
MOIL	Metals & Mining	2096	2695	-22%	-258	714	n.a	14	809	-98%	-12%	27%	-3879
National Aluminium Co	Metals & Mining	18743	17436	7%	2386	2261	5%	2078	1585	31%	13%	13%	-24
NMDC	Metals & Mining	15300	16434	-7%	5398	6375	-15%	7201	6872	5%	35%	39%	-351
SAIL	Metals & Mining	113715	115401	-1%	-11236	-4074	n.a	-12309	-10294	n.a	-10%	-4%	-635
Tata Steel	Metals & Mining	295076	328320	-10%	22052	13941	58%	-3560	-9939	n.a	7%	4%	323
Vedanta	Metals & Mining	159793	144838	10%	34720	27909	24%	10440	-184	n.a	22%	19%	246
BPCL	Oil & Gas	441971	372288	19%	34896	35476	-2%	25491	21981	16%	8%	10%	-163
Cairn India	Oil & Gas	17168	15540	10%	4978	2307	116%	6228	-1799	n.a	29%	15%	1415
GAIL	Oil & Gas	117324	131375	-11%	12237	12274	0%	7700	6130	26%	10%	9%	109
Gujarat State Petronet	Oil & Gas	2319	2534	-8%	2049	2199	-7%	997	1109	-10%	88%	87%	155
HPCL	Oil & Gas	421952	334927	26%	26613	27623	-4%	15529	13919	12%	6%	8%	-194
Indian Oil	Oil & Gas	804496	659759	22%	40443	86612	-53%	12432	36963	-66%	5%	13%	-810
Indraprastha Gas	Oil & Gas	8856	9354	-5%	1969	1954	1%	1076	1088	-1%	22%	21%	135
Oil India	Oil & Gas	20093	21305	-6%	7415	6033	23%	6844	3593	90%	37%	28%	859
ONGC	Oil & Gas	163848	150561	9%	44891	55255	-19%	35638	23947	49%	27%	37%	-930
Petronet LNG	Oil & Gas	60653	68034	-11%	4466	4752	-6%	2393	2479	-3%	7%	7%	38
Reliance Industries	Oil & Gas	499570	451617	11%	107270	101587	6%	73200	68371	7%	21%	22%	-102

Actual vs. Estimated Results (Cont'd)

Company Name	Sector	Sales (Rs mn)			EBITDA (Rs mn)			APAT (Rs mn)			EBITDA Margin (%)		
		Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	bps chg
Apar Industries	Others	13250	13215	0%	908	626	45%	441	140	214%	7%	5%	211
Century Plyboards	Others	4547	4339	5%	773	782	-1%	405	466	-13%	17%	18%	-102
Essel Propack	Others	5614	5779	-3%	1031	1191	-13%	507	525	-3%	18%	21%	-223
Grasim Industries	Others	25044	22406	12%	4298	4122	4%	2378	2708	-12%	17%	18%	-123
Havells India	Others	14754	14736	0%	2196	1999	10%	1641	1408	17%	15%	14%	132
HSIL	Others	5959	6317	-6%	992	1309	-24%	381	579	-34%	17%	21%	-408
Kajaria Ceramics	Others	6578	6645	-1%	1339	1276	5%	660	678	-3%	20%	19%	115
Somany Ceramics	Others	5163	5184	0%	415	373	11%	267	189	41%	8%	7%	83
SRF	Others	9061	9163	-1%	1854	2150	-14%	853	967	-12%	20%	23%	-301
Symphony	Others	1379	1436	-4%	579	324	79%	465	257	81%	42%	23%	1941
Aurobindo Pharma	Pharmaceuticals	37468	38088	-2%	8823	9403	-6%	5583	5988	-7%	24%	25%	-114
Cadila Healthcare	Pharmaceuticals	24491	24561	0%	5814	5600	4%	3879	3730	4%	24%	23%	94
Cipla	Pharmaceuticals	32665	32474	1%	4411	6222	-29%	3084	3406	-9%	14%	19%	-566
Divi's Lab	Pharmaceuticals	10936	9239	18%	3979	3415	17%	3222	2539	27%	36%	37%	-58
Dr. Reddy's Lab	Pharmaceuticals	37562	39184	-4%	9557	9772	-2%	6874	5797	19%	25%	25%	50
Glenmark Pharma	Pharmaceuticals	23067	19025	21%	4507	4061	11%	2920	2186	34%	20%	21%	-181
Granules India	Pharmaceuticals	3723	3739	0%	783	750	4%	332	332	0%	21%	20%	98
Ipca Lab	Pharmaceuticals	6246	7043	-11%	635	1187	-47%	405	544	-25%	10%	17%	-669
Lupin	Pharmaceuticals	41812	38037	10%	13674	11677	17%	8071	7453	8%	33%	31%	200
Sun Pharma	Pharmaceuticals	76342	80428	-5%	25203	34305	-27%	17137	22235	-23%	33%	43%	-964
Torrent Pharma	Pharmaceuticals	14990	15459	-3%	4840	5306	-9%	3570	3557	0%	32%	34%	-203
CESC	Power	14790	14585	1%	4760	4156	15%	2480	2277	9%	32%	28%	369
Gujarat Industries Power	Power	3661	4306	-15%	1080	1132	-5%	615	580	6%	29%	26%	321

Actual vs. Estimated Results (Cont'd)

Company Name	Sector	Sales (Rs mn)			EBITDA (Rs mn)			APAT (Rs mn)			EBITDA Margin (%)		
		Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	% chg	Actual	Expected	bps chg
NHPC	Power	16164	16135	0%	5813	9471	-39%	4641	4425	5%	36%	59%	-2274
Power Grid Corporation	Power	58662	56311	4%	51349	50054	3%	17116	17102	0%	88%	89%	-136
Reliance Power	Power	26049	25853	1%	12406	12387	0%	3202	3673	-13%	48%	48%	-29
Arvind	Retail	23196	21807	6%	3010	3032	-1%	1146	1253	-9%	13%	14%	-93
Page Industries	Retail	4244	4057	5%	803	721	11%	573	495	16%	19%	18%	115
PC Jeweller	Retail	18983	22209	-15%	1597	2388	-33%	791	1262	-37%	8%	11%	-234
Phoenix Mills	Retail	915	961	-5%	612	645	-5%	442	471	-6%	67%	67%	-22
Shoppers Stop	Retail	8959	9084	-1%	523	552	-5%	102	117	-13%	6%	6%	-25
Titan Company	Retail	24563	29343	-16%	2101	2974	-29%	1841	2129	-14%	9%	10%	-158
Bharti Airtel	Telecommunications	249831	249482	0%	91357	86379	6%	12903	10658	21%	37%	35%	194
Bharti Infratel	Telecommunications	31619	31293	1%	14247	13705	4%	6617	5718	16%	45%	44%	126
Idea Cellular	Telecommunications	94839	94394	0%	36160	32501	11%	5756	4559	26%	38%	34%	370
Tata Communications	Telecommunications	51454	51094	1%	7665	7715	-1%	527	-112	n.a	15%	15%	-20
Emkay Universe		8907713	8469551	5%	1935748	1915561	1%	729550	877747	-17%	22%	23%	-89
Emkay		5764867	5667789	2%	1117258	1075457	4%	570145	511906	11%	19%	19%	41

*Excluding Banks & FS, FS - Others and Oil & Gas

Emkay Universe Sector Analysis

Sector Name	Net Sales (Rs mn)			Growth (%)		Ebitda (Rs mn)			Growth (%)		APAT (Rs mn)			Growth (%)		EPS (Rs)			Growth (%)	
	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ
Agri Input & Chemicals	194214	191860	175314	11%	1%	24754	20673	19162	29%	20%	13860	8997	9032	53%	54%	5.4	3.5	3.5	54%	54%
Auto Ancillaries	161556	155522	153136	5%	4%	19998	19540	18500	8%	2%	9499	9031	8652	10%	5%	3.3	3.2	3.0	10%	5%
Automobiles	1322500	1215478	1118217	18%	9%	197585	172041	150391	31%	15%	88098	76079	55293	59%	16%	10.8	9.3	6.8	57%	16%
Banks & Financial Services	584596	553893	541233	8%	6%	531264	437439	457222	16%	21%	-28123	97955	183998			-0.9	3.3	6.5		
Cement	205113	185659	188692	9%	10%	37123	27724	32921	13%	34%	19118	10161	16527	16%	88%	5.4	2.9	4.7	16%	88%
Construction & Infrastructure	458725	367075	388293	18%	25%	83945	58470	65277	29%	44%	37533	22422	31270	20%	67%	7.1	4.2	5.9	20%	67%
Consumers	257247	264341	239595	7%	-3%	46601	48789	40042	16%	-4%	30903	33507	27624	12%	-8%	3.7	4.0	3.3	12%	-8%
Engineering & Capital Goods	214453	153352	240946	-11%	40%	14944	-7831	27726	-46%		11258	-5468	16987	-34%		2.5	-1.2	3.8	-34%	
IT Services	820456	787552	699257	17%	4%	195568	187566	170339	15%	4%	156941	151498	143493	9%	4%	14.9	14.4	13.7	9%	4%
Media & Entertainment	59549	62662	52019	14%	-5%	16515	19114	13187	25%	-14%	8049	9192	5959	35%	-12%	1.9	2.2	1.4	35%	-12%
Metals & Mining	1042474	948445	1152835	-10%	10%	150134	110279	189225	-21%	36%	73061	44636	87601	-17%	64%	2.7	1.6	3.2	-17%	64%
Oil & Gas	2558249	2728498	2954622	-13%	-6%	287226	315008	363937	-21%	-9%	187527	190545	230377	-19%	-2%	9.2	9.3	11.3	-19%	-2%
Pharmaceuticals	309300	288384	263602	17%	7%	82226	75350	57536	43%	9%	55077	49146	48088	15%	12%	8.5	7.6	7.4	15%	12%
Power	119326	112659	94222	27%	6%	75406	71751	61837	22%	5%	28053	24995	23178	21%	12%	1.4	1.3	1.2	21%	12%
Retail	80861	92001	78253	3%	-12%	8645	10036	9012	-4%	-14%	4894	5978	5211	-6%	-18%	3.2	3.9	3.4	-6%	-18%
Telecommunications	427743	413056	392245	9%	4%	149429	136826	132353	13%	9%	25803	24684	26815	-4%	5%	2.6	2.5	2.7	-4%	5%
Others	91351	82918	80025	14%	10%	14385	13543	9225	56%	6%	7999	7384	4829	66%	8%	5.7	5.2	3.4	65%	8%
Emkay	8907713	8603355	8812507	1%	4%	1935748	1716319	1817892	6%	13%	729550	760742	924935	-21%	-4%	4.4	4.6	5.6	-22%	-4%
Emkay	5764867	5320964	5316652	8%	8%	1117258	963872	996733	12%	16%	570145	472242	510561	12%	21%	4.9	4.1	4.4	12%	21%
Large Cap	4843315	4443044	4467340	8%	9%	969975	829875	873781	11%	17%	505895	420940	460755	10%	20%	5.5	4.6	5.1	10%	20%
Mid Cap	614795	592910	583711	5%	4%	103876	93881	90179	15%	11%	47088	37739	40010	18%	25%	2.8	2.3	2.4	18%	25%
Small Cap	306757	285010	265601	15%	8%	43407	40117	32772	32%	8%	17163	13563	9796	75%	27%	2.1	1.7	1.2	75%	26%

* Excluding Banks & FS, FS - Others and Oil & Gas

Q4FY16 Strong Results

Company Name	Sector	APAT (Rs mn)		APAT Gr (%)
		Mar-16	Mar-15	
Large Caps				
Ashok Leyland	Automobiles	4563	2380	91.7
Eicher Motors	Automobiles	3345	1953	71.3
GAIL	Oil & Gas	7700	5108	50.8
Grasim Industries	Others	2378	572	315.6
JSW Steel	Metals & Mining	1714	883	94.1
NHPC	Power	4641	2985	55.5
Pidilite Industries	Consumers	1526	806	89.2
Tata Motors	Automobiles	45727	18777	143.5
Tech Mahindra	IT Services	8971	4720	90.1
Torrent Pharma	Pharmaceuticals	3570	1300	174.6
Mid Caps				
Apar Industries	Others	441	150	194.5
Berger Paints	Consumers	928	581	59.7
Dish TV	Media & Entertainment	799	349	128.7
eClerx Services	IT Services	1083	531	103.9
Ipca Lab	Pharmaceuticals	405	53	666.0
PI Industries	Agri Input & Chemicals	953	603	58.0
Ramco Cements	Cement	2043	934	118.7
SKS Microfinance	Banks & Financial Services	845	405	108.6
SRF	Others	853	509	67.7
Tata Chemicals	Agri Input & Chemicals	2423	1237	95.8

Q4FY16 Strong Results (Cont'd)

Company Name	Sector	APAT (Rs mn)		APAT Gr (%)
		Mar-16	Mar-15	
Small Caps				
Ahluwalia Contracts	Construction & Infrastructure	267	174	53.3
Chambal Fertilisers	Agri Input & Chemicals	826	35	2253.1
Gujarat Industries Power	Power	615	345	78.2
Jagran Prakashan	Media & Entertainment	801	494	62.4
JK Cement	Cement	705	18	3753.5
KNR Construction	Construction & Infrastructure	580	244	137.6
Mangalam Cement	Cement	141	30	375.5
MPS	IT Services	223	127	76.2
NCC	Construction & Infrastructure	904	507	78.3
OCL India	Cement	1333	360	270.2
Rallis India	Agri Input & Chemicals	323	213	51.3
Sharda Cropchem	Agri Input & Chemicals	1017	491	107.1
Somany Ceramics	Others	267	148	80.4
South Indian bank	Banks & Financial Services	730	163	347.1

Q4FY16 Weak Results

Company Name	Sector	APAT (Rs mn)		APAT Gr (%)
		Mar-16	Mar-15	
Large Caps				
BHEL	Engineering & Capital Goods	3655	8985	-59.3
Emami	Consumers	759	1384	-45.2
ICICI Bank	Banks & Financial Services	7019	29220	-76.0
Idea Cellular	Telecommunications	5756	9418	-38.9
Indian Oil	Oil & Gas	12432	58854	-78.9
NMDC	Metals & Mining	7201	14025	-48.7
Shriram Transport Finance	Banks & Financial Services	1439	3167	-54.6
State Bank of India	Banks & Financial Services	12638	37420	-66.2
Mid Caps				
Alstom T&D	Engineering & Capital Goods	299	540	-44.7
Bayer CropScience	Agri Input & Chemicals	165	434	-62.0
Federal Bank	Banks & Financial Services	103	2805	-96.3
Gujarat Pipavav	Construction & Infrastructure	498	1017	-51.0
PC Jeweller	Retail	791	1201	-34.2
Shriram City Union Finance	Banks & Financial Services	555	1496	-62.9
Union Bank of India	Banks & Financial Services	961	4438	-78.3
Small Caps				
Blue Star	Engineering & Capital Goods	239	679	-64.8
GSFC	Agri Input & Chemicals	326	645	-49.5
Insecticides India	Agri Input & Chemicals	5	62	-92.2
MOIL	Metals & Mining	14	1025	-98.7
Orient Cement	Cement	194	855	-77.3
TD Power Systems	Engineering & Capital Goods	0	7	-95.0

Earnings Upgrade/Downgrade

Company Name	FY17E			Company Name	FY17E			Company Name	FY17E		
	Previous	Current	% Chg		Previous	Current	% Chg		Previous	Current	% Chg
Coromandel International	14.6	14.7	1.0%	Ultratech Cement	117.2	114.5	-2.3%	Inox Leisure	10.6	8.9	-16.6%
DCM Shriram	21.1	24.5	16.0%	Adani Ports	13.3	13.4	0.1%	Jagran Prakashan	12.1	11.3	-6.3%
Dhanuka Agritech	25.1	26.2	4.2%	Ashoka Buildcon	5.5	4.6	-16.4%	PVR	30.8	20.1	-34.7%
Insecticides India	31.4	25.7	0.0%	Gujarat Pipavav	6.2	5.8	-6.1%	Sun TV Network	26.3	25.2	-4.3%
PI Industries	26.6	25.2	-5.3%	IRB Infrastructure	21.2	20.7	-2.0%	ZEE Entertainment	12.7	12.6	-1.4%
Rallis India	9.2	9.0	-2.4%	Larsen & Toubro	53.3	58.6	10.0%	Hindalco	8.1	8.9	9.9%
Sharda Cropchem	15.9	20.6	29.2%	NCC	6.1	4.0	-33.9%	Hindustan Zinc	16.4	17.2	4.9%
Tata Chemicals	36.7	38.9	6.0%	Sadbhav Engineering	9.7	8.4	-13.4%	JSW Steel	31.2	68.3	118.9%
UPL	37.7	38.3	1.6%	Simplex Infrastructure	19.5	17.3	-11.1%	MOIL	17.5	16.8	-4.0%
Apollo Tyres	19.3	19.4	0.3%	Asian Paints	23.7	22.2	-6.3%	NMDC	8.4	8.3	-1.2%
Motherson Sumi	12.7	12.4	-2.4%	Britannia Industries	87.8	78.1	-11.0%	Tata Steel	-11.9	-11.9	n.a
Ashok Leyland	4.8	5.0	3.1%	Colgate-Palmolive	26.2	24.3	-7.3%	Vedanta	4.7	6.5	38.3%
Bajaj Auto	136.5	141.4	3.6%	Dabur	8.4	8.3	-2.0%	BPCL	81.4	90.8	11.5%
Eicher Motors	583.5	627.9	7.6%	Emami	22.4	20.5	-8.5%	HPCL	109.2	124.7	14.2%
Hero Motocorp	170.0	170.8	0.5%	Hindustan Unilever	22.0	21.9	-0.5%	Indian Oil	52.9	54.2	2.5%
Mahindra & Mahindra	56.7	57.8	1.9%	Jubilant FoodWorks	27.0	22.2	-17.8%	Apar Industries	36.1	36.4	0.6%
Maruti Suzuki India	204.8	197.3	-3.7%	Pidilite Industries	17.3	17.5	0.8%	Grasim Industries	289.0	315.5	9.2%
Tata Motors	44.7	48.7	8.9%	Alstom T&D	8.5	5.6	-34.9%	Havells India	10.4	10.6	2.1%
TVS Motor	14.6	13.2	-9.6%	BHEL	1.6	1.3	-16.9%	HSIL	20.3	17.5	-13.8%
Axis Bank	38.4	35.9	-6.5%	Blue Star	19.2	16.2	-15.6%	Somany Ceramics	17.4	19.1	9.8%
Bajaj Finance	314.1	315.0	0.3%	Cummins India	30.7	26.5	-13.7%	Symphony	45.0	39.9	-11.3%
Bank of India	19.8	10.1	-49.0%	Thermax	25.4	21.4	-15.7%	Cipla	25.3	22.6	-10.7%
Canara Bank	24.2	10.1	-58.3%	Triveni Turbine	4.0	3.6	-10.8%	Divi's Lab	53.0	50.4	-4.9%
Cholamandalam Finance	45.2	49.1	8.6%	Voltas	12.3	13.5	9.8%	Lupin	70.9	70.1	-1.1%
Federal Bank	5.6	4.8	-14.3%	eClerx Services	89.0	91.3	2.6%	Sun Pharma	36.7	29.2	-20.4%
HDFC Bank	60.3	59.4	-1.5%	Firstsource Solutions	4.5	4.5	-1.1%	Torrent Pharma	61.5	57.4	-6.7%
ICICI Bank	20.0	18.1	-9.5%	HCL Tech	58.8	57.1	-2.8%	Gujarat Industries Power	10.9	12.6	16.1%
Indusind Bank	49.8	48.3	-3.0%	Infosys	66.4	65.4	-1.5%	Power Grid Corporation	13.5	15.4	14.1%
LIC Housing Finance	40.8	37.3	-8.6%	Mindtree	40.1	38.8	-3.2%	Arvind	20.9	19.9	-4.8%
Mahindra Finance	14.3	14.5	1.4%	Mphasis	37.3	38.5	3.3%	Page Industries	255.4	268.4	5.1%
Punjab National Bank	18.7	12.1	-35.3%	MPS	41.4	40.1	-3.1%	PC Jeweller	31.7	26.7	-15.8%
Shriram City Union Finance	112.2	90.9	-19.0%	NIIT	5.8	5.7	-1.2%	Phoenix Mills	25.6	21.0	-18.0%
Shriram Transport Finance	69.0	66.5	-3.6%	NIIT Tech	50.4	50.2	-0.4%	Shoppers Stop	10.4	9.3	-11.1%
SKS Microfinance	35.6	38.4	7.9%	Persistent Systems	43.4	41.6	-4.2%	Titan Company	11.5	9.7	-15.7%
Yes Bank	73.0	75.9	4.0%	TCS	133.1	132.4	-0.5%	Bharti Airtel	9.1	11.2	23.3%
Ambuja Cements	6.7	6.6	-2.1%	Wipro	39.2	38.8	-1.1%	Bharti Infratel	14.4	13.9	-3.5%
JK Cement	42.0	35.4	-15.8%	DB Corp	20.8	19.3	-7.2%	Idea Cellular	3.6	4.4	23.5%
Mangalam Cement	12.2	12.9	6.1%	Dish TV	3.6	2.5	-31.9%	Bayer CropScience	123.4	116.6	-5.5%
OCL India	51.3	51.7	0.8%	Hathway Cable & Datacom	-1.2	-1.2	n.a				
Orient Cement	6.5	4.8	-26.8%	HT Media	7.7	7.5	-1.8%				

Post Q4 results: we have revised FY17E earnings of 115 Companies (42 upgraded, 73 downgraded).

Earnings Upgrade/Downgrade

Company Name	FY18E			Company Name	FY18E			Company Name	FY18E		
	Previous	Current	% Chg		Previous	Current	% Chg		Previous	Current	% Chg
Apollo Tyres	21.2	19.4	-8.5%	Gujarat Pipavav	8.2	7.5	-8.4%	Dish TV	5.3	4.6	-12.8%
Motherson Sumi	16.3	16.0	-1.8%	IRB Infrastructure	21.5	20.5	-4.6%	Hathway Cable & Datacom	-1.2	-1.2	n.a
Ashok Leyland	6.2	6.4	2.4%	J Kumar	26.1	24.4	-6.4%	HT Media	8.8	8.4	-4.9%
Bajaj Auto	181.9	159.4	-12.4%	Larsen & Toubro	63.9	69.2	8.3%	Inox Leisure	14.6	12.1	-17.1%
Eicher Motors	736.1	777.0	5.6%	NCC	5.4	4.7	-13.0%	Jagran Prakashan	14.4	13.5	-6.3%
Hero Motocorp	195.9	198.5	1.3%	Sadbhav Engineering	12.4	11.1	-10.2%	PVR	38.1	29.1	-23.6%
Mahindra & Mahindra	66.2	67.3	1.7%	Simplex Infrastructure	26.4	23.0	-12.9%	Sun TV Network	30.6	29.7	-2.9%
Maruti Suzuki India	268.3	238.5	-11.1%	Asian Paints	29.2	27.5	-5.8%	Hindalco	8.6	11.3	31.4%
Tata Motors	55.7	57.4	3.1%	Britannia Industries	102.5	92.9	-9.4%	Hindustan Zinc	18.2	19.2	5.5%
TVS Motor	18.1	16.0	-11.6%	Colgate-Palmolive	30.2	28.2	-6.6%	JSW Steel	120.3	145.8	21.2%
Axis Bank	50.2	44.8	-10.8%	Dabur	10.1	9.8	-2.9%	MOIL	22.4	21.8	-2.7%
Bajaj Finance	394.5	390.6	-1.0%	Emami	29.4	28.5	-3.0%	Vedanta	11.6	12.2	5.2%
Bank of India	20.5	17.2	-16.0%	Jubilant FoodWorks	44.0	35.1	-20.2%	BPCL	89.6	96.5	7.7%
Canara Bank	39.3	32.2	-18.0%	Marico	7.8	7.9	0.8%	HPCL	115.1	133.6	16.1%
Cholamandalam Finance	60.2	66.3	10.1%	Pidilite Industries	21.0	20.8	-0.8%	Indian Oil	81.2	64.5	-20.6%
Federal Bank	6.9	6.4	-7.2%	Alstom T&D	10.9	10.4	-4.5%	Apar Industries	45.1	46.6	3.3%
HDFC Bank	73.5	72.2	-1.8%	BHEL	6.9	6.8	-2.0%	Essel Propack	17.2	17.6	2.3%
ICICI Bank	25.8	23.4	-9.3%	Thermax	27.4	26.1	-4.7%	Grasim Industries	394.4	421.8	6.9%
Indusind Bank	61.6	59.6	-3.2%	Triveni Turbine	4.4	4.1	-6.1%	Havells India	12.9	13.0	0.8%
LIC Housing Finance	48.4	42.7	-11.8%	Voltas	14.4	16.2	12.5%	HSIL	25.1	22.4	-10.8%
Mahindra Finance	19.0	20.8	9.5%	eClerx Services	102.9	100.9	-1.9%	Somany Ceramics	21.5	24.7	14.9%
Punjab National Bank	27.2	18.9	-30.5%	Firstsource Solutions	5.1	5.1	-1.0%	Symphony			-
Shriram City Union Finance	137.4	111.3	-19.0%	HCL Tech	65.3	63.5	-2.9%	Cipla	31.4	28.2	-10.2%
Shriram Transport Finance	84.5	82.0	-3.0%	Infosys	73.8	73.0	-1.0%	Divi's Lab	64.7	60.9	-5.9%
SKS Microfinance	45.4	51.3	13.0%	Mindtree	47.1	45.7	-2.9%	Lupin	88.8	86.1	-3.0%
Yes Bank	92.1	98.5	6.9%	Mphasis	41.0	42.1	2.7%	Sun Pharma	41.8	37.0	-11.5%
Ambuja Cements	8.9	8.7	-1.7%	MPS	48.8	47.1	-3.5%	Torrent Pharma	94.7	83.2	-12.1%
JK Cement	61.1	56.4	-7.7%	NIIT	6.7	7.1	5.2%	Page Industries	307.4	323.9	5.4%
Mangalam Cement	34.5	36.2	4.9%	NIIT Tech	53.9	56.5	4.8%	PC Jeweller	39.7	32.8	-17.4%
OCL India	58.9	59.0	0.2%	Persistent Systems	51.7	47.3	-8.6%	Shoppers Stop	15.0	14.0	-6.9%
Orient Cement	13.1	12.9	-1.2%	TCS	146.7	146.8	0.1%	Titan Company	14.2	12.0	-16.1%
Ultratech Cement	166.4	163.5	-1.8%	Tech Mahindra	45.8	46.6	1.8%	Bharti Airtel	13.4	15.4	15.0%
Adani Ports	14.9	14.6	-2.0%	Wipro	42.7	42.4	-0.8%	Bharti Infratel	16.5	16.1	-2.8%
Ashoka Buildcon	5.7	4.6	-19.6%	DB Corp	23.3	21.7	-6.9%	Idea Cellular	4.3	5.2	22.0%

Post Q4 results; we have revised FY18E earnings of 57 Companies (33 upgraded, 24 downgraded).

Changes in Recommendation

Company Name	Previous	Current
Chambal Fertilisers	Buy	Accumulate
GSFC	Accumulate	Hold
Insecticides India	Buy	Hold
Sharda Cropchem	Hold	Reduce
Tata Chemicals	Buy	Accumulate
UPL	Buy	Accumulate
Axis Bank	Buy	Hold
Bajaj Finance	Accumulate	Hold
HDFC	Hold	Accumulate
ICICI Bank	Accumulate	Hold
Mahindra Finance	Sell	Buy
Shriram City Union Finance	Accumulate	Hold
Shriram Transport Finance	Sell	Reduce
SKS Microfinance	Hold	Accumulate
Union Bank of India	Buy	Hold
Yes Bank	Buy	Accumulate
Ambuja Cements	Hold	Reduce
India Cements	Hold	Accumulate
Jk Lakshmi Cement	Hold	Reduce
Mangalam Cement	Buy	Accumulate

Company Name	Previous	Current
Orient Cement	Hold	Accumulate
Prism Cement	Hold	Reduce
Ramco Cements	Buy	Hold
Shree Cements	Buy	Accumulate
Ultratech Cement	Buy	Accumulate
Ashoka Buildcon	Accumulate	Buy
NCC	Buy	Hold
Dabur	Accumulate	Hold
Jubilant FoodWorks	Buy	Hold
Cummins India	Buy	Accumulate
eClerx Services	Accumulate	Hold
HCL Tech	Buy	Accumulate
DB Corp	Accumulate	Hold
Inox Leisure	Buy	Accumulate
NMDC	Reduce	Sell
Havells India	Buy	Accumulate
Somany Ceramics	Buy	Accumulate
Symphony	Reduce	Sell
CESC	Buy	Accumulate
Titan Company	Accumulate	Hold

Post Q4 results; we have changed recommendation for 40 companies (7 upgraded, 33 downgraded).

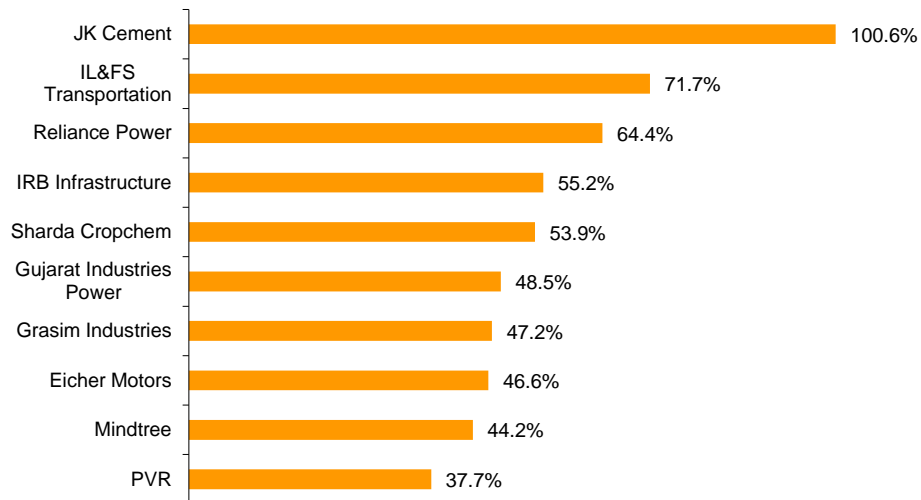
Changes in Target Price

Company Name	Target Price			Company Name	Target Price			Company Name	Target Price		
	Previous	Current	% Chg		Previous	Current	% Chg		Previous	Current	% Chg
Coromandel International	225	272	21%	Prism Cement	73	84	15%	Jagran Prakashan	184	203	10%
DCM Shriram	168	260	55%	Ramco Cements	448	511	14%	PVR	930	1073	15%
Deepak Fertilisers	204	217	6%	Shree Cements	12900	13459	4%	Sun TV Network	429	445	4%
Dhanuka Agritech	552	690	25%	Ultratech Cement	3291	3581	9%	Hindalco	85	115	35%
GSFC	84	74	-12%	Adani Ports	260	252	-3%	Hindustan Zinc	184	190	3%
Insecticides India	380	410	8%	Ahluwalia Contracts	355	351	-1%	JSW Steel	1200	1462	22%
PI Industries	664	754	14%	Ashoka Buildcon	225	178	-21%	NMDC	71	74	4%
Rallis India	180	200	11%	Gujarat Pipavav	185	180	-3%	Tata Steel	143	269	88%
Sharda Cropchem	244	330	35%	J Kumar	392	367	-6%	Vedanta	95	114	20%
Tata Chemicals	440	500	14%	Larsen & Toubro	1300	1450	12%	BPCL	976	1173	20%
UPL	600	655	9%	NCC	85	73	-14%	GAIL	428	443	4%
Apollo Tyres	165	155	-6%	Sadbhav Engineering	330	295	-11%	HPCL	1037	1183	14%
Motherson Sumi	339	350	3%	Simplex Infrastructure	273	296	8%	Indian Oil	534	570	7%
Ashok Leyland	88	97	10%	Asian Paints	970	950	-2%	Oil India	392	407	4%
Eicher Motors	19175	21200	11%	Britannia Industries	3280	3000	-9%	ONGC	252	262	4%
Hero Motocorp	3000	3400	13%	Colgate-Palmolive	965	910	-6%	Reliance Industries	1140	1160	2%
Mahindra & Mahindra	1350	1400	4%	Dabur	275	270	-2%	Apar Industries	586	615	5%
Maruti Suzuki India	4900	4350	-11%	Emami	1070	1035	-3%	Century Plyboards	166	204	23%
Tata Motors	465	520	12%	Hindustan Unilever	805	815	1%	Essel Propack	190	215	13%
TVS Motor	275	255	-7%	Jubilant FoodWorks	1320	1050	-20%	Grasim Industries	4302	4943	15%
Axis Bank	525	480	-9%	Marico	212	220	4%	Havells India	350	355	1%
Bank of Baroda	103	126	22%	Pidilite Industries	670	730	9%	HSIL	370	340	-8%
Bank of India	110	70	-36%	Alstom T&D	327	309	-6%	Kajaria Ceramics	1050	1280	22%
Cholamandalam Finance	790	1000	27%	Blue Star	381	480	26%	Somany Ceramics	430	545	27%
Federal Bank	63	55	-13%	Cummins India	1074	975	-9%	Symphony	1893	1839	-3%
ICICI Bank	270	257	-5%	Thermax	687	651	-5%	Cipla	630	565	-10%
LIC Housing Finance	515	500	-3%	Voltas	318	408	28%	Divi's Lab	1294	1220	-6%
Mahindra Finance	191	390	104%	eClerx Services	1520	1400	-8%	Lupin	1955	1895	-3%
Punjab National Bank	75	65	-13%	HCL Tech	960	900	-6%	Sun Pharma	962	850	-12%
Shriram City Union Finance	1748	1655	-5%	Infosys	1220	1240	2%	Torrent Pharma	1710	1495	-13%
Shriram Transport Finance	771	849	10%	Mindtree	650	680	5%	CESC	726	622	-14%
SKS Microfinance	540	675	25%	Mphasis	460	500	9%	Gujarat Industries Power	140	103	-26%
State Bank of India	180	220	22%	NIIT Tech	600	630	5%	Power Grid Corporation	164	176	7%
Union Bank of India	150	128	-15%	Persistent Systems	630	640	2%	Arvind	300	330	10%
Yes Bank	960	1050	9%	Tech Mahindra	540	550	2%	Page Industries	12900	15050	17%
ACC	1340	1391	4%	DB Corp	354	350	-1%	PC Jeweller	495	475	-4%
Ambuja Cements	205	208	1%	Dish TV	100	117	17%	Phoenix Mills	390	399	2%
India Cements	98	122	24%	Entertainment Network	750	776	3%	Shoppers Stop	508	476	-6%
JK Cement	655	729	11%	Hathway Cable & Datacom	38	33	-13%	Titan Company	355	330	-7%
Mangalam Cement	223	314	41%	HMVL	341	365	7%	Bharti Airtel	304	337	11%
OCL India	647	738	14%	HT Media	81	88	9%	Bharti Infratel	505	470	-7%
Orient Cement	152	180	18%	Inox Leisure	255	240	-6%	Idea Cellular	112	118	5%

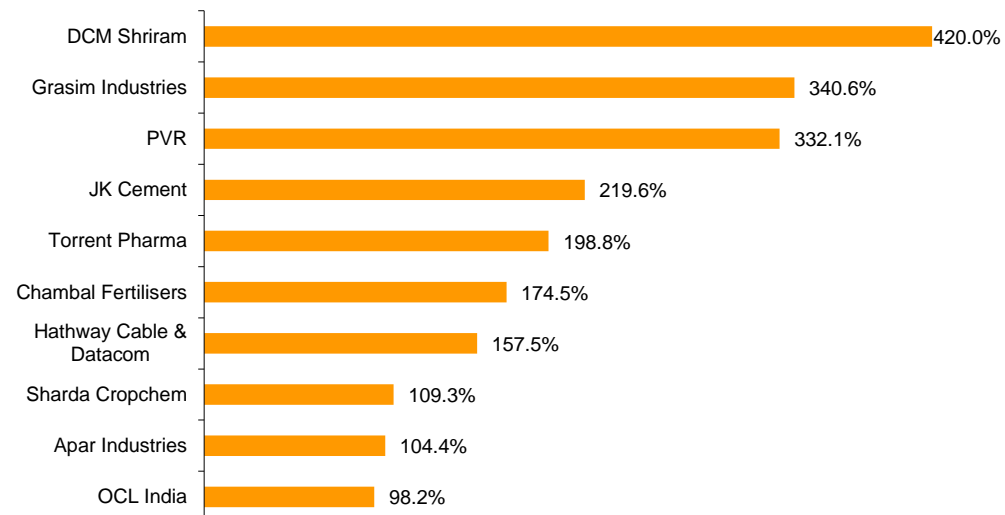
Post Q4 results; we have changed target prices of 126 companies (80 upwards, 46 downwards)

Top 10 Companies

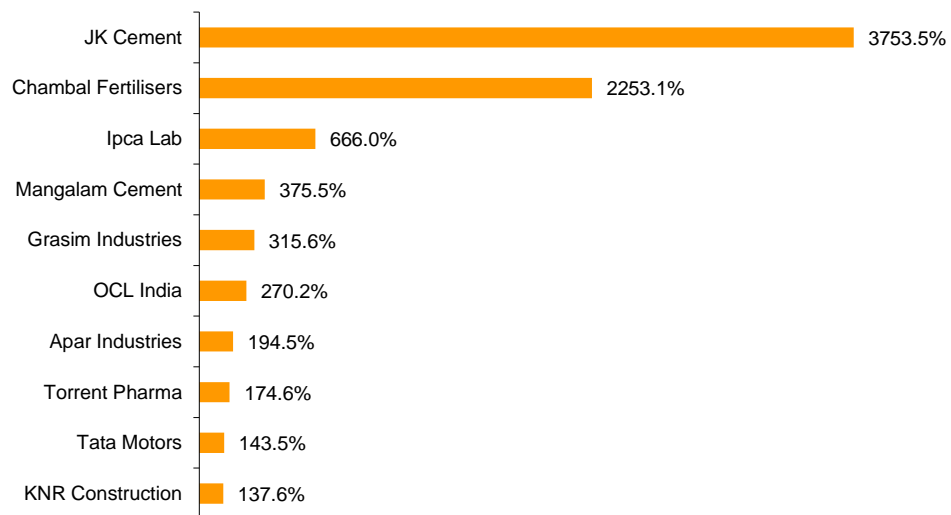
Net Sales Growth



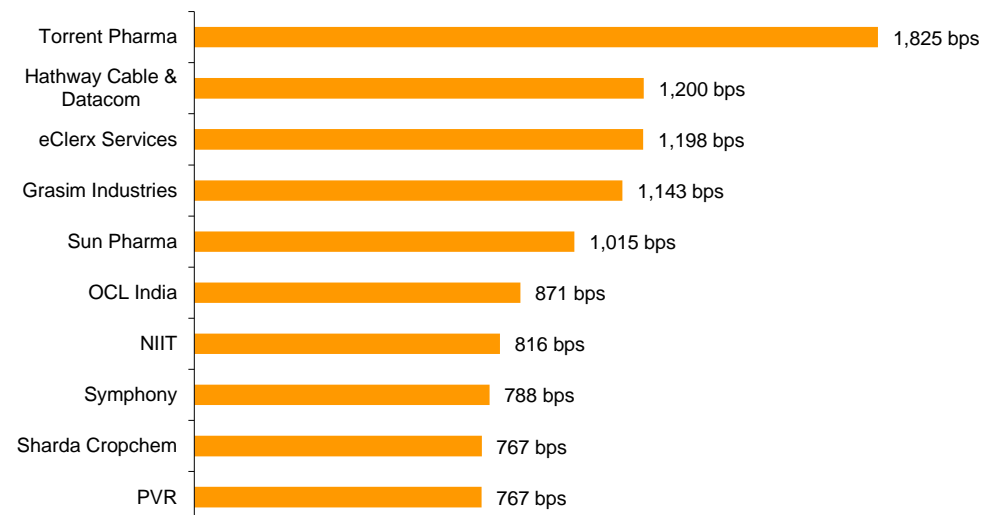
Ebitda Growth



PAT Growth

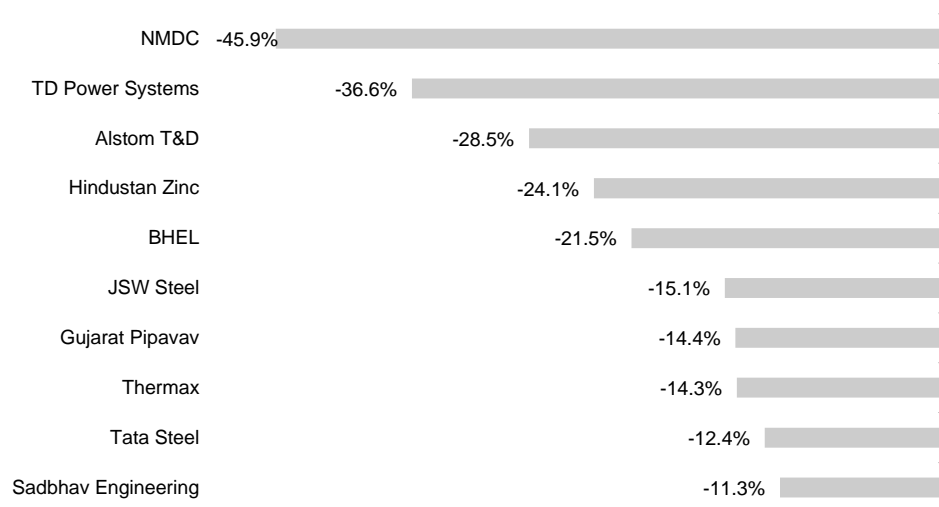


Ebitda Margin Growth

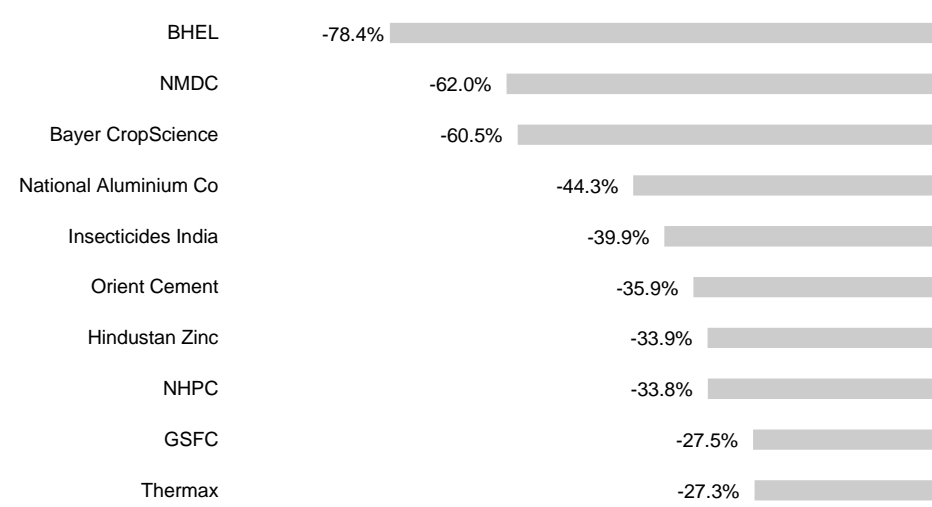


Bottom 10 Companies

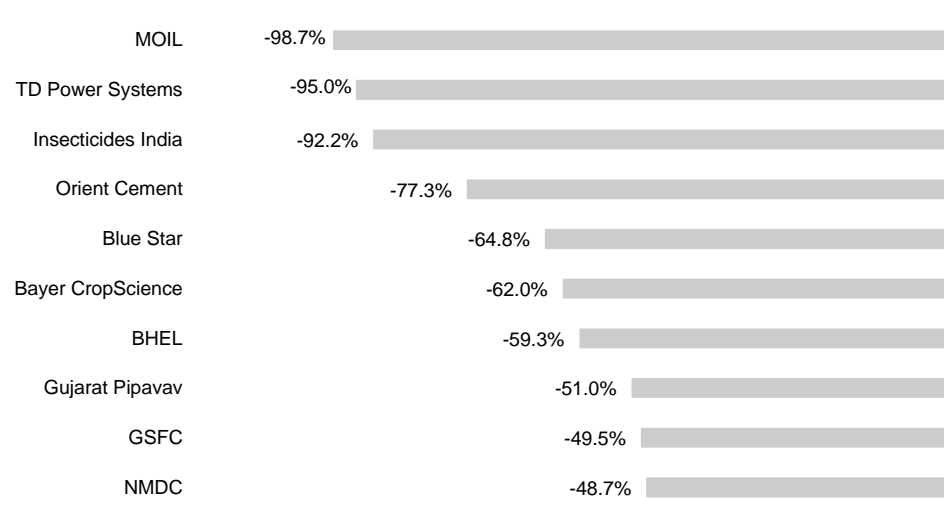
Net Sales Growth



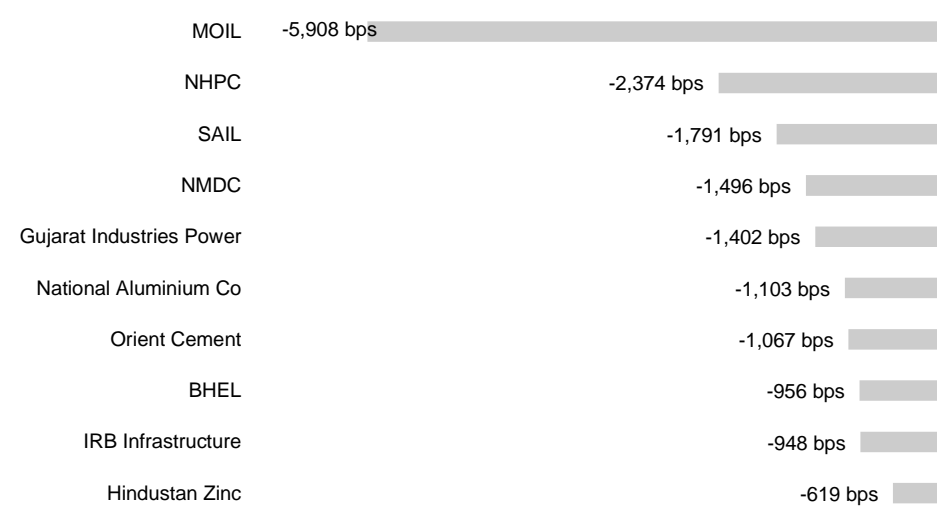
Ebitda Growth



PAT Growth

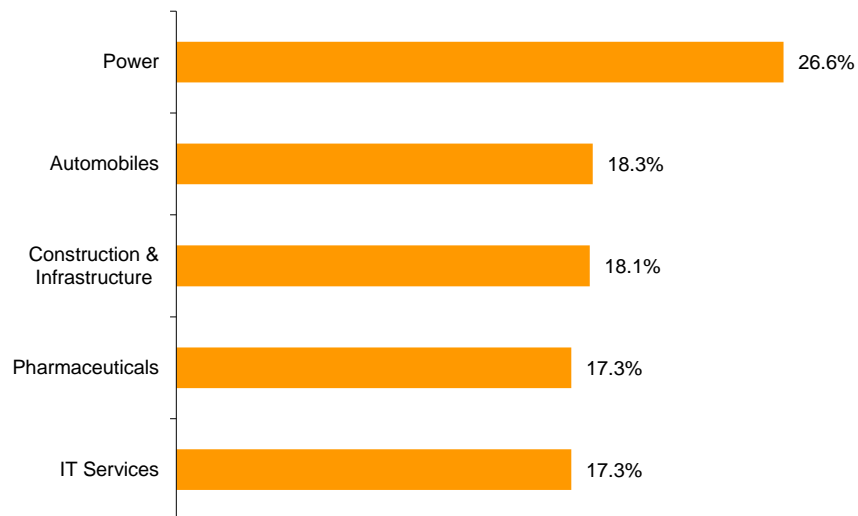


Ebitda Margin Growth

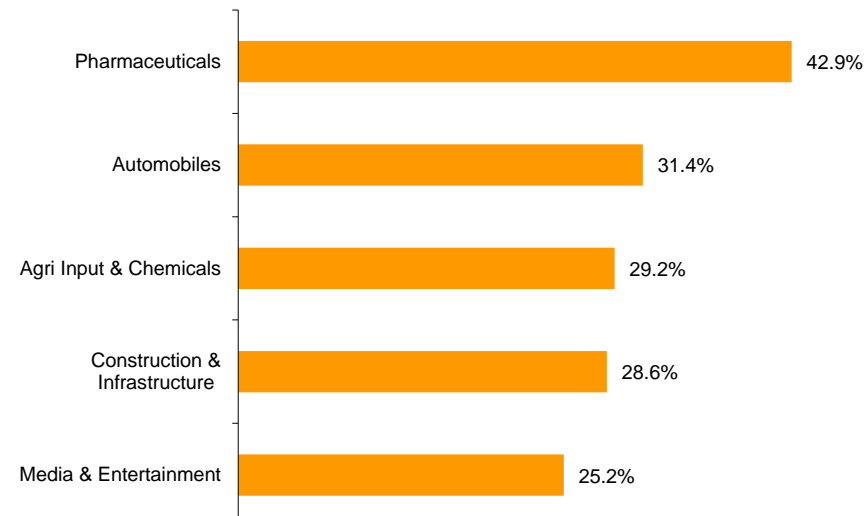


Top 5 Sectors

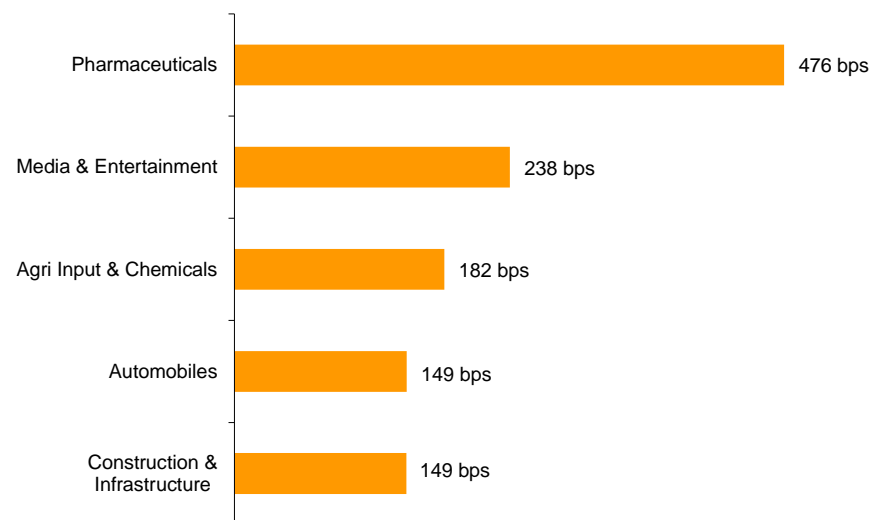
Net Sales Growth



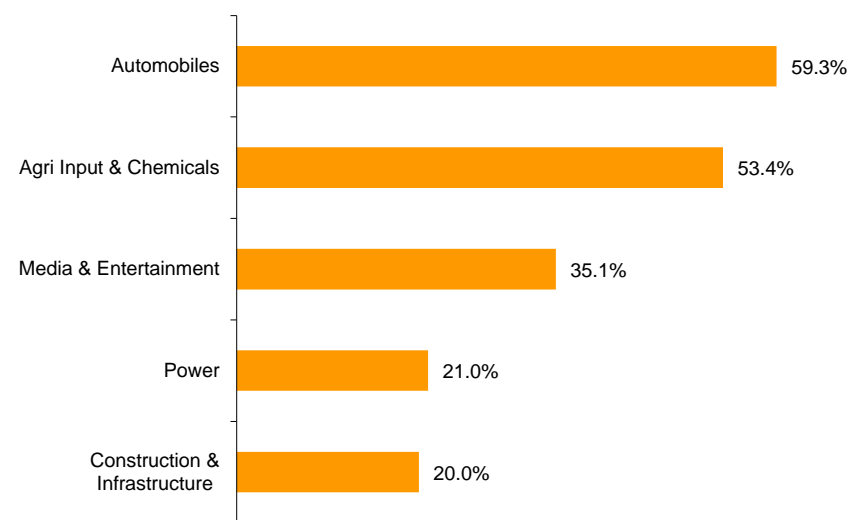
Ebitda Growth



Ebitda Margin Growth

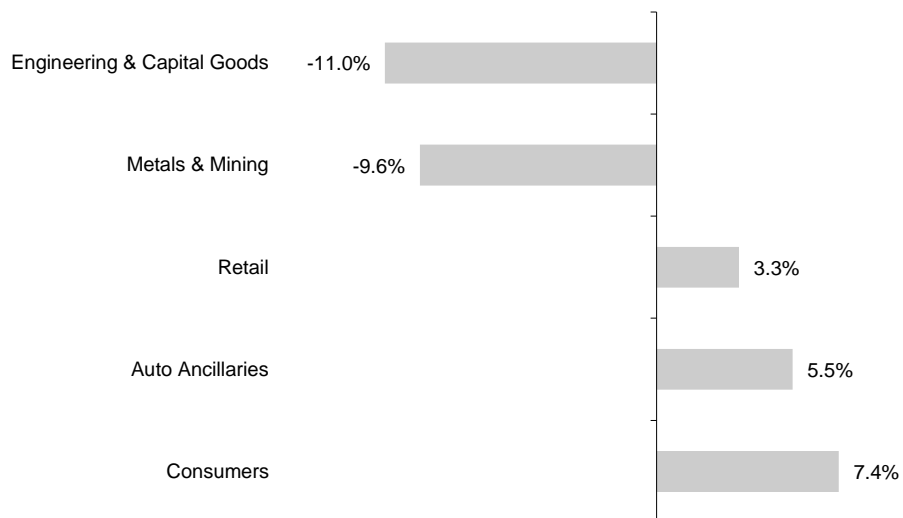


PAT Growth

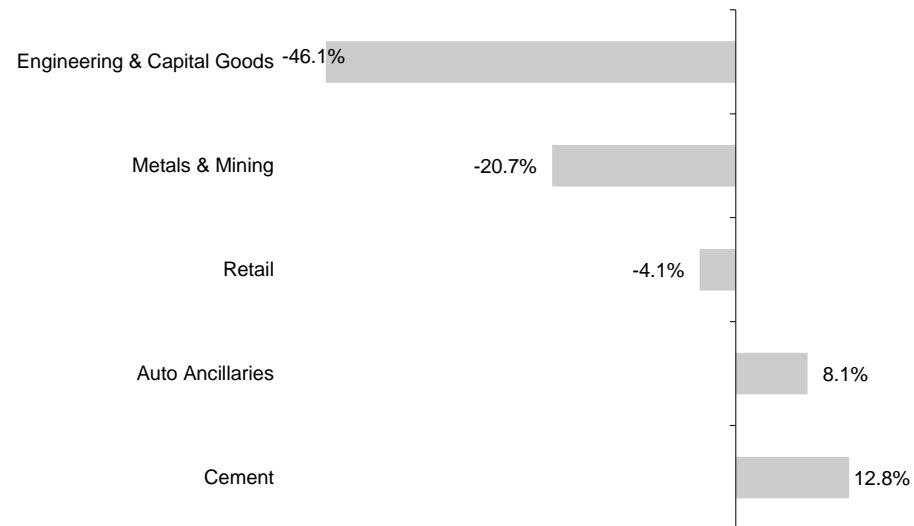


Bottom 5 Sectors

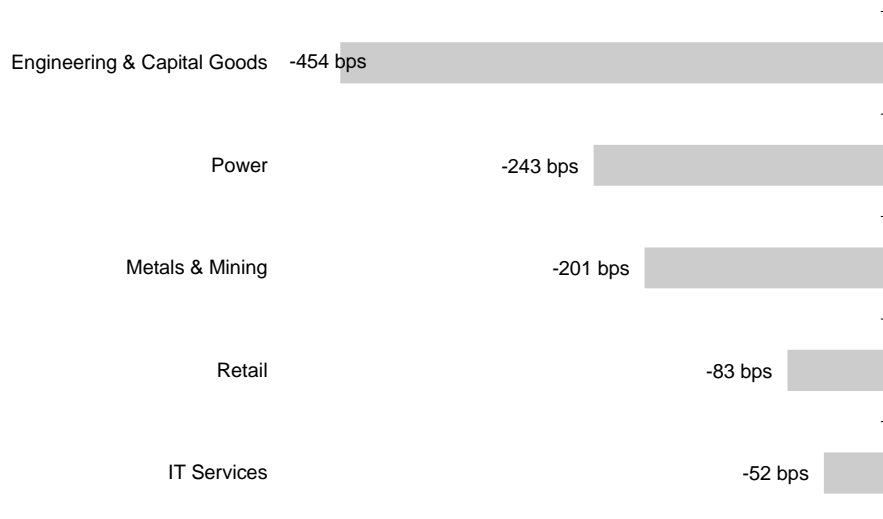
Net Sales Growth



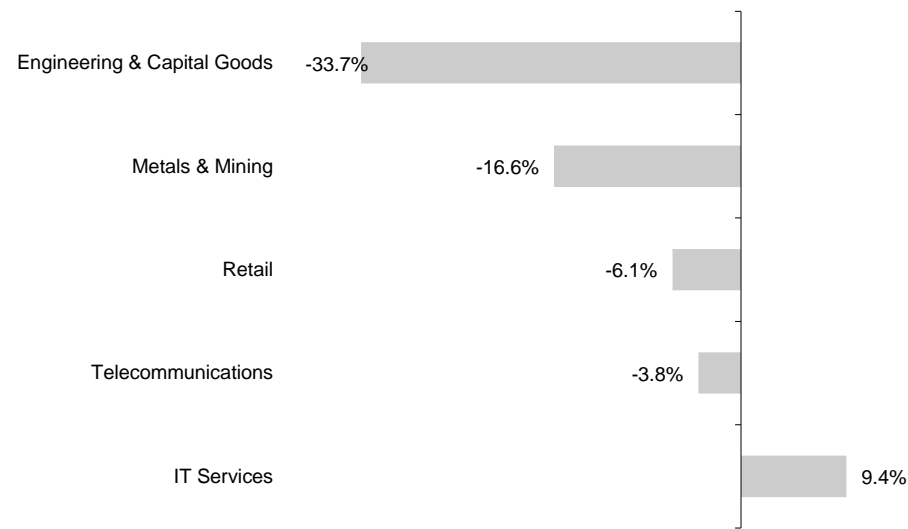
Ebitda Growth



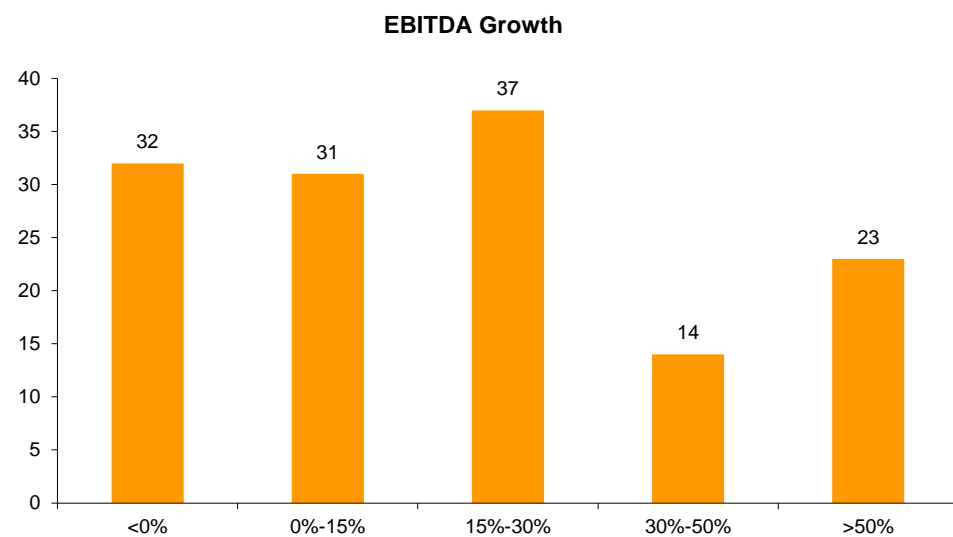
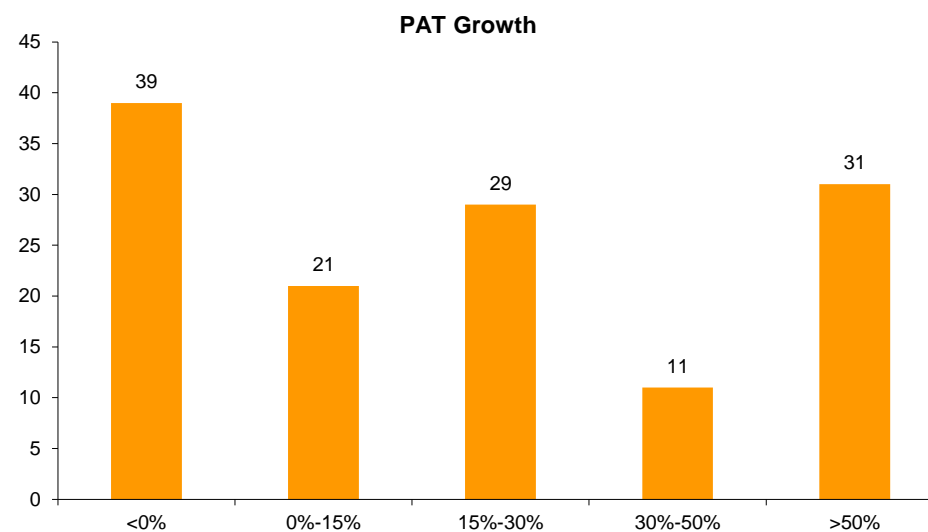
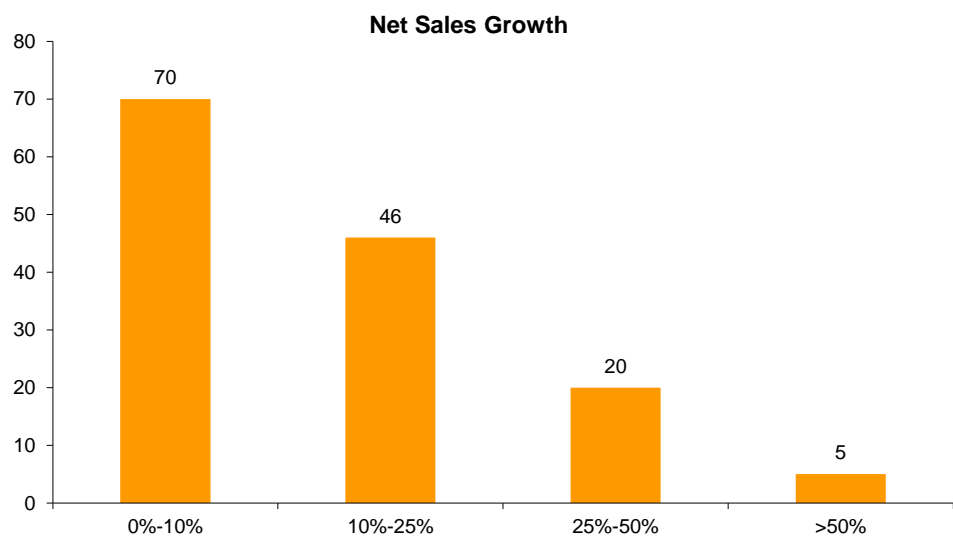
Ebitda Margin Growth



PAT Growth

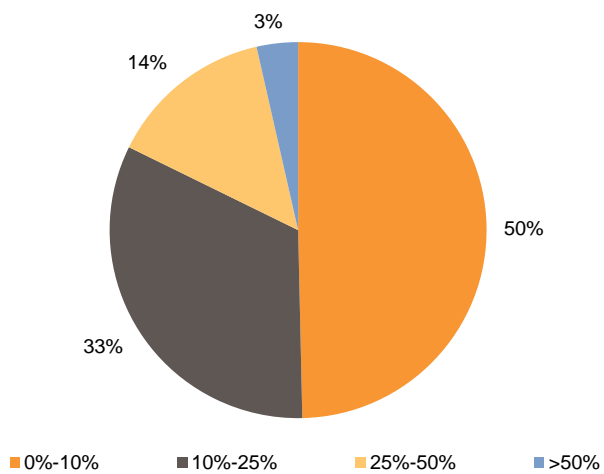


Frequency Distribution (No. of Companies)

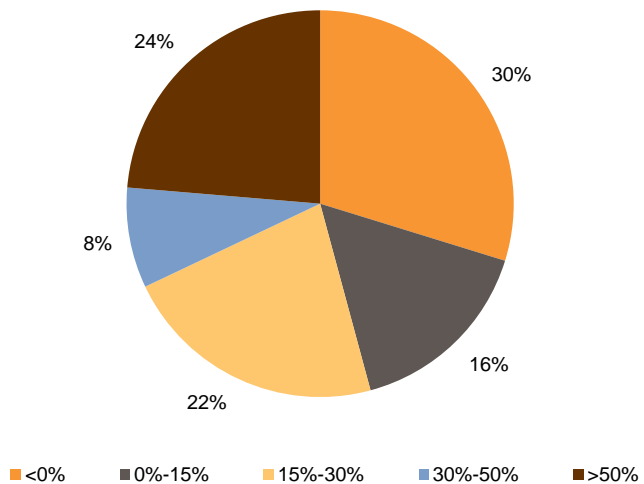


Frequency Distribution (Percentage)

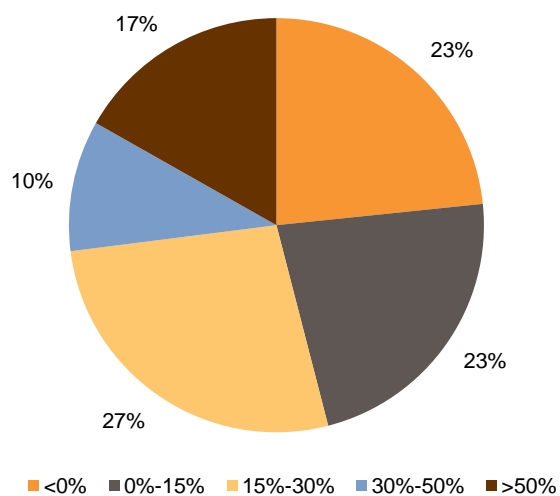
Net Sales Growth



PAT Growth

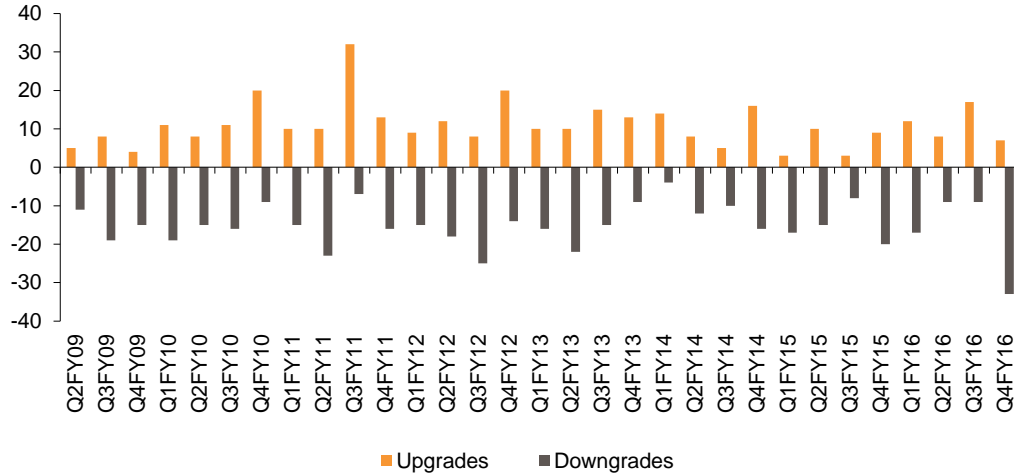


EBITDA Growth

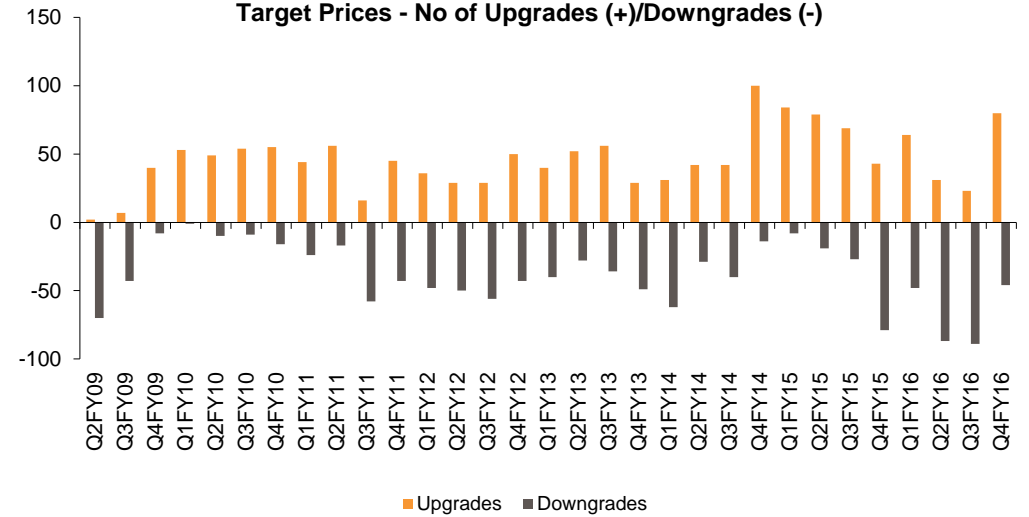


Quarterly Comparison: More earnings downgrades than upgrades

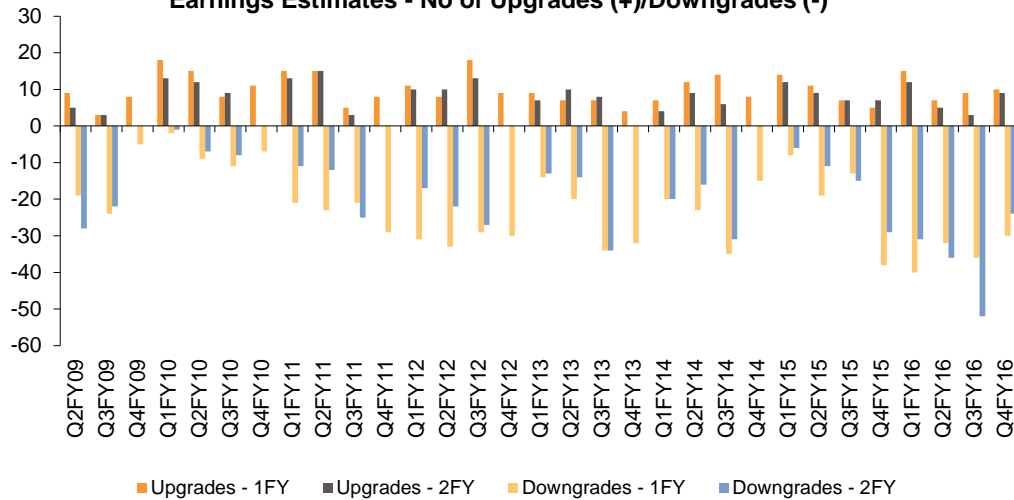
Recommendations - No of Upgrades (+)/Downgrades (-)



Target Prices - No of Upgrades (+)/Downgrades (-)



Earnings Estimates - No of Upgrades (+)/Downgrades (-)



Note: 1FY=FY09 & 2FY = FY10 for Q2FY09 - Q3FY09; 1FY=FY10 & 2FY = FY11 for Q4FY09 - Q3FY10; 1FY=FY11 & 2FY = FY12 for Q4FY10 - Q3FY11; 1FY=FY12 & 2FY = FY13 for Q4FY11 - Q1FY12

Sectoral Analysis of Q4FY16 Results

Agri Input - Agrochemicals

- Monsoon forecast by IMD as well as private agencies such as Skymet for kharif season has been extremely favorable with expectation of above normal monsoon with uniform distribution. Consequently, there has been significant inventory build-up in the channel in anticipation of a strong demand environment. This led to revenue growth during Q4FY16 for most domestic players.
- Key international markets of Latin America, Europe and North America saw increased demand as the sowing season commenced in these regions. Subsequently, companies like UPL (strong presence in Latin America and North America) and Sharda (strong presence in Europe) saw higher than anticipated revenue growth.
- Despite this, CRAMS segment has seen slower offtake as global clients continued to face headwinds in terms of lower agri-commodity prices and lower farm incomes.
- Aggregate revenue for agrochemical companies under our coverage increased by a healthy 17% yoy as against our estimates of 7% growth. However, this is driven by strong growth seen by UPL (+20% yoy) and Sharda (+54% yoy). Adjusting for the same, Q4FY16 aggregate revenue growth stood at 4% yoy.
- Amid improving demand and healthy sales growth, industry has witnessed 100bps yoy margin expansion with aggregate EBITDA margins at 20.1% driven by lower input cost and change in product mix. Aggregate EBITDA growth stood at 23% yoy while APAT increased by 31% yoy mainly due to higher revenues, improvement in margins and lower tax rate.
- Weak results for FY16 on back of sluggish demand environment has triggered downward revision in our FY17 earnings estimates for Bayer Crop, Insecticides India, PI Industries and Rallis while we marginally upgrade our estimates for Dhanuka, UPL and Sharda Cropchem. We introduce FY18 estimates.
- Favorable monsoon prediction should see buoyant demand for agrochemicals in the upcoming kharif season. Also low base of last year is likely to further drive growth for most of the agrochemical companies. Most companies in our coverage have seen a sharp run up in stock price in the last quarter subsequent to the announcement of normal monsoon. If the monsoon pans out as predicted, the rally could sustain and there could be a scope for upward revision in our as well as consensus estimates.

Agri Input - Agrochemicals

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Bayer CropScience									
CMP(Rs)	3,891	Net Sales (Rs mn)	5,272	6,424	5,696	-7.4%	-17.9%	↓	Bayer's Q4FY16 revenues fell 7% yoy to Rs 5.2bn (marginally above estimates Rs 5.1bn) while remained flat yoy at Rs 37.4bn during FY16 in-line with our estimates. Gross margins disappoint as higher RM cost led to 210bps/170bps yoy contraction in gross margins to 34.4%/33.5% for Q4/FY16. Q4FY16 EBITDA margins at 3.8% were lowest ever margins in last 12 quarters. EBITDA/PAT dropped 60%/62% during Q4FY16 and 19%/21% in FY16 owing to lower gross profits, increased interest cost and lower other income. Revise target price to Rs 4050 (28x FY18E EPS) and maintain HOLD rating.
Mkt Cap (Rs bn)	138	EBITDA (Rs mn)	200	431	506	-60.5%	-53.6%		
Reco	Hold	EBITDA Margin (%)	3.8	6.7	8.9	-509 bps	-292 bps		
Target Price (Rs)	4,050	PAT (Rs mn)	165	274	434	-62.0%	-39.8%		
% Upside	4%	EPS (Rs)	4.7	7.8	11.9	-60.6%	-39.8%		
Dhanuka Agritech									
CMP(Rs)	656	Net Sales (Rs mn)	1,744	2,060	1,530	13.9%	-15.3%	↔	Revenues increased 14% yoy to Rs 1.7bn marginally lower than our estimates of Rs 1.8mn was driven by volume growth while prices remained weak due to challenging demand environment. Gross margins improved 110bps yoy to 43.6% higher than est of 42%. EBITDA margins at 17.3% (marginally above est of 16.9%). EBITDA at Rs 301mn (+10% yoy) was broadly in-line with est of Rs 306mn. PAT at Rs 285mn (+30% yoy) ahead of our estimates of Rs 239mn led by higher other income and lower depreciation and interest expense.
Mkt Cap (Rs bn)	33	EBITDA (Rs mn)	301	328	275	9.6%	-8.1%		
Reco	Accumulate	EBITDA Margin (%)	17.3	15.9	18.0	-69 bps	136 bps		
Target Price (Rs)	690	PAT (Rs mn)	285	225	219	29.8%	26.3%		
% Upside	5%	EPS (Rs)	5.7	4.5	4.4	29.8%	26.3%		
Insecticides India									
CMP(Rs)	455	Net Sales (Rs mn)	1,781	1,547	1,608	10.7%	15.2%	↓	Revenues at Rs 1.8bn (+11 yoy) were above est largely driven by higher sales of formulation (+15% yoy) while technical segment revenues dropped 7% yoy on the back of weak demand in B2B segment. EBITDA margins at 4.6% (-385bps yoy) came under pressure as 51% increase in other expenditure due to inventory related losses and higher employee costs erased gross margin gains of 380bps. EBITDA at Rs 81mn (-40% yoy). Interest expense declined 42% yoy as company repaid debt using funds raised in QIP. PAT at Rs 5mn (-92% yoy) due to increase in tax rate. Cut FY17 estimates to factor in lower growth, higher tax rate.
Mkt Cap (Rs bn)	9	EBITDA (Rs mn)	81	130	135	-39.9%	-37.7%		
Reco	Hold	EBITDA Margin (%)	4.6	8.4	8.4	-385 bps	-387 bps		
Target Price (Rs)	410	PAT (Rs mn)	5	10	62	-92.2%	-52.9%		
% Upside	-10%	EPS (Rs)	0.2	0.5	3.0	-92.2%	-52.9%		

Agri Input - Agrochemicals

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
PI Industries									
CMP(Rs)	683	Net Sales (Rs mn)	5,848	5,110	5,370	8.9%	14.4%	↓	Q4FY16 Revenues at Rs 5.8bn (+8%yoy) were marginally below est due to lower than estimated growth of 6% yoy in CSM segment while domestic revenue growth at 17% was a positive surprise. EBITDA increased 13% yoy to Rs 1,073mn. However, lower tax rate due to tax exemption at newly commissioned facilities at Jambusar boosted Q4 profitability to Rs 953mn (+58%yoy). CSM order book increased to US\$ 850mn. Maintain Accumulate recommendation with revised target price of Rs754
Mkt Cap (Rs bn)	94	EBITDA (Rs mn)	1,093	1,077	1,001	9.2%	1.4%		
Reco	Accumulate	EBITDA Margin (%)	18.7	21.1	18.6	5 bps	-240 bps		
Target Price (Rs)	754	PAT (Rs mn)	953	725	603	58.0%	31.4%		
% Upside	10%	EPS (Rs)	7.0	5.3	4.4	58.0%	31.4%		
Rallis India									
CMP(Rs)	220	Net Sales (Rs mn)	3,483	3,103	3,219	8.2%	12.2%	↑	Consolidated revenue growth at 8% yoy to Rs 3.5bn (above our estimates of Rs 3.2bn) on the back of revival in export orders while domestic business remains flattish. Margins in line with estimates at 12% (-180bps yoy) resulting in EBITDA at Rs 419mn (-6% yoy) marginally higher than estimate of Rs 384mn. PAT jumped 51%yoy to Rs 323mn (higher than our est of Rs 173mn) on the back of one-offs such as steep fall in depreciation (-55% yoy) and increase in other income (+862% yoy). Revise target price to Rs 200 and Maintain Hold rating.
Mkt Cap (Rs bn)	43	EBITDA (Rs mn)	419	352	444	-5.7%	19.1%		
Reco	Hold	EBITDA Margin (%)	12.0	11.3	13.8	-177 bps	69 bps		
Target Price (Rs)	200	PAT (Rs mn)	323	204	213	51.3%	58.0%		
% Upside	-9%	EPS (Rs)	1.7	1.0	1.1	51.3%	58.0%		
Sharda Cropchem									
CMP(Rs)	380	Net Sales (Rs mn)	5,244	1,795	3,408	53.9%	192.1%	↑	Sharda reported strong performance led by European region with volume growth of 66% in Q4FY16 as the company increased its product portfolio and penetration in the region. Overall volume growth in Q4/FY16 stood at 62%/24%. Revenues increased 54% yoy to Rs 5.2bn ahead of our estimate of Rs 3.6bn. EBITDA margin at 29% improved 610bps yoy on the back of increased sales of agrochemicals especially in the high margin Euro zone and higher operating leverage. Management remains confident to of achieving volume growth of 15-20% in FY17 with EBITDA margin guidance of 18-21%
Mkt Cap (Rs bn)	34	EBITDA (Rs mn)	1,519	272	726	109.3%	458.0%		
Reco	Reduce	EBITDA Margin (%)	29.0	15.2	21.3	767 bps	1,380 bps		
Target Price (Rs)	330	PAT (Rs mn)	1,017	115	491	107.1%	784.6%		
% Upside	-13%	EPS (Rs)	11.3	1.3	5.5	107.1%	784.6%		

Agri Input - Agrochemicals

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
UPL								↑	Consolidated revenues increased 20% yoy to 43.4bn above our estimates of Rs 39.8bn primarily driven by Latin American region which posted 57% yoy growth in revenues. Renewed focus of management on capex of Rs 8-9bn per annum in the next 2-3 years to increase capacities will limit free cash flows. Rollover our target to FY18E EPS with a target price of Rs 655 (15x FY18 EPS 43.7). Downgrade to Accumulate.
CMP(Rs)	599	Net Sales (Rs mn)	43,397	30,963	36,243	19.7%	40.2%		
Mkt Cap (Rs bn)	257	EBITDA (Rs mn)	9,813	6,247	7,849	25.0%	57.1%		
Reco	Accumulate	EBITDA Margin (%)	22.6	20.2	21.7	95 bps	244 bps		
Target Price (Rs)	655	PAT (Rs mn)	5,841	3,104	4,529	29.0%	88.2%		
% Upside	9%	EPS (Rs)	13.2	7.0	10.2	29.0%	88.2%		

Agri Input – Fertiliser and Chemicals

- Q4FY16 has seen high pre-booking of fertilizer as companies anticipate normal monsoon. Companies under our coverage have reported improved performance the fertiliser segment during the quarter on the back of expectation of strong monsoon during upcoming kharif. The segment revenue increased by 15% yoy (adjusting for Deepak, growth was 8% yoy as Deepak's fertiliser production was higher due to resumption of production using imported gas which was absent in the last year). Aggregate EBIT margins expanded 260 bps yoy to 5.6%.
- Chemical segment performance remained subdued as revenue growth stood at mere 2%. However, aggregate EBIT margins improved by 100bps to 15.8% led by sharp improvement in EBIT margins of DCM Shriram (33% vs. 23%) and Tata Chemicals (21% vs. 17.5%). Other companies in our universe posted marginal improvement in segment EBIT margins in the range of 20-100 bps.
- On aggregate level, fertiliser & chemical segment (ex - agrochemicals) sales reported growth of 8% yoy but better than our estimate of marginal decline of 2% while EBIDTA growth at 38% yoy was a function of lower RM costs and PAT for our universe jumped by 113% (deviation of 40% above our estimate) mainly contributed sharp improvement in fertiliser segment of Deepak and Chambal GSFC as well as overall improvement in DCM and Tata Chemicals.
- Owing to expectation of improvement in demand environment in the upcoming kharif season, we keep our estimates unchanged for most of our coverage companies. We upward revise FY17E earnings for Tata Chemicals (+6%) and DCM Shriram (+16%). Subsidy receivable remains high for all companies, putting pressure on balance sheet and profitability. Also high inventory of complex fertiliser in the system could poses near term concerns. However, management of all companies remain confident of liquidating the inventory as soon as the season begins and have also indicated that there could be a shortfall in inventory incase the monsoon pans out as projected.
- DCM Shriram and Coromandel are our key picks in this space. DCM Shriram is well poised to benefit from (i) surge in sugar prices as production is expected to be low, (ii) improvement in agri-input demand (iii) stable demand in chemical. Our positive bias in Coromandel stems from (i) its market leadership position in complex fertiliser in south India (ii) ability to gain market share in FY16 despite weak demand (iii) increasing share of non-subsidized product portfolio.

Agri Input – Fertiliser and Chemicals

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Chambal Fertilisers								↑	Chambal's Q4FY16 revenues from continued operations recorded a growth of 10% yoy to Rs 15.9bn on the back of 13% yoy increase in fertiliser revenues at Rs 14bn while shipping revenues dropped 6% yoy to Rs 1.8bn. Fertiliser EBIT margins at 7% and shipping at 15% on the back of benign RM costs in fertiliser and improvement in charter rates in shipping segment. Tailwind from normal monsoon to benefit the company. However, huge capex of Rs ~60bn to put pressure on balance sheet coupled with high level of pending subsidy. Downgrade to Accumulate post recent run up in the stock.
CMP(Rs)	66	Net Sales (Rs mn)	15,953	28,351	15,531	2.7%	-43.7%		
Mkt Cap (Rs bn)	28	EBITDA (Rs mn)	1,235	2,456	450	174.5%	-49.7%		
Reco	Accumulate	EBITDA Margin (%)	7.7	8.7	2.9	484 bps	-92 bps		
Target Price (Rs)	71	PAT (Rs mn)	826	1,329	35	2253.1%	-37.9%		
% Upside	7%	EPS (Rs)	2.0	3.2	0.1	2253.1%	-37.9%		
Coromandel Fertilisers								↑	Q4FY16 consolidated revenues remained flattish at Rs 30.2bn (+1% yoy) higher than our est of Rs 23.7bn primarily driven by higher volume growth of 10% yoy while prices remained subdued. EBITDA margins improved 130bps to 6.6% (estimate of 6%). EBITDA at Rs 2bn (+25% yoy) was higher than estimate of Rs 1.4bn. Expect favourable monsoon to drive fertiliser and non fertiliser business while subsidy receipts to strengthen its balance sheet. We rollover our target to FY18.
CMP(Rs)	251	Net Sales (Rs mn)	30,209	27,555	29,976	0.8%	9.6%		
Mkt Cap (Rs bn)	73	EBITDA (Rs mn)	2,004	1,653	1,597	25.5%	21.2%		
Reco	Buy	EBITDA Margin (%)	6.6	6.0	5.3	131 bps	64 bps		
Target Price (Rs)	272	PAT (Rs mn)	927	554	689	34.5%	67.4%		
% Upside	8%	EPS (Rs)	3.2	1.9	2.4	34.5%	67.4%		
Deepak Fertilisers								↓	Fertiliser EBIT at Rs 264mn (vs. loss of 36mn in Q4FY15) as company benefits from lower gas prices in spot market, aided EBIT growth of 25% yoy to Rs 264mn while chemical segment EBIT at Rs 780mn was lower by 8%yoy. Chemical business was impacted due to shortage of water faced at its Taloja plant owing to drought like situation in Maharashtra even as demand for TAN and Nitric acid remained buoyant. Upgrade FY17E revenue/EBITDA by 17%/21% due to higher profitability in fertiliser business while EPS remains unchanged due to increase in interest expense due to delays in subsidy.
CMP(Rs)	158	Net Sales (Rs mn)	10,868	10,513	9,310	16.7%	3.4%		
Mkt Cap (Rs bn)	14	EBITDA (Rs mn)	932	869	811	14.9%	7.3%		
Reco	Buy	EBITDA Margin (%)	8.6	8.3	8.7	-13 bps	31 bps		
Target Price (Rs)	217	PAT (Rs mn)	259	235	276	-6.0%	10.4%		
% Upside	37%	EPS (Rs)	2.9	2.7	3.1	-6.0%	10.4%		

Agri Input – Fertiliser and Chemicals

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
DCM Shriram									
								↔	DCM posted robust set of numbers driven by strong margins in its chemicals segment and turnaround in its sugar business. This led to sharp jump in profit to Rs 512mn in Q4FY16 vs loss of Rs 137mn in previous year. EBIT margins at 33% in chemical segment with EBIT growth of 35%yoy to Rs 971mn and profit from sugar segment of 571mn (vs loss of Rs 560mn previous year) supported profitability. Driven by all the segments, DCM's earnings to grow at CAGR of 25% FY16-18E as we upgrade our earnings for FY17 by 16%. Continue to maintain Buy rating.
CMP(Rs)	205	Net Sales (Rs mn)	13,330	12,629	13,093	1.8%	5.5%		
Mkt Cap (Rs bn)	33	EBITDA (Rs mn)	1,215	908	234	420.0%	33.9%		
Reco	Buy	EBITDA Margin (%)	9.1	7.2	1.8	733 bps	193 bps		
Target Price (Rs)	260	PAT (Rs mn)	512	605	-402		-15.4%		
% Upside	27%	EPS (Rs)	3.1	3.7	-2.5		-15.4%		
GSFC									
								↓	Loss in chemical segment of Rs 402mn on the back of contraction of caprolactam-benzene spread, technical issues at caprolactam plant and lower demand for polymer. Fertiliser EBIT increased 63% yoy to Rs 1,037mn as margins remained stable at 8%. Overall EBIT margins at 2.9% (-330bps yoy) and overall EBIT at Rs 486mn fell 39% yoy. Management has guided for 30-35% volume growth in fertiliser segment however, weakness in caprolactam prices would put pressure on profitability. Downgrade to Hold. Reduce target price to Rs 74
CMP(Rs)	77	Net Sales (Rs mn)	17,016	15,030	12,904	31.9%	13.2%		
Mkt Cap (Rs bn)	31	EBITDA (Rs mn)	741	643	1,022	-27.5%	15.3%		
Reco	Hold	EBITDA Margin (%)	4.4	4.3	7.9	-357 bps	8 bps		
Target Price (Rs)	74	PAT (Rs mn)	326	-88	645	-49.5%			
% Upside	-4%	EPS (Rs)	0.8	-0.2	1.6	-49.5%			
Tata Chemicals									
								↑	All segments contribute to growth in Q4FY16. Standalone revenues were up 7% to Rs 22.6bn due to 6%/8%/27% growth in chemical, fertiliser and 'Others'. US and BMGL reported 7%/6% yoy increase in revenues as operations stabilised in US and overall buoyant demand. EBITDA margins at 13% improved 200bps yoy driven by higher profitability in UK, US and India soda ash business due to lower gas cost and turnaround in domestic fertiliser business. We upgrade our FY17E earnings by 6% to factor in improved profitability across all its business verticals. We roll forward to FY18 and revise our target price to Rs 500.
CMP(Rs)	432	Net Sales (Rs mn)	40,070	46,780	37,426	7.1%	-14.3%		
Mkt Cap (Rs bn)	110	EBITDA (Rs mn)	5,201	5,308	4,112	26.5%	-2.0%		
Reco	Accumulate	EBITDA Margin (%)	13.0	11.3	11.0	199 bps	163 bps		
Target Price (Rs)	500	PAT (Rs mn)	2,423	1,706	1,237	95.8%	42.0%		
% Upside	16%	EPS (Rs)	9.5	6.7	4.9	95.8%	42.0%		

Automobiles

- Our Auto OEM universe saw a revenue growth of 18% YoY, while Auto Ancillaries universe grew just 5% YoY. Ex-Tata Motors also, OEM universe topline grew 17% YoY.
- Eicher Motors, Ashok Leyland and Tata Motors saw the highest revenue growth in our OEM universe at 47%, 32% and 19% respectively. Amongst ancillaries, Amara Raja Batteries saw 9% YoY growth in topline.
- Except M&M, TVSL and MSIL, all other OEMs in our coverage universe posted >30% YoY EBITDA growth, aided either by soft input costs or operating leverage. Amongst the ancillaries, MSS and Exide posted 17%/12% YoY EBITDA growth.
- While MSIL and TTMT posted results which were above estimates, AL, TVSL, AMRJ and APTY disappointed. Other companies posted numbers largely in-line with our estimates.
- Management commentaries in the concalls revolved around possibility of demand recovery from H2, benefitting from demand revival in rural sector from an expected good monsoon. While almost all companies saw their gross margins expand in Q4, they expect headwinds from reversal of soft commodity prices.
- Our top picks in the OEM space remain TTMT (on exciting product pipeline leading to global market share gain), MSIL (play on new launches and demand recovery) and HMCL (a pure demand recovery play as rural sentiments improve on normal monsoons). Amongst the ancillaries, MSS is a strong growth story and remains our preferred pick, followed by Amara Raja.

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Ashok Leyland								↓	AL's Q4 operating performance was marginally below our estimate as an unfavorable mix led to a 12.6% EBITDA Margin vs our estimate of 13.0%. OPM benefitted from positive operating leverage (volumes up +29% YoY, +42% QoQ) and soft input costs. We build 20%/15% growth in domestic M&HCV volumes in FY17/18E; recent volume performance has led to a marginal 3% upgrade in our volumes/EBITDA estimate. Our TP of Rs 97, is based on 9x FY18E EV/EBITDA
CMP(Rs)	106	Net Sales (Rs mn)	59,553	40,853	45,057	32.2%	45.8%		
Mkt Cap (Rs bn)	301	EBITDA (Rs mn)	7,531	4,297	4,571	64.8%	75.3%		
Reco	Hold	EBITDA Margin (%)	12.6	10.5	10.1	250 bps	213 bps		
Target Price (Rs)	97	PAT (Rs mn)	4,563	2,051	2,380	91.7%	122.4%		
% Upside	-8%	EPS (Rs)	1.6	0.7	0.8	91.7%	122.4%		
Bajaj Auto								↔	Bajaj's Q4 Revenue/EBITDA was 3%/5% above consensus est, driven by a strong product mix. OPM increased on the back of soft commodity prices, richer product mix and a favourable currency. Other expenses for the quarter were higher due to CSR spending. We expect Bajaj to gain domestic market share in FY17, but build in a 15% volume growth as against mgmt's target of 37%. On the exports front, we build a ~5% decline in volumes. Our EBITDA est. remain unchanged but given accrual accounting for investment income under IndAS going ahead, our EPS est. have changed by +4%/-12% for FY17/FY18.
CMP(Rs)	2,632	Net Sales (Rs mn)	54,114	55,649	47,393	14.2%	-2.8%		
Mkt Cap (Rs bn)	762	EBITDA (Rs mn)	11,515	11,712	8,324	38.3%	-1.7%		
Reco	Hold	EBITDA Margin (%)	21.3	21.0	17.6	372 bps	23 bps		
Target Price (Rs)	2,550	PAT (Rs mn)	8,031	9,015	6,179	30.0%	-10.9%		
% Upside	-3%	EPS (Rs)	27.8	31.2	21.4	30.0%	-10.9%		
Eicher Motor								↔	EIM's stellar performance continued in Q5FY16 - in-line with our estimates. RE biz OPM at 29.9% (+380 bps YoY, +110 bps QoQ) came a tad higher than our estimate, driven by operating leverage benefits as volumes grew +61% YoY, +18% QoQ. VECV OPM came in-line with estimates at 8.0% (+90 bps YoY, +40 bps QoQ), again driven by strong operating leverage benefits, as volumes grew +41% YoY, +23% QoQ. Domestic order-book stays healthy at 3 months, despite higher production capacity. We further upgrade our volume/earnings estimates for both - RE and VECV leading to 8%/6% upgrade to our EPS estimate. Retain ACCUMULATE
CMP(Rs)	18,825	Net Sales (Rs mn)	37,649	33,166	25,680	46.6%	13.5%		
Mkt Cap (Rs bn)	511	EBITDA (Rs mn)	6,399	5,240	3,660	74.9%	22.1%		
Reco	Accumulate	EBITDA Margin (%)	17.0	15.8	14.3	275 bps	120 bps		
Target Price (Rs)	21,200	PAT (Rs mn)	3,345	2,778	1,953	71.3%	20.4%		
% Upside	13%	EPS (Rs)	122.6	101.9	71.6	71.3%	20.4%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Hero MotoCorp									
								↔	HMCL's operating performance came largely in-line with our/consensus estimate. Gross margin expanded 90 bps QoQ led by favorable input costs and higher share of spare part sales; benefit of strong gross margin was however offset by higher R&D provisioning done during the quarter. Mgmt expects recovery in demand in H2 driven by a good monsoon; it also expects to maintain ~15% operating margins. We maintain our FY17/FY18 volume growth estimate at +7%/+12% and expect OPM to sustain owing to benefits of the LEAP program and higher pricing power in an improving demand scenario.
CMP(Rs)	3,170	Net Sales (Rs mn)	75,122	72,948	67,939	10.6%	3.0%		
Mkt Cap (Rs bn)	633	EBITDA (Rs mn)	11,758	11,502	8,383	40.3%	2.2%		
Reco	Buy	EBITDA Margin (%)	15.7	15.8	12.3	331 bps	-12 bps		
Target Price (Rs)	3,400	PAT (Rs mn)	8,142	8,061	6,315	28.9%	1.0%		
% Upside	7%	EPS (Rs)	40.8	40.4	31.6	28.9%	1.0%		
M&M									
								↓	M&M+MVML OPM of 12.5% was overstated 70 bps from reversal of actuarial provision on staff cost. Automotive (M&M+MVML) EBIT Margin stood at 9.6% (+30 bps YoY, -60 bps QoQ) and was sequentially impacted by end of fiscal benefits at the Haridwar plant. Farm Sector EBIT Margin at 12.9% (+20 bps YoY, -290 bps QoQ) was impacted by weak operating leverage and possibly from costs which are seasonal in nature. For FY17/FY18, we expect M&M's tractor volume to grow +14%/+10% and auto segment to grow +18%/+13% respectively. We value the core automotive M&M+MVML biz at Rs 991/share and subs at Rs 544/share – TP increased on higher subs valuation.
CMP(Rs)	1,386	Net Sales (Rs mn)	108,008	110,083	95,570	13.0%	-1.9%		
Mkt Cap (Rs bn)	861	EBITDA (Rs mn)	10,490	13,093	9,685	8.3%	-19.9%		
Reco	Accumulate	EBITDA Margin (%)	9.7	11.9	10.1	-42 bps	-218 bps		
Target Price (Rs)	1,400	PAT (Rs mn)	5,777	8,121	5,822	-0.8%	-28.9%		
% Upside	1%	EPS (Rs)	9.4	13.2	9.5	-0.8%	-28.9%		
Maruti Suzuki									
								↑	MSIL's Q4 OPM of 15.4% came above our est on strong gross margin expansion, driven by lower discounts, favorable raw material prices and reversal of the fixed cost absorption on inventory seen in Q3. We build in 11%/15% volume growth in FY17/FY18, factoring in full utilization of available capacity. We build in 14.5% OPM in FY17/FY18 as we factor in USD/JPY at 110 vs 120 earlier; Given that the tailwinds of a depreciating Yen and new model launches are now behind us, we lower our target EV/EBITDA multiple to 9.5x - lower our TP to 4,350.
CMP(Rs)	4,160	Net Sales (Rs mn)	153,057	150,819	136,248	12.3%	1.5%		
Mkt Cap (Rs bn)	1,257	EBITDA (Rs mn)	23,500	21,701	21,643	8.6%	8.3%		
Reco	Buy	EBITDA Margin (%)	15.4	14.4	15.9	-53 bps	96 bps		
Target Price (Rs)	4,350	PAT (Rs mn)	11,336	10,193	12,842	-11.7%	11.2%		
% Upside	5%	EPS (Rs)	37.5	33.8	42.5	-11.7%	11.2%		

Automobiles

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Tata Motors								↑	JLR's Q4FY16 adj. OPM at 16.2% was better than our estimate of 15.0%. Standalone OPM at 8.1% came higher than our expectation of 7.2%; gross margins were up ~400 bps QoQ. Our volume growth estimates for JLR (incl. China JV) stands at 16%/13% for FY17/FY18E (volumes at 630k/710k units respectively), driven by a favorable product cycle. The operating performance in the quarter is quite reassuring - we raise our OPM estimates for JLR to 15.5% from 15.0%. We raise our consolidated EBITDA estimates by ~5% for FY17/18E driven primarily by the upgrade to our estimates on JLR. Retain BUY with a higher SOTP based TP of Rs 520, driven by better operating performance at JLR and lower than envisaged capex/investments in FY16/FY17. We value JLR at 3.5x EV/EBITDA, India biz at 9x EV/EBITDA and China JV at 0.5x EV/Sales.
CMP(Rs)	466	Net Sales (Rs mn)	806,844	722,564	675,760	19.4%	11.7%		
Mkt Cap (Rs bn)	1,510	EBITDA (Rs mn)	124,607	102,365	92,503	34.7%	21.7%		
Reco	Buy	EBITDA Margin (%)	15.4	14.2	13.7	176 bps	128 bps		
Target Price (Rs)	520	PAT (Rs mn)	45,727	34,618	18,777	143.5%	32.1%		
% Upside	12%	EPS (Rs)	13.4	10.1	5.7	136.2%	32.1%		
TVS Motor								↓	TVS Motors' OPM at 6.3% came below our estimate of 7.4% - bunching up of marketing expenses like the launch of the Victor, the Auto expo and a dealers' conference played spoilsport. Victor and Apache RTR 200 launches are likely to aid market share gains in the executive and premium segments respectively; joint product with BMW is slated for launch in H2. We expect margins to improve to 8.0% over FY17-18 – though below management's target of 10%+. We build in FY17/FY18 volume growth of 15%/12%, a cut of ~6%, as we factor a weaker exports, market share loss in scooters and weakening franchise of older model lines. Consequently, we cut our EPS estimates for FY17/18 by 10%/12%; retain REDUCE with a lower TP of Rs 255.
CMP(Rs)	290	Net Sales (Rs mn)	28,154	29,396	24,569	14.6%	-4.2%		
Mkt Cap (Rs bn)	138	EBITDA (Rs mn)	1,785	2,130	1,622	10.1%	-16.2%		
Reco	Reduce	EBITDA Margin (%)	6.3	7.2	6.6	-26 bps	-90 bps		
Target Price (Rs)	255	PAT (Rs mn)	1,178	1,241	1,025	14.9%	-5.1%		
% Upside	-12%	EPS (Rs)	2.5	2.6	2.2	14.9%	-5.1%		

Auto Ancillaries

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Amara Raja									
CMP(Rs)	843	Net Sales (Rs mn)	11,697	12,251	10,698	9.3%	-4.5%	↓	Net revenue came below our/consensus estimates. EBITDA Margin too was lower than our estimate of 18.0%. Gross margin declined ~110 bps QoQ mainly due to a 6%+ increase in lead prices QoQ. Other expenses were higher 100 bps QoQ, and the key reason for negative surprise – possibly the start up cost of new plants could have impacted costs. We have an ACCUMULATE recommendation on the stock.
Mkt Cap (Rs bn)	144	EBITDA (Rs mn)	1,908	2,286	1,878	1.6%	-16.6%		
Reco	Accumulate	EBITDA Margin (%)	16.3	18.7	17.5	-124 bps	-235 bps		
Target Price (Rs)	950	PAT (Rs mn)	1,086	1,362	1,095	-0.9%	-20.3%		
% Upside	13%	EPS (Rs)	6.4	8.0	6.4	-0.9%	-20.3%		
Apollo Tyres									
CMP(Rs)	154	Net Sales (Rs mn)	29,897	29,427	31,176	-4.1%	1.6%	↓	Apollo Tyres Q4 cons. operating performance was 7% below consensus impacted by a weak topline at both Indian and European operations and higher marketing spends in India. India biz revenue declined 5% YoY despite a modest volume growth owing to weaker price and mix; OPM at 17.4% was below est despite a +230 bps gross margin expansion, owing to brand building activities. VBBV revenues were flat YoY despite Reifencon acquisition, owing to teething trouble with implementation of ERP modules; OPM stood at 11% (vs 15% YoY) because of poorer operating leverage. With steep rise in RM prices, margin performance will head lower from here.
Mkt Cap (Rs bn)	78	EBITDA (Rs mn)	4,773	5,056	5,179	-7.8%	-5.6%		
Reco	Hold	EBITDA Margin (%)	16.0	17.2	16.6	-64 bps	-122 bps		
Target Price (Rs)	155	PAT (Rs mn)	2,452	2,785	3,110	-21.2%	-12.0%		
% Upside	1%	EPS (Rs)	4.8	5.5	6.1	-21.2%	-12.0%		
Exide Industries									
CMP(Rs)	164	Net Sales (Rs mn)	17,614	15,247	16,518	6.6%	15.5%	↔	Exide's performance was in-line with estimates. Demand for both Automotive and industrial battery have shown some improvement in Q4. Gross margins declined 90 bps QoQ mainly on the back of higher raw material prices (lead prices were up 6% QoQ). Growth in automotive and motorcycle segment have continued, along with improvement in volumes of inverter and UPS battery segment during the quarter. We currently have a HOLD recommendation on the stock with a target price of Rs 145 (including Insurance biz value at Rs 19/share)
Mkt Cap (Rs bn)	139	EBITDA (Rs mn)	2,674	2,343	2,382	12.3%	14.2%		
Reco	Hold	EBITDA Margin (%)	15.2	15.4	14.4	77 bps	-18 bps		
Target Price (Rs)	145	PAT (Rs mn)	1,776	1,340	1,376	29.0%	32.5%		
% Upside	-11%	EPS (Rs)	2.1	1.6	1.6	29.0%	32.5%		

Auto Ancillaries

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Motherson Sumi								↔	MSS Q4 operating performance came in-line with estimates, with strong performance at Standalone and SMR verticals offsetting the subdued performance of SMP. Standalone revenue grew a strong 13% YoY, despite the deflationary copper prices; OPM at 20.6% (+290 bps QoQ) surprised positively. SMR's € revenue grew 7% YoY with OPM at 12.5% (+180 bps QoQ) – ahead of estimate. SMP's € revenue grew just 2% YoY with OPM at 5.7% (-50 bps QoQ) – OPM was impacted by higher (plant) startup cost of € 10 mn in Q4 (vs € 23 mn in FY16 and € 4 mn in FY15). Management re-iterated steady ramp up in SMR/SMP revenues with a total order book of € 13.8 bn at end of FY16, including new orders of ~€ 9 bn.
CMP(Rs)	290	Net Sales (Rs mn)	102,349	98,597	94,743	8.0%	3.8%		
Mkt Cap (Rs bn)	384	EBITDA (Rs mn)	10,643	9,855	9,063	17.4%	8.0%		
Reco	Buy	EBITDA Margin (%)	10.4	10.0	9.6	83 bps	40 bps		
Target Price (Rs)	350	PAT (Rs mn)	4,186	3,544	3,071	36.3%	18.1%		
% Upside	20%	EPS (Rs)	3.2	2.7	2.3	36.3%	18.1%		

Banking & Financial Services

- Similar to the previous quarter, NII growth for Emkay's banking universe was subdued with yoy growth of 7%, which was primarily driven by an 18% yoy growth in private banks' NII, while that for PSU banks was flat on a yoy basis. Overall, the operating performance for the quarter for private banks was in-line with expectations, however, higher provisioning costs led to lower than expected bottom line growth for most private banks.
- Advances growth for our coverage universe was also restrained (similar to Q3FY16), with the divergence between PSU banks and private banks increasing further. NIM performance across banks remained sluggish, driven by subdued credit demand and higher interest income reversals. While cost of funds are expected to soften ahead, lower pricing power due to weak credit demand is likely to constrain credit yields and NIMs in coming quarters.
- Asset quality deterioration continued unabated in Q4FY16. While RBI's AQR related stress recognition was one of the reasons for higher fresh stress addition, additional disclosures related to the watchlist of corporate stressed exposures for private as well as PSU banks, is worrisome. Compelled to recognize weak assets as NPAs and create adequate provisions to cover them, all PSU banks and few large private banks reported a sharp drop in net profits. Except SBI and Union Bank of India, all large PSU banks under coverage reported net losses during the quarter.
- On the contrary, NBFCs had what could be termed as a good quarter with most asset financing NBFCs reporting stable to improving asset quality (CIFC and MMFS) despite transitioning to more stringent NPL recognition norms by the RBI. Growth though remained slow (except for BAF), doesn't seem to be too much of a worry. Outlook on the asset quality front appears to be more sanguine, although outcome of monsoon will play a crucial role in the same.
- We continue to remain cautious on PSU banks given (1) their precarious capital adequacy (2) high impairment of net worth due to a lack of provision buffers and high restructuring, and (3) leverage on the book, which may put pressure on NIMs. We prefer private banks, given (1) superior core earnings and (2) strong capital position, which would drive faster market share gains if the economic environment improves. Our top picks in the sector: HDFC Bank and IndusInd Bank and among NBFCs Cholamandalam Finance and Mahindra Finance remain our preferred picks.

Banking & Financial Services

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Axis Bank									
CMP(Rs)	539	NII (Rs mn)	45,526	41,621	37,992	19.8%	9.4%	↓ NII was 6% above estimate at Rs45.5bn (+9% qoq and 20% yoy), however lower than expected other income and prudent provisioning led to 13% lower than expected PAT. Asset quality held up well this quarter with incremental stress addition at Rs27.8bn (83bp of loans vs 137bp of loans in 3QFY16), however the new disclosures painted a grim picture on the future outlook of the asset quality. Management mentioned that Rs226bn (corporate loans) is under the watch-list of which 60%, i.e. Rs135bn can slip into NPLs over the next eight quarters.	
Mkt Cap (Rs bn)	1,286	Op. Profit (Rs mn)	43,985	39,851	40,129	9.6%	10.4%		
Reco	Hold	NIM (%)	4.0	3.8	3.8	21 bps	14 bps		
Target Price (Rs)	480	PAT (Rs mn)	21,543	21,753	21,806	-1.2%	-1.0%		
% Upside	-11%	EPS (Rs)	9.0	9.1	9.1				
Bank of Baroda									
CMP(Rs)	148	NII (Rs mn)	33,304	27,053	31,717	5.0%	23.1%	↓ Bank of Baroda had another quarter of loss on back of elevated slippages of Rs59.3bn (annualized slippage ratio of 5.5%), increase in NPL coverage and one-off pension provision of Rs15.6bn on account change in mortality table. Management has identified watch-list of Rs268bn (2x+ of AQR) which includes Rs137bn of restructured loan and Rs131bn of SMA2 accounts. Including this management expects worst case slippages to be Rs150bn for FY17 (slippage ratio of ~3.4%) as compared to Rs278bn in FY16	
Mkt Cap (Rs bn)	341	Op. Profit (Rs mn)	25,725	17,041	26,935	-4.5%	51.0%		
Reco	Reduce	NIM (%)	2.1	1.7	2.0	16 bps	46 bps		
Target Price (Rs)	126	PAT (Rs mn)	-32,301	-33,420	5,983				
% Upside	-15%	EPS (Rs)	-14.0	-14.5	2.7				
Bank of India									
CMP(Rs)	88	NII (Rs mn)	31,872	27,080	28,463	12.0%	17.7%	↓ Bank of India (BoI) disappointed by reporting PBT loss of Rs40bn and net loss of Rs36bn. However, CET 1 improved by 100bp to 8% as the bank took the benefit of DTA, revalued its assets and capital was infused by the government of India /LIC. Asset quality deteriorated sharply as gross slippages rose to Rs168bn (annualized slippage ratio of 16.7%). This led to higher credit cost of 5.6% and impacted earnings.	
Mkt Cap (Rs bn)	83	Op. Profit (Rs mn)	14,642	14,090	14,266	2.6%	3.9%		
Reco	Sell	NIM (%)	2.0	1.8	2.0	1 bps	22 bps		
Target Price (Rs)	70	PAT (Rs mn)	-35,871	-15,056	-561				
% Upside	-21%	EPS (Rs)	-43.9	-19.0	-0.8				

Banking & Financial Services

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Canara Bank									
CMP(Rs)	194	NII (Rs mn)	23,738	22,266	24,861	-4.5%	6.6%	↓	CBK reported a loss of Rs39bn as compared to profit expectation of Rs2.2bn. While NII was in-line with the estimate, a six-fold jump in provisions led to the loss. Tax write-back of Rs7.8bn helped bank report lower loss. For the quarter CBK reported net slippages of Rs139bn (annualized net slippage ratio of 16.8%), of which Rs30bn came on account of asset quality review by RBI and Rs21bn from restructured loan. cumulative net stress loans on the balance-sheet is 14.2% of the loans or 178% of the net-worth.
Mkt Cap (Rs bn)	105	Op. Profit (Rs mn)	16,466	15,524	17,325	-5.0%	6.1%		
Reco	Reduce	NIM (%)	1.9	1.7	2.0	-14 bps	13 bps		
Target Price (Rs)	170	PAT (Rs mn)	-39,055	850	6,130				
% Upside	-12%	EPS (Rs)	-71.9	1.6	12.9				
Federal Bank									
CMP(Rs)	58	NII (Rs mn)	6,859	6,052	6,232	10.1%	13.3%	↓	FB's reported earnings was below expectations. While NII and PPP depicted a healthy trend, higher than expected provisions of Rs3.9bn impacted earnings. Slippages remained high at Rs5.4bn (annualized slippage ratio of 4.2% as compared to 4.8% in 3QFY16). However, higher write-offs of Rs3.4bn and asset sale to ARCs of Rs1bn helped contain GNPL (flat qoq). NIM improved 27bp qoq, partially led by lower interest income reversals and interest on IT refund. Loan growth improved to 13% yoy (10% qoq) led by strong growth of 18% yoy in corporate loans and retail loans (ex-gold)
Mkt Cap (Rs bn)	100	Op. Profit (Rs mn)	3,945	3,255	4,692	-15.9%	21.2%		
Reco	Accumulate	NIM (%)	3.4	3.1	3.3	11 bps	30 bps		
Target Price (Rs)	55	PAT (Rs mn)	103	1,627	2,805	-96.3%	-93.7%		
% Upside	-5%	EPS (Rs)	0.1	0.9	1.6	-96.4%	-93.7%		
HDFC Bank									
CMP(Rs)	1,163	NII (Rs mn)	74,533	70,685	60,132	24.0%	5.4%	↔	HDFC Bank's (HDFCB) 4QFY16 PAT grew 20% yoy (in line) to Rs33.7b. Strong retail loan growth (5% qoq and ~28.4% yoy) was led by unsecured loans (+6% qoq and 38% yoy), home loans (+32% yoy, higher buyout of home loans from HDFC this year) and kisan gold card (+14% qoq and 41% yoy); corporate loan also grew at a similar pace. Core C/I (45%) was stable yoy, despite the bank adding 13% to branch network and 15% to employee base, resultantly core PPop growth was healthy at 23% YoY (+3% QoQ). Stable NIMs and healthy CASA growth (19% yoy) were the other key highlights of the quarter.
Mkt Cap (Rs bn)	2,943	Op. Profit (Rs mn)	57,349	57,359	47,220	21.5%	0.0%		
Reco	Accumulate	NIM (%)	4.8	4.9	4.7	16 bps	-9 bps		
Target Price (Rs)	1,250	PAT (Rs mn)	33,742	33,568	28,069	20.2%	0.5%		
% Upside	8%	EPS (Rs)	13.3	13.3	11.2	19.2%	0.4%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
ICICI Bank									
CMP(Rs)	258	NII (Rs mn)	54,045	54,530	50,794	6.4%	-0.9%	↓	Reported earnings came in at Rs7bn (81% below our estimate) on account of one-off contingent provisions (prudent) of Rs36bn made by the bank. Adjusted for this earnings was in-line with our estimate. Stress remained high with annualized slippage ratio of 7.2% (impact of RBIs asset review absorbed) v/s 7% in 3QFY16. Additionally bank did SDR of Rs12bn and refinanced (5/25) Rs6.8bn of loans; leading to cumulative stress addition of 8.2% of loans.
Mkt Cap (Rs bn)	1,499	Op. Profit (Rs mn)	71,075	65,598	54,683	30.0%	8.3%		
Reco	Hold	NIM (%)	3.7	3.7	3.4	23 bps	-4 bps		
Target Price (Rs)	257	PAT (Rs mn)	7,019	30,181	29,220	-76.0%	-76.7%		
% Upside	0%	EPS (Rs)	1.2	5.2	5.0	-76.1%	-76.8%		
IndusInd Bank									
CMP(Rs)	1,114	NII (Rs mn)	12,682	11,734	9,251	37.1%	8.1%	↔	Indusind Bank (IIB) reported healthy earnings growth of 25% yoy on the back of 37% yoy NII growth and 41% yoy core PPP growth. NIM expanded by 3bp+ qoq (26bp yoy) and helped by strong loan growth of 8% qoq (29% yoy) led to strong profitability. Retail lending accelerated (up 29% yoy and 7% qoq) and the company disbursed Rs27bn of commercial vehicle loan this quarter as compared to Rs20bn last year corresponding year ago period. Even corporate loan growth was strong at 28% yoy (post sell-down of Rs20bn loans). Asset quality was stable qoq.
Mkt Cap (Rs bn)	663	Op. Profit (Rs mn)	11,512	10,610	8,505	35.4%	8.5%		
Reco	Accumulate	NIM (%)	3.8	3.7	3.5	24 bps	5 bps		
Target Price (Rs)	1,080	PAT (Rs mn)	6,204	5,810	4,953	25.3%	6.8%		
% Upside	-3%	EPS (Rs)	10.4	9.8	9.4	11.5%	6.6%		
Punjab National Bank									
CMP(Rs)	81	NII (Rs mn)	27,677	41,196	37,916	-27.0%	-32.8%	↓	Punjab National Bank (PNB) reported PBT loss of INR72.6b and net loss of Rs53.7b. This led to erosion of CET 1 (7.87%) despite bank taking the benefit of DTA and revaluation of assets. Asset quality deteriorated sharply as gross slippages (derived) rose to Rs236bn (annualized slippage ration of 25%). This not only led to higher credit cost of 11% but also higher interest income adversely impacted NIM (declined 97bp qoq to 1.8%).
Mkt Cap (Rs bn)	158	Op. Profit (Rs mn)	32,279	29,179	32,027	0.8%	10.6%		
Reco	Sell	NIM (%)	1.8	2.8	2.8	-95 bps	-95 bps		
Target Price (Rs)	65	PAT (Rs mn)	-53,671	510	3,066				
% Upside	-19%	EPS (Rs)	-27.3	0.3	1.7				

Banking & Financial Services

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
South Indian Bank									
CMP(Rs)	20	NII (Rs mn)	3,743	4,067	3,471	7.8%	-8.0%	↓	Sharp deterioration in asset quality (annualized slippage ratio of 9%) not only led to higher than expected provisions but also interest income reversals which led NII and earnings being 10% and 29% lower than expected. GNPL and NNPL in absolute terms increased 41% qoq and 66% qoq and in percentage terms it increased to 3.8% and 2.9% as compared to 2.8% and 1.8% in 3QFY16 respectively.
Mkt Cap (Rs bn)	27	Op. Profit (Rs mn)	2,223	2,631	1,650	34.7%	-15.5%		
Reco	Accumulate	NIM (%)	2.7	3.1	2.6	11 bps	-32 bps		
Target Price (Rs)	21	PAT (Rs mn)	730	1,016	163	347.1%	-28.2%		
% Upside	5%	EPS (Rs)	0.5	0.8	0.1	347.1%	-28.2%		
State Bank of India									
CMP(Rs)	211	NII (Rs mn)	152,908	136,065	147,118	3.9%	12.4%	↓	SBIN earnings declined by 66% yoy at Rs12.6bn largely on account of a more than a two fold increase in provisions for bad loans (Rs121bn v/s Rs47bn in 4QFY15) and slow NII growth (up 3.9% yoy; despite interest on IT refund Rs15bn). SBIN saw higher asset quality deterioration in 4QFY16 as slippages increased to Rs303bn (annualized slippages ratio of 9.3%). The bank has guided for far lower slippage ratio of 2.7% for FY17. The bank saw 5:25 refinancing of Rs8bn and SDR of Rs500mn, taking total stressed assets addition to Rs312bn.
Mkt Cap (Rs bn)	1,636	Op. Profit (Rs mn)	141,919	95,979	124,094	14.4%	47.9%		
Reco	Accumulate	NIM (%)	0.0	0.0	0.0	0 bps	0 bps		
Target Price (Rs)	220	PAT (Rs mn)	12,638	11,153	37,420	-66.2%	13.3%		
% Upside	4%	EPS (Rs)	2.3	2.1	7.9	-70.4%	13.3%		
Union Bank of India									
CMP(Rs)	121	NII (Rs mn)	20,847	19,965	21,211	-1.7%	4.4%	↓	Union Bank's reported a PBT loss of Rs1.5bn but with the tax write-back was able to show marginal profits of Rs961mn (fell 78% yoy) as NPL spiked since four steel loans (50% of slippage in the qtr) turned into to NPL. Slippages were higher than expected (though 33% of the slippage was from restructured book) and NPL levels are now up at 8.7% with 42% provision coverage ratio. Pre-provision profit growth was also weak (-12% yoy) as both net interest income and fees declined while costs rose
Mkt Cap (Rs bn)	83	Op. Profit (Rs mn)	14,096	13,342	16,523	-14.7%	5.7%		
Reco	Hold	NIM (%)	2.3	2.2	2.5	-17 bps	7 bps		
Target Price (Rs)	128	PAT (Rs mn)	961	785	4,438	-78.3%	22.4%		
% Upside	6%	EPS (Rs)	1.8	1.4	9.3	-81.0%	22.4%		

Banking & Financial Services

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
YES Bank								↔	Yes Banks' (YES) earning were in-line with estimate at Rs7bn; higher than expected provisions were compensated by strong fees and led to in-line earnings. Slippage ratio was stable qoq at 174bp and higher write-offs contained GNPLs. Restructured loans fell qoq to 53bp v/s 67bp in 3QFY16, partially on account sale to ARCs (~Rs700mn). Stable NIMs (3.4%), strong fees (36% yoy), improvement in CASA ratio (150bp qoq) and investment for future growth (branch and employee expansion) were the key positives
CMP(Rs)	1,054	NII (Rs mn)	12,414	11,570	9,771	27.1%	7.3%		
Mkt Cap (Rs bn)	444	Op. Profit (Rs mn)	12,255	11,496	9,375	30.7%	6.6%		
Reco	Accumulate	NIM (%)	3.6	3.6	3.4	16 bps	-6 bps		
Target Price (Rs)	1,050	PAT (Rs mn)	7,021	6,757	5,510	27.4%	3.9%		
% Upside	0%	EPS (Rs)	16.7	16.1	13.2	26.6%	3.6%		

Banking & Financial Services

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Bajaj Finance									
CMP(Rs)	7,748	NII (Rs mn)	11,110	13,121	8,176	35.9%	-15.3%	↓	Bajaj Finance's (BAF) Q4FY16 performance missed expectations mainly led by lower than expected NII growth. Operating costs remained contained and asset quality stable during the quarter. Importantly, strong new to Bajaj customer additions (+36% yoy) was a key positive. AUMs at Rs442bn, remained muted sequentially (+36% yoy / +2% qoq) as loan against property (LAP) and self-employed home loan segments lagged (apart from the seasonal slowdown in the consumer segments) as guided by the management earlier.
Mkt Cap (Rs bn)	417	Op. Profit (Rs mn)	6,455	7,714	4,583	40.9%	-16.3%		
Reco	Hold	NIM (%)	10.1	12.9	10.3	-21 bps	-276 bps		
Target Price (Rs)	7,920	PAT (Rs mn)	3,150	4,085	2,310	36.4%	-22.9%		
% Upside	2%	EPS (Rs)	58.5	76.2	46.1	27.0%	-23.2%		
Cholamadalam Finance									
CMP(Rs)	1,011	NII (Rs mn)	5,994	5,382	4,498	33.3%	11.4%	↑	Cholamandalam Finance surprised positively in Q4FY16 with a very robust recovery performance which led to a strong beat. Importantly, the beat has come in after taking a hit of an accelerated provision to the tune of Rs548m towards loans which are overdue for more than 90 days. Asset quality continued its improving trend in Q4 as gross NPLs fell to 3.5% from 4.3% in Q3FY16 on a 120-dpd basis. Provision coverage ratio improved further to 40% from 35% in Q3. AUMs grew 17% yoy (+7% qoq) and calculated NIMs expanded 45bp qoq to 8.3%.
Mkt Cap (Rs bn)	158	Op. Profit (Rs mn)	3,948	3,279	2,615	51.0%	20.4%		
Reco	Buy	NIM (%)	8.3	7.8	7.2	112 bps	45 bps		
Target Price (Rs)	1,000	PAT (Rs mn)	1,920	1,457	1,356	41.6%	31.8%		
% Upside	-1%	EPS (Rs)	12.3	9.3	9.4	30.3%	31.8%		
HDFC Ltd									
CMP(Rs)	1,263	NII (Rs mn)	23,239	22,296	23,553	-1.3%	4.2%	↔	In 4QFY16, HDFCs operating profit was largely in-line with estimates, however higher contingent provisions and tax outgo led to 10% lower than expected earnings. Loan growth was modest at ~14% yoy and the mix continued to shift towards low-margin retail loans. Spreads and gross NPLs were steady both on a sequential and on a yoy basis.
Mkt Cap (Rs bn)	1,995	Op. Profit (Rs mn)	41,871	22,585	27,034	54.9%	85.4%		
Reco	Accumulate	NIM (%)	3.6	3.6	4.1	-51 bps	0 bps		
Target Price (Rs)	1,295	PAT (Rs mn)	26,071	15,205	18,624	40.0%	71.5%		
% Upside	3%	EPS (Rs)	16.5	9.6	11.8	39.5%	71.5%		

Banking & Financial Services

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
LIC Housing Finance									
								↔	
CMP(Rs)	480	NII (Rs mn)	8,214	7,469	6,498	26.4%	10.0%		LIC Housing Finance's (LICHF) 4QFY16 operating performance was in line with expectations, however higher than expected provisioning costs led lower than expected reported profits. A 13bp qoq NIM expansion and stable asset quality with improving provision coverage ratio were key positives. However, soaring repayment trend (18.5% annualized at overall portfolio level vs. 13.8% in Q4FY15 and 17.9% in Q3FY16) is concerning.
Mkt Cap (Rs bn)	242	Op. Profit (Rs mn)	7,319	6,804	5,856	25.0%	7.6%		
Reco	Hold	NIM (%)	2.7	2.6	2.5	24 bps	13 bps		
Target Price (Rs)	500	PAT (Rs mn)	4,480	4,189	3,782	18.5%	7.0%		
% Upside	4%	EPS (Rs)	8.9	8.3	7.5	18.5%	7.0%		
Magma Fincorp									
								↑	
CMP(Rs)	98	NII (Rs mn)	3,331	3,290	3,102	7.4%	1.3%		Magma Fincorp's Q4FY16 earnings came in much ahead of estimates mainly on the back of higher than expected operating efficiencies. A tight leash on operating expenses led to a strong 55% yoy growth in operating profits in Q4FY16. While the AUMs and disbursements continued to decline yoy, higher NIMs led to healthy topline growth. Asset quality remained stable qoq with GNPLs at ~8% levels on 120-dpd basis NPL recognition.
Mkt Cap (Rs bn)	23	Op. Profit (Rs mn)	2,001	1,735	1,230	62.7%	15.3%		
Reco	Buy	NIM (%)	7.3	7.0	6.4	91 bps	21 bps		
Target Price (Rs)	130	PAT (Rs mn)	653	522	522	25.0%	25.0%		
% Upside	33%	EPS (Rs)	2.8	2.2	2.7	0.5%	25.0%		
Mahindra Finance									
								↑	
CMP(Rs)	339	NII (Rs mn)	10,010	7,307	8,834	13.3%	37.0%		Mahindra Finance's Q4FY16 performance was well ahead of estimates mainly led by higher recoveries resulting into a 19% qoq fall in GNPLs despite moving to 120-dpd from 135-dpd NPL recognition in Q3FY16. AUM growth was muted at 11% yoy as rural demand continues to be lackluster. NIMs improved almost 250bp qoq, much higher than the Q4 seasonal trend on the back of higher than expected recoveries.
Mkt Cap (Rs bn)	193	Op. Profit (Rs mn)	6,795	4,445	6,429	5.7%	52.9%		
Reco	Buy	NIM (%)	10.2	7.7	10.1	9 bps	250 bps		
Target Price (Rs)	390	PAT (Rs mn)	3,703	672	3,334	11.1%	451.3%		
% Upside	15%	EPS (Rs)	6.6	1.2	5.9	11.0%	451.0%		

Banking & Financial Services

Name		Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Shriram City Union Finance								
CMP(Rs)	1,701	NII (Rs mn)	6,223	6,477	5,617	10.8%	-3.9%	<p>↓</p> <p>Shriram City Union Finance's (SCUF) Q4 operating performance was in line but the reported earnings were well below expectations on the back of the higher costs led by migration to 150-dpd NPL recognition (Rs1.77bn provisions + income de-recognition); apart from the regulatory migration one-time employee provisions (~Rs230m) due to change in Bonus Act too impacted earnings. Overall growth momentum remains healthy with traction seen across business lines.</p>
Mkt Cap (Rs bn)	112	Op. Profit (Rs mn)	3,425	3,896	3,313	3.4%	-12.1%	
Reco	Hold	NIM (%)	12.9	13.9	13.7	-76 bps	-104 bps	
Target Price (Rs)	1,655	PAT (Rs mn)	555	1,743	1,496	-62.9%	-68.2%	
% Upside	-3%	EPS (Rs)	8.4	26.4	22.7	-62.9%	-68.2%	
Shriram Transport								
CMP(Rs)	1,210	NII (Rs mn)	14,438	13,004	10,981	31.5%	11.0%	<p>↓</p> <p>Shriram Transport Finance's (SHTF) Q4FY16 reported earnings were below estimates, however, it is not strictly comparable as it includes the impact of merger of Shriram Equipment Finance (SEF) from this quarter. Gross NPLs rose 53% qoq to 6.2% from 4.3% in Q3FY16 on regulatory migration. Credit costs came at Rs8.6bn on account of migration to 150-dpd NPL recognition and increase in standard assets provisioning to 0.3%. AUMs grew 23% yoy / 9% qoq to Rs727.6bn and 20% yoy / 7% qoq, excluding the o/s equipment financing loans, which was a positive surprise.</p>
Mkt Cap (Rs bn)	274	Op. Profit (Rs mn)	10,739	9,909	8,168	31.5%	8.4%	
Reco	Reduce	NIM (%)	8.3	8.0	7.6	73 bps	28 bps	
Target Price (Rs)	849	PAT (Rs mn)	1,439	3,751	3,167	-54.6%	-61.6%	
% Upside	-30%	EPS (Rs)	6.3	16.5	14.0	-54.6%	-61.6%	
SKS Microfinance								
CMP(Rs)	686	NII (Rs mn)	1,889	1,663	1,046	80.6%	13.6%	<p>↔</p> <p>SKSMF earnings were largely in-line with estimate at Rs845mn (6% qoq and 109% yoy) led by 9% better than expected AUM growth (Rs76.8bn; 24% qoq and 84% yoy). Management has guided for 45-50% growth but given the expansion in branches and loan officers we expect the company to grow its AUM by 55%.</p>
Mkt Cap (Rs bn)	87	Op. Profit (Rs mn)	1,241	1,119	571	117.3%	10.9%	
Reco	Accumulate	NIM (%)	9.6	10.2	9.9	-33 bps	-57 bps	
Target Price (Rs)	675	PAT (Rs mn)	845	796	405	108.6%	6.1%	
% Upside	-2%	EPS (Rs)	6.6	6.3	3.2	106.4%	5.9%	

Cement

- Sales volume for our coverage universe grew 15.4% yoy/15.7% qoq in Q4FY16 led by strong demand from government projects. As per core industries data, cement production was up 11.4% yoy to 78.2mt in Q4FY16, highest in last 14 quarters. Amongst the large players, Shree Cement's volume grew 29.7% yoy followed by 14% growth for UltraTech. Volume growth for Ambuja/ ACC was at 9.9%/9.3% yoy. Among mid-sized players Orient Cement/JK Lakshmi/OCL India/JK Cement reported volume growth of 40.0%/39.0%/29.4%/13.1%; however, sales volume for Prism/ Mangalam cement was down 9.4%/5.9% yoy. Volume for South based cement companies (India Cement & Ramco Cement) reported positive cumulative growth (after 3 quarters of decline) of 15.1% yoy led by strong demand in Telangana and Andhra Pradesh (AP).
- Despite strong demand growth, cement prices were under pressure across India (ex-South) for the quarter (decline of 3.1% yoy). Prices in the East region declined 7.4% yoy largely due to oversupply situation in the region. Drought-like situation in most parts of the West impacted the construction activity and led to price decline of 6.7% yoy. This was followed by decline of 5% yoy in the North region. In the South region, cement price was under acute pressure in AP and Telangana markets. Prices in Central region remained flat on yoy basis. Average realisation for our coverage universe was down 7.2% yoy/3.9% qoq. Orient cement's realisation fall at 17.5% yoy was the sharpest in our coverage universe due to weak prices in Maharashtra and AP followed by 13.5% decline for JK Cement.
- Lower fuel prices (pet coke and international coal) benefitted all companies and helped 8.6% yoy/8.1% qoq decline in opex/t for our coverage universe. However, decline in realization led to 4.5% yoy (+16.7% qoq) decline in average EBITDA/t for our coverage companies. Ramco Cement reported highest EBITDA/tn of Rs1,467 amongst our coverage companies followed by Rs1,186 by OCL India. Amongst large players, EBITDA/t was down 21.6%/18.3%/8.6%/3.4% yoy for ACC/Ambuja/UltraTech/Shree. Among the mid-cap companies EBITDA/t of Mangalam/OCL/Prism increased by 90.4%/71.4%/29.7% yoy, however, it declined by 54.2%/13.5%/4.5% for Orient/JK Lakshmi/JK Cement.
- On the backdrop of volatile pricing scenario, we prefer the cost leaders and companies where volume growth could be higher. We have a positive view on Shree Cement and UltraTech in the large caps. We also like Grasim industries in the large cap space. Amongst mid-cap companies, we prefer Orient Cement, JK Cement and OCL India.

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
ACC									
CMP(Rs)	1,548	Net Sales (Rs mn)	29,274	28,461	28,854	1.5%	2.9%	↑	The company reported EBITDA at Rs3.7bn (vs. est. Rs3.3bn) driven by lower energy cost at Rs892/tn (vs. est. Rs980/tn). Higher petcoke consumption (50% vs. 10%/26% in Q1CY15/Q4CY15) and lower pet coke and imported coal prices helped in energy cost saving. Cement volume growth of 9.3% yoy was offset by 8.1% yoy decline in realisation leading to mere 1.5% yoy growth in Revenue to Rs29.3bn. EBITDA/tn was at Rs543 against Rs692/Rs347 in Q1CY15/Q4CY15. RMC revenue grew 11.5% yoy to Rs2.7bn led by 13% yoy growth in volume.
Mkt Cap (Rs bn)	291	EBITDA (Rs mn)	3,696	2,162	4,137	-10.6%	71.0%		
Reco	Hold	EBITDA Margin (%)	12.6	7.6	14.3	-171bps	503bps		
Target Price (Rs)	1,391	PAT (Rs mn)	2,322	1,026	2,528	-8.2%	126.4%		
% Upside	-10%	EPS (Rs)	12.4	5.5	13.5	-8.2%	126.4%		
Ambuja Cements									
CMP(Rs)	238	Net Sales (Rs mn)	24,183	23,558	24,246	-0.3%	2.7%	↔	Operating profit was in-line with estimates with EBITDA at Rs4.2bn (-10.2% yoy) vs. est. Rs4.1bn, though OPM at 17.5% was 99bps higher than estimates of 16.5%. EBITDA/tn was at Rs710 (vs. est. Rs685) against Rs868/Rs551 in Q1CY15/Q4CY15. Sales volume grew by 9.9% yoy/8.1% qoq to 5.97mt, however, volatile cement price in the key markets (East/West/North) led to 9.2% yoy/5.0% qoq decline in realization to Rs4,053/t (est. Rs4,160/tn). Opex/t declined 7.1% yoy largely driven by saving in energy cost which was at Rs858/t (Rs989/t in Q1CY15/Rs811/t in Q4CY15).
Mkt Cap (Rs bn)	370	EBITDA (Rs mn)	4,235	3,042	4,715	-10.2%	39.2%		
Reco	Reduce	EBITDA Margin (%)	17.5	12.9	19.4	-193bps	460bps		
Target Price (Rs)	208	PAT (Rs mn)	2,827	1,657	3,177	-11.0%	70.7%		
% Upside	-13%	EPS (Rs)	1.9	1.1	2.1	-11.0%	70.7%		
UltraTech Cement									
CMP(Rs)	3,371	Net Sales (Rs mn)	64,359	57,473	61,355	4.9%	12.0%	↔	Operating performance was in-line with estimates with EBITDA at Rs12.85bn (vs. est. Rs12.91bn) and OPM at 20% (vs. est. 20.3%). Cement sales volume grew 14.9% yoy. Grey cement realization was down 9.5% yoy/5.3% qoq to Rs3,921/tn. Operating cost/tn declined 8.6% yoy led by 25.3% yoy decline in energy cost (lower pet-coke price). EBITDA was up 4.3% yoy to RS12.85bn. EBITDA/t was down 9.2% yoy to Rs946/tn against our estimate of Rs976/t. Depreciation cost was up 21.3% yoy due to commissioning of new projects. Profit was up 2.5% yoy to Rs6.8bn (vs. est. Rs7.1bn).
Mkt Cap (Rs bn)	925	EBITDA (Rs mn)	12,850	10,439	12,323	4.3%	23.1%		
Reco	Accumulate	EBITDA Margin (%)	20.0	18.2	20.1	-12bps	180bps		
Target Price (Rs)	3,581	PAT (Rs mn)	6,814	5,086	6,646	2.5%	34.0%		
% Upside	6%	EPS (Rs)	24.8	18.5	24.2	2.5%	34.0%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
India Cements								↔	India Cements reported operating profit of Rs2.1bn (+16.1% yoy), against our estimate of Rs2.0bn. Net sales at Rs11.4bn (vs. est. Rs11.1bn) grew 11.9% yoy led by strong volume growth. Sales volume was up 18.3% yoy to 2.48mt driven by strong demand growth in AP and Telangana markets (up 40% yoy). Realisation was down 4.3% yoy/2.4% qoq to Rs4,597/tn. Energy cost/tn declined 20.0% yoy on account of increase in usage of petcoke (34% in Q4 against 18%/25% in Q2/Q3FY16) and lower imported coal price. EBITDA/tn was at Rs840 (vs. est. Rs779) against Rs831/Rs730 in Q4FY15/Q3FY16.
CMP(Rs)	98	Net Sales (Rs mn)	11,471	9,296	10,250	11.9%	23.4%		
Mkt Cap (Rs bn)	30	EBITDA (Rs mn)	2,115	1,462	1,822	16.1%	44.6%		
Reco	Accumulate	EBITDA Margin (%)	18.4	15.7	17.8	66bps	271bps		
Target Price (Rs)	122	PAT (Rs mn)	512	55	356	43.8%	837.9%		
% Upside	25%	EPS (Rs)	1.7	0.2	1.2	43.8%	837.9%		
Ramco Cement								↔	Operating profit was in-line with estimates with EBITDA at R3.1bn (+29.6% yoy) vs. est. Rs3.0bn. Revenue was at Rs9.8bn (+1.8% yoy) vs. est. of Rs101.bn. Sales volumes grew 11.5% yoy to 2.09mt. However, realisation/t declined 8.9% yoy to Rs4,692. Opex/tn declined 16.7% yoy led by 28.7%/15.7%/13.2%/14.0% yoy decline in energy/freight/raw material costs. EBITDA margin expanded 678bps yoy to 31.6%. EBITDA/t was at Rs1,467 against Rs1,278/Rs1,488 in Q4FY15/Q3FY16. Led by strong EBITDA growth and lower tax rate, profit for the company grew 118.7% yoy to Rs2.0bn.
CMP(Rs)	536	Net Sales (Rs mn)	9,788	8,119	9,614	1.8%	20.6%		
Mkt Cap (Rs bn)	128	EBITDA (Rs mn)	3,093	2,446	2,386	29.6%	26.5%		
Reco	Hold	EBITDA Margin (%)	31.6	30.1	24.8	678bps	148bps		
Target Price (Rs)	511	PAT (Rs mn)	2,043	1,059	934	118.7%	93.0%		
% Upside	-5%	EPS (Rs)	8.6	4.4	3.9	118.7%	93.0%		
Shree Cement								↑	Net sales at Rs20.2bn (vs. est. Rs19.9bn) grew 28.2% yoy led by 23.1%/90.9% increase in revenue from cement/power segment. Cement volume grew 29.7% yoy to 5.36mt, however, realisation at Rs3,363/tn was down 5.1% yoy. EBITDA of cement segment improved 26.6% yoy to Rs4.1bn with OPM at 22.9% (+63bps yoy); EBITDA/tn was at Rs769, down 3.4% yoy. Power segment's revenue at Rs2.2bn was up 90.9% yoy led by 97.8% yoy increase in sales volume. EBITDA for the company was up 49.6% yoy to Rs5.1bn. Depreciation for the quarter was up 26.9% yoy on account of commissioning of new units.
CMP(Rs)	14,013	Net Sales (Rs mn)	20,174	18,268	15,733	28.2%	10.4%		
Mkt Cap (Rs bn)	488	EBITDA (Rs mn)	5,050	4,240	3,375	49.6%	19.1%		
Reco	Accumulate	EBITDA Margin (%)	25.0	23.2	21.5	358bps	183bps		
Target Price (Rs)	13,459	PAT (Rs mn)	1,681	1,030	1,237	35.9%	63.2%		
% Upside	-4%	EPS (Rs)	48.3	29.6	35.5	35.9%	63.2%		

Cement

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
JK Lakshmi Cement									
CMP(Rs)	350	Net Sales (Rs mn)	7,351	6,483	5,782	27.1%	13.4%	↑	The company reported EBITDA at Rs859mn against our estimate of Rs701 led by strong volume growth of 38% yoy to 2.15mt (vs. est. of 1.99mt). Volume growth was driven by higher contribution from Durg Plant (100% CU); old units contributed 11% to the growth. Decline in realisation was steeper than estimated at Rs3,411/t (est. Rs3,585/t), down 7.8% yoy. Led by strong sales volume and cost efficiencies, EBITDA was up 20.2% yoy to Rs859mn. However, lower cement prices continued to impact the profitability and EBITDA/tn was down 13.5% yoy to Rs399 despite lower opex (down 7.8% yoy).
Mkt Cap (Rs bn)	41	EBITDA (Rs mn)	859	669	715	20.2%	28.4%		
Reco	Reduce	EBITDA Margin (%)	11.7	10.3	12.4	-68bps	136bps		
Target Price (Rs)	303	PAT (Rs mn)	484	-37	378	28.0%	nm		
% Upside	-13%	EPS (Rs)	4.1	-0.3	3.2	28.0%	nm		
JK Cement									
CMP(Rs)	626	Net Sales (Rs mn)	9,496	9,028	9,114	4.2%	5.2%	↑	The company reported higher-than-estimated EBITDA at Rs1.7bn (+8.7% yoy), 15.1% above our estimate of Rs1.5bn and EBITDA margin was at 18.2% vs. est. 16.1%. Grey cement volume grew 13.1% yoy to 1.9mt, however, realization declined 13.5% yoy to Rs3,409/t. White cement/putty volume grew strongly by 15.0%/23.4% yoy to 0.14mt/0.13mt for the quarter. Blended realization for White Cement and Putty was up 1.8% yoy to Rs10,991/tn. Led by strong volume growth, revenue grew 4.2% yoy to Rs9.5bn. Blended EBITDA/t was at Rs794 (est. Rs741) vs. Rs832/Rs624 for Q4FY15/Q3FY16.
Mkt Cap (Rs bn)	44	EBITDA (Rs mn)	1,729	1,260	1,591	8.7%	37.3%		
Reco	Buy	EBITDA Margin (%)	18.2	14.0	17.5	75bps	426bps		
Target Price (Rs)	729	PAT (Rs mn)	705	171	698	1.0%	312.6%		
% Upside	16%	EPS (Rs)	10.1	2.4	10.0	1.0%	312.6%		
Mangalam Cement									
CMP(Rs)	295	Net Sales (Rs mn)	2,102	2,115	2,349	-10.5%	-0.6%	↑	Operating performance was better than estimates with EBITDA at Rs294mn (79.2% yoy) vs. est. Rs263mn primarily led by lower than estimated energy costs. However, both sales volume/ realization was below our estimates leading to Revenues of Rs2,102mn (vs. est. Rs2,384mn). Sales volume was at 0.64mt. (-5.9% yoy) vs. est. 0.7mt and realization/t was at Rs3,300 (-4.9% yoy) vs. est. Rs3,419. EBITDA/tn improved significantly to Rs462 against Rs243/Rs150 in Q4FY15/Q3FY16 (est. Rs376/tn) due to lower opex. Led by higher operating profit and higher other income (Rs74mn vs. est. Rs20mn), the company reported profit of Rs141mn (vs. est. Rs88mn) against Rs30mn in Q4FY15.
Mkt Cap (Rs bn)	8	EBITDA (Rs mn)	294	92	164	79.2%	220.8%		
Reco	Accumulate	EBITDA Margin (%)	14.0	4.3	7.0	701bps	966bps		
Target Price (Rs)	314	PAT (Rs mn)	141	-2	30	375.5%	nm		
% Upside	6%	EPS (Rs)	5.3	-0.1	1.1	375.5%	nm		

Cement

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
OCL India									
CMP(Rs)	583	Net Sales (Rs mn)	8,205	6,073	6,607	24.2%	35.1%	↑	Led by strong realization growth of 7.9% qoq (Rs4,445/tn vs. est. Rs4,291/tn), EBITDA came at Rs1.9bn (+98% yoy) vs. est. Rs1.1bn. Improvement in realization was largely led by increased proportion of premium products in the sales-mix (40% against 25% in Q3FY16). Cement volume was up 29.4% yoy to 1.73mt. Led by strong volume growth, revenue increased 24.2% yoy to Rs8.2bn. Cement segment reported strong revenue growth of 31.8% yoy at Rs7.7bn (est.Rs6.2bn) with derived EBITDA/tn at Rs1,186/tn against Rs692/Rs740 in Q4FY15/Q3FY16. Performance of refractory segment continued to be subdued with revenue of Rs641mn, decline of 15.4% yoy and EBIT loss of Rs215mn.
Mkt Cap (Rs bn)	33	EBITDA (Rs mn)	1,914	993	966	98.2%	92.8%		
Reco	Buy	EBITDA Margin (%)	23.3	16.3	14.6	871bps	699bps		
Target Price (Rs)	738	PAT (Rs mn)	1,333	371	360	270.2%	259.7%		
% Upside	27%	EPS (Rs)	23.4	6.5	6.3	270.2%	259.7%		
Orient Cement									
CMP(Rs)	169	Net Sales (Rs mn)	4,473	3,507	3,874	15.5%	27.6%	↑	Operating profit at Rs597mn (-35.9% yoy) was significantly above estimates of Rs403mn led by decline in energy and freight cost. EBITDA/t was at Rs431 (Rs940 in Q4FY15) vs. est. Rs288. Sales volume was up 40% yoy to 1.39mt (est. 1.4mt) led by 42% CU for Karnataka plant (15% in Q3FY16). However, realization was down 17.5% yoy due to weak prices in Maharashtra and volatility in cement prices in AP. Driven by higher sales volume, revenue was up 15.5% yoy to Rs4.47bn. However, EBITDA was down 35.9% yoy due to pressure on cement prices and OPM was down 10.7pp yoy to 13.3%.
Mkt Cap (Rs bn)	35	EBITDA (Rs mn)	597	208	930	-35.9%	186.5%		
Reco	Accumulate	EBITDA Margin (%)	13.3	5.9	24.0	-1067bps	740bps		
Target Price (Rs)	180	PAT (Rs mn)	194	-131	855	-77.3%	nm		
% Upside	7%	EPS (Rs)	0.9	-0.6	4.2	-77.3%	nm		
Prism Cement									
CMP(Rs)	94	Net Sales (Rs mn)	14,555	13,278	15,295	-4.8%	9.6%	↑	EBITDA was at Rs988mn (+17.9% yoy) vs. est. of Rs907mn driven by lower opex and higher profits from RMC segment. Revenue declined.8% to Rs14.6bn (est. Rs15.2bn) due to 9.2%/7.6% decline in cement/TBK segment's revenues. Sales volume of cement segment declined 9.4% yoy (clinker volume declined by 60% yoy, cement grew marginally by 2.2% yoy) to 1.36mt, in-line with estimates; realization was flat on yoy basis at Rs3,757/t (est. Rs.3,795/tn). Derived EBITDA of Cement segment was up 19.4% yoy to Rs784mn and EBITDA/tn was at Rs576 (+31.9% yoy). Revenue for RMC segment grew by 8.9%, however, TBK segment continued to be a drag with revenue decline of 7.6% yoy
Mkt Cap (Rs bn)	48	EBITDA (Rs mn)	988	713	838	17.9%	38.6%		
Reco	Reduce	EBITDA Margin (%)	6.8	5.4	5.5	131bps	142bps		
Target Price (Rs)	84	PAT (Rs mn)	-5	-122	-2	nm	nm		
% Upside	-11%	EPS (Rs)	0.0	-0.2	0.0	nm	nm		

Construction & Infrastructure

- Revenue growth and margins were healthy for our universe on the back of better operational performance by road asset developers (IL&FS Transportation) and contractors (NCC, KNR Construction, Ahluwalia Contracts) while port players (Adani Ports, Gujarat Pipavav) exhibited muted performance. Operational profitability improved for the sector, up 149 bps YoY and 237 bps QoQ. We retain our buy recommendation on Adani Ports, IRB Infrastructure, Ashoka Buildcon, Sadbhav Engineering, NCC, J Kumar Infrastructure, Ahluwalia Contracts and KNR Construction.
- Aggregate revenue was up 18.1% YoY at Rs459 bn. Road developers like IRB Infra (+55.2% YoY), IL&FS Transportation (+71.7% YoY) reported healthy revenue growth led by steady traffic growth and execution. Adani Ports (+11.5% YoY) was buoyed by container volume growth and SEZ income while Gujarat Pipavav (-14.4% YoY) was subdued largely due to lower bulk volumes. In the core contractors space Ahluwalia Contracts (+22.1% YoY), L&T (+18.3% YoY), KNR Construction (+15.7% YoY) and NCC (+11% YoY) reported healthy revenue growth while J. Kumar Infra (-0.7% YoY) and Simplex Infrastructure (-2.1% YoY) posted muted revenue attributed to delay in execution of newly won projects and working capital constraints respectively.
- Aggregate EBITDA for our universe came higher by 28.6% YoY at Rs84 bn as margins expanded by 149 bps YoY and 237 bps QoQ. Margin improvement reported by IL&FS Transportation (+140 bps YoY), Ashoka Buildcon (+682 bps YoY) - higher contribution from high margin BOT segment; Gujarat Pipavav (+167 bps YoY, due to change in volume mix), L&T (+178 bps YoY), Ahluwalia Contracts (+485 bps YoY), KNR Construction (+168 bps YoY).
- Interest expense for the infrastructure universe rose 31.8% YoY, majorly contributed by L&T (+63.3% YoY), IL&FS Transportation (+55.7% YoY), Ashoka Buildcon (+20.7% YoY), IRB Infra (+30.2% YoY), Simplex Infrastructure (+5.1% YoY), Ahluwalia (+22.4% YoY) and KNR Construction (+27.2% YoY) while interest cost declined for Adani Ports (-14% YoY), NCC (-2.8% YoY), J. Kumar (-39.4% YoY). Depreciation cost increased by 35.5% YoY. However, aggregate APAT for the coverage universe jumped +19.4% YoY to Rs37.3 bn largely aided by higher revenue flow and profitability for L&T; as well as one offs in other income and taxation across other companies.

Construction & Infrastructure

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Ahluwalia Contracts									
CMP(Rs)	270	Net Sales (Rs mn)	3,829	3,197	3,137	22.1%	19.8%	↑	Revenue came at Rs3.82 bn +22.1% YoY largely in line with our expectation of Rs3.86 bn driven by strong execution run rate. EBITDA came at Rs526 mn +88.6% YoY higher than expectation of Rs424.6 mn as EBITDA Margin came at 13.7% +485 bps YoY higher than expectation of 11%. Net profit came at Rs267 mn +53% YoY versus expectation of Rs224 mn, on the back of strong operational profitability offset by higher interest outgo.
Mkt Cap (Rs bn)	18	EBITDA (Rs mn)	526	394	279	88.6%	33.6%		
Reco	Buy	EBITDA Margin (%)	13.7	12.3	8.9	485 bps	142 bps		
Target Price (Rs)	351	PAT (Rs mn)	267	198	174	53.3%	34.6%		
% Upside	30%	EPS (Rs)	4.0	3.0	2.6	53.3%	34.6%		
Adani Ports & SEZ									
CMP(Rs)	203	Net Sales (Rs mn)	18,597	15,659	16,683	11.5%	18.8%	↑	Consolidated revenue came at Rs18.6 bn +11.5% YoY versus expectation of Rs15.74 bn, includes SEZ income of Rs3.44 bn on account of Mundra Solar Park. EBITDA came at Rs11.37 bn +5% YoY versus expectation Rs10 bn. EBITDA Margin came at 61.2% versus expectation of 63.5%. Net profit, after adjusting for Rs1.39 bn derivatives gain, came at Rs7.7 bn +21.2% YoY versus expectation of Rs5.56 bn, further adjusting for SEZ income taxed at MAT rate (Rs2.75 bn), adjusted net profit came at Rs5 bn -21.5% YoY. Interest cost came at Rs2.78 bn down 14% YoY, however, was higher by 5.4% sequentially. Tax rate came higher at 15% against expectation of 10%.
Mkt Cap (Rs bn)	421	EBITDA (Rs mn)	11,373	9,189	10,830	5.0%	23.8%		
Reco	Buy	EBITDA Margin (%)	61.2	58.7	64.9	-376 bps	247 bps		
Target Price (Rs)	252	PAT (Rs mn)	7,699	6,323	6,353	21.2%	21.8%		
% Upside	24%	EPS (Rs)	3.7	3.1	3.1	21.2%	21.8%		
Ashoka Buildcon									
CMP(Rs)	132	Net Sales (Rs mn)	7,292	6,039	8,030	-9.2%	20.8%	↑	Revenue came at Rs7.3 bn -9.2% YoY versus expectation of Rs8.3 bn on lower than expected construction revenue, execution delayed in Eastern Peripheral, JNPT road projects due to land possession issues. EBITDA came at Rs2.05 bn +19.8% YoY versus expectation of Rs2 bn driven by higher contribution to revenue from high margin BOT business and accounting for higher other operating income.
Mkt Cap (Rs bn)	25	EBITDA (Rs mn)	2,054	1,762	1,713	19.8%	16.6%		
Reco	Buy	EBITDA Margin (%)	28.2	29.2	21.3	682 bps	-101 bps		
Target Price (Rs)	178	PAT (Rs mn)	497	133	378	31.4%	274.9%		
% Upside	35%	EPS (Rs)	2.7	0.7	2.0	31.4%	274.9%		

Construction & Infrastructure

Name		Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Gujarat Pipavav							↓	Revenue came in at Rs1.61 bn -14.4% YoY, lower than our expectations of Rs1.85 bn, driven by lower than expected volumes. EBITDA came at Rs991 mn -12% YoY versus expectation of Rs1.06 bn, EBITDA Margin came higher at 61.6% versus expectation of 57.5% on lower employee cost Rs75 mn -39% YoY, -41.7% QoQ. Adjusting for reversal of employee provision (Rs40 mn) and one-time cost booked for dismantling of cranes (Rs60 mn), margin came at 62.8%. Reported Net profit came at Rs498 mn -25.7% YoY versus expectation of Rs591 mn as the company accounts for tax in P&L at full tax rate since Q2FY16 against no tax accounted in earlier quarters.
CMP(Rs)	159	Net Sales (Rs mn)	1,610	1,654	1,880	-14.4%	-2.7%	
Mkt Cap (Rs bn)	77	EBITDA (Rs mn)	991	1,001	1,126	-12.0%	-1.0%	
Reco	Hold	EBITDA Margin (%)	61.6	60.5	59.9	167 bps	105 bps	
Target Price (Rs)	180	PAT (Rs mn)	498	484	1,017	-51.0%	3.0%	
% Upside	13%	EPS (Rs)	1.0	1.0	2.1	-51.0%	3.0%	
IL&FS Transportation							↑	Standalone Revenue came at Rs15.14 bn +88% YoY versus expectation of Rs9.65 bn, driven by higher than expected construction income and fee income EBITDA came at Rs2.38 bn +198% YoY versus expectation of Rs1.64 bn on higher construction revenue flow and fee income. Consol revenue came at Rs25.48 bn +72% YoY versus expectation of Rs19.36 bn, driven by higher than expected construction income. Consol EBITDA came at Rs7.77 bn +80% YoY versus expectation of Rs6.97 bn on higher construction revenue flow. EBITDA margin came in at 30.5% +140 bps YoY versus expectations of 36%.
CMP(Rs)	72	Net Sales (Rs mn)	25,480	21,906	14,836	71.7%	16.3%	
Mkt Cap (Rs bn)	24	EBITDA (Rs mn)	7,771	7,917	4,316	80.0%	-1.8%	
Reco	Hold	EBITDA Margin (%)	30.5	36.1	29.1	140 bps	-564 bps	
Target Price (Rs)	82	PAT (Rs mn)	570	1,667	637	-10.4%	-65.8%	
% Upside	14%	EPS (Rs)	1.7	5.1	1.9	-10.4%	-65.8%	
IRB Infrastructure							↑	Revenue came in at Rs15.4 bn +55.2% YoY versus expectation of Rs13.8 bn led by construction revenue at Rs9.53 bn +93.9% YoY above expectation of Rs8 bn as the company executed Rs1.25 bn worth utilities shifting work while BOT revenue came at Rs5.84 bn up 17% YoY as certain projects saw robust traffic growth. EBITDA came in at Rs7.4 bn +29.6% YoY versus expectation of Rs7.27 bn and EBITDA Margin at 48.1% against expectation of 52.8% due to higher revenue contribution from the construction segment along with lower construction margins. BOT margin came largely in line with expectation at 85.5% whereas construction margin also came lower at 25.2% versus expectation of 29.5% due to the utilities shifting work carrying no margins.
CMP(Rs)	215	Net Sales (Rs mn)	15,368	13,333	9,904	55.2%	15.3%	
Mkt Cap (Rs bn)	76	EBITDA (Rs mn)	7,396	6,876	5,706	29.6%	7.6%	
Reco	Buy	EBITDA Margin (%)	48.1	51.6	57.6	-948 bps	-344 bps	
Target Price (Rs)	312	PAT (Rs mn)	1,525	1,685	1,364	11.8%	-9.5%	
% Upside	45%	EPS (Rs)	4.3	4.8	3.9	11.8%	-9.5%	

Construction & Infrastructure

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
J Kumar								↓	The company reported revenue (excl. other operating income) at Rs3.9 bn -0.7% YoY in line with our expectations due to lower than expected execution run rate, as new project intake is taking time to ramp up. EBITDA (excl. other operating income) came at Rs499 mn -14.5% YoY versus expectation of Rs585 mn as EBITDA margin excl. other operating income came at 12.8% -205 bps YoY versus expectation of 15%. Net profit came at Rs286 mn +4.7% YoY versus expectation of Rs322 mn due to higher than expected interest outgo partially offset by higher than expected other income and other operating income.
CMP(Rs)	239	Net Sales (Rs mn)	3,905	2,994	3,934	-0.7%	30.4%		
Mkt Cap (Rs bn)	18	EBITDA (Rs mn)	499	461	583	-14.5%	8.2%		
Reco	Buy	EBITDA Margin (%)	12.8	15.4	14.8	-206 bps	-263 bps		
Target Price (Rs)	367	PAT (Rs mn)	286	240	273	4.7%	19.4%		
% Upside	54%	EPS (Rs)	4.4	3.7	4.2	4.7%	19.4%		
KNR Constructions								↑	Revenue came in at Rs2.96 bn +15.7% YoY against expectation of Rs2.58 bn on better execution rate. EBITDA came in at Rs451 mn +30% YoY against expectation of Rs338 mn on higher revenue flow and margins. EBITDA margin came at 15.3% +168 bps YoY against expectation of 13.1%. Net Profit came at Rs580 mn +137.6% YoY versus our expectation of Rs159 mn, on tax refund of prior years and higher other income (interest received on tax refund). Tax outgo was negative Rs124.7 mn as the company took higher MAT credit entitlement and accounted for prior period tax reversals. Other income came at Rs153.7 mn against expectation of Rs18 mn includes Rs120 mn interest on tax refund.
CMP(Rs)	570	Net Sales (Rs mn)	2,958	2,186	2,557	15.7%	35.4%		
Mkt Cap (Rs bn)	16	EBITDA (Rs mn)	451	466	347	30.0%	-3.1%		
Reco	Buy	EBITDA Margin (%)	15.3	21.3	13.6	168 bps	-605 bps		
Target Price (Rs)	720	PAT (Rs mn)	580	328	244	137.6%	76.6%		
% Upside	26%	EPS (Rs)	20.6	11.7	8.7	137.6%	76.6%		
L&T								↑	Consolidated revenue grew 18.3% YoY to Rs331.5 bn (higher than our expectation of Rs311 bn) due to stronger execution run rate especially in infrastructure segment. Consolidated EBITDA grew 34.6% YoY to Rs48.6 bn versus our expectation of Rs39.5 bn. EBITDA margins came at 14.7% +177 bps YoY against our expectations of 12.7%. Net profit came in at Rs24.54 bn higher than our expectation of Rs18.03 bn driven by higher revenue flow and margin expansion. Adjusted for Exceptional items of Rs485 mn, adjusted net profit came at Rs24.05 bn. Exceptional items pertain to gain on sale of company's foundry business unit.
CMP(Rs)	1,511	Net Sales (Rs mn)	331,570	258,293	280,226	18.3%	28.4%		
Mkt Cap (Rs bn)	1,408	EBITDA (Rs mn)	48,592	26,499	36,090	34.6%	83.4%		
Reco	Accumulate	EBITDA Margin (%)	14.7	10.3	12.9	178 bps	440 bps		
Target Price (Rs)	1,450	PAT (Rs mn)	24,051	10,348	19,712	22.0%	132.4%		
% Upside	-4%	EPS (Rs)	26.1	11.2	21.4	22.0%	132.4%		

Construction & Infrastructure

Name		Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
NCC							↑	Revenue came at Rs24.52 bn +11% YoY versus expectation of Rs20.93 bn driven by strong execution run rate led by buildings segment. The company executed Rs1.4 bn of the pending in house power project. EBITDA came at Rs2.09 bn +13.1% YoY versus expectation of Rs1.86 bn due to higher revenue flow. EBITDA Margin improved by 16 bps YoY, however down 50 bps QoQ at 8.5% against expectation of 8.9%. Net profit came at Rs700 mn +38.2% YoY versus expectation of Rs589 mn due to lower tax outgo offset by higher interest cost.
CMP(Rs)	75	Net Sales (Rs mn)	24,522	20,540	22,101	11.0%	19.4%	
Mkt Cap (Rs bn)	42	EBITDA (Rs mn)	2,091	1,854	1,849	13.1%	12.8%	
Reco	Hold	EBITDA Margin (%)	8.5	9.0	8.4	16 bps	-50 bps	
Target Price (Rs)	73	PAT (Rs mn)	904	566	507	78.3%	59.6%	
% Upside	-3%	EPS (Rs)	1.6	1.0	0.9	78.3%	59.6%	
Sadbhav Engineering							↑	The company reported revenue of Rs8.58 bn -11.3% YoY higher than expectation of Rs8 bn due to completion of Captive BOT projects. EBITDA came at Rs814 mn -15% YoY versus expectation of Rs825 mn as EBITDA Margin came at 9.5% -41 bps YoY, -32 bps QoQ versus expectation of 10.3% due to change in revenue mix. Reported profit before tax came at Rs525 mn driven by higher other income at Rs196 mn +66% YoY on account of Rs500 mn invested in GKC irrigation projects on which GKC is paying interest. Adjusted net profit came at Rs498 mn +28% YoY versus expectation of Rs320 mn on higher other income and lower tax outgo due to Section 80IA benefit.
CMP(Rs)	290	Net Sales (Rs mn)	8,580	7,531	9,674	-11.3%	13.9%	
Mkt Cap (Rs bn)	50	EBITDA (Rs mn)	814	739	957	-15.0%	10.2%	
Reco	Buy	EBITDA Margin (%)	9.5	9.8	9.9	-41 bps	-32 bps	
Target Price (Rs)	295	PAT (Rs mn)	497	260	389	28.0%	91.7%	
% Upside	2%	EPS (Rs)	2.9	1.5	2.3	28.0%	91.7%	
Simplex Infra							↓	Revenue came at Rs15.01 bn -2.1% YoY versus expectation of Rs15.81 bn due to slower execution run rate as working capital requirement restricts growth. EBITDA came at Rs1.4 bn -6.2% YoY versus expectation of Rs1.69 bn on lower revenue flow and lower margins. EBITDA Margin came at 9.2% -41 bps YoY, -32 bps QoQ versus expectation of 10.7% as the company has made provisions worth Rs140 mn during the quarter. Net profit came in at Rs158 mn versus expectation of Rs191 mn due to lower revenue flow and operational profitability, offset by higher other income.
CMP(Rs)	264	Net Sales (Rs mn)	15,014	13,743	15,330	-2.1%	9.3%	
Mkt Cap (Rs bn)	13	EBITDA (Rs mn)	1,387	1,314	1,479	-6.2%	5.6%	
Reco	Hold	EBITDA Margin (%)	9.2	9.6	9.6	-41 bps	-32 bps	
Target Price (Rs)	296	PAT (Rs mn)	158	190	222	-29.0%	-17.0%	
% Upside	12%	EPS (Rs)	3.2	3.8	4.5	-29.0%	-17.0%	

Contrary to consensus, many FMCG staples have sprung a pleasantly positive surprise in Q4FY16 on volume growth, despite demand headwinds in rural economy, slow moving urban demand and rising competitive intensity. Categories like home care, hair care, oral care, biscuits, beverages, ayurvedic products, etc have reported resilient volume growth. Sustained low commodity inflation has further lend margin support to companies, thereby leaving cushion for increasing ad & promotion spends. There is reasonable hope of uptick in volume growth in FY17 aided by transitional factors like prediction of normalised monsoon, benefits of direct cash transfer and implementation of 7th pay commission. Companies are hopeful of a better H2FY17.

- **Sector revenues (ex-Nestle) grew 7.4% yoy to Rs 257.2bn with healthy volume growth reported by Asian Paints (~14%), Berger (~14%), Britannia (~10%), Marico (8.4%), Dabur (7%), Emami (6.5%), GCPL (6%) and Colgate (4%). Weak volumes was reported by HUL (4%), GSK (0%) and JFL (2.9% SSG). Even Nestle saw sequential improvement in volume traction led by Maggi.**
- **Gross margin tailwind remained strong aided by weak commodity prices and partially product mix. Promotional intensity was high in few categories (soaps, biscuits, hair care), however ad & promotion was under check and other overheads was also well-optimized. Companies reported strong EBITDA (ex-Nestle) margin gain of 140bps yoy to 18.1%. Sector EBITDA (ex-Nestle) grew by 16.4% to Rs 46.6bn and APAT by 11.9% to Rs 30.9bn. Input cost seems to be near trough; while few inputs are already firming up, here-on volume uptick and product mix improvement is essential for sustaining strong margins.**
- **Rating changes – (1) Recent outperformance left limited upside in Berger & Dabur, thus downgrade to Hold (2) Given no uptick in demand sentiments and margin dilutive Dunkin, we downgrade Jubilant Foodworks to Hold (3) Moderation in revenue growth & margins leads to earnings cut, but maintain positive thesis led by distribution & innovation pipeline in Britannia.**
- **Normal monsoon, Implementation of 7th Pay Commission & urban uptick remains the key driver for volume revival hereon; Amid the sharp run-up in FMCG sector, our top picks are Pidilite & Britannia. We maintain structural positive stance on Asian Paints & GCPL, but sharp run-up restricts near term upside. We have positive bias on GSK Consumer & Colgate, but high competition and ability to sustain volume trends are key challenges. We maintain our Hold rating on HUL, Marico & Emami.**

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Asian Paints									
CMP(Rs)	1,018	Net Sales (Rs mn)	39,713	41,600	35,350	12.3%	-4.5%	↑	Decorative paints continued its healthy double digit volume growth (~14-15%) driven by healthy growth in economy and sustained traction in rural market. We believe apart from penetration, factors like implementation of 7th Pay commission, normal monsoon and sustained traction in Tier2/3 should drive volume growth. We expect 16%/17% volume growth in FY17/18E. Maintain our structural positive stance given leadership, strong category dynamics and likely uptick in economic activity.
Mkt Cap (Rs bn)	977	EBITDA (Rs mn)	7,037	8,006	5,592	25.8%	-12.1%		
Reco	Buy	EBITDA Margin (%)	17.7	19.2	15.8	190 bps	-152 bps		
Target Price (Rs)	950	PAT (Rs mn)	4,088	5,157	3,434	19.0%	-20.7%		
% Upside	-7%	EPS (Rs)	4.2	5.4	3.6	17.8%	-21.6%		
Berger Paints									
		(Consolidated)						↑	Healthy volume growth at 14% led by strong growth in advertised products and construction chemicals. Price cut and lower mix curtails revenue growth however market share gain continues. Tier 2/3 growth moderated while larger towns seeing demand recovery. Normal monsoon, implementation of 7th Pay Commission, distribution expansion, product innovation (premium products, express painting solutions) should drive volume uptick. We expect 16%/18% volume growth and 16% revenue CAGR over FY16-18E. We maintain our structurally positive stance led by volume traction and share gains.
CMP(Rs)	284	Net Sales (Rs mn)	11,297	12,160	10,404	8.6%	-7.1%		
Mkt Cap (Rs bn)	197	EBITDA (Rs mn)	1,594	1,915	1,211	31.6%	-16.8%		
Reco	Hold	EBITDA Margin (%)	14.1	15.8	11.6	247 bps	-164 bps		
Target Price (Rs)	275	PAT (Rs mn)	928	1,107	581	59.7%	-16.2%		
% Upside	-3%	EPS (Rs)	1.3	1.6	0.8	59.7%	-16.2%		
Britannia Industries									
CMP(Rs)	2,770	Net Sales (Rs mn)	22,114	22,402	20,636	7.2%	-1.3%	↓	Volumes growth of 10% amid poor category growth; price-offs and excise phase out mars revenues. Distribution focus, share expansion in Hindi-belt and strong rural growth. Cautioned on near-term growth, but growth drivers of distribution expansion, expand share of Hindi-speaking belt, premiumisation and uptick in rural demand remain intact. Have initiated pricing actions to arrest input-cost inflation. We estimate for 12% revenue CAGR. Input cost inflation to keep stock performance under pressure, However, we maintain positive stance given scope for distribution expansion & innovation-led growth.
Mkt Cap (Rs bn)	332	EBITDA (Rs mn)	2,912	3,219	2,530	15.1%	-9.5%		
Reco	Buy	EBITDA Margin (%)	13.2	14.4	12.3	91 bps	-120 bps		
Target Price (Rs)	3,000	PAT (Rs mn)	1,902	2,179	1,675	13.6%	-12.7%		
% Upside	8%	EPS (Rs)	15.9	18.2	14.0	13.5%	-12.7%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Colgate-Palmolive								↔	Volume growth at 4% with toothpaste at 3% & toothbrush at 5%. Organic growth at 13%. Toothpaste share -210bps yoy at 55.7%, while toothbrush share up 410bps yoy to 46.2%. Company expects improving volumes trends led by increased consumption, tapping new users and high growing natural space. We estimate for 6% volume growth in FY17/18E. Sustaining volume growth is the key.
CMP(Rs)	865	Net Sales (Rs mn)	10,911	10,064	10,220	6.8%	8.4%		
Mkt Cap (Rs bn)	235	EBITDA (Rs mn)	2,335	2,238	2,410	-3.1%	4.3%		
Reco	Accumulate	EBITDA Margin (%)	21.4	22.2	23.6	-218 bps	-84 bps		
Target Price (Rs)	910	PAT (Rs mn)	1,459	1,594	1,636	-10.8%	-8.5%		
% Upside	5%	EPS (Rs)	5.4	5.9	6.0	-10.8%	-8.5%		
Dabur								↑	Resilient domestic volume growth of 7% & revenue growth of 9% yoy led by oral care, home care & foods. International operations post double digit constant currency growth. Dabur is beefing up its innovation pipeline in the natural space. Further, volume base turns favourable from Q2FY17. We estimate for 12%/13% revenue growth in FY17/18E. Limited scope for margin expansion in domestic has led to 2% cut in our EPS. We are positive on Dabur's long term growth prospects given its diversified portfolio and increasing presence in fast-growing natural & ayurvedic space.
CMP(Rs)	308	Net Sales (Rs mn)	21,613	21,270	19,497	10.9%	1.6%		
Mkt Cap (Rs bn)	541	EBITDA (Rs mn)	4,154	3,782	3,457	20.2%	9.8%		
Reco	Hold	EBITDA Margin (%)	19.2	17.8	17.7	149 bps	144 bps		
Target Price (Rs)	270	PAT (Rs mn)	3,319	3,185	2,848	16.6%	4.2%		
% Upside	-12%	EPS (Rs)	1.9	1.8	1.6	16.6%	4.2%		
Emami		(Consolidated)						↔	Domestic organic volume growth at 6.5% yoy. Extended summer impacted Navratna growth (4% yoy) while it aided BoroPlus which grew (41% yoy). Growth in Balms (12% yoy), FAH (flat) and Healthcare (30% yoy). Early trends of summer is encouraging and have seen good traction in Navratna portfolio. Company has guided for healthy topline growth of 15-16% led by re-launch in all its power brands, new launches and revival in Kesh King and price increases (2-2.5%). However, higher ad spends on new & re-launches could curtail EBITDA margins. Strong traction in Power brands and uptick in Kesh King are the key to watch out.
CMP(Rs)	1,029	Net Sales (Rs mn)	6,708	7,885	5,537	21.2%	-14.9%		
Mkt Cap (Rs bn)	233	EBITDA (Rs mn)	1,823	2,495	1,403	29.9%	-26.9%		
Reco	Hold	EBITDA Margin (%)	27.2	31.6	25.3	183 bps	-447 bps		
Target Price (Rs)	1,035	PAT (Rs mn)	759	1,341	1,384	-45.2%	-43.4%		
% Upside	1%	EPS (Rs)	3.3	5.9	6.1	-45.2%	-43.4%		

Consumer

Name		Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Godrej Consumer	(Consolidated)						↑	
CMP(Rs)	1,530	Net Sales (Rs mn)	22,691	23,561	20,920	8.5%	-3.7%	Aims to rapidly expand rural reach and drive innovation led growth in India. Attain leadership in hair care for women in Africa led by new launches in dry hair care and product penetration in wet hair care. Drive growth through accelerating core categories in India and drive market share gains in hair care in Africa. Grow EBITDA ahead of sales growth through premiumisation, price hikes and overheads control. We have upped our revenue estimates by 7%/6% post SON acquisition, while EPS upped by 3%/1% for FY17/18E.
Mkt Cap (Rs bn)	521	EBITDA (Rs mn)	4,436	4,580	3,869	14.7%	-3.2%	
Reco	Accumulate	EBITDA Margin (%)	19.5	19.4	18.5	106 bps	11 bps	
Target Price (Rs)	1,390	PAT (Rs mn)	3,129	3,236	2,654	17.9%	-3.3%	
% Upside	-9%	EPS (Rs)	9.2	9.5	7.8	17.9%	-3.3%	
GSK Consumer							↓	
CMP(Rs)	5,715	Net Sales (Rs mn)	11,086	10,295	12,155	-8.8%	7.7%	Volumes flat with growth in Horlicks, but Boost flat. Underlying sales growth at 1.5% aided by price hikes. Continue to gain market share led by Horlicks (70bps) & extension (50bps). Taking initiatives to revive category growth and increased usage – focus on direct distribution, science-based innovation and campaigns to increase HFD consumption. Cut revenues by 6%/7% and earnings by 3%/5% on account of weak sales. However, constant action to revive category growth and likely revival in urban & rural demand should improve volume profile.
Mkt Cap (Rs bn)	240	EBITDA (Rs mn)	2,343	1,595	2,638	-11.2%	46.9%	
Reco	Accumulate	EBITDA Margin (%)	21.1	15.5	21.7	-57 bps	564 bps	
Target Price (Rs)	6,200	PAT (Rs mn)	1,807	1,316	2,082	-13.2%	37.3%	
% Upside	8%	EPS (Rs)	43.0	31.3	49.5	-13.2%	37.3%	
HUL							↔	
CMP(Rs)	897	Net Sales (Rs mn)	79,457	79,810	76,756	3.5%	-0.4%	Volume growth muted at 4% impacted by weak rural, slow personal products growth and channel realignment. Fiscal phase out & one-off credits impacts domestic business, which grew 4% yoy. Remains cautious on growth and highlighted that rural is important for market growth. HUL is focused on driving volume led growth, we estimate 8/9% volume growth in FY17/18E. Rural growth is still moderate and uptick in rural is essential to revive volumes in HUL. Further, while volume-led growth is important, premiumisation and judicious price hikes are levers to price growth.
Mkt Cap (Rs bn)	1,942	EBITDA (Rs mn)	14,668	14,308	13,182	11.3%	2.5%	
Reco	Hold	EBITDA Margin (%)	18.5	17.9	17.2	129 bps	53 bps	
Target Price (Rs)	815	PAT (Rs mn)	10,308	10,239	9,109	13.2%	0.7%	
% Upside	-9%	EPS (Rs)	4.8	4.7	4.2	13.2%	0.7%	

Name		Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Jubilant Foodworks							↔	SSG in-line at 2.9% aided by price hikes but volume declines impacted by weak discretionary demand. Delivery sales continues to grow faster than dine-in sales. Company aggressive on OLO and product innovation but demand recovery remains in limbo. We expect 6%/8% SSG in FY17/18E. Gross margin expanded 120bps to 76.5%, but high employee & rent inflation mars EBITDA margin to 12.1%, down 80bps. Dunkin impact to EBITDA was 200bps and will break-even at 120 stores by FY19. SSG uptick and Dunkin break-even are margin levers, we expect EBITDA margin of 12.1%/13.6% in FY17/18E. SSG revival remains key, unless demand improves earnings may remain suppressed.
CMP(Rs)	1,059	Net Sales (Rs mn)	6,180	6,339	5,421	14.0%	-2.5%	
Mkt Cap (Rs bn)	70	EBITDA (Rs mn)	750	759	701	7.1%	-1.2%	
Reco	Hold	EBITDA Margin (%)	12.1	12.0	12.9	-79 bps	17 bps	
Target Price (Rs)	1,050	PAT (Rs mn)	295	317	315	-6.5%	-7.2%	
% Upside	-1%	EPS (Rs)	4.5	4.8	4.8	-6.5%	-7.2%	
Marico							↑	Domestic volumes at 8.4% driven by Saffola (+13% yoy) and VAHO (+11%), while Parachute volumes revive to 6% led by pricing actions. Continued strategy in Saffola, pricing actions in Parachute and innovation in VAHO should drive double digit volumes in domestic. Non-parachute portfolio in Bangladesh and mix in Middle East to drive double digit CC growth in international operations. We remain enthused by Saffola and VAHO segment performance; actions in Bangladesh & Middle East should drive international operations.
		(Consolidated)						
CMP(Rs)	257	Net Sales (Rs mn)	13,070	15,564	12,263	6.6%	-16.0%	
Mkt Cap (Rs bn)	332	EBITDA (Rs mn)	2,166	2,938	1,713	26.5%	-26.3%	
Reco	Hold	EBITDA Margin (%)	16.6	18.9	14.0	261 bps	-231 bps	
Target Price (Rs)	220	PAT (Rs mn)	1,385	1,978	1,100	25.8%	-30.0%	
% Upside	-14%	EPS (Rs)	1.1	1.5	0.9	25.8%	-30.0%	
Pidilite Industries							↑	Standalone consumer & bazaar grew at 12.3% with volume growth higher than revenue growth. Adhesive & Sealants sees healthy growth, but construction chemicals muted. Industrial witnesses revival aided by price cuts. Optimistic of uptick in growth aided by innovations, increasing distributor connect and improving performance of international subsidiaries Aiming for mid-teens growth in domestic and healthy performance in International. Improving traction in domestic & international operations exudes confidence of demand uptick. We expect premium valuations to sustain given category dynamics along with healthy revenue and earnings growth drivers.
		(Consolidated)						
CMP(Rs)	705	Net Sales (Rs mn)	12,409	13,391	10,435	18.9%	-7.3%	
Mkt Cap (Rs bn)	361	EBITDA (Rs mn)	2,384	2,953	1,339	78.1%	-19.3%	
Reco	Buy	EBITDA Margin (%)	19.2	22.0	12.8	638 bps	-284 bps	
Target Price (Rs)	730	PAT (Rs mn)	1,526	1,857	806	89.2%	-17.8%	
% Upside	4%	EPS (Rs)	3.0	3.6	1.6	89.2%	-17.8%	

Engineering & Capital Goods (ECG)

- Companies in our ECG universe (except BHEL) reported muted 1%YoY revenue growth at Rs114bn. Including BHEL, the ECG universe reported 11%YoY decline in revenues to Rs214bn. Voltas and Blue Star reported 27% YoY and 10% YoY growth to Rs19bn and Rs 11bn respectively led by better execution in the engineering segment and higher sales of cooling products. ABB and Siemens also reported 10%YoY and 5%YoY growth to Rs20bn and Rs28bn respectively as execution gained pace across segments. Triveni Turbines Ltd (TTL) reported 7% YoY growth in revenues to Rs2.1bn led by higher exports. BHEL and Thermax reported decline in revenues by 22% YoY and 14% YoY to Rs100bn and Rs13bn respectively on account of lower order backlog and slowdown in execution. Cummins, Alstom T&D (ATD) and TD Power systems also reported YoY decline in revenues by 6% YoY / 29% YoY and 37% YoY to Rs10.6bn / Rs9.7bn and Rs1.1bn respectively.
- Except for TTL, ATD, Siemens, Cummins and Voltas, all other companies in our ECG universe reported decline in EBITDAM. TTL, ATD, Siemens, Cummins and Voltas reported 766bps, 121bps, 155bps, 57bps and 21bps YoY improvement in EBITDAM respectively. BHEL, Thermax, Blue Star and ABB reported 956bps, 164bps, 168bps and 46bps YoY decline in EBITDAM respectively. TD Power Systems reported losses of Rs2mn at the EBITDA level as gross margins plummeted by 107bps to -0.2% YoY.
- Capital goods universe as a whole posted good set of order inflows at 37%YoY increase. Voltas and BHEL reported by 76% and 67% YoY increase in inflows at Rs9.6bn and Rs156.5bn respectively. TD Power Systems Reported 20% YoY growth at Rs1bn while ATD and Siemens reported increase by 10% each at Rs10.9bn and Rs29bn. Blue Star reported 19% YoY decline in order inflow to Rs11.2bn; Order intake at Thermax and ABB remained constant at Rs15bn and Rs18bn respectively.
- Being selective is imperative for the sector – Emkay’s stock preferences are driven by: (1) business model (2) visibility (3) balance sheet (4) cash flows and (5) ROIC. Our preferred buys are Voltas, Cummins, ABB, TTL and TD Power Systems.

Engineering & Capital Goods (ECG)

Name		Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
ABB India								
CMP(Rs)	1,234	Net Sales (Rs mn)	20,003	24,251	18,146	10%	20,003	<p>ABB Q1CY16 revenues were in-line with our expectations while profitability was impacted by higher other expenditure - (i) 10% YoY growth in revenues and (ii) 50bps YoY decline in EBITDAM. Localization strategy helps improve operational efficiencies. Operational EBITDAM (excluding one-off increase in other expenditure) improves by 50bps YoY to 8.5%. Order intake was sluggish at Rs18.3bn. Order flow from renewables, services and exports. maintain double digit growth Retain Buy.</p>
Mkt Cap (Rs bn)	261	EBITDA (Rs mn)	1,491	2,632	1,436	4%	1,491	
Reco	Buy	EBITDA Margin (%)	7.5	10.9	7.9	-46 bps	7.5	
Target Price (Rs)	1,407	PAT (Rs mn)	710	1,294	543	31%	710	
% Upside	14%	EPS (Rs)	3.3	6.1	2.6	31%	3.3	
Alstom T&D India								
CMP(Rs)	376	Net Sales (Rs mn)	9,779	7,553	13,682	-29%	29%	<p>Alstom T&D (ATD) reported weak operational performance - (1) Revenues decline by 29% YoY (2) EBITDA and APAT decline by 18% YoY and 45% YoY respectively. Execution delays, lower export and change in revenue recognition norms impacts revenues. FY16 order inflows down by 35%. Stock trades expensive at 33x FY18E earnings. Maintain SELL.</p>
Mkt Cap (Rs bn)	96	EBITDA (Rs mn)	913	102	1,112	-18%	791%	
Reco	Sell	EBITDA Margin (%)	9.3	1.4	8.1	121 bps	798 bps	
Target Price (Rs)	309	PAT (Rs mn)	299	-182	540	-45%	0%	
% Upside	-18%	EPS (Rs)	1.2	-0.7	2.1	-45%	0%	
BHEL								
CMP(Rs)	121	Net Sales (Rs mn)	100,048	53,256	127,452	-22%	88%	<p>BHEL reported disappointing performance - (1) Revenues decline by 22% yoy and (2) 470bps decline in gross margins and 960bps YoY decline in EBITDAM. Slow moving projects continues to be a drag on performance. Sector fundamentals overhang on the stock. Maintain Sell with price target of Rs84/ share.</p>
Mkt Cap (Rs bn)	297	EBITDA (Rs mn)	3,638	-16,387	16,818	-78%	n.a	
Reco	Sell	EBITDA Margin (%)	3.6	-30.8	13.2	-956 bps	3,441 bps	
Target Price (Rs)	84	PAT (Rs mn)	3,655	-11,020	8,985	-59%	n.a	
% Upside	-31%	EPS (Rs)	1.5	-4.5	3.7	-59%	n.a	

Engineering & Capital Goods (ECG)

Name		Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Blue Star								↔
CMP(Rs)	441	Net Sales (Rs mn)	11,034	7,194	10,054	10%	53%	Blue Star (BLSR) reported 18% growth in revenues (consolidated) for FY16 led by: i) 12% growth in Electro Mechanical Projects & Packaged Air-Conditioning Systems (EMP & PAC), ii) 18% growth in Unitary Products (UP) and iii) 15% growth in Professional Electronics And Industrial Systems (PIES). EBITDAM for FY16 increased by 48bps to 5.7%. Order book increased by 17% to Rs16.3bn. Continuing focus on cash flow generation and operating metrics; Recommend Accumulate.
Mkt Cap (Rs bn)	40	EBITDA (Rs mn)	571	308	691	-17%	85%	
Reco	Accumulate	EBITDA Margin (%)	5.2	4.3	6.9	-168 bps	90 bps	
Target Price (Rs)	480	PAT (Rs mn)	717	80	1062	-32%	793%	
% Upside	9%	EPS (Rs)	8.0	0.9	11.8	-32%	796%	
Cummins India								↔
CMP(Rs)	800	Net Sales (Rs mn)	10,654	11,469	11,335	-6%	-7%	Cummins Q4FY16 operational performance was below our expectations (a) 6% YoY decline in revenues and (b) 60bps YoY increase in EBITDAM Domestic segment grew by 15% YoY while exports decline by 30% YoY. Guidance for FY17E (1) Domestic segment to grow at 8-12% and (2) Exports to remain flat. Accumulate with a price target of Rs975/Share.
Mkt Cap (Rs bn)	222	EBITDA (Rs mn)	1,708	1,710	1,752	-3%	0%	
Reco	Accumulate	EBITDA Margin (%)	16.0	14.9	15.5	57 bps	112 bps	
Target Price (Rs)	975	APAT (Rs mn)	1,642	1,784	1,904	-14%	-8%	
% Upside	22%	EPS (Rs)	5.9	6.4	6.9	-14%	-8%	
Siemens								↑
CMP(Rs)	1,257	Net Sales (Rs mn)	27,836	23,142	26,469	5%	20%	Siemens 2QFY16 operational results exceeded our expectations - (a) 5.2% YoY growth in revenues and (b) 150 bps improvement in EBITDAM. Order intake was up by 10%YoY to Rs.29 bn. Order backlog was up 5%YoY at Rs.109bn. Best placed to play the Indian capex story. Stock trades expensive at 39XFY18 earnings. Maintain SELL.
Mkt Cap (Rs bn)	447	EBITDA (Rs mn)	3,061	1,940	2,501	22%	58%	
Reco	Sell	EBITDA Margin (%)	11.0	8.4	9.5	155 bps	262 bps	
Target Price (Rs)	876	PAT (Rs mn)	1,774	1,140	1,544	15%	56%	
% Upside	-30%	EPS (Rs)	5.0	3.2	4.3	15%	56%	

Engineering & Capital Goods (ECG)

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
TD Power Systems									
CMP(Rs)	219	Net Sales (Rs mn)	1,187	1,128	1,871	-37%	5%	↓	TD Power Systems (TDPS) reported weak quarterly performance (i) Consolidated revenues down by 37% YoY (ii) Manufacturing revenues decline by 4% YoY (iii) Losses at the EBIDTA level on account of one-time write-off and provisioning for liquidated damages. Order backlog at Rs2.9bn. Expect strong traction in exports from gas engine alternators in FY17. Prototype of diesel locomotive generator shipped to USA client. Maintain Buy with target price of Rs345.
Mkt Cap (Rs bn)	7	EBITDA (Rs mn)	-2	-5	17	n.a	n.a		
Reco	Buy	EBITDA Margin (%)	-0.2	-0.4	0.9	-107 bps	25 bps		
Target Price (Rs)	345	PAT (Rs mn)	0.3	-57	7	-95%	n.a		
% Upside	58%	EPS (Rs)	0.0	-1.7	0.2	-95%	n.a		
Thermax									
CMP(Rs)	800	Net Sales (Rs mn)	12,932	10,304	15,084	-14%	26%	↓	Thermax Q4FY16 (standalone) operational results were below expectations - (a) 14%YoY dip in revenues to Rs12.9bn and (b) 160bps YoY fall in EBIDTAM to 9%. Order intake (consolidated) increased by 2% YoY to Rs15.2bn. Order backlog (consolidated) was down by 18% YoY to Rs46.6bn. Strong balance sheet but expensive valuations factors in the same. Maintain Reduce with target price of Rs 651/share.
Mkt Cap (Rs bn)	95	EBITDA (Rs mn)	1,182	878	1,625	-27%	35%		
Reco	Reduce	EBITDA Margin (%)	9.1	8.5	10.8	-164 bps	62 bps		
Target Price (Rs)	651	APAT (Rs mn)	1,112	678	1,323	-16%	64%		
% Upside	-19%	EPS (Rs)	9.3	5.7	11.1	-16%	64%		
Triveni Turbine									
CMP(Rs)	112	Net Sales (Rs mn)	2,094	1,977	1,955	7%	6%	↑	Triveni Turbine Ltd (TTL) 4QFY16 (standalone) operational performance were in line with our expectations - (a) 7% YoY increase in revenues, (b) EBIDTAM of ~25% and (c)17% YoY increase in PAT FY16 Order inflows (consolidated) increased by 21%YoY. Order backlog stands at~Rs8bn. Maintain Buy with target price of Rs129.
Mkt Cap (Rs bn)	37	EBITDA (Rs mn)	529	409	344	54%	29%		
Reco	Buy	EBITDA Margin (%)	25.2	20.7	17.6	766 bps	456 bps		
Target Price (Rs)	129	PAT (Rs mn)	343	275	294	17%	25%		
% Upside	15%	EPS (Rs)	1.0	0.8	0.9	17%	25%		

Engineering & Capital Goods (ECG)

Name		Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Voltas							↔	
CMP(Rs)	337	Net Sales (Rs mn)	18,888	13,078	14,900	27%	44%	<p>Voltas reported 27% YoY growth in revenues – Electro-mechanical projects and services (EMPS), engineering products and services (EPS) and unitary cooling products (UCP) increased by 37%, 14% and 10%YoY respectively. EBITDAM marginally increase by 20bps to 9.8% YoY. Order backlog in EMPS at Rs39bn (Domestic – Rs20bn and International – Rs19bn). Maintain Buy with revised target price of Rs408.</p>
Mkt Cap (Rs bn)	111	EBITDA (Rs mn)	1,853	584	1,430	30%	217%	
Reco	Buy	EBITDA Margin (%)	9.8	4.5	9.6	21 bps	535 bps	
Target Price (Rs)	408	PAT (Rs mn)	1,764	542	1,180	47%	231%	
% Upside	21%	EPS (Rs)	5.3	1.6	3.6	47%	231%	

- YoY US\$ revenue growth trajectory for TWITCH group* showed signs of stabilization in Mar'16; however the stabilization was largely due to abating cross currency headwinds as YoY constant currency growth moderated to 10.3% YoY in Mar'16 quarter V/s 12% YoY growth in Dec'15 quarter.
- Low double digit YoY growth trajectory continued from North America while the performance in Europe was mixed bag in constant currency terms for Tier I IT services players. US\$ revenue growth from BFSI vertical (~33% of overall revenues for TWITCH group) continues to stagnate in single digit for sixth consecutive quarter now. US\$ revenue growth from retail, manufacturing and Telecom vertical exhibited uptick during Mar'16 quarter.
- Amongst Tier I players, only TechM delivered revenue growth better than consensus expectations while revenue performance for other Tier I players were below to in-line with expectations. TCS delivered in-line with expectation revenue performance after sixth consecutive quarters of disappointing revenues.
- Mindtree and Persistent surprisingly reported significant beat on revenue performance in Mar'16 quarter. The surprise in Persistent's performance was due to early consolidation of IBM Watson platform while Mindtree's strong revenue performance was surprise as company had earlier issues warning informing street for subdued/muted revenues in Mar'16 quarter. Other Tier II players reported below to in-line with expectations revenues.
- We believe that structural changes in demand (read as higher onsite deliveries, need for investment to build up Digital Capabilities, automation, etc.) will continue to pose downside risk to operating margin across IT Services players. The sequential operating margin decline at TCS and Wipro during Mar'16 quarter despite rupee depreciation gains and growth leverage confirms operating margin challenges for IT Services players.
- FY16 saw a significant moderation in revenue growth across the sector (with Infosys being the sole exception). In our view, FY17 will be a testing year on the margin front for the sector given-(1) challenges on growth persist, (2) need to make the necessary investments in newer tech areas and (3) likely absence of benefits from INR depreciation
- We upgraded TechM as top pick in the Tier I space in mid Mar'16 and continue to back the name on relatively inexpensive valuations with business normalizing as M&A related headwinds wane. NIIT Tech and Hexaware are our preferred picks in the Tier II space. **Note: TWITCH group refers to TCS, Wipro, Infosys, TechM, Cognizant and HCL Tech.*

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
eClerx Services									
CMP(Rs)	1,454	Net Sales (Rs mn)	3,432	3,443	2,513	36.6%	-0.3%	↓	Mar'16 quarter revenue performance reflects the near term softness that the management has been indicating in recent months with a 2.5% QoQ c.c revenue decline. Macro weakness in Financial Services, delays in refresh in project pipeline and weak Q4FY16 exit could mean that eClerx might be headed for single digit revenue growth in FY17E. Headcount addition shows seasonal uptick in Mar'16 quarter. eClerx continues to do extremely well on cash conversion (FY16 CFO at Rs 4.2 bn with CFO/EBITDA at 85 %+). Company pares dividend payout albeit intends to maintain shareholder return through other means like share buyback
Mkt Cap (Rs bn)	59	EBITDA (Rs mn)	1,407	1,246	729	92.9%	12.9%		
Reco	Hold	EBITDA Margin (%)	41.0	36.2	29.0	1,198 bps	479 bps		
Target Price (Rs)	1,400	PAT (Rs mn)	1,083	887	531	103.9%	22.1%		
% Upside	-4%	EPS (Rs)	26.1	21.4	12.9	102.5%	21.9%		
HCL Tech									
CMP(Rs)	744	Net Sales (Rs mn)	1,06,980	1,03,410	92,670	15.4%	3.5%	↓	Operating performance a tad soft driven by modest revenue performance. We note that YoY c.c revenue growth for HCL Tech has slipped by 700 bps+ over the past 4 quarters. Growth remains strong from North America reflecting confirmation on ramp ups of large transformational deals albeit the drag from Europe (hitherto an area of strength, however has been a drag on growth in FY16 with constant currency revenue growth of <9% in 9MFY16 (V/s high mid-teens growth in the past several years). We are negatively surprised by the management's unwillingness to provide any target EBIT margin range citing consolidation of large acquisitions in the near time.
Mkt Cap (Rs bn)	1,049	EBITDA (Rs mn)	23,790	22,250	20,883	13.9%	6.9%		
Reco	Accumulate	EBITDA Margin (%)	22.2	21.5	22.5	-30 bps	72 bps		
Target Price (Rs)	900	PAT (Rs mn)	19,250	19,190	16,815	14.5%	0.3%		
% Upside	21%	EPS (Rs)	13.6	13.6	11.9	14.2%	0.2%		
Infosys									
CMP(Rs)	1,238	Net Sales (Rs mn)	1,65,500	1,59,020	1,34,110	23.4%	4.1%	↔	Infosys reported broadly an inline Mar'16 quarter performance. FY17 revenue outlook of 11.5-13.5% c.c revenue growth is in line with the promise of achieving industry leading growth in FY17E. Underlying metrics (upward progression on client metrics), deal wins lend confidence to growth trajectory sustaining despite weak commentary on demand from Financial Services from peers. Management reiterates it's EBIT margin outlook although expects benefits from Automation to kick in over the medium/long term.
Mkt Cap (Rs bn)	2,844	EBITDA (Rs mn)	46,390	43,280	37,320	24.3%	7.2%		
Reco	Hold	EBITDA Margin (%)	28.0	27.2	27.8	20 bps	81 bps		
Target Price (Rs)	1,240	PAT (Rs mn)	35,960	34,650	30,970	16.1%	3.8%		
% Upside	0%	EPS (Rs)	15.7	15.2	13.6	16.1%	3.8%		
CMP(Rs)	1,238	Net Sales (Rs mn)	1,65,500	1,59,020	1,34,110	23.4%	4.1%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Mindtree								↑	Mindtree surprised positively on the revenue front , despite the recent revenue warning with a 3% sequential organic revenue growth supporting an overall 6.1% QoQ US\$ revenue growth. However EBITDA margins continued to slip despite a better than expected revenue performance and tailwinds from currency depreciation. Note that EBITDA margins have slipped by ~240 bps over the past 4 quarters. Mindtree remains hopeful of growth prospects in FY17 citing strong order booking, cross sell synergies and the full year benefits from consolidation of the acquired business and hopes to improve margins going ahead.
CMP(Rs)	651	Net Sales (Rs mn)	13,242	12,145	9,183	44.2%	9.0%		
Mkt Cap (Rs bn)	109	EBITDA (Rs mn)	2,259	2,147	1,788	26.4%	5.2%		
Reco	Reduce	EBITDA Margin (%)	17.1	17.7	19.5	-241 bps	-62 bps		
Target Price (Rs)	680	PAT (Rs mn)	1,562	1,509	1,289	21.2%	3.5%		
% Upside	5%	EPS (Rs)	9.3	9.0	7.7	21.1%	3.3%		
NIIT Tech								↔	Operating performance surprises positively largely led by better than expected margin performance with EBITDA margins improving by ~20 bps sequentially to 18.4% V/s our expectations of ~30 bps decline aided by the sharp rebound in GIS business. Net profits at Rs 789 mn (+6.5% QoQ, +56.2% YoY) were ahead of estimate aided by operating margin improvement and lower than expected tax rate. Order intake at US\$ 120 mn was decent albeit company expects a soft Jun'16 quarter revenue performance on a/c of seasonal weakness in GIS business and headwinds from some of the recently completed projects in Travel vertical.
CMP(Rs)	541	Net Sales (Rs mn)	6,847	6,787	6,112	12.0%	0.9%		
Mkt Cap (Rs bn)	33	EBITDA (Rs mn)	1,261	1,235	997	26.5%	2.1%		
Reco	Accumulate	EBITDA Margin (%)	18.4	18.2	16.3	210 bps	22 bps		
Target Price (Rs)	630	PAT (Rs mn)	789	741	-175	n.a	6.5%		
% Upside	16%	EPS (Rs)	13.3	12.5	-2.9	n.a	6.5%		
Persistent Systems								↑	Early consolidation of IBM Watson IoT deal boosted reported revenues; Organic revenues grew 3.1% QoQ ,inline with our expectation, on back of ~13% QoQ growth in IP revenue and 1.8% QoQ growth in Enterprise segment. ISV segment performance was muted for yet another quarter. 70bps decline in operating margin on organic basis continued to disappoint; we note that company's EBITDA margins have declined by~1100bps over last 8 quarters. Net Profits at Rs80mn were below Emkay estimates due to weak operating performance despite higher than expected other income and lower tax rate.
CMP(Rs)	721	Net Sales (Rs mn)	6,771	5,921	4,975	36.1%	14.4%		
Mkt Cap (Rs bn)	58	EBITDA (Rs mn)	1,074	1,111	1,005	6.9%	-3.3%		
Reco	Reduce	EBITDA Margin (%)	15.9	18.8	20.2	-434 bps	-290 bps		
Target Price (Rs)	640	PAT (Rs mn)	808	775	761	6.2%	4.2%		
% Upside	-11%	EPS (Rs)	10.1	9.7	9.5	6.2%	4.2%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
TCS									
CMP(Rs)	2,613	Net Sales (Rs mn)	2,84,486	2,73,640	2,42,198	17.5%	4.0%	↔	TCS reported a 1.5% QoQ US\$ /2.1% QoQ c.c revenue growth in the Mar'16 quarter, inline with street expectations after nearly 6 quarters of misses. Inline revenue performance was supported by strong performance in key markets like North America (+2.4% QoQ), Europe (+4.3% QoQ) and verticals like Financial Services (+2.5% QoQ) which grew ahead of company average. However TCS's margin performance surprised negatively with a 50 bps sequential decline in EBIT margins, toward the lower end of company's range of 26-28%. We see potential risks to TCS's margins ahead despite management maintaining the overall margin outlook.
Mkt Cap (Rs bn)	5,149	EBITDA (Rs mn)	79,068	77,469	70,653	11.9%	2.1%		
Reco	Hold	EBITDA Margin (%)	27.8	28.3	29.2	-138 bps	-52 bps		
Target Price (Rs)	2,400	PAT (Rs mn)	63,412	61,095	64,861	-2.2%	3.8%		
% Upside	-8%	EPS (Rs)	32.4	31.2	33.1	-2.2%	3.8%		
Tech Mahindra									
CMP(Rs)	536	Net Sales (Rs mn)	68,837	67,011	61,168	12.5%	2.7%	↔	Broadly an inline operating performance in Mar'16 albeit a tad better than consensus expectations. Net profits beat estimates aided by higher other income and lower taxes. Mar'16 results highlight some stability emerging on the Communications vertical, encouraging in our view after the sharp declines in recent quarters exacerbated by M&A related activity. Company expects gradual recovery in growth in the vertical. US\$ 300 mn TCV wins in the quarter include 1 large Communications win as well. We continue to remain confident about upcoming improvement in operational performance with several margin levers apart from pickup in growth and stability in Communications vertical/top clients
Mkt Cap (Rs bn)	520	EBITDA (Rs mn)	11,613	11,358	9,286	25.1%	2.2%		
Reco	Accumulate	EBITDA Margin (%)	16.9	16.9	15.2	169 bps	-8 bps		
Target Price (Rs)	550	PAT (Rs mn)	8,971	7,594	4,720	90.1%	18.1%		
% Upside	3%	EPS (Rs)	9.1	7.7	4.8	89.8%	18.2%		
Wipro*									
CMP(Rs)	545	Net Sales (Rs mn)	1,37,417	1,29,516	1,21,714	12.9%	6.1%	↓	Wipro's Mar'16 quarter operating performance misses expectations despite benefit from partial consolidation of HealthPlan. IT Services EBIT margins at 20.1%, lower than expectations despite currency tailwinds on account of higher SG&A investments. Jun'16 quarter revenue outlook unexciting at 1-3% QoQ growth despite upcoming full quarter consolidation of recent acquisitions. Margins could fall further in the near term on investments in talent /capabilities. Management articulates aggressive FY21 growth plans (15%+ revenue CAGR over next 5 years as compared to <10% YoY revenue growth in each of the past 4 years).
Mkt Cap (Rs bn)	1,346	EBITDA (Rs mn)	24,836	23,874	24,543	1.2%	4.0%		
Reco	Hold	EBITDA Margin (%)	18.1	18.4	20.2	-209 bps	-36 bps		
Target Price (Rs)	580	PAT (Rs mn)	22,350	22,341	22,707	-1.6%	0.0%		
% Upside	7%	EPS (Rs)	9.1	9.0	9.2	-1.3%	0.3%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Firstsource Solutions									
								↔	Revenues at Rs 8,730mn (+6.8% QoQ and +15.8% YoY) were inline with our expectations. Company's YoY revenue growth trajectory have posted acceleration for third consecutive quarter. EBITDA margins at 13.3% improved by 100bps sequentially. Net profits at Rs796mn (up 18.5% QoQ / up28.1% YoY) were ahead of our estimate aided by better than expected operating margins. Management remains confident of revenue growth in FY17E despite headwinds from loss of business at a major US telco and weak domestic revenues; recent deal wins coupled with ISGN transaction improves revenue visibility going ahead
CMP(Rs)	46	Net Sales (Rs mn)	8,730	8,178	7,540	15.8%	6.8%		
Mkt Cap (Rs bn)	31	EBITDA (Rs mn)	1,162	1,005	993	17.0%	15.6%		
Reco	Accumulate	EBITDA Margin (%)	13.3	12.3	13.2	14 bps	102 bps		
Target Price (Rs)	55	PAT (Rs mn)	797	671	623	27.8%	18.7%		
% Upside	19%	EPS (Rs)	1.2	1.0	0.9	25.5%	18.0%		
MPS									
								↓	Revenues at US\$ 9.6mn (down7.7 %QoQ /+9% YoY) were below estimate due to soft revenues from company's top clients. US\$ revenues from top 5/10 clients declined by 10.6%/10% sequentially while up 4%/9% YoY respectively. EBITDA margin at 35.5% declined by 220bps QoQ (V/s our estimate of ~160bps improvemssent) led by 350bps QoQ decline in gross margin. Net profit at Rs 223mn was aided by lower taxes. Management remain optimistic about growth on back of marquee clientele and mining opportunities; evaluation of inorganic opportunities continues.
CMP(Rs)	679	Net Sales (Rs mn)	652	690	549	18.6%	-5.6%		
Mkt Cap (Rs bn)	13	EBITDA (Rs mn)	231	260	185	25.1%	-11.1%		
Reco	Accumulate	EBITDA Margin (%)	35.5	37.7	33.7	185 bps	-220 bps		
Target Price (Rs)	780	PAT (Rs mn)	223	170	127	76.2%	31.1%		
% Upside	15%	EPS (Rs)	12.0	9.1	6.8	76.1%	31.1%		
Mphasis									
								↔	Mar'16 quarter revenues missed expectations due to ~11% QoQ decline in US\$ revenues from Digital Risk albeit the Direct Core business continues to do well with a 3% QoQ revenue growth. HP business declined by ~1.2% QoQ (in US\$ terms), showing initial signs of stabilization in line with the HPE- Blackstone agreement. EBIT margins albeit improved by 110 bps QoQ on back of ~200 bps QoQ gross margin increase. Reported net profits at Rs 1.55 bn (-11% QoQ) were impacted by an exceptional charge of Rs 316 mn related to the domestic ATM business. Mphasis management remains hopeful of 'higher than industry' growth prospects in the Direct Core business; expects further uplift in margins in H1FY17.
CMP(Rs)	551	Net Sales (Rs mn)	15,173	15,167	14,290	6.2%	0.0%		
Mkt Cap (Rs bn)	116	EBITDA (Rs mn)	2,344	2,166	2,015	16.3%	8.2%		
Reco	Hold	EBITDA Margin (%)	15.4	14.3	14.1	135 bps	117 bps		
Target Price (Rs)	500	PAT (Rs mn)	1,548	1,736	1,777	-12.9%	-10.8%		
% Upside	-9%	EPS (Rs)	7.4	8.3	8.4	-12.8%	-10.8%		

*Note: In Case of Wipro EBITDA refers to EBIT.

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
NIIT Ltd.								↔	NIIT Limited reported revenues at Rs 2.4 bn (+6.9% YoY) slightly ahead of our estimates of Rs 2.3 bn driven by 18% YoY growth in Corporate learning revenues and 5% YoY growth in Skills and Career business. Overall EBITDA margins improved by ~820 bps YoY to 5.6% (V/s our estimates of 6.9% margins) however were impacted by the investments in the Online Business and Skills and Career Group. Management stays confident of continued improvements in Skills and Career business and guided for high single digit revenue growth with improved operating margins in FY17E as operational leverage plays out; Corporate Learning Solution business expected to report steady performance in FY17E.
CMP(Rs)	79	Net Sales (Rs mn)	2,389	2,623	2,235	6.9%	-8.9%		
Mkt Cap (Rs bn)	13	EBITDA (Rs mn)	133	164	-58	n.a	-18.9%		
Reco	Buy	EBITDA Margin (%)	5.6	6.3	-2.6	816 bps	-69 bps		
Target Price (Rs)	120	PAT (Rs mn)	178	138	-1,512	n.a	29.0%		
% Upside	52%	EPS (Rs)	1.1	0.8	-9.2	n.a	29.0%		

Media & Entertainment

- As expected, advertisement revenue growth saw divergent trend for companies under coverage. Zee Entertainment continued to register strong growth while SUN TV's growth was impacted due to market share loss in non-Tamil channels and spillover of Chennai floods. In Print media space Jagran and HMTL reported healthy ad growth while DB Corp's ad growth remained sub-par as focus was on yield improvement. On expected lines multiplexes saw strong operating leverage with robust footfalls, driven by strong content performance, PVR delivered healthy ad growth of 19% yoy while Inox continue to see muted ad growth as company raised ad rates in 3Q. Radio segment delivered healthy ad growth for almost all the companies.
- In the broadcasting space, Zee Ent. continue to outperform on ad and subscription growth, driven by 1) continued ad spends by sectors like FMCG, Telecom, 2) incremental revenue from new channel '&TV' and market share gains in regional channels. SUN TV on the other hand continued with disappointing ad revenues (-6% yoy). Print media companies reported an ad revenue growth of 6% yoy to Rs11.2bn, driven by 1) healthy growth by HMTL (+15% yoy) and Jagran (+13.4% yoy). DB Corp on the other hand continued to disappoint with subpar ad revenues (flat yoy). Vernacular ad revenue increased by 8% yoy to Rs8.2n, while English ad revenue (HT Media) was up mere 1.3% yoy.
 - Zee outperformed on Domestic and international subscription revenue, which increased by 12% and 35% yoy. Sun TV's domestic subscription grew 14% yoy. Circulation revenue for print media companies increased by 10.4% yoy to Rs3bn, driven by higher circulation and cover price hikes.
 - Dish TV subscription revenue growth of 4%qoq was in-line, driven by 0.51mn net adds and 1% qoq improvement in ARPU. Subscription revenue growth of distributors (Den and Hathway) saw divergent trend due to accounting of Phase III subscription. Higher activation revenues backed by Phase III digitization boosted EBITDA.
- Strong ad revenue and low base aided EBITDA growth of 53% yoy for Zee Ent. EBITDA for the print universe (Ex-Radio for Jagran) improved 9.5% yoy (driven by 44% yoy growth for HT Media on account of low base), with margins at 17.8% vs 18.4% in Q4FY15. EBITDA for Dish TV was down 2% qoq due to higher programming and content cost.
- Profitability of Zee increased 13% yoy, impacted by higher tax and lower other income. RPAT for print companies was up 19% yoy to Rs1.8bn, impacted by weak performance of HT Media.
- We have BUY on Zee Entertainment, Dish TV, HMTL, PVR. ACCUMULATE on Jagran, Inox Leisure, ENIL and HOLD on HT Media, DB Corp and SUN TV. Remain cautious on Den and Hathway.

Media & Entertainment

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
ZEE Entertainment								↑	Ad revenue at Rs8.6bn, grew 29.1% yoy (vs estimate of 21.5% yoy). Domestic subscription revenue growth of 12.1% yoy to Rs4.7bn was 15% ahead of estimate. International subscription revenue at Rs1.3bn was up 35% yoy, driven by some catch-up revenues. Going forward, despite high base of advertisement growth in FY16, it is expected to deliver decent growth rate driven by healthy viewership share in regional channels, improved yields of '&TV' and two India cricket series. Domestic subscription revenue growth would be marginally hit by regulatory changes in FY17 while digitization led benefits would continue to accrue over the next 2-3 years.
CMP(Rs)	456	Net Sales (Rs mn)	15,316	15,951	13,471	13.7%	-4.0%		
Mkt Cap (Rs bn)	438	EBITDA (Rs mn)	4,136	4,302	2,708	52.7%	-3.9%		
Reco	Buy	EBITDA Margin (%)	27.0	27.0	20.1	690 bps	3 bps		
Target Price (Rs)	475	PAT (Rs mn)	2,606	2,750	2,308	12.9%	-5.2%		
% Upside	4%	EPS (Rs)	2.7	2.9	2.4	12.9%	-5.2%		
Sun TV Network								↓	Ad revenue at Rs2.9bn was down 5.6% yoy, impacted by spillover effect of Chennai floods (Dec'15) and market share loss in non-Tamil channels. Subscription revenue growth of 13% yoy was driven by 5.3% yoy increase in Cable TV, 17.8% yoy growth in DTH subscription and 5.9% improvement in international revenue. Loss of market share in non-Tamil channels and delayed acceptance of ~19% hike in Tamil channel would impact ad growth in near term. Programing and content cost was up due to higher content investment in non-Tamil channels.
CMP(Rs)	359	Net Sales (Rs mn)	5,707	5,741	5,486	4.0%	-0.6%		
Mkt Cap (Rs bn)	141	EBITDA (Rs mn)	4,266	4,404	4,233	0.8%	-3.1%		
Reco	Hold	EBITDA Margin (%)	74.7	76.7	77.2	-241 bps	-197 bps		
Target Price (Rs)	445	PAT (Rs mn)	2,180	2,156	2,030	7.4%	1.1%		
% Upside	24%	EPS (Rs)	5.5	5.5	5.2	7.4%	1.1%		
Dish TV								↓	ARPU at Rs174 and net adds at 0.51mn was largely in-line with estimates. Subscription revenue at Rs7.4bn, up 4.2% qoq. EBITDA at Rs2.6bn (-1.7% qoq) was impacted by higher content and ad expenses. Guidance of 1.5mn net addition for FY17, would be partly driven by strong advertisement spend push. Increasing net adds contribution from low priced packages to restrict ARPU growth. Final regulation on interconnect agreements, content cost deals and resolution on licensee fee issue would be key things to watch out for.
CMP(Rs)	91	Net Sales (Rs mn)	7,994	7,715	7,299	9.5%	3.6%		
Mkt Cap (Rs bn)	97	EBITDA (Rs mn)	2,608	2,655	2,209	18.1%	-1.7%		
Reco	Buy	EBITDA Margin (%)	32.6	34.4	30.3	237 bps	-178 bps		
Target Price (Rs)	117	PAT (Rs mn)	799	685	349	128.7%	16.7%		
% Upside	29%	EPS (Rs)	0.8	0.6	0.3	128.7%	16.7%		

Media & Entertainment

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Hathway Cable									
CMP(Rs)	34	Net Sales (Rs mn)	3,399	3,004	2,700	25.9%	13.1%	↑	Higher activation aided operating performance while underlying cost was higher than expected. Growth in broadband business remain on strong trajectory. Net subscription revenue of Rs1152mn grew 7/10% qoq/yoy. Phase I/II ARPU stood at Rs105/Rs86 (net of tax) 5%/11% qoq. Activation revenue was Rs510mn vs Rs220mn in Q3. Consolidated STB deployment stands at 10.6mn subscribers (86% digitization) with Q4 addition of 1mn, Pay channel/employee cost increased 16/47% qoq and 15/65% yoy. Hopes continue for uptick in ARPU for Phase I and II
Mkt Cap (Rs bn)	28	EBITDA (Rs mn)	798	498	310	157.5%	60.2%		
Reco	Reduce	EBITDA Margin (%)	23.5	16.6	11.5	1,200 bps	689 bps		
Target Price (Rs)	33	PAT (Rs mn)	-116	-336	-524	n.a	n.a		
% Upside	-2%	EPS (Rs)	-0.1	-0.4	-0.6	n.a	n.a		
PVR									
CMP(Rs)	940	Net Sales (Rs mn)	4,126	5,005	2,996	37.7%	-17.6%	↑	PVR ended a robust year with strong performance in Q4. Footfalls grew 25.4/18.3% yoy on blended/comparable basis, driven by strong box office collections and low base. ATP registered healthy growth of 8.3% yoy to Rs182. F&B revenue grew 50% yoy with gross margin expansion of 397bps yoy. Ad revenue growth of 19% yoy remains healthy. EBITDA aided by lower than rental cost, due to accounting change. Healthy content pipeline coupled with screen additions, improvement in realization (ATP/SPH) and healthy ad growth to aid operating performance
Mkt Cap (Rs bn)	44	EBITDA (Rs mn)	465	853	108	332.1%	-45.5%		
Reco	Buy	EBITDA Margin (%)	11.3	17.0	3.6	767 bps	-579 bps		
Target Price (Rs)	1,073	PAT (Rs mn)	-73	304	-335	n.a	n.a		
% Upside	14%	EPS (Rs)	-1.6	6.5	-7.2	n.a	n.a		
Inox Leisure									
CMP(Rs)	216	Net Sales (Rs mn)	2,513	2,973	1,950	28.9%	-15.5%	↓	Footfalls grew 37/25% yoy for blended/comparable properties, driven by healthy content. ATP up by 5.7% yoy to Rs167. F&B revenue up 52% yoy with gross margin expansion of 277bps yoy. However, ad revenue disappointed with 2% yoy decline. EBITDA was impacted by higher expenditure. Film distribution/F&B cost increased by 44%/37% yoy to Rs689mn/Rs142mn. Healthy content pipeline and screen addition would augur well for footfall growth, while high base would partially restrict growth in FY17E. Rebound in ad growth remains the key to watch out
Mkt Cap (Rs bn)	21	EBITDA (Rs mn)	151	528	105	43.3%	-71.5%		
Reco	Accumulate	EBITDA Margin (%)	6.0	17.8	5.4	60 bps	-1,178 bps		
Target Price (Rs)	240	PAT (Rs mn)	161	206	-40	n.a	-21.6%		
% Upside	11%	EPS (Rs)	1.7	2.1	-0.4	n.a	-21.6%		

Media & Entertainment

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
DB Corp								↓	Print ad revenue was flat on yoy basis at Rs3.2bn, due to focus on yield improvement. Circulation at Rs1.1bn grew 15.4% yoy, driven by realization/ copy and Bihar launch. Radio revenues at Rs298mn was up 11% yoy. Digital ad revenue stood at Rs120mn vs Rs90mn in Q4FY15. EBIDTA was down 4.4% yoy to Rs1142mn due to weak ad revenue, higher other operating and employee expenses. Other operating/Employee expenses increased 15%/10% yoy. Volumes continue to remain under pressure on account of yield improvement strategy. However, going forward advertising growth would be volume driven.
CMP(Rs)	376	Net Sales (Rs mn)	5,143	5,859	4,856	5.9%	-12.2%		
Mkt Cap (Rs bn)	69	EBITDA (Rs mn)	1,142	1,868	1,195	-4.4%	-38.9%		
Reco	Hold	EBITDA Margin (%)	22.2	31.9	24.6	-240 bps	-969 bps		
Target Price (Rs)	350	PAT (Rs mn)	642	1,068	640	0.4%	-39.9%		
% Upside	-7%	EPS (Rs)	3.5	5.8	3.5	0.4%	-39.9%		
Jagran Prakashan								↔	Revenue was in-line with estimates, lower other operating income was offset by better than expected ad/circulation revenues, print ad revenue at Rs3.3bn increased by 13.6% yoy. Circulation revenue at Rs1.1bn (+8.4% yoy). Radio revenues grew 18% yoy to R590mn with EBITDA of Rs213mn (+46% yoy). Company's strategy of compromising on ad yields to drive volumes, amidst lower newsprint prices, has paid-off well in FY16. With upcoming U.P election in 2017, government spend is likely to remain accelerated, thereby, driving consumption and ad spends.
CMP(Rs)	173	Net Sales (Rs mn)	5,295	5,764	4,227	25.3%	-8.1%		
Mkt Cap (Rs bn)	57	EBITDA (Rs mn)	1,358	1,721	1,048	29.5%	-21.1%		
Reco	Accumulate	EBITDA Margin (%)	25.6	29.9	24.8	85 bps	-422 bps		
Target Price (Rs)	203	PAT (Rs mn)	801	933	494	62.4%	-14.1%		
% Upside	17%	EPS (Rs)	2.5	2.9	1.6	62.4%	-14.1%		
HT Media								↓	English ad revenue continue to remain muted. Print ad revenue was up 5.9% yoy with English/Hindi ad revenue up 1.3%/14.9% yoy. Circulation revenue grew 6.4% yoy, driven by improved realization/copy and higher volume. EBITDA at Rs697mn grew 44% yoy (15% miss on estimate) due to higher than estimated other operating expenses. Uptick in English growth and lower losses from digital business is key for improved operating performance. Expect English ad revenues to pick-up in H2FY17E, driven by improvement in urban consumption.
CMP(Rs)	80	Net Sales (Rs mn)	6,310	6,811	5,769	9.4%	-7.4%		
Mkt Cap (Rs bn)	19	EBITDA (Rs mn)	697	1,186	483	44.4%	-41.2%		
Reco	Hold	EBITDA Margin (%)	11.1	17.4	8.4	268 bps	-637 bps		
Target Price (Rs)	88	PAT (Rs mn)	376	688	393	-4.3%	-45.3%		
% Upside	10%	EPS (Rs)	1.6	2.9	1.7	-4.3%	-45.3%		

Media & Entertainment

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
HMVL								↔	Revenue growth was driven by healthy ad growth of 15% yoy to Rs1684mn. Circulation revenues grew 5.1% yoy to Rs534mn, aided by higher circulation and realization/copy. EBITDA at Rs511mn was up 14.9% yoy with EBITDA margin of 22.5% (+46bps yoy), restricted by higher than expected employee expenses. HMVL continue to deliver higher than industry ad revenue growth. Balanced approach of yield and volume has been playing in favor of the company. Yield improvement in UP and organic growth in established states would continue to aid higher than industry ad growth.
CMP(Rs)	278	Net Sales (Rs mn)	2,275	2,404	2,021	12.6%	-5.4%		
Mkt Cap (Rs bn)	20	EBITDA (Rs mn)	511	601	445	14.9%	-14.9%		
Reco	Buy	EBITDA Margin (%)	22.5	25.0	22.0	46 bps	-253 bps		
Target Price (Rs)	365	PAT (Rs mn)	470	469	389	20.6%	0.2%		
% Upside	31%	EPS (Rs)	6.4	6.4	5.3	20.6%	0.2%		
Entertainment Network								↑	Beat on headline numbers was driven by one-off provision write back of Rs102mn, while underlying revenue was in-line with estimate. Revenue at Rs1472mn (+18.3% yoy). EBITDA at Rs385mn grew 11.5% yoy with EBITDA margin at 26.2% (-160bps yoy), restricted by higher other operating expenses. Yield improved to Ra10,700/10sec (+13.9% yoy). New channel launches would continue to drive marketing spends upwards, resulting in muted EBITDA growth for FY17E. Nevertheless, operating leverage would be visible from FY18E as new stations start stabilizing.
CMP(Rs)	731	Net Sales (Rs mn)	1,472	1,436	1,244	18.3%	2.5%		
Mkt Cap (Rs bn)	35	EBITDA (Rs mn)	385	497	345	11.6%	-22.5%		
Reco	Accumulate	EBITDA Margin (%)	26.2	34.6	27.7	-157 bps	-847 bps		
Target Price (Rs)	776	PAT (Rs mn)	202	270	255	-20.8%	-25.2%		
% Upside	6%	EPS (Rs)	4.2	5.7	5.3	-20.8%	-25.2%		

Metals & Mining

- Q4FY16 earnings for our metals and mining universe came as a breather, as most of the companies have reported superior performance after several quarters. After consistent fall till March, steel prices rebounded sharply in the global markets. Indian prices also rose on the back of imposition of MIP in early February. All the steel companies pushed higher volumes into the markets during Q4 partly due to import substitution. Non-ferrous companies too saw better volume growth. This coupled with slightly higher LME and weak INR helped better performance. Coal India reported better than expected performance.
- For our Metals and Mining universe topline, EBITDA and APAT declined 10%, 21% and 17% on YoY basis, while sequentially they increased by 10%, 36% and 65% respectively.
- Ferrous sector - Based on higher volume and improved realizations all the steel companies witnessed better performances. SAIL however continued to post losses at the EBITDA level. Tata Steel's European operations also posted losses. Planned shutdown restricted JSW Steel's volume to some extent. In the mining space, fall in iron ore prices weigh on NMDC's performance. MOIL continued to disappoint due to sharp drop in realizations, while Coal India's performance was better than expectations on cost optimizations and operating leverage.
- Non-ferrous sector - Operating leverage helped both Hindalco standalone and Novelis to perform better. Vedanta's performance was also better with focus on cost reduction. However, Hindustan Zinc performance was below estimate due to low zinc volume. Nalco on the other hand did better than expectations on better volume.
- Surge in global steel prices and imposition of MIP have helped domestic steel companies in both stability in realizations and higher sales volume. Steel prices are likely to remain higher in Q1FY17 too and post that will depend on global trend and extension of MIP and at what rate. Volume is likely to remain strong on import substitution. Mining auction and linkage auction will be important events. In case of non-ferrous metals also we expect stronger volume, while LME zinc is likely to continue outperforming others, aluminium is likely to remain volatile. Based on company specific developments we prefer Coal India, Hindalco, Nalco, HZL, MOIL and JSW Steel.

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Coal India								↑	FSA volume stood at 119 mt, rise of 2.0% YoY and 2.4% on sequential basis; while FSA realizations fell 4% YoY but up 5.7% QoQ to Rs1350/t. E-auction realizations fell by -31% YoY and -12% QoQ to Rs 1648/t. E-auction volumes came in at 20 mt (+47% YoY and +35% QoQ). E-auction realization premium over FSA realization declined to 22% from 46% in Q3FY16 and 70% in Q4FY15. We believe, grade rationalization related benefits to keep coming in. Volume will grow with better power generation growth. We maintain Buy on the stock with a target price of Rs 384
CMP(Rs)	307	Net Sales (Rs mn)	214,028	195,994	213,396	0%	9%		
Mkt Cap (Rs bn)	1,938	EBITDA (Rs mn)	55,339	48,198	59,648	-7%	15%		
Reco	Buy	EBITDA Margin (%)	25.9	24.6	28.0	-210 bps	+126 bps		
Target Price (Rs)	384	PAT (Rs mn)	42,424	36,845	42,372	0%	15%		
% Upside	25%	EPS (Rs)	6.7	5.8	6.7	0%	15%		
JSW Steel								↑	Inventory drawdown and rise in retail sales (by 68% YoY) has helped revenue to grow despite plant shutdowns. Sales volume (at 3.3 MTPA) and realization (at Rs 30,068/ tn) came in line with our estimates, however EBITDA/ tonne came in at Rs 5400 vs our estimate of ~Rs 4,000, mainly due to improved product mix, benefit from lower coking coal prices, and lower employee costs. Among the subsidiaries, JSW Steel Coated Products continue to do well (PAT- Rs 240 mn). Maintain Buy with a revised target price of Rs 1,462.
CMP(Rs)	1,395	Net Sales (Rs mn)	106,975	86,983	125,997	-15%	23%		
Mkt Cap (Rs bn)	337	EBITDA (Rs mn)	18,236	8,918	16,825	8%	104%		
Reco	Buy	EBITDA Margin (%)	17.0	10.3	13.4	+369 bps	+679 bps		
Target Price (Rs)	1,462	PAT (Rs mn)	1,714	11,988	883	94%	-86%		
% Upside	5%	EPS (Rs)	7.1	49.6	3.7	94%	-86%		
Tata Steel								↑	Domestic steel realizations stood at Rs 36216/ tonne, marginally down on sequential basis. This was in line with our expectations. Overall costs/ tonne were down by 17% YoY and 4.5% QoQ in standalone business. The management has guided for Rs 3000/ tonne rise in realizations in Q1FY17 over Q4FY16 levels, while, 1 mt incremental volume from KPO for the full year. On Europe, things remain uncertain pending the asset sales. Europe EBITDA loss stood at US\$15. Maintain Sell with a revised target price of Rs269.
CMP(Rs)	342	Net Sales (Rs mn)	295,076	280,390	336,662	-12%	5%		
Mkt Cap (Rs bn)	332	EBITDA (Rs mn)	22,052	7,757	15,430	43%	184%		
Reco	Sell	EBITDA Margin (%)	7.5	2.8	4.6	+289 bps	+471 bps		
Target Price (Rs)	269	PAT (Rs mn)	-3,560	-14,155	-8,631	n.a	n.a		
% Upside	-21%	EPS (Rs)	-3.7	-14.6	-8.9	n.a	n.a		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
SAIL									
CMP(Rs)	42	Net Sales (Rs mn)	113,715	89,391	115,851	-2%	27%	↓ EBITDA loss narrowed down to Rs 2965/ tonne against Rs 4764/ tonne in Q3FY16. Improvement is primarily because of higher sales volume at 3.8 MT (+1.4%/+5.9% YoY/QoQ), whereas realizations declined to Rs 29,583/ tonne (-18%/-3% YoY/QoQ). Except Bhillai plant all other segments continue to book losses. SAIL targets a sales volume of 15 mt in FY16. Significant volume ramp up can help but we expect that to happen more gradually. Valuations remain expensive. Maintain Sell with a revised target price of Rs 37.	
Mkt Cap (Rs bn)	173	EBITDA (Rs mn)	-11,236	-13,815	9,301	n.a	n.a		
Reco	Sell	EBITDA Margin (%)	-9.9	-15.5	8.0	-1791 bps	+557 bps		
Target Price (Rs)	37	PAT (Rs mn)	-12,309	-15,287	3,344	n.a	n.a		
% Upside	-12%	EPS (Rs)	-3.0	-3.7	0.8	n.a	n.a		
NMDC									
CMP(Rs)	91	Net Sales (Rs mn)	15,300	15,172	28,286	-46%	1%	↓ Realizations were down due to lag impact of lower prices. This has resulted into 52% YoY and 15% QoQ fall in realizations to Rs 1744/ tonne. This offset 11% YoY and 18% QoQ rise in sales volume to 8.51 mt. EBITDA/ tonne fell to Rs 634. Lower employee costs helped. Due to lower iron ore prices, royalty and cess also fell by 61% YoY and 37% QoQ to Rs 1.5 bn. We have reduced our iron ore price assumptions along with factoring in some cost benefits and higher target multiple. Maintain sell with a revised our target price of Rs 74.	
Mkt Cap (Rs bn)	359	EBITDA (Rs mn)	5,398	6,441	14,213	-62%	-16%		
Reco	Sell	EBITDA Margin (%)	35.3	42.5	50.2	-1496 bps	-717 bps		
Target Price (Rs)	74	PAT (Rs mn)	7,201	6,573	14,025	-49%	10%		
% Upside	-18%	EPS (Rs)	1.8	1.7	3.5	-49%	10%		
MOIL									
CMP(Rs)	240	Net Sales (Rs mn)	2,096	878	1,614	30%	139%	↓ Big inventory adjustment of Rs 547 mn and higher employee and other expenses (up 31%/41% YoY/ QoQ) impacted the performance. However, exceptional income of Rs 200 mn has helped keep reported PAT at Rs 214 mn. Sales volume (381 kt) was in line with our estimates, however, average blended realizations fell 9% QoQ and 28% YoY to Rs 5911/ tonne. Pressure on margins is likely to continue on account of weak realizations. Volume stability however, should be beneficial. Q4 costs are not likely to be recurring. Valuation continues to remain attractive. Maintain Buy with a target price of Rs 262.	
Mkt Cap (Rs bn)	40	EBITDA (Rs mn)	-258	153	755	n.a	n.a		
Reco	Buy	EBITDA Margin (%)	-12.3	17.4	46.8	-5908 bps	-2969 bps		
Target Price (Rs)	262	PAT (Rs mn)	14	540	1,025	-99%	-97%		
% Upside	9%	EPS (Rs)	0.1	3.2	6.1	-99%	-97%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Hindalco								↑	Revenue and EBITDA of aluminium segment grew by 14%/69% YoY and 11%/539% QoQ respectively whereas growth in copper segment has been less impressive; -24.9%/-3.1% YoY and 0.7%/8.5% QoQ. Volume remained stronger mainly due to faster ramp up in Mahan Aditya smelters. Reduction in input costs backed by alumina and power costs, has resulted into better performance at the EBITDA level. Confidence on better performance by Novelis is also coming back. Maintain Buy with a revised target price of Rs 115.
CMP(Rs)	109	Net Sales (Rs mn)	85,427	80,212	93,716	-9%	7%		
Mkt Cap (Rs bn)	226	EBITDA (Rs mn)	10,416	5,423	8,848	18%	92%		
Reco	Buy	EBITDA Margin (%)	12.2	6.8	9.4	+275 bps	+543 bps		
Target Price (Rs)	115	PAT (Rs mn)	3,563	402	3,431	4%	786%		
% Upside	5%	EPS (Rs)	1.9	0.2	1.8	4%	786%		
Hindustan Zinc								↓	Zinc sales volume fell to 154 kt. However, Lead (41 kt) and silver (122 tn) sales volume were higher. Mined metal production stood at 188 kt, down 30% YoY and 18% QoQ. CoP stood higher at US\$853 (without royalty). Higher other income (Rs 7.4 bn) and tax credit that resulted into negative tax of Rs 3 bn helped PAT. Believe, post mining development activities, volume growth will be stronger, which also should bring down the costs. Zinc LME on the other side is likely to outperform other base metals. Maintain Buy with a revised target price of Rs 190.
CMP(Rs)	170	Net Sales (Rs mn)	31,324	34,306	41,257	-24%	-9%		
Mkt Cap (Rs bn)	719	EBITDA (Rs mn)	13,081	14,783	19,784	-34%	-12%		
Reco	Buy	EBITDA Margin (%)	41.8	43.1	48.0	-619 bps	-133 bps		
Target Price (Rs)	190	PAT (Rs mn)	21,495	18,114	19,974	8%	19%		
% Upside	12%	EPS (Rs)	5.1	4.3	4.7	8%	19%		
Vedanta								↑	QoQ improvement in revenue was driven by higher volumes in Copper (7.7%), Iron Ore (73%) and Power (16%) segments. Sequential improvement in LME in most of the metals and depreciation in INR also helped. APAT was higher vs Q3FY16 primarily because of higher other income and tax credit. While, standalone debt of Rs 411 bn remains a concern, operational improvement is on the cards in aluminium and iron ore business segments. Sustained rise in commodity prices too will be beneficial. Maintain Buy with revised target price of Rs 114
CMP(Rs)	112	Net Sales (Rs mn)	159,793	148,766	178,046	-10%	7%		
Mkt Cap (Rs bn)	332	EBITDA (Rs mn)	34,720	31,057	40,140	-14%	12%		
Reco	Buy	EBITDA Margin (%)	21.7	20.9	22.5	-82 bps	+85 bps		
Target Price (Rs)	114	PAT (Rs mn)	10,440	-1,184	9,115	15%	n.a		
% Upside	2%	EPS (Rs)	3.5	-0.4	3.1	15%	n.a		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Nalco								↑	Alumina sales volume rose ~40% each on YoY and QoQ to 398 kt, metals sales volume rose by 21% YoY and 6% QoQ to 103 kt. EBITDA improvement has been on the back positive turn around in metal segment. Aluminium segment EBIT margin came at +5% after three consecutive quarters of losses. Alumina EBIT margins however halved both YoY and QoQ to 14%. Better coal availability is likely to keep CoP under check. Recent improvement in alumina prices to aid performance. Maintain Buy with a target price of Rs 51.
CMP(Rs)	42	Net Sales (Rs mn)	18,743	16,353	18,013	4%	15%		
Mkt Cap (Rs bn)	107	EBITDA (Rs mn)	2,386	1,363	4,280	-44%	75%		
Reco	Buy	EBITDA Margin (%)	12.7	8.3	23.8	-1103 bps	+439 bps		
Target Price (Rs)	51	PAT (Rs mn)	2,078	800	2,065	1%	160%		
% Upside	23%	EPS (Rs)	0.81	0.31	0.80	1%	160%		

- **Gross under recovery on Kerosene for FY16 stood at Rs115bn out of which GOI has provided Rs102bn and companies received Rs12.5bn from upstream companies as a result for FY16 there is nil subsidy burden on OMCs. GRM of OMC's declined on qoq basis mainly on account of declined in cracks of middle distillates while marketing margin surged by 33.8% on qoq basis to Rs5,927/mt. (avg. of OMC's). Sharp correction in crude oil price in the month of January/February, OMC's have earned healthy marketing margins across the product portfolio. Maintain Buy with preferred pick of HPCL, IOC followed by BPCL with the target price of Rs.1,183/570/1,173/share respectively.**
- **ONGC and OIL results came above our est. on account of write back on impairment cost and reversal of share in under recovery. Cairn India's result was below our est. as company has made provision of Rs117bn for impairment largely towards the lower crude price, prevailing discount of RJ crude and for adverse long term impact of revised Cess. Net realizations for ONGC, OIL and Cairn India stood at \$34.88/32.6/27.8/bbl, resp. Only revival of crude oil price would give meaningful upside to upstream stocks. We maintain Buy rating on ONGC and OIL while we maintain our Under Review reco. on Cairn India on back of the ongoing merger process**
- **RIL's results was above our and consensus est. with PAT at Rs73.2bn on account of robust operational performance in both Refining and Petchem. Sequentially, GRM was lower at \$10.8/bbl against \$11.4/bbl on account of weak middle distillate cracks due to continuing oversupply. Strong polymer margin coupled with robust demand in across the segment resulted in Petchem EBIT to grow by 5.3% qoq to Rs27.3bn with stable EBIT margin of 14%. KG D6 production declined to 9.7mmscmd from 10.5mmscmd on qoq basis. We continue to maintain BUY rating with TP of Rs1,160**
- **In natural Gas universe results broadly came in line except GSPL, which came below our esti. due to lower than expected volume and transmission tariff. As expected, PLNG surprised positively on vol. as demand for LNG increase post RasGas pricing solution. GAIL, IGL & Gujarat gas result were broadly in line. Sequentially, transmission vol. decreased marginally by 2.2% to 119mmscmd. However, imported LNG volume increased by 8.2% sequentially to 154tbtu. We maintain our BUY rating on GSPL, PLNG, GAIL, HOLD on IGL and SELL on Gujarat gas.**

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Reliance Industries									
CMP(Rs)	954	Net Sales (Rs mn)	4,99,570	5,65,670	5,60,430	-10.9%	-11.7%	↑	Results were above our and consensus est. with PAT at Rs73.2bn on account of robust operational performance in both Refining and Petchem. Refining EBIT margins has improved sequentially by 300bps to 15.8% with Rs63.7bn. Improvement in EBIT margin is mainly attributable to lower opex cost which declined qoq from \$3.3/bbl to \$2.6/bbl. Sequentially GRM was lower at 10.8/bbl against \$11.4/bbl on account of weak middle distillate cracks. Strong polymer margin coupled with robust demand in across the segment resulted in Petchem EBIT to grew by 5.3% qoq to Rs27.3bn. Oil and gas EBIT declined from 3.9% to -10.7% sequentially to loss of Rs960mn in tandem with decline in KG D6 production and crude oil and Natural gas realization.
Mkt Cap (Rs bn)	3,094	EBITDA (Rs mn)	1,07,270	1,02,720	86,290	24.3%	4.4%		
Reco	Buy	EBITDA Margin (%)	21.5	18.2	15.4	608 bps	331 bps		
Target Price (Rs)	1,160	APAT (Rs mn)	73,200	72,180	62,430	17.3%	1.4%		
% Upside	22%	EPS (Rs)	22.6	22.3	19.3	17.4%	1.4%		
ONGC									
CMP(Rs)	216	Net Sales (Rs mn)	1,63,848	1,84,980	2,16,475	-24.3%	-11.4%	↑	Results were above our est. on account of write back on impairment cost and reversal of share in under recovery. Other income for the quarter increased qoq to Rs33.9bn from Rs8.6bn as the company has written back provision of Rs15.5bn towards acquisition cost and cost of exploratory wells on approval of FDP for Cluster II and for Declaration of Commerciality for Cluster I & III in block KG-DWN-98/2. Crude oil production down 1.9% qoq to 6.1mmt while Gas production down 9.2% qoq to 5.24bcm. Net crude oil realization for the quarter stood at \$34.88/bbl against \$44.3/\$55.6/bbl on qoq/yoy basis respectively.
Mkt Cap (Rs bn)	1,846	EBITDA (Rs mn)	44,891	80,430	76,194	-41.1%	-44.2%		
Reco	Buy	EBITDA Margin (%)	27.4	43.5	35.2	-780 bps	-1,608 bps		
Target Price (Rs)	262	APAT (Rs mn)	44,160	12,856	39,351	13.0%	246%		
% Upside	21%	EPS (Rs)	5.2	1.5	4.6	13.0%	246%		
Oil India									
CMP(Rs)	351	Net Sales (Rs mn)	20,093	23,416	27,130	-25.9%	-14.2%	↑	Results were above our est. on account of reversal of share in under recovery. Crude oil sales down 3.5% qoq to 0.77mmt while natural gas sales volume down 8.7% qoq to 0.595bcm. Gas sales down mainly due to lower off take from BCPL and BVFCL. On the back of crude oil price correction, net realization declined to \$32.6/bbl against \$42/53.6/bbl on qoq/yoy basis. There was an exceptional item of Rs2.15bn in Q4FY16 on account of Diminishing value of its 1) investment in equity of BREML 2) for loan given to Suntera Nigeria Ltd.
Mkt Cap (Rs bn)	211	EBITDA (Rs mn)	7,415	7,521	8,233	-9.9%	-1.4%		
Reco	Buy	EBITDA Margin (%)	36.9	32.1	30.3	656 bps	479 bps		
Target Price (Rs)	407	APAT (Rs mn)	4,692	4,107	5,517	-15.2%	14.7%		
% Upside	16%	EPS (Rs)	7.8	6.8	9.2	-15.2%	14.7%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Cairn India									
CMP(Rs)	144	Net Sales (Rs mn)	17,168	20,395	26,772	-35.9%	-15.8%	↓	Company reported loss of Rs109bn (our est. loss of Rs1.6bn) on account of provision of Rs116.7bn for impairment largely towards the lower crude price, prevailing discount of RJ crude as well as adverse long term impact of revised Cess. Revenue declined by 16%qoq to Rs17.2bn as net oil price realisation fell by 21%qoq to \$27.8/bbl (18% discount to Brent) and gross production from RJ block declined sequentially to 167kboepd from 170kboepd. DD&A cost declined by 47%qoq to Rs4.7bn while interest cost increase sequentially from Rs45mn to Rs151mn. Company has reported forex gain of Rs1bn in Q4FY16 as against forex gain of Rs0.48bn in Q3FY16
Mkt Cap (Rs bn)	270	EBITDA (Rs mn)	4,978	6,661	7,878	-36.8%	-25.3%		
Reco	Ur	EBITDA Margin (%)	29.0	32.7	29.4	-43 bps	-366 bps		
Target Price (Rs)	0	APAT (Rs mn)	(1,09,482)	87	(2,408)	n.a	n.a		
% Upside	-100%	EPS (Rs)	(58.4)	0.1	(1.3)	n.a	n.a		
Indian Oil									
CMP(Rs)	415	Net Sales (Rs mn)	8,04,496	8,34,619	9,38,320	-14.3%	-3.6%	↓	Result came below our est. with EBITDA at Rs40.4bn (our est. Rs86.6bn) and PAT at Rs12.4bn (our est. Rs41.4bn) on account of inventory loss of Rs34bn which resulted in loss of \$4.6/bbl. GRM declined sequentially from \$6/bbl to \$3/bbl. Sequentially, Marketing margin improved significantly from Rs.3,486/mt (\$7.2/bbl) to Rs4,687/mt. (\$9.5/bbl) For FY16, there is miniscule subsidy burden of Rs94mn on IOCL.
Mkt Cap (Rs bn)	1,008	EBITDA (Rs mn)	40,443	52,421	92,836	-56.4%	-22.8%		
Reco	Buy	EBITDA Margin (%)	5.0	6.3	9.9	-487 bps	-125 bps		
Target Price (Rs)	570	APAT (Rs mn)	12,356	30,569	62,854	-80.3%	-59.6%		
% Upside	37%	EPS (Rs)	5.1	12.6	25.9	-80.3%	-59.6%		
BPCL									
CMP(Rs)	980	Net Sales (Rs mn)	4,41,971	4,66,666	5,13,461	-13.9%	-5.3%	↑	Result came above our est. with EBITDA at Rs34.8bn (our est. Rs35.4) and PAT at Rs25.5bn (our est. Rs21.9bn) mainly due to better than expected marketing margin. Sequentially, Marketing margin improved significantly from Rs.4,829/mt (\$10/bbl) to Rs6,957/mt. (\$14.1/bbl) on account of higher marketing margin earned across the product range. Sequentially, GRM declined from \$7.7/bbl to \$6.3/bbl. For FY16 there is nil subsidy burden on BPCL.
Mkt Cap (Rs bn)	709	EBITDA (Rs mn)	34,896	24,166	44,961	-22.4%	44.4%		
Reco	Buy	EBITDA Margin (%)	7.9	5.2	8.8	-86 bps	272 bps		
Target Price (Rs)	1,173	APAT (Rs mn)	25,491	14,886	28,529	-10.6%	71.2%		
% Upside	20%	EPS (Rs)	35.2	20.6	39.4	-10.6%	71.2%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
HPCL								↑	Result came above our est. with EBITDA at Rs26.6bn and PAT at Rs15.5bn (our est. Rs13.9bn) mainly due to better than expected marketing margin and GRM. Sequentially, Marketing margin improved significantly qoq from Rs.4,975/mt (\$10.3/bbl) to Rs6,136/mt (\$12.5/bbl) account of higher marketing margin earned across the product range. Sequentially, GRM declined from \$7.9/bbl to \$7.6/bbl. For FY16 there is nil subsidy burden on HPCL.
CMP(Rs)	904	Net Sales (Rs mn)	4,21,952	4,35,004	4,46,155	-5.4%	-3.0%		
Mkt Cap (Rs bn)	306	EBITDA (Rs mn)	26,613	22,404	35,142	-24.3%	18.8%		
Reco	Buy	EBITDA Margin (%)	6.3	5.2	7.9	-157 bps	116 bps		
Target Price (Rs)	1,183	APAT (Rs mn)	15,529	10,423	21,624	-28.2%	49.0%		
% Upside	31%	EPS (Rs)	45.9	30.8	63.9	-28.2%	49.0%		
GAIL								↔	Operationally in-line result, with EBIDTA came in at Rs12.2bn, grew by 5.8%qoq, while PAT came in at Rs7.7bn, grew 16% qoq mainly on account of lower tax rate to ~18% as company has taken MAT credit of Rs5.9bn. Sequentially, transmission vol. down 3% to 95mmscmd and trading vol. down by 4.6% to 74.4mmscmd mainly on account of decline in production from ONGC. However, trading margins have improved by 48bps qoq to 5.1%. Post stabilisation of Pata-2, petchem production has improved by 38% qoq to 116kt which has reduced the Petchem loss at operating level to Rs90mn.
CMP(Rs)	375	Net Sales (Rs mn)	1,17,324	1,34,516	1,42,706	-17.8%	-12.8%		
Mkt Cap (Rs bn)	475	EBITDA (Rs mn)	12,237	11,562	6,434	90.2%	5.8%		
Reco	Buy	EBITDA Margin (%)	10.4	8.6	4.5	592 bps	183 bps		
Target Price (Rs)	443	APAT (Rs mn)	7,700	6,643	5,108	50.8%	15.9%		
% Upside	18%	EPS (Rs)	6.1	5.2	4.0	50.6%	15.9%		
Gujarat State Petronet								↓	Result came below our and consensus estimates with EBITDA came in at Rs2.04bn, decline of 2% qoq (our est. Rs2.16bn). While PAT declined by 19% qoq to Rs1bn (Our est. Rs1.1bn) as other income was higher in Q3. Sequential, decline in vol. to 24.2 was mainly attributable to lower vol. on shutdown of ONGC's plant. Tariff was lower qoq to Rs1.04/scm from Rs1.07/scm due to 50% tariff cut on stranded power plant vol. However, tariff to go up Q1FY17 onwards as currently companies are taking SPOT LNG instead of through LNG pooling.
CMP(Rs)	137	Net Sales (Rs mn)	2,319	2,481	2,387	-2.8%	-6.5%		
Mkt Cap (Rs bn)	77	EBITDA (Rs mn)	2,049	2,092	1,998	2.5%	-2.1%		
Reco	Buy	EBITDA Margin (%)	88.3	84.3	83.7	463 bps	399 bps		
Target Price (Rs)	163	APAT (Rs mn)	997	1,235	671	48.6%	-19.2%		
% Upside	19%	EPS (Rs)	1.8	2.2	1.2	48.3%	-19.2%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Petronet LNG									
CMP(Rs)	273	Net Sales (Rs mn)	60,653	51,460	1,32,270	-15.3%	17.9%	↔	Results were broadly in line with our estimate with EBIDTA at Rs4.4bn, growth of 41% qoq. While PAT came in at Rs2.4bn (our est. at Rs2.45), grew 34% qoq. The marginal deviation in earnings were mainly on account of loss in spot LNG margins which came in at \$0.4/mmbtu against which we have not assumed any gain on spot LNG. Volume has jumped significantly to 153.6tbtu, better than our and consensus estimate of 140tbtu. Post RasGas pricing solution, Long term volume reached at new peak of 109.4tbtu. Blended tariff inched up marginally from Rs41.4/mmBtu in Q3FY16 to Rs43.5/mmBtu in Q4FY16.
Mkt Cap (Rs bn)	205	EBITDA (Rs mn)	4,466	3,158	6,680	101.7%	41.4%		
Reco	Buy	EBITDA Margin (%)	7.4	6.1	5.1	427bps	123bps		
Target Price (Rs)	313	APAT (Rs mn)	2,393	1,784	5,400	-20.4%	34.1%		
% Upside	15%	EPS (Rs)	3.2	2.4	7.2	-20.4%	34.1%		
Indraprastha Gas									
CMP(Rs)	578	Net Sales (Rs mn)	8,856	9,292	9,168	-3.4%	-4.7%	↔	Result came in line with our est. EBIDTA came in at Rs1.97bn grew by 5.1% qoq. While PAT came at Rs1.08bn growth of 2.4% qoq. Gross margin remain flat on qoq to Rs9.7/scm, while EBIDTA/scm came in at Rs5.37/scm, improvement of 5% qoq mainly attributable to lower Opex/Employee cost. As expected volume remains flat qoq to 4mmscmd. On standalone basis EPS declined from Rs31.3/share in FY15 to Rs29.8/share in FY16. However, profit from JV of Rs480mn (From MNGL & CUG) has given the growth in consolidated EPS from Rs32/share in FY15 to Rs 33.2/share in FY16.
Mkt Cap (Rs bn)	81	EBITDA (Rs mn)	1,969	1,873	1,758	12.0%	5.1%		
Reco	Hold	EBITDA Margin (%)	22.2	20.2	19.2	306 bps	208 bps		
Target Price (Rs)	515	APAT (Rs mn)	1,076	1,051	959	12.3%	2.4%		
% Upside	-11%	EPS (Rs)	7.7	7.5	6.8	12.3%	2.4%		
Gujarat Gas									
CMP(Rs)	522	Net Sales (Rs mn)	13,781	14,846	n.a	n.a	-7.2%	↔	Result came broadly in line with EBIDTA came in at Rs2.2bn, improved by 41% qoq and PAT came in at Rs0.58bn, grew by 188% qoq. The deviation in PAT was mainly on account of exceptional item of Rs256mn. Tax rate were lower at 20% on one-off item of Rs100mn towards Modvat Credit benefit. Volume decline 3% qoq to 5.24mmscmd, due to lower off-take from industrial and Ceramic industry customers. Gross margin increased by 35% qoq to Rs7.1/scm attributable to lower RM cost mainly on account of solution to RasGas pricing issue and lower spot LNG Prices. Thus, EBIDTA/scm improved by 48% qoq to Rs4.3/scm.
Mkt Cap (Rs bn)	-	EBITDA (Rs mn)	2,213	1,570	n.a	n.a	41.0%		
Reco	Sell	EBITDA Margin (%)	16.0	10.6	n.a	n.a	549bps		
Target Price (Rs)	450	APAT (Rs mn)	581	201	n.a	n.a	189%		
% Upside	-16.0%	EPS (Rs)	4.2	1.5	n.a	n.a	189%		

Pharmaceuticals

- Q4 FY16 a gloomy quarter for Indian pharma companies. For the quarter our coverage universe exhibited revenue growth of 17.3% YoY and 7.3% sequentially, largely led by Sun (+24% YoY) and Lupin (+36% YoY) benefiting from US exclusive launch of gGleevec and gGlumetza respectively. Ex-180 day exclusivities, revenues grew c14%YoY/c4%QoQ. Dr Reddy (-3% YoY) and Ipca (-1% YoY) were the notable laggards.
- EBITDA margins for Emkay pharma universe expanded c45bps sequentially with EBITDA growth of 43% YoY and -9% QoQ largely owing to exclusive launches by Sun Pharma and Lupin. Ex-gGleevec and gGlumetza, base business Ebitda margins contracted sequentially for all pharmaceutical companies except Granules and Aurobindo. This was primarily attributable to higher R&D run rate. USFDA regulatory headwinds also continue to plague the sector.
- Growth in European markets was a bright spot for most pharmaceutical companies. The Europe business of pharma companies grew c11% QoQ. RoW/Latam business also witnessed a strong quarter benefiting most companies excluding Dr Reddy and Sun Pharma. Since these high revenue growth geographies are branded markets, higher SG&A costs also weighed down operating margins
- Domestic business witnessed a contrasting quarter. Strong traction was witnessed for companies like Glenmark Cadila and Cipla, while India revenues sequentially declined for Sun Pharma and Lupin. Negative WPI based price changes and regulatory changes related to fixed dose combination adversely impacted operating performance.
- Aurobindo forms the core of our growth pack given large operating leverage potential with their large number of filings awaiting approval including higher margin injectable and Aurobindo's well entrenched position in API's. Additionally regulatory clearance at Unit VII, oral solids manufacturing facility, which accounts for c54% of pending approvals, eliminates the risk of delay in USFDA product approvals.
- Our preferred sector picks are Aurobindo, Divis and Torrent.

Pharmaceuticals

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Aurobindo Pharma								↔	Overall results marginally below expectations with revenues at Rs 37.4bn (estimate Rs 38bn), EBITDA at Rs 8.8bn (est. Rs 9.4bn) and PAT at Rs 5.6bn (est. Rs 5.9bn). EBITDA margins stood at 23.5% vs expectations of 24.7%, weighed down partially by higher R&D expenses (c4.3% of Q4FY16 revenues vs c3.4% for FY16). However results topped by USFDA regulatory clearance at Unit VII, oral solids manufacturing facility, which accounts for c54% of pending approvals and possible upsides from gCrestor Launch. Remain BUYers, valuing Aurobindo at 18x FY18 EPS of Rs 50.3/share with target price of Rs 905/share
CMP(Rs)	773	Net Sales (Rs mn)	37,468	34,955	31,621	18.5%	7.2%		
Mkt Cap (Rs bn)	452	EBITDA (Rs mn)	8,823	8,230	6,561	34.5%	7.2%		
Reco	Buy	EBITDA Margin (%)	23.5	23.5	20.7	280 bps	0 bps		
Target Price (Rs)	905	APAT (Rs mn)	5,583	5,220	4,026	38.7%	6.9%		
% Upside	17%	EPS (Rs)	9.5	8.9	6.9	38.7%	6.9%		
Cadila Healthcare								↔	Overall results in line though EBITDA and PAT supported by lower R&D spend. Better than expected revenue growth supported by emerging markets which have traditionally been volatile. Corrective measures at Moraiya (c50% of filings) continue and are likely to conclude in May 2016, as per the management. While downside is capped, unlikely to see Cadila benefit from the huge US generic pipeline including higher margin transdermal, until the resolution of the warning letter. Retain ACCUMULATE and target price of Rs 357/share. Value stock at 20x FY18e EPS of Rs 17.8/share. Key risks remain enhanced regulatory risks
CMP(Rs)	319	Net Sales (Rs mn)	24,491	24,284	22,882	7.0%	0.9%		
Mkt Cap (Rs bn)	327	EBITDA (Rs mn)	5,814	5,787	4,959	17.2%	0.5%		
Reco	Accumulate	EBITDA Margin (%)	23.7	23.8	21.7	207 bps	-9 bps		
Target Price (Rs)	357	APAT (Rs mn)	3,879	3,905	3,468	11.8%	-0.7%		
% Upside	12%	EPS (Rs)	3.8	3.8	3.4	11.8%	-0.7%		
Cipla								↓	Disappointing results with revenues of Rs32.6bn (estimate Rs 32.5bn), EBITDA Rs 4.4bn (est Rs6.2bn) and APAT Rs 3.0bn (est Rs3.4bn). Q4 was also marred by further one offs 1). Rs 425mn towards non-moving inventory write-off 2). Rs 686mn for inventory reduction 3). Rs 686mn towards restructuring and rationalization of Europe and ROW business and 4). Rs 425mn towards regulatory charges (bonus etc). Adjusted EBITDA margins at 13.5% contracted c360bps sequentially. Retain ACCUMULATE with revised target price of Rs 565/share. Key risk remains further regulatory actions concerning the Form 483 outstanding at Cipla's Indore facility.
CMP(Rs)	472	Net Sales (Rs mn)	32,665	31,066	30,927	5.6%	5.2%		
Mkt Cap (Rs bn)	379	EBITDA (Rs mn)	4,411	5,314	5,077	-13.1%	-17.0%		
Reco	Accumulate	EBITDA Margin (%)	13.5	17.1	16.4	-291 bps	-360 bps		
Target Price (Rs)	565	APAT (Rs mn)	3,084	3,502	2,625	17.5%	-11.9%		
% Upside	20%	EPS (Rs)	3.8	4.4	3.3	17.5%	-11.9%		

Pharmaceuticals

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Divi's Lab								↓	Divis Q4FY16 reported no's were significantly above expectations. We believe the outperformance in Q4FY16 absolute no's could have been driven by one off supplies of low margin API generics (deferment of some Q3FY16 revenues to Q4FY16). The fact that both gross margins (c56.8%) and EBITDA margins (c36.4%) were a disappointment in Q4FY16 supports this thesis. We maintain our Accumulate rating, but lower our FY17- 18E earnings by c5%-6%, to account for lower EBITDA margins owing to increased contribution from lower margin API generics.
CMP(Rs)	1,138	Net Sales (Rs mn)	10,936	8,558	7,992	36.8%	27.8%		
Mkt Cap (Rs bn)	302	EBITDA (Rs mn)	3,979	3,252	3,151	26.3%	22.4%		
Reco	Accumulate	EBITDA Margin (%)	36.4	38.0	39.4	-304 bps	-161 bps		
Target Price (Rs)	1,220	APAT (Rs mn)	3,222	2,466	2,289	40.8%	30.7%		
% Upside	7%	EPS (Rs)	12.1	9.3	8.6	40.8%	30.7%		
Dr. Reddy's Lab								↓	Noisy quarter with lackluster growth witnessed in the mainstay formulation business across all markets. DRL management expects USFDA remediation process to be complete by end Q1FY17 and indicated c50% of the remedial measures to have been already undertaken. FDA verdict related to the warning letter to determine near term stock performance. Moreover, in the absence of new US launches and scale back of business in Venezuela, see softer near term earnings outlook. Maintain Hold, valuing the company at 20x FY18E EPS of Rs 158/share with target price of Rs. 3,153/share.
CMP(Rs)	3,138	Net Sales (Rs mn)	37,562	39,679	38,704	-3.0%	-5.3%		
Mkt Cap (Rs bn)	535	EBITDA (Rs mn)	9,557	10,393	9,164	4.3%	-8.0%		
Reco	Hold	EBITDA Margin (%)	25.4	26.2	23.7	177 bps	-75 bps		
Target Price (Rs)	3,153	APAT (Rs mn)	6,874	6,450	6,127	12.2%	6.6%		
% Upside	0%	EPS (Rs)	40.3	37.8	35.9	12.2%	6.6%		
Glenmark Pharma								↓	The key highlight of Q4FY16 results the change in business mix for the worse with above estimate growth driven by geographies like ROW and LATAM. US revenues appears to have broken shackles, however revenue growth has been below estimate with pricing pressures partially offsetting impact of new launches. Revenue growth outlook over FY16-18 robust though business mix likely to swing towards more volatile markets like ROW/LATAM. Retain ACCUMULATE rating but lower multiple to 18x (earlier 20x) to reflect a poorer business mix, expect revenue growth trajectory of c13% CAGR (FY16-18E ex-gZetia). Our new target price is Rs 892/share (earlier 905/share)
CMP(Rs)	763	Net Sales (Rs mn)	23,067	17,783	17,758	29.9%	29.7%		
Mkt Cap (Rs bn)	215	EBITDA (Rs mn)	4,507	3,968	3,974	13.4%	13.6%		
Reco	Accumulate	EBITDA Margin (%)	19.5	22.3	22.4	-284 bps	-277 bps		
Target Price (Rs)	892	APAT (Rs mn)	2,920	1,973	3,137	-6.9%	48.0%		
% Upside	17%	EPS (Rs)	10.4	7.0	11.1	-6.9%	48.0%		

Pharmaceuticals

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Granules India								↑	Growth momentum strong with quarterly EBITDA Rs 783mn (up c51% YoY) and PAT Rs 332mn (up c31% YoY). Despite higher raw material costs, strong Ebitda margins a positive surprise. Ebitda margins at 21.0% (Est c20.1%) expanded c140bps sequentially. Expect next phase of growth to kick start in 2HFY17 driven by commissioning of capacity expansions in key APIs/PFIs. Omnicem JV to provide the additional earning trigger over FY17E-18E. Maintain our ACCUMULATE rating with target price of Rs 162/share (15x FY18E EPS of Rs10.8/share)
CMP(Rs)	140	Net Sales (Rs mn)	3,723	3,449	3,546	5.0%	7.9%		
Mkt Cap (Rs bn)	30	EBITDA (Rs mn)	783	677	520	50.5%	15.7%		
Reco	Accumulate	EBITDA Margin (%)	21.0	19.6	14.7	636 bps	140 bps		
Target Price (Rs)	162	APAT (Rs mn)	332	272	254	30.6%	22.2%		
% Upside	16%	EPS (Rs)	1.6	1.3	1.2	30.6%	22.2%		
Ipca Lab								↓	Q4FY16 results weak with revenues at Rs6.2bn (est.Rs.7bn), EBITDA Rs 635mn (est Rs1.18bn) and APAT of Rs405mn (Rs544mn). Adj EBITDA margins contracted c650bps sequentially to c10.2% (est 16.9%), weighed down by higher raw material costs and higher employee expenses. PAT was supported by higher other income and deferred tax write back of cRs 190mn. API revenues declined c21%QoQ and was the key culprit resulting in c9% QoQ decline in overall revenues. Export formulation revenues at cRs 2.5bn was up c12% QoQ, which reflects resumption of HCQS revenues in the US.
CMP(Rs)	426	Net Sales (Rs mn)	6,246	6,841	6,279	-0.5%	-8.7%		
Mkt Cap (Rs bn)	54	EBITDA (Rs mn)	635	1,137	537	18.3%	-44.2%		
Reco	Hold	EBITDA Margin (%)	10.2	16.6	8.5	162 bps	-646 bps		
Target Price (Rs)	666	APAT (Rs mn)	405	485	53	666.0%	-16.5%		
% Upside	57%	EPS (Rs)	3.2	3.8	0.4	666.0%	-16.5%		
Lupin								↑	gGlumetza, gOrtho Tri Cyclen Lo steered higher revenues in Q4FY16. US base revenues were flat sequentially, while Ex-gGlumetza Ebitda margins seems to have declined sequentially partially owing to higher R&D outlay. Although Gavis' debt funded acquisition leverages Lupin's Balance sheet, it does provide a leg up in rolling a more comprehensive US generics portfolio sans the long gestation time Maintain ACCUMULATE rating with a reduced target price of Rs 1,895/share valuing the company at 22x FY18e EPS of Rs 86/share. Key near term risks are further delays to launch timelines which could result in FY18 EPS downgrades.
CMP(Rs)	1,431	Net Sales (Rs mn)	41,812	35,558	30,782	35.8%	17.6%		
Mkt Cap (Rs bn)	645	EBITDA (Rs mn)	13,674	8,772	7,894	73.2%	55.9%		
Reco	Accumulate	EBITDA Margin (%)	32.7	24.7	25.6	706 bps	804 bps		
Target Price (Rs)	1,895	APAT (Rs mn)	8,071	5,298	5,474	47.4%	52.4%		
% Upside	32%	EPS (Rs)	17.9	11.8	12.1	47.4%	52.4%		

Pharmaceuticals

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Sun Pharma								↓	Sun reported revenues at cRs 76.3bn was below estimate (Rs80.4bn). Qualitatively revenues saw a sharp miss if one adjusts for the better-than-expected performance of Taro and gGleevec exclusivity. Ex-Taro ex-gGleevec business EBITDA margins were weak and seem to have contracted c500bps sequentially, partially owing to higher R&D outlay. We maintain our Accumulate rating, but lower our FY17/18E earnings by c20%/11% respectively, to account for lower revenue growth (c8-10% revenue growth in FY17) and higher R&D outlay. Our new target price is Rs 850/share (earlier 962/share). Key risks relate to FDA verdict pertaining to the warning letter on Halol.
CMP(Rs)	738	Net Sales (Rs mn)	76,342	70,821	61,571	24.0%	7.8%		
Mkt Cap (Rs bn)	1,776	EBITDA (Rs mn)	25,203	21,690	14,080	79.0%	16.2%		
Reco	Accumulate	EBITDA Margin (%)	33.0	30.6	22.9	1,015 bps	239 bps		
Target Price (Rs)	850	APAT (Rs mn)	17,137	14,166	19,335	-11.4%	21.0%		
% Upside	15%	EPS (Rs)	7.1	5.9	8.0	-11.4%	21.0%		
Torrent Pharma								↓	Overall results appear in line but excluding high value launches core business appears to have lagged expectations with revenues of cRs12.2bn (est Rs12.6bn), EBITDA Rs3.0bn (Rs3.4bn), EBITDA margins c25% (est.27%) and PAT Rs1.7bn (Rs2.1bn). Higher R&D run rate guidance to weigh on core margins in the medium term. Retain Accumulate with revised TP of Rs 1,495/share (earlier Rs 1,710/share), valuing the company at 18x FY18E EPS of Rs 83/share (earlier Rs 95/share). Key upside risk remains unanticipated launches in FY17 where current street visibility remains poor.
CMP(Rs)	1,398	Net Sales (Rs mn)	14,990	15,390	11,540	29.9%	-2.6%		
Mkt Cap (Rs bn)	236	EBITDA (Rs mn)	4,840	6,130	1,620	198.8%	-21.0%		
Reco	Accumulate	EBITDA Margin (%)	32.3	39.8	14.0	1,825 bps	-754 bps		
Target Price (Rs)	1,495	APAT (Rs mn)	3,570	5,410	1,300	174.6%	-34.0%		
% Upside	7%	EPS (Rs)	21.1	32.0	7.7	174.6%	-34.0%		

■ Our take on results:

- **Overall the results were a mixed bag** – Power grid capitalized assets worth Rs49 bn during the quarter (beating the street expectation of Rs35bn) taking the overall capitalization to Rs317bn in FY16 its highest ever. APAT at Rs17.1bn (+17% YoY) was in line with our expectation. Going forward, we believe that capitalization will continue to remain strong in FY17E (Rs 325 bn) and in FY18E (Rs 293 bn) despite of high FY16 base. CESC's standalone operational performance was also above expectation (APAT of Rs2.5bn vs our expectation of Rs2.3bn) as Core RoE for the quarter was 6.4% vs our estimate of 5.1%. Spencer's reported a loss of Rs1.4bn for FY16 while Chandrapur reported Rs5.9bn loss in FY16. Haldia continued with its strong operational performance during the quarter with PLF reaching 70% in first year of operation. GIPCL reported strong set of Q4FY16 numbers on the back of better PAF across all its plants. APAT increased 11.2% YoY to Rs615mn and was above our estimates. However, debtors during the year increased by 107% YoY to Rs2.7 bn while cash was down 47.2% YoY to Rs1.9 bn.
- Rpower reported PAT at Rs3.2bn which was lower than our estimates of Rs3.7bn, largely due to lower other income at Rs483 mn (No forex gain) and increased interest expenses of Rs7.9bn (+176% YoY) due to hedging expenses on ECB (Rs 1.1 bn). Sasan's operational performance was strong with PAF above 100% and PLF at 90% during Q4FY16. While generation at NHPC increased 6.5%YoY to 3.1 bn units; APAT at Rs3.8bn was below our expectation of Rs4.4bn for the quarter. Consequently, core RoE for the quarter was 2.1% vs our expectation of 2.9%. NHPC added 80 MW capacity in FY16 and expects to add 410 MW capacity in FY17E.

- **View on the sector:** While the sector continues to face constraints in terms of 1) gas availability & pricing, 2) environment clearances (primarily in Hydro) and 3) SEB's financials, recent initiatives taken by the government like UDAY, auctioning of gas (primarily to service debt) etc would provide some relief to the participants. However, States are still reluctant to invite Case-I bids which offers lesser options for power producers to get into long term PPA. The top pick in our coverage universe is Power Grid and GIPCL.

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
CESC									
CMP(Rs)	556	Net Sales (Rs mn)	14,790	15,380	14,160	4.4%	-3.8%	↑ Distributing business APAT at Rs2.5bn was above our est. of Rs2.3bn. Core RoE for the qtr was 6.4% vs our est. of 5.1%. However, full year core RoE came in at 17.8% (as per our calculation) which was below our estimate of 20.0% primarily due to lower PLF across its standalone business. Spencer's reported a loss of Rs1.4bn for FY16, which continued to decline, however, the delay in achieving breakeven will act as an overhang. Chandarpur reported Rs5.9bn loss in FY16. While the project has signed 287 MW PPA with the TANGEDCO and UPSEB, the delay in signing PPA for the balance 300 MW would hit earning in FY17E.	
Mkt Cap (Rs bn)	74	EBITDA (Rs mn)	4,760	2,980	4,490	6.0%	59.7%		
Reco	Accumulate	EBITDA Margin (%)	32.2	19.4	31.7	47 bps	1,281 bps		
Target Price (Rs)	622	PAT (Rs mn)	2,480	1,120	2,440	1.6%	121.4%		
% Upside	12%	EPS (Rs)	19.7	8.9	19.4	1.6%	121.4%		
GIPCL									
CMP(Rs)	89	Net Sales (Rs mn)	3,661	3,418	2,465	48.5%	7.1%	↑ APAT increased 11.2% YoY to Rs615mn and was above our estimates due to improved PAF across all plants and higher other income of Rs163mn vs our estimate of Rs70mn. Earnings reverted to normal levels in Q4FY16 as the operations at Surat phase-2 U-3 stabilized post outages during Q3FY16. PLF at SLPP Phase-2 was 90% vs 52% QoQ. Core RoE improved marginally to 4.2% vs 4.1% YoY. Vadodara II continue to operate at Zero RoE level as per the clause under gas pooling mechanism. Also, debtors during the year increased by 107% YoY to Rs2.7 bn while cash was down 47.2% YoY to Rs1.9 bn	
Mkt Cap (Rs bn)	13	EBITDA (Rs mn)	1,080	815	1,072	0.7%	32.4%		
Reco	Buy	EBITDA Margin (%)	29.5	23.8	43.5	-1,402 bps	564 bps		
Target Price (Rs)	103	PAT (Rs mn)	615	345	345	78.2%	78.4%		
% Upside	16%	EPS (Rs)	4.1	2.3	2.3	78.2%	78.4%		
NHPC									
CMP(Rs)	24	Net Sales (Rs mn)	16,164	14,643	14,716	9.8%	10.4%	↓ APAT at Rs3.8bn was below our expectation of Rs4.4bn for the quarter. Consequently, core RoE for the quarter was 2.1% vs our expectation of 2.9%. Generation increased 6.5% YoY to 3.1 bn units while realization was up 4.5% YoY to Rs5.2/unit. NHPC added only TLDP IV – 80 MW (Unit 1&2) capacity in FY16; For FY17E, the company expects to add 330 MW Kishanganga and TLDP IV – 80 MW (Unit 3&4) which would enhance its current regulated equity from Rs105.5 bn to Rs129.3bn in FY17E. While we expect regulated equity to grow at a CAGR 11.1% over FY16-FY19E to Rs145.5 bn, the delay in execution of the same has led to significant cost over runs of these projects which may fetch sub norm level earning,	
Mkt Cap (Rs bn)	271	EBITDA (Rs mn)	5,813	8,162	8,785	-33.8%	-28.8%		
Reco	Hold	EBITDA Margin (%)	36.0	55.7	59.7	-2,374 bps	-1,978 bps		
Target Price (Rs)	25	PAT (Rs mn)	4,641	3,880	2,985	55.5%	19.6%		
% Upside	2%	EPS (Rs)	0.4	0.4	0.3	55.5%	19.6%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Power Grid Corporation									
CMP(Rs)	153	Net Sales (Rs mn)	58,662	53,596	47,032	24.7%	9.5%	↑	Capitalization during the quarter was Rs49bn (-2% YoY) above our estimate of Rs35bn. Capitalization for FY16 came in at Rs317bn (+45% YoY). APAT at Rs17.1bn (+17% YoY) was in line with our expectation. Revenue came in at Rs 58.7 bn (+24.7% YoY) driven by 23%, 8.5% and 32% YoY increase in revenue across the Transmission, Telecom and Consultancy businesses respectively. Going forward, We believe that capitalization will continue to remain strong in FY17E (Rs 325 bn) and in FY18E (Rs 293 bn) despite of high FY16 base; as the company has an ongoing projects totaling Rs940bn and projects under development stage of Rs340bn taking the overall projects in hand at Rs1280bn. These projects is likely to get commissioned over next 5 years
Mkt Cap (Rs bn)	798	EBITDA (Rs mn)	51,349	47,496	40,737	26.0%	8.1%		
Reco	Buy	EBITDA Margin (%)	87.5	88.6	86.6	92 bps	-109 bps		
Target Price (Rs)	176	PAT (Rs mn)	17,116	16,132	14,643	16.9%	6.1%		
% Upside	15%	EPS (Rs)	3.3	3.1	2.8	16.9%	6.1%		
Reliance Power									
CMP(Rs)	52	Net Sales (Rs mn)	26,049	25,622	15,849	64.4%	1.7%	↓	PAT at Rs3.2bn (+15.8% YoY) was lower than our estimates of Rs3.7bn, largely due to lower other income at Rs483 mn (No forex gain) and increased interest expenses of Rs7.9bn (+176% YoY) due to hedging expenses on ECB (Rs 1.1 bn). Sasan's operating performances was strong with PAF above 100% and PLF at 90% during Q4FY16. Sasan' realization stood at Rs 1.6/unit including CERC's compensatory tariff of Rs0.28/unit. Rosa operated at a low PLF of 52.5% vs 61.9% YoY primarily due to continuous back down by the state discoms but PAF was strong at 103%. We expect limited downside from CMP primary due to all 3 operational projects face virtually no risk related to receivables/Sasan UMPP, due to its tariff structure will always qualify for Merit Order dispatch & Rosa RoE, due to in-built efficiency.
Mkt Cap (Rs bn)	147	EBITDA (Rs mn)	12,406	12,297	6,752	83.7%	0.9%		
Reco	Buy	EBITDA Margin (%)	47.6	48.0	42.6	502 bps	-37 bps		
Target Price (Rs)	60	PAT (Rs mn)	3,202	3,518	2,765	15.8%	-9.0%		
% Upside	15%	EPS (Rs)	1.1	1.3	1.0	15.8%	-9.0%		

- **Weak demand and advancement of EOSS impacts overall Like-to Like (LTL) growth** – Weak urban demand coupled with the advancement of End of Season Sale (EOSS) to Q3FY16 impacted LTL growth in our universe. In **fashion retail**, Arvind's brand segment saw growth of 31% led by new brands and store expansion, with brand store SSG of 2.7%; restructuring led to 13% decline in Megamart SSG. Shoppers Stop saw LTL growth of 5.9%, while Hypercity bucked the trend with SSG improvement to 2.1%. Page revenue growth was above expectations at 14%. The consumption growth of mall portfolio of Phoenix Mills was muted at 6.4% yoy, despite robust growth in MC Bangalore (+13%). In jewellery retail, impacted by jewellers strike, new PAN card regulation and shift in activation/promotions, PC Jeweller reported flat SSG, while Titan jeweller revenues grew by mere 1%.
- **Management commentary – Store expansion remains growth driver, but demand uptick remains key trackable** – Arvind is banking on sustaining 18-20% growth in power brands, drive traction in new brands and turnaround in Megamart in FY17. No change in growth drivers for **Page** (distribution expansion and improving share of womenswear and sportswear); expect 21% revenue CAGR in FY16-18. For **Shoppers Stop**, measured store expansion, likely uptick in SSG (guidance of 7-8% SSG in FY17) and successful implementation of omnichannel are key drivers. Repositioning the store along with new brand launches are likely to turnaround Hypercity. For **Phoenix Mills**, consumption growth was lower than expected impacted by weak urban demand. Trading density (ex MC Mumbai) & rental income (ex MC Pune & Bangalore) were muted. Rental renewals remains the key driver. **PC Jeweller** is aiming at expansion across formats, steady SSG, product innovation and improving diamond mix will drive profitability. **Titan** believes GHS revenues (Rs 14bn), store addition, high value diamond jewellery and new collections will drive revenues.
- **Demand revival/SSG key, maintain positive stance on the sector** – While SSG trends were muted during Q4FY16 impacted by an advancement of end of season sale, urban demand uptick is essential for the sector. In fashion retail, we like Page (TP 15,050) and Shoppers Stop (TP 476), we maintain Accumulate rating on Arvind (TP 330). In jewellery retail, we await sustainable trend on demand revival and clarity on effect of PAN card rule. We have BUY rating on PC Jeweller (TP 475) and HOLD on Titan (TP 330). We also have BUY rating on Phoenix Mills (TP 399).

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Arvind								↔	Beat on revenues but miss on margin estimates– Consolidated revenue grew 14% yoy. EBITDA margins up 50bps to 13%. APAT up 14% yoy at Rs 1.1bn. Store expansion & new brands drive 44% growth in brand portfolio. Brand SSG muted at 2.7%. Megamart (-4% yoy) impacted by restructuring. Clearly marked three pronged strategy to grow brand & retail business. Category/channel expansion in power brands, blossoming of new brands & store expansion to drive brand & retail growth. Revenues upped by 3%/4%, FY17 EPS cut by 5%. We maintain Accumulate with revised price target of Rs 330/share
CMP(Rs)	318	Net Sales (Rs mn)	23,196	21,575	20,405	13.7%	7.5%		
Mkt Cap (Rs bn)	82	EBITDA (Rs mn)	3,010	2,815	2,550	18.0%	6.9%		
Reco	Accumulate	EBITDA Margin (%)	13.0	13.0	12.5	48 bps	-7 bps		
Target Price (Rs)	330	PAT (Rs mn)	1,146	1,055	921	24.4%	8.6%		
% Upside	4%	EPS (Rs)	5.2	4.8	4.2	24.4%	8.6%		
Page Industries								↑	Results above estimates on all counts – Revenue up 14% yoy at Rs 4.2bn; EBITDA margins at 18.9%, up 40bps yoy; APAT up 21.5% at Rs 573mn aided by other income. Volume growth steady at 7% despite high base led by healthy growth in leisurewear and womenswear. Gross margin strong at 54.8% (+150bps), but increase employee cost (+27%) stemmed EBITDA margin expansion. We factor 20.9%/21.2% EBITDA margin for FY17/18E.. Amid the interim tepidness, long-term drivers are well in place to drive healthy revenue and earnings growth. Maintain BUY rating with revised target of Rs15,050/share
CMP(Rs)	13,818	Net Sales (Rs mn)	4,244	4,331	3,720	14.1%	-2.0%		
Mkt Cap (Rs bn)	154	EBITDA (Rs mn)	803	763	690	16.3%	5.2%		
Reco	Buy	EBITDA Margin (%)	18.9	17.6	18.5	36 bps	129 bps		
Target Price (Rs)	15,050	PAT (Rs mn)	573	519	471	21.5%	10.3%		
% Upside	9%	EPS (Rs)	51.3	46.5	42.2	21.5%	10.3%		
PC Jeweller								↓	Miss on all counts due to strike – Revenues at Rs 18.9bn, down 6% yoy; EBITDA down 23% yoy to Rs 1.6bn, while lower other income mars APAT to Rs 790mn, down 34%. Domestic revenues down 9% due to jewellers strike and delay in diamond promotion. Exports grew 1%. Infusion by Deccan Value via convertible debentures is aimed at store expansion and increase manufacturing capabilities. Cut earnings by 15%/12% due to cut in revenues & higher interest cost. Store expansion and product innovation will drive growth, but demand uptick in essential. Maintain Buy with revised price target of Rs 475/share
CMP(Rs)	362	Net Sales (Rs mn)	18,983	21,805	20,202	-6.0%	-12.9%		
Mkt Cap (Rs bn)	65	EBITDA (Rs mn)	1,597	2,043	2,066	-22.7%	-21.8%		
Reco	Buy	EBITDA Margin (%)	8.4	9.4	10.2	-181 bps	-96 bps		
Target Price (Rs)	475	PAT (Rs mn)	791	1,461	1,201	-34.2%	-45.9%		
% Upside	31%	EPS (Rs)	4.4	8.2	6.7	-34.2%	-45.9%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Phoenix Mills									
CMP(Rs)	301	Net Sales (Rs mn)	915	911	808	13.2%	0.4%	↓	Results below our estimates. – Revenues at Rs 915mn, up 13%, consumption growth 3%, APAT at Rs 442mn, up 22%. Consumption growth was lower at 6.4% impacted by weak urban demand across the mall portfolio. Rental revenues healthy across malls, except MC Mumbai (-9%). Rental renewal pipeline coupled with consumption growth and value unlocking in the development portfolio remain key. We have reduced our revenue estimates by 4% and EBITDA by 6% for FY17E. We retain BUY with revised price target of Rs399.
Mkt Cap (Rs bn)	46	EBITDA (Rs mn)	612	604	514	19.0%	1.3%		
Reco	Buy	EBITDA Margin (%)	66.9	66.3	63.7	323 bps	60 bps		
Target Price (Rs)	399	PAT (Rs mn)	442	453	363	21.7%	-2.5%		
% Upside	32%	EPS (Rs)	3.1	3.1	2.5	21.7%	-2.5%		
Shoppers Stop									
CMP(Rs)	357	Net Sales (Rs mn)	8,959	9,118	8,157	9.8%	-1.7%	↓	SSG in-line, but miss on margins – Revenue growth at 10%, EBITDA margins down 20bps to 5.8% due to higher staff cost & lower contribution margin. APAT flat at Rs 102mn. Shorter end of season sale and odd-even impact in Delhi resulted in SSG of 5.9%. Private/exclusive labels share increased by 40bps to 16.1%. We have cut EBITDA estimates by 6%/5% for FY17/18E, in line with management guidance. Likely uptick in demand coupled with focus on private labels & Omnichannel to drive SHOP revenue and margins. We maintain BUY with target price of Rs 476/share.
Mkt Cap (Rs bn)	30	EBITDA (Rs mn)	523	712	491	6.5%	-26.6%		
Reco	Buy	EBITDA Margin (%)	5.8	7.8	6.0	-18 bps	-198 bps		
Target Price (Rs)	476	PAT (Rs mn)	102	236	103	-1.2%	-56.9%		
% Upside	33%	EPS (Rs)	1.2	2.8	1.2	-1.2%	-56.9%		
Titan Company									
CMP(Rs)	362	Net Sales (Rs mn)	24,563	34,262	24,962	-1.6%	-28.3%	↓	All round miss – Revenue at Rs 24.6bn, -1.6% yoy hit by jewellers strike & advancement of activation in watches. EBITDA at Rs 2.1bn, -22% yoy and APAT at Rs 1.8bn, -14% yoy. Volumes in watches was hit by change in activation plan and weak demand, but premium watches grew 28% yoy. GHS revenues (Rs 14bn), store addition, high value diamond jewellery & new collections should drive 15-20% growth in jewellery. Cut revenue by 4% and EBITDA by 8%, but EPS is cut by 16% due to rise in tax rate. Downgrade to Hold with revised price target of Rs 330 (18x EV/EBITDA or 27x FY18 EPS)
Mkt Cap (Rs bn)	321	EBITDA (Rs mn)	2,101	3,099	2,701	-22.2%	-32.2%		
Reco	Hold	EBITDA Margin (%)	8.6	9.0	10.8	-227 bps	-49 bps		
Target Price (Rs)	330	PAT (Rs mn)	1,841	2,253	2,151	-14.4%	-18.3%		
% Upside	-9%	EPS (Rs)	2.1	2.5	2.4	-14.4%	-18.3%		

- On expected lines, telecom services providers saw some deceleration in VRPM, however, there was clear divergent trend with Bharti focusing on volume growth while Idea and Vodafone's strategy was to drive realizations (both voice and data). Data volume growth moderated higher than estimate for both Bharti and Idea. Particularly, Idea's volumes were dented as focus was on driving realizations. Network opex was lower than expected despite accelerated network roll out for expanding 3G coverage and launch of 4G services, resulting to EBITDA beat. Higher depreciation and interest charge was pertaining to spectrum accounting to impact profitability as well.
 - Domestic wireless revenue grew 4.8% and 5.2% for Bharti and Idea, respectively. Growth for Bharti was volume driven while for Idea it was driven by improvement in realizations. Voice traffic for Bharti increased 6% qoq while for Idea decelerated 1.2% qoq (focus was on discount reduction). VRPM for Idea improved 4.7% qoq while for Bharti it was down 1.5% qoq. Data volume for Idea was impacted due to increase in realization while benefits of 3G coverage expansion and 4G launches are yet to be seen in coming quarters. Idea and Vodafone largely saw similar trend with improved realizations resulting to deceleration in volumes
 - Traffic on network was again impacted for Idea due to focus on realization improvement. As per Idea, major discount reduction was in new circles, impacting overall volume growth. Given the above factors, Bharti continued to report healthy subscriber addition while Idea saw moderated additions. Data revenues for Bharti and Idea increased by 10%/4.3% qoq.
- Bharti Infratel: It reported in-line revenue growth while EBITDA was better than estimate, driven by strong energy margins. Energy margin stood at 9.7% expanded 481bps qoq. Consolidated net tenancies were lower than expected due to one-off exits from Videocon and Tata Tele-services. Total tenancy ratio was at 2.20x as compared to 2.18x in Q3. Underlying tenancy growth remained healthy while impacted on account of one-off exits.
- Lower than expected network opex and SG&A spends led to EBITDA beat in both Bharti and Idea. Total EBITDA growth for service providers was 10% qoq. EBITDA margin at 37%, improved 150bps qoq. Higher depreciation and interest charge dented PAT. Huge spectrum payouts and elevated capex would continue to weigh on balance sheet in medium term. Aggressive focus on enhanced 3G footprint and 4G launch would add pain to P&L with higher opex.
- We maintain our cautious view on the sector, with REDUCE rating on Idea and Bharti. We remain positive on Bharti Infratel with BUY. We maintain ACCUMULATE on Tata Communication.

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Bharti Airtel									
CMP(Rs)	353	Net Sales (Rs mn)	2,49,831	2,41,034	2,30,398	8.4%	3.6%	↑	India-voice traffic growth of 6% qoq surprised positively. Voice RPM decline of 1.5% qoq was higher than expected. Data revenue growth of 5.4% was muted, due to decelerated volume growth. Africa revenue was flat sequentially in constant currency with EBITDA up 1.6% qoq. EBITDA was partially aided by 4% decline in access charge. Cost control measures have started to pay-off in India; similar strategy is being adopted in Africa. Leveraged balance sheet, sub-par return ratios and R-Jio's launch with disruptive pricing denting operating performance are key concerns.
Mkt Cap (Rs bn)	1,410	EBITDA (Rs mn)	91,357	84,512	81,123	12.6%	8.1%		
Reco	Reduce	EBITDA Margin (%)	36.6	35.1	35.2	136 bps	151 bps		
Target Price (Rs)	337	PAT (Rs mn)	12,903	11,169	12,553	2.8%	15.5%		
% Upside	-4%	EPS (Rs)	3.2	2.8	3.1	2.8%	15.5%		
Bharti Infratel									
CMP(Rs)	376	Net Sales (Rs mn)	31,619	30,930	29,467	7.3%	2.2%	↔	Rental revenue at Rs20bn (+2.3/9.3% qoq/yoy). Energy reimbursement grew 2.1/4.0% qoq/yoy to Rs11.5bn. Energy margins expanded to 9.7% vs 4.8% in Q3, 386bps higher than estimate. Consolidated total tower base stood at 88,808 tower, addition of 753 tower (-13.6/-9.1% qoq/yoy). Net tenancy addition on consolidated basis stood at 3114 (-5/-12% qoq/yoy), impacted by one-off tenancy exits (>500). Tenancy factor was at 2.19x (+0.8/3.7% qoq/yoy). Remain positive on, given the elevated capex spends by telcos to expand data network.
Mkt Cap (Rs bn)	713	EBITDA (Rs mn)	14,247	13,430	13,369	6.6%	6.1%		
Reco	Buy	EBITDA Margin (%)	45.1	43.4	45.4	-31 bps	164 bps		
Target Price (Rs)	470	APAT (Rs mn)	6,617	5,654	5,575	18.7%	17.0%		
% Upside	25%	EPS (Rs)	3.5	3.0	3.0	18.7%	17.0%		
Idea Cellular									
CMP(Rs)	105	Net Sales (Rs mn)	94,839	90,097	84,225	12.6%	5.3%	↑	Wireless revenue at Rs93bn grew 5.2/12.3% qoq/yoy. Revenue in established/new circles grew 4.8%/11% qoq. Voice RPM up 4.4% qoq (vs estimate of +0.7%), restricting volume growth to 1% qoq to 201bn mins. Similarly data realizations improved 2.9% qoq to Rs0.229/MB, restricting volume growth to 1.5% qoq. Accelerated network roll out with 17158 3G+4G cell sites and deployment of 9900kms of fibre. Focus on realization may continue to dent voice volume in near term. Lack of support from competition on pricing could result in further volume loss.
Mkt Cap (Rs bn)	378	EBITDA (Rs mn)	36,160	31,285	30,645	18.0%	15.6%		
Reco	Reduce	EBITDA Margin (%)	38.1	34.7	36.4	174 bps	340 bps		
Target Price (Rs)	118	PAT (Rs mn)	5,756	7,642	9,418	-38.9%	-24.7%		
% Upside	12%	EPS (Rs)	1.6	2.1	2.6	-38.9%	-24.7%		

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Tata Communication								↔	Strong performance in data business overshadowed weak performance in voice business and Neotel. Impairments in subsidiaries and other one-offs dented bottom-line. Global data revenue at Rs28bn (+24/5% yoy/qoq) and EBITDA at Rs6.5bn (+41/10% yoy/qoq) with EBITDA margin of 23% expanded 290/110bps yoy/qoq. Global voice continued to remain under pressure with revenue declined of 5.2/1.7% yoy/qoq to Rs19.5bn. EBITDA at Rs946mn was down 41% yoy with EBITDA margin of 4.9% (-290bps yoy). Data growth is expected to remain on strong footing while voice and Neotel performance is expected to stabilize.
CMP(Rs)	454	Net Sales (Rs mn)	51,454	50,995	48,155	6.9%	0.9%		
Mkt Cap (Rs bn)	129	EBITDA (Rs mn)	7,665	7,598	7,216	6.2%	0.9%		
Reco	Accumulate	EBITDA Margin (%)	14.9	14.9	15.0	-9 bps	0 bps		
Target Price (Rs)	518	PAT (Rs mn)	527	219	-730		140.8%		
% Upside	14%	EPS (Rs)	1.8	0.8	-2.6		140.8%		

Others

Name		Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Apar Industries							↑	Beat on all parameters driven by conductors and cables division. Revenues at Rs 13.3bn, EBITDA doubled yoy to Rs 908mn, APAT up 4x to Rs 369mn aided by lower tax rate. While conductors (+6%) and cables (+13.5%) displayed strong growth, lower oil prices led to 15% decline in oil segment revenues. Conductor's order book stood at Rs 17.5bn. We have revised our FY18E sales/EBITDA/PAT by 1.2%/2.3%/2.6% led by the strong business opportunity emanating from UDAY. We Maintain Buy with revised TP of Rs 615.
CMP(Rs)	510	Net Sales (Rs mn)	13,250	11,862	13,380	-1.0%	11.7%	
Mkt Cap (Rs bn)	20	EBITDA (Rs mn)	908	820	444	104.4%	10.7%	
Reco	Buy	EBITDA Margin (%)	6.9	6.9	3.3	353 bps	-6 bps	
Target Price (Rs)	615	PAT (Rs mn)	441	352	150	194.5%	25.2%	
% Upside	21%	EPS (Rs)	11.5	9.2	3.9	194.5%	25.2%	
Century Plyboards							↓	Q4 FY16 topline grew by 11% yoy to Rs. 4.5 bn led by pick-up in volumes in plywood segment & healthy performance in laminates segment. EBITDA at Rs.773 mn was down by 2.5% yoy due to drop in margins of plywood segment. Further, higher tax rate resulted in decline in PAT by 16% yoy to Rs. 405 mn. Demand environment has improved during the quarter and management expects double digit revenue growth for plywood segment and 20% growth for laminates segment. We have revised our target price to Rs. 204 as we roll forward our FY18E, valuing the stock at 20x FY18 EPS of Rs 10.2 while maintain our Accumulate rating.
		(Consolidated)						
CMP(Rs)	179	Net Sales (Rs mn)	4,547	3,906	4,092	11.1%	16.4%	
Mkt Cap (Rs bn)	40	EBITDA (Rs mn)	773	696	793	-2.5%	11.1%	
Reco	Accumulate	EBITDA Margin (%)	17.0	17.8	19.4	-238 bps	-81 bps	
Target Price (Rs)	204	PAT (Rs mn)	405	416	480	-15.5%	-2.6%	
% Upside	14%	EPS (Rs)	1.8	1.9	2.2	-15.5%	-2.6%	
Essel Propack							↓	Lower non-oral care offtake in EAP and price pass through impacted revenues. Underlying revenue growth was 7.8% yoy led by Europe. Non-oral care share at 40.1%. Led by steady revenue traction in Europe & Columbia along with uptick in non-oral care growth in EAP and improving sings in India, company has guided for 12-15% revenue growth in FY17. Driven by cost efficiencies, scale benefits and mix improvement, company expects Europe to track Americas margins and Americas to track Asia margins. Company is well on track to achieve 20% ROCE, improve revenue growth to 12-15% and sustain 20% PAT growth.
		(Consolidated)						
CMP(Rs)	185	Net Sales (Rs mn)	5,614	5,134	6,117	-8.2%	9.3%	
Mkt Cap (Rs bn)	29	EBITDA (Rs mn)	1,031	1,028	1,062	-2.9%	0.3%	
Reco	Buy	EBITDA Margin (%)	18.4	20.0	17.4	101 bps	-165 bps	
Target Price (Rs)	215	PAT (Rs mn)	507	429	416	22.1%	18.2%	
% Upside	16%	EPS (Rs)	3.2	2.7	2.6	22.1%	18.2%	

Others

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Grasim									
CMP(Rs)	4,332	Net Sales (Rs mn)	25,044	23,120	17,016	47.2%	8.3%	↔	The company reported EBITDA of Rs4.3bn vs. est. Rs4.1bn led by strong performance of Chemicals segment, however, profitability of VSF segment was lower than our estimates. VSF sales volume/realization growth at 10%/12.9% yoy was robust. On a qoq basis, OPM of VSF segment was down 378bps and EBITDA/kg was down Rs4/kg to Rs20.5 (est. Rs23) primarily due to higher pulp prices. Sales volume of Caustic Soda was up 95% yoy led by consolidation of ABCIL business. Revenue/EBITDA was up 123%/319% yoy. On a like-to-like basis, segment's volume was up 15% and Revenue/EBITDA was up 42%/156% yoy.
Mkt Cap (Rs bn)	404	EBITDA (Rs mn)	4,298	4,289	976	340.6%	0.2%		
Reco	Buy	EBITDA Margin (%)	17.2	18.6	5.7	11.4pp	-139bps		
Target Price (Rs)	4,943	PAT (Rs mn)	2,378	2,604	572	315.6%	-8.7%		
% Upside	14%	EPS (Rs)	25.5	28.3	6.2	308.2%	-10.1%		
Havells India									
CMP(Rs)	363	Net Sales (Rs mn)	14,754	13,445	13,493	9.3%	9.7%	↔	Domestic steady led by lightning (23.3% yoy), while other segments grew by 7% yoy. Price deflation offset healthy cables & wires volumes. Domestic appliances growth muted. Driven by better demand off-take in H2FY16, company expects to clock double digit revenue growth and sustain margins. We believe traction in LED and new products in electrical durables are key growth levers. We expect 16% revenue CAGR in FY16-18E. We remain structurally positive on Havells given its strong operating metrics; reviving to healthy double digit is the key trigger.
Mkt Cap (Rs bn)	227	EBITDA (Rs mn)	2,196	1,815	1,796	22.2%	21.0%		
Reco	Accumulate	EBITDA Margin (%)	14.9	13.5	13.3	157 bps	138 bps		
Target Price (Rs)	355	PAT (Rs mn)	1,641	1,208	1,219	34.7%	35.9%		
% Upside	-2%	EPS (Rs)	2.6	1.9	2.0	34.6%	35.9%		
HSIL									
CMP(Rs)	266	Net Sales (Rs mn)	5,959	5,061	5,589	6.6%	17.7%	↓	Building products grew by 9% challenged by weak real estate demand resulting in muted sanitaryware growth; faucets and consumer electrical seeing steady growth. Packaging products grew 4.1% yoy curtailed by weak user industry demand. Faucets & new products in appliances should drive double digit growth in building products segment while muted user industry volumes to mar packaging products growth. We have factored 16% & 7% revenue CAGR in building and packaging products respectively. Improvement in the growth profile of building products and uptick in this segment holds the key.
Mkt Cap (Rs bn)	19	EBITDA (Rs mn)	992	954	1,059	-6.3%	4.0%		
Reco	Buy	EBITDA Margin (%)	16.6	18.8	18.9	-230 bps	-220 bps		
Target Price (Rs)	340	PAT (Rs mn)	381	369	398	-4.3%	3.1%		
% Upside	28%	EPS (Rs)	5.8	5.6	6.0	-4.3%	3.1%		

Others

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Kajaria Ceramics									
								↔	Q4 FY16 revenues increased by 12% yoy to Rs 6.6bn led by increase in volumes. Kajaria benefitted from lower fuel cost as company's margins expanded by 280 bps yoy to 20.4%. However, higher tax outgo & lower other income restricted the PAT growth at 15% yoy to Rs. 660 mn. We believe implementation of real-estate bill along with imposition of anti-dumping duty on China will drive volume growth. We have revised our target price to Rs 1,280 as we roll forward to FY18E, valuing the stock at 30x FY18E EPS of Rs 42.6 while maintaining our Accumulate rating.
CMP(Rs)	1,175	Net Sales (Rs mn)	6,578	6,016	5,881	11.9%	9.3%		
Mkt Cap (Rs bn)	93	EBITDA (Rs mn)	1,339	1,173	1,031	29.9%	14.1%		
Reco	Accumulate	EBITDA Margin (%)	20.4	19.5	17.5	283 bps	85 bps		
Target Price (Rs)	1,280	PAT (Rs mn)	660	582	574	15.0%	13.5%		
% Upside	9%	EPS (Rs)	8.3	7.3	7.2	15.0%	13.5%		
Somany Ceramics									
								↑	Q4FY16 revenues increased by 12% yoy to Rs. 5.2 bn mainly led by increase in volumes. Somany benefitted from lower fuel cost as company's margins expanded by 170 bps yoy to 8%. Further, lower interest cost & higher other income led to increase in PAT by 76% yoy. Going forward, revenue growth will be mainly led by increase in volumes, while lower gas cost will help company improve margins, We have upgraded FY17/18 EPS est by 10%/15% & revised our target price to Rs 545 based on 22x multiple of FY18 estimated earnings of Rs 24.7. Downgrade to Accumulate post recent run-up in stock.
CMP(Rs)	508	Net Sales (Rs mn)	5,163	4,152	4,591	12.5%	24.3%		
Mkt Cap (Rs bn)	22	EBITDA (Rs mn)	415	296	289	43.5%	39.9%		
Reco	Accumulate	EBITDA Margin (%)	8.0	7.1	6.3	174 bps	89 bps		
Target Price (Rs)	545	PAT (Rs mn)	267	139	148	80.4%	92.4%		
% Upside	7%	EPS (Rs)	6.9	3.6	3.8	80.4%	92.4%		
SRF									
								↓	Q4 FY16 standalone revenues were up 5% yoy to Rs 9 bn as drop in revenues of technical textiles segment was offset by strong revenues in specialty chemicals. EBITDA at Rs. 1.9 bn & PAT at Rs. 861 mn were lower than our est due to high operating expense & absence of one time income. Although, in the near term, higher investments in packaging films & pressure on specialty chemical looks challenging, we believe, encouraging growth opportunity in specialty chemicals & efforts to increase share of value added packaging film business will provide long term & sustainable growth. We Accumulate Rating as we revise our target price to Rs 1,408 based on 14x FY18 EPS.
CMP(Rs)	1,257	Net Sales (Rs mn)	9,061	8,597	8,622	5.1%	5.4%		
Mkt Cap (Rs bn)	72	EBITDA (Rs mn)	1,854	1,869	1,351	37.3%	-0.8%		
Reco	Accumulate	EBITDA Margin (%)	20.5	21.7	15.7	480 bps	-127 bps		
Target Price (Rs)	1,408	PAT (Rs mn)	853	808	509	67.7%	5.6%		
% Upside	12%	EPS (Rs)	14.6	13.8	8.7	67.7%	5.6%		

Others

Name			Mar'16	Dec'15	Mar'15	% Chg YoY	% Chg QoQ	Actual v/s Expect	Comments
Symphony									
CMP(Rs)	2,400	Net Sales (Rs mn)	1,379	1,625	1,244	11%	-15%	↑ Symphony's 3QFY16 (standalone) results were above expectations led by (a) modest volume growth (+8.6% YoY) and (b) surge in EBITDAM (+788bps YoY) Lower commodity prices and favorable product mix aid gross margin expansion. FCF yield (FY18E) at 1.5%. Recommend sell with target price of Rs1,839/share.	
Mkt Cap (Rs bn)	84	EBITDA (Rs mn)	579	604	424	36%	-4%		
Reco	Sell	EBITDA Margin (%)	42.0	37.2	34.1	788 bps	481 bps		
Target Price (Rs)	1,839	PAT (Rs mn)	465	477	365	27%	-3%		
% Upside	-23%	EPS (Rs)	13.3	13.6	10.4	27%	-3%		

Quarterly Results

Company Name	Net Sales (Rs mn)			Growth (%)		Ebitda (Rs mn)			Growth (%)		APAT (Rs mn)			Growth (%)		EPS (Rs)			Growth (%)		
	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	
Agri Input & Chemicals																					
Bayer CropScience	5272	6424	5696	-7%	-18%	200	431	506	-60%	-54%	165	274	434	-62%	-40%	4.7	7.8	11.9	-61%	-40%	
Chambal Fertilisers	15953	28351	15531	3%	-44%	1235	2456	450	174%	-50%	826	1329	35	2253%	-38%	2.0	3.2	0.1	2253%	-38%	
Coromandel International	30209	27555	29976	1%	10%	2004	1653	1597	25%	21%	927	554	689	35%	67%	3.2	1.9	2.4	35%	67%	
DCM Shriram	13330	12629	13093	2%	6%	1215	908	234	420%	34%	512	605	-402		-15%	3.1	3.7	-2.5		-15%	
Deepak Fertilisers	10868	10513	9310	17%	3%	932	869	811	15%	7%	259	235	276	-6%	10%	2.9	2.7	3.1	-6%	10%	
Dhanuka Agritech	1744	2060	1530	14%	-15%	301	328	275	10%	-8%	285	225	219	30%	26%	5.7	4.5	4.4	30%	26%	
GSFC	17016	15030	12904	32%	13%	741	643	1022	-27%	15%	326	-88	645	-50%		0.8	-0.2	1.6	-50%		
Insecticides India	1781	1547	1608	11%	15%	81	130	135	-40%	-38%	5	10	62	-92%	-53%	0.2	0.5	3.0	-92%	-53%	
PI Industries	5848	5110	5370	9%	14%	1093	1077	1001	9%	1%	953	725	603	58%	31%	7.0	5.3	4.4	58%	31%	
Rallis India	3483	3103	3219	8%	12%	419	352	444	-6%	19%	323	204	213	51%	58%	1.7	1.0	1.1	51%	58%	
Sharda Cropchem	5244	1795	3408	54%	192%	1519	272	726	109%	458%	1017	115	491	107%	785%	11.3	1.3	5.5	107%	785%	
Tata Chemicals	40070	46780	37426	7%	-14%	5201	5308	4112	26%	-2%	2423	1706	1237	96%	42%	9.5	6.7	4.9	96%	42%	
UPL	43397	30963	36243	20%	40%	9813	6247	7849	25%	57%	5841	3104	4529	29%	88%	13.2	7.0	10.2	29%	88%	
Auto Ancillaries																					
Amara Raja Batteries	11697	12251	10698	9%	-5%	1908	2286	1878	2%	-17%	1086	1362	1095	-1%	-20%	6.4	8.0	6.4	-1%	-20%	
Apollo Tyres	29897	29427	31176	-4%	2%	4773	5056	5179	-8%	-6%	2452	2785	3110	-21%	-12%	4.8	5.5	6.1	-21%	-12%	
Exide Industries	17614	15247	16518	7%	16%	2674	2343	2382	12%	14%	1776	1340	1376	29%	33%	2.1	1.6	1.6	29%	33%	
Motherson Sumi	102349	98597	94743	8%	4%	10643	9855	9063	17%	8%	4186	3544	3071	36%	18%	3.2	2.7	2.3	36%	18%	
Automobiles																					
Ashok Leyland	59553	40853	45057	32%	46%	7531	4297	4571	65%	75%	4563	2051	2380	92%	122%	1.6	0.7	0.8	92%	122%	
Bajaj Auto	54114	55649	47393	14%	-3%	11515	11712	8324	38%	-2%	8031	9015	6179	30%	-11%	27.8	31.2	21.4	30%	-11%	
Eicher Motors	37649	33166	25680	47%	14%	6399	5240	3660	75%	22%	3345	2778	1953	71%	20%	122.6	101.9	71.6	71%	20%	
Hero Motocorp	75122	72948	67939	11%	3%	11758	11502	8383	40%	2%	8142	8061	6315	29%	1%	40.8	40.4	31.6	29%	1%	
Mahindra & Mahindra	108008	110083	95570	13%	-2%	10490	13093	9685	8%	-20%	5777	8121	5822	-1%	-29%	9.4	13.2	9.5	-1%	-29%	
Maruti Suzuki India	153057	150819	136248	12%	1%	23500	21701	21643	9%	8%	11336	10193	12842	-12%	11%	37.5	33.8	42.5	-12%	11%	
Tata Motors	806844	722564	675760	19%	12%	124607	102365	92503	35%	22%	45727	34618	18777	144%	32%	13.4	10.1	5.7	136%	32%	
TVS Motor	28154	29396	24569	15%	-4%	1785	2130	1622	10%	-16%	1178	1241	1025	15%	-5%	2.5	2.6	2.2	15%	-5%	

Quarterly Results (cont'd)

Company Name	Net Sales (Rs mn)			Growth (%)		Ebitda (Rs mn)			Growth (%)		APAT (Rs mn)			Growth (%)		EPS (Rs)			Growth (%)	
	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ
Banks & Financial Services																				
Axis Bank	45526	41621	37992	20%	9%	43985	39851	40129	10%	10%	21543	21753	21806	-1%	-1%	9.0	9.1	9.2	-2%	-1%
Bajaj Finance	11110	13121	8176	36%	-15%	6455	7714	4583	41%	-16%	3150	4085	2310	36%	-23%	58.5	76.2	46.1	27%	-23%
Bank of Baroda	33304	27053	31717	5%	23%	25725	17041	26935	-4%	51%	-32301	-33420	5983			-14.0	-14.5	2.7		
Bank of India	31872	27080	28463	12%	18%	14642	14090	14266	3%	4%	-35871	-15056	-561			-43.9	-19.0	-0.8		
Canara Bank	23738	22266	24861	-5%	7%	16466	15524	17325	-5%	6%	-39055	850	6130			-71.9	1.6	12.9		
Cholamandalam Finance	5994	5382	4498	33%	11%	3948	3279	2615	51%	20%	1920	1457	1356	42%	32%	12.3	9.3	9.4	30%	32%
Federal Bank	6859	6052	6232	10%	13%	3945	3255	4692	-16%	21%	103	1627	2805	-96%	-94%	0.1	0.9	1.6	-96%	-94%
HDFC	23239	22296	23553	-1%	4%	41871	22585	27034	55%	85%	26071	15205	18624	40%	71%	16.5	9.6	11.8	40%	71%
HDFC Bank	74533	70685	60132	24%	5%	57349	57359	47220	21%	0%	33742	33568	28069	20%	1%	13.3	13.3	11.2	19%	0%
ICICI Bank	54045	54530	50794	6%	-1%	71075	65598	54683	30%	8%	7019	30181	29220	-76%	-77%	1.2	5.2	5.0	-76%	-77%
Indusind Bank	12682	11734	9251	37%	8%	11512	10610	8505	35%	9%	6204	5810	4953	25%	7%	10.4	9.8	9.4	11%	7%
LIC Housing Finance	8214	7469	6498	26%	10%	7319	6804	5856	25%	8%	4480	4189	3782	18%	7%	8.9	8.3	7.5	18%	7%
Magma Fincorp	3331	3290	3102	7%	1%	2001	1735	1230	63%	15%	653	522	522	25%	25%	2.8	2.2	2.7	0%	25%
Mahindra Finance	10010	7307	8834	13%	37%	6795	4445	6429	6%	53%	3703	672	3334	11%	451%	6.6	1.2	5.9	11%	451%
Punjab National Bank	27677	41196	37916	-27%	-33%	32279	29179	32027	1%	11%	-53671	510	3066			-27.3	0.3	1.7		
Shriram City Union Finance	6223	6477	5617	11%	-4%	3425	3896	3313	3%	-12%	555	1743	1496	-63%	-68%	8.4	26.4	22.7	-63%	-68%
Shriram Transport Finance	14438	13004	10981	31%	11%	10739	9909	8168	31%	8%	1439	3751	3167	-55%	-62%	6.3	16.5	14.0	-55%	-62%
SKS Microfinance	1889	1663	1046	81%	14%	1241	1119	571	117%	11%	845	796	405	109%	6%	6.6	6.3	3.2	106%	6%
South Indian bank	3743	4067	3471	8%	-8%	2223	2631	1650	35%	-16%	730	1016	163	347%	-28%	0.5	0.8	0.1	347%	-28%
State Bank of India	152908	136065	147118	4%	12%	141919	95979	124094	14%	48%	12638	11153	37420	-66%	13%	2.3	2.1	7.9	-70%	13%
Union Bank of India	20847	19965	21211	-2%	4%	14096	13342	16523	-15%	6%	961	785	4438	-78%	22%	1.8	1.4	9.3	-81%	22%
Yes Bank	12414	11570	9771	27%	7%	12255	11496	9375	31%	7%	7021	6757	5510	27%	4%	16.7	16.1	13.2	27%	4%
Cement																				
ACC	29274	28461	28854	1%	3%	3696	2162	4137	-11%	71%	2322	1026	2528	-8%	126%	12.4	5.5	13.5	-8%	126%
Ambuja Cements	24183	23558	24246	0%	3%	4235	3042	4715	-10%	39%	2827	1657	3177	-11%	71%	1.9	1.1	2.1	-11%	71%
India Cements	11471	9296	10250	12%	23%	2115	1462	1832	15%	45%	512	55	366	40%	838%	1.7	0.2	1.2	40%	838%
JK Cement	9496	9028	4733	101%	5%	1729	1260	541	220%	37%	705	171	18	3753%	313%	10.1	2.4	0.3	3753%	313%
JK Lakshmi Cement	7351	6483	5782	27%	13%	859	669	715	20%	28%	484	-37	378	28%		4.1	-0.3	3.2	28%	
Mangalam Cement	2102	2115	2349	-11%	-1%	294	92	164	79%	221%	141	-2	30	375%		5.3	-0.1	1.1	375%	
OCL India	8205	6073	6607	24%	35%	1914	993	966	98%	93%	1333	371	360	270%	260%	23.4	6.5	6.3	270%	260%
Orient Cement	4473	3507	3874	15%	28%	597	208	930	-36%	187%	194	-131	855	-77%		0.9	-0.6	4.2	-77%	
Prism Cement	14555	13278	15295	-5%	10%	988	713	838	18%	39%	-5	-122	-2			0.0	-0.2	0.0		
Ramco Cements	9788	8119	9614	2%	21%	3093	2446	2386	30%	26%	2043	1059	934	119%	93%	8.6	4.4	3.9	119%	93%
Shree Cements	19856	18268	15733	26%	9%	4753	4240	3375	41%	12%	1747	1030	1237	41%	70%	50.1	29.6	35.5	41%	70%
Ultratech Cement	64359	57473	61355	5%	12%	12850	10439	12323	4%	23%	6814	5086	6646	3%	34%	24.9	18.6	24.3	3%	34%

Quarterly Results (cont'd)

Company Name	Net Sales (Rs mn)			Growth (%)		Ebitda (Rs mn)			Growth (%)		APAT (Rs mn)			Growth (%)		EPS (Rs)			Growth (%)		
	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	
Construction																					
Adani Ports	18597	15659	16683	11%	19%	11373	9189	10830	5%	24%	7699	6323	6353	21%	22%	3.7	3.1	3.1	21%	22%	
Ahluwalia Contracts	3829	3197	3137	22%	20%	526	394	279	89%	34%	267	198	174	53%	35%	4.0	3.0	2.6	53%	35%	
Ashoka Buildcon	7292	6039	8030	-9%	21%	2054	1762	1713	20%	17%	497	133	378	31%	275%	2.7	0.7	2.0	31%	275%	
Gujarat Pipavav	1610	1654	1880	-14%	-3%	991	1001	1126	-12%	-1%	498	484	1017	-51%	3%	1.0	1.0	2.1	-51%	3%	
IL&FS Transportation	25480	21906	14836	72%	16%	7771	7917	4316	80%	-2%	570	1667	637	-10%	-66%	1.7	5.1	1.9	-10%	-66%	
IRB Infrastructure	15368	13333	9904	55%	15%	7396	6876	5706	30%	8%	1525	1685	1364	12%	-10%	4.3	4.8	3.9	12%	-10%	
J Kumar	3905	2994	3934	-1%	30%	499	461	583	-14%	8%	286	240	273	5%	19%	4.4	3.7	4.2	5%	19%	
KNR Construction	2958	2186	2557	16%	35%	451	466	347	30%	-3%	580	328	244	138%	77%	20.6	11.7	8.7	138%	77%	
Larsen & Toubro	331570	258293	280226	18%	28%	48592	26499	36090	35%	83%	24051	10348	19712	22%	132%	26.1	11.2	21.4	22%	132%	
NCC	24522	20540	22101	11%	19%	2091	1854	1849	13%	13%	904	566	507	78%	60%	1.6	1.0	0.9	78%	60%	
Sadbhav Engineering	8580	7531	9674	-11%	14%	814	739	957	-15%	10%	497	260	389	28%	92%	2.9	1.5	2.3	28%	92%	
Simplex Infrastructure	15014	13743	15330	-2%	9%	1387	1314	1479	-6%	6%	158	190	222	-29%	-17%	3.2	3.8	4.5	-29%	-17%	
Consumers																					
Asian Paints	39713	41600	35350	12%	-5%	7037	8006	5592	26%	-12%	4088	5157	3434	19%	-21%	4.2	5.4	3.6	18%	-22%	
Berger Paints	11297	12160	10404	9%	-7%	1594	1915	1211	32%	-17%	928	1107	581	60%	-16%	1.3	1.6	0.8	60%	-16%	
Britannia Industries	22114	22402	20636	7%	-1%	2912	3219	2530	15%	-10%	1902	2179	1675	14%	-13%	15.9	18.2	14.0	14%	-13%	
Colgate-Palmolive	10911	10064	10220	7%	8%	2335	2238	2410	-3%	4%	1459	1594	1636	-11%	-8%	5.4	5.9	6.0	-11%	-8%	
Dabur	21613	21270	19497	11%	2%	4154	3782	3457	20%	10%	3319	3185	2848	17%	4%	1.9	1.8	1.6	17%	4%	
Emami	6708	7885	5537	21%	-15%	1823	2495	1403	30%	-27%	759	1341	1384	-45%	-43%	3.3	5.9	6.1	-45%	-43%	
Glaxosmithkline Consumer	11086	10295	12155	-9%	8%	2343	1595	2638	-11%	47%	1807	1316	2082	-13%	37%	43.0	31.3	49.5	-13%	37%	
Godrej Consumer Products	22691	23561	20920	8%	-4%	4436	4580	3869	15%	-3%	3129	3236	2654	18%	-3%	9.2	9.5	7.8	18%	-3%	
Hindustan Unilever	79457	79810	76756	4%	0%	14668	14308	13182	11%	3%	10308	10239	9109	13%	1%	4.8	4.7	4.2	13%	1%	
Jubilant FoodWorks	6180	6339	5421	14%	-3%	750	759	701	7%	-1%	295	317	315	-7%	-7%	4.5	4.8	4.8	-7%	-7%	
Marico	13070	15564	12263	7%	-16%	2166	2938	1713	26%	-26%	1385	1978	1100	26%	-30%	1.1	1.5	0.9	26%	-30%	
Pdillite Industries	12409	13391	10435	19%	-7%	2384	2953	1339	78%	-19%	1526	1857	806	89%	-18%	3.0	3.6	1.6	89%	-18%	

Quarterly Results (cont'd)

Company Name	Net Sales (Rs mn)			Growth (%)		Ebitda (Rs mn)			Growth (%)		APAT (Rs mn)			Growth (%)		EPS (Rs)			Growth (%)	
	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ
Engineering & Capital Goods																				
ABB	20003	24251	18146	10%	-18%	1491	2632	1436	4%	-43%	710	1294	543	31%	-45%	3.3	6.1	2.6	31%	-45%
Alstom T&D	9779	7553	13682	-29%	29%	913	102	1112	-18%	791%	299	-182	540	-45%		1.2	-0.7	2.1	-45%	
BHEL	100048	53256	127452	-22%	88%	3638	-16387	16818	-78%		3655	-11020	8985	-59%		1.5	-4.5	3.7	-59%	
Blue Star	11034	7194	10054	10%	53%	571	308	691	-17%	85%	239	100	679	-65%	139%	2.7	1.1	7.6	-65%	139%
Cummins India	10654	11469	11335	-6%	-7%	1708	1710	1752	-3%	0%	1642	1784	1904	-14%	-8%	5.9	6.4	6.9	-14%	-8%
Siemens	27836	23142	26469	5%	20%	3061	1940	2501	22%	58%	1774	1140	1544	15%	56%	5.0	3.2	4.3	15%	56%
TD Power Systems	1187	1128	1871	-37%	5%	-2	-5	17			0	-57	7	-95%		0.0	-1.7	0.2	-95%	
Thermax	12932	10304	15084	-14%	26%	1182	878	1625	-27%	35%	1112	678	1323	-16%	64%	9.3	5.7	11.1	-16%	64%
Triveni Turbine	2094	1977	1955	7%	6%	529	409	344	54%	29%	343	275	294	17%	25%	1.0	0.8	0.9	17%	25%
Voltas	18888	13078	14900	27%	44%	1853	584	1430	30%	217%	1485	520	1168	27%	186%	4.5	1.6	3.5	27%	186%
IT Services																				
eClerx Services	3432	3443	2513	37%	0%	1407	1246	729	93%	13%	1083	887	531	104%	22%	26.1	21.4	12.9	103%	22%
Firstsource Solutions	8730	8178	7540	16%	7%	1162	1005	993	17%	16%	797	671	623	28%	19%	1.2	1.0	0.9	26%	18%
HCL Tech	106980	103410	92670	15%	3%	23790	22250	20883	14%	7%	19250	19190	16815	14%	0%	13.6	13.6	11.9	14%	0%
Infosys	165500	159020	134110	23%	4%	46390	43280	37320	24%	7%	35970	34650	30970	16%	4%	15.7	15.2	13.6	16%	4%
Mindtree	13242	12145	9183	44%	9%	2259	2147	1788	26%	5%	1562	1509	1289	21%	4%	9.3	9.0	7.7	21%	3%
Mphasis	15173	15167	14290	6%	0%	2344	2166	2015	16%	8%	1548	1736	1777	-13%	-11%	7.4	8.3	8.4	-13%	-11%
MPS	652	690	549	19%	-6%	231	260	185	25%	-11%	223	170	127	76%	31%	12.0	9.1	6.8	76%	31%
NIIT	2389	2623	2235	7%	-9%	133	164	-58		-19%	178	138	-1512		29%	1.1	0.8	-9.2		29%
NIIT Tech	6847	6787	6112	12%	1%	1261	1235	997	26%	2%	789	741	-175		6%	13.3	12.5	-2.9		6%
Persistent Systems	6771	5921	4975	36%	14%	1074	1111	1005	7%	-3%	808	775	761	6%	4%	10.1	9.7	9.5	6%	4%
TCS	284486	273640	242198	17%	4%	79068	77469	70653	12%	2%	63412	61095	64861	-2%	4%	32.4	31.2	33.1	-2%	4%
Tech Mahindra	68837	67011	61168	13%	3%	11613	11358	9286	25%	2%	8971	7594	4720	90%	18%	9.1	7.7	4.8	90%	18%
Wipro	137417	129516	121714	13%	6%	24836	23874	24543	1%	4%	22350	22341	22707	-2%	0%	9.1	9.0	9.2	-1%	0%

Quarterly Results (cont'd)

Company Name	Net Sales (Rs mn)			Growth (%)		Ebitda (Rs mn)			Growth (%)		APAT (Rs mn)			Growth (%)		EPS (Rs)			Growth (%)	
	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ
Media & Entertainment																				
DB Corp	5143	5859	4856	6%	-12%	1142	1868	1195	-4%	-39%	642	1068	640	0%	-40%	3.5	5.8	3.5	0%	-40%
Dish TV	7994	7715	7299	10%	4%	2608	2655	2209	18%	-2%	799	685	349	129%	17%	0.8	0.6	0.3	129%	17%
Entertainment Netw ork	1472	1436	1244	18%	3%	385	497	345	12%	-23%	202	270	255	-21%	-25%	4.2	5.7	5.3	-21%	-25%
Hathw ay Cable & Datacom	3399	3004	2700	26%	13%	798	498	310	158%	60%	-116	-336	-524			-0.1	-0.4	-0.6		
HMVL	2275	2404	2021	13%	-5%	511	601	445	15%	-15%	470	469	389	21%	0%	6.4	6.4	5.3	21%	0%
HT Media	6310	6811	5769	9%	-7%	697	1186	483	44%	-41%	376	688	393	-4%	-45%	1.6	2.9	1.7	-4%	-45%
Inox Leisure	2513	2973	1950	29%	-15%	151	528	105	43%	-71%	161	206	-40		-22%	1.7	2.1	-0.4		-22%
Jagran Prakashan	5295	5764	4227	25%	-8%	1358	1721	1048	30%	-21%	801	933	494	62%	-14%	2.5	2.9	1.6	62%	-14%
PVR	4126	5005	2996	38%	-18%	465	853	108	332%	-46%	-73	304	-335			-1.6	6.5	-7.2		
Sun TV Netw ork	5707	5741	5486	4%	-1%	4266	4404	4233	1%	-3%	2180	2156	2030	7%	1%	5.5	5.5	5.2	7%	1%
Zee Entertainment	15316	15951	13471	14%	-4%	4136	4302	2708	53%	-4%	2606	2750	2308	13%	-5%	2.7	2.9	2.4	13%	-5%
Metals & Mining																				
Coal India	214028	195994	213396	0%	9%	55339	48198	59648	-7%	15%	42424	36845	42372	0%	15%	6.7	5.8	6.7	0%	15%
Hindalco	85427	80212	93716	-9%	7%	10416	5423	8848	18%	92%	3563	402	3431	4%	786%	1.9	0.2	1.8	4%	786%
Hindustan Zinc	31324	34306	41257	-24%	-9%	13081	14783	19784	-34%	-12%	21495	18114	19974	8%	19%	5.1	4.3	4.7	8%	19%
JSW Steel	106975	86983	125997	-15%	23%	18236	8918	16825	8%	104%	1714	11988	883	94%	-86%	7.1	49.6	3.7	94%	-86%
MOIL	2096	878	1614	30%	139%	-258	153	755			14	540	1025	-99%	-97%	0.1	3.2	6.1	-99%	-97%
National Aluminium Co	18743	16353	18013	4%	15%	2386	1363	4280	-44%	75%	2078	800	2065	1%	160%	0.8	0.3	0.8	1%	160%
NMDC	15300	15172	28286	-46%	1%	5398	6441	14213	-62%	-16%	7201	6573	14025	-49%	10%	1.8	1.7	3.5	-49%	10%
SAIL	113715	89391	115851	-2%	27%	-11236	-13815	9301			-12309	-15287	3344			-3.0	-3.7	0.8		
Tata Steel	295076	280390	336662	-12%	5%	22052	7757	15430	43%	184%	-3560	-14155	-8631			-3.7	-14.6	-8.9		
Vedanta	159793	148766	178046	-10%	7%	34720	31057	40140	-14%	12%	10440	-1184	9115	15%		3.5	-0.4	3.1	15%	
Oil & Gas																				
BPCL	441971	466666	513461	-14%	-5%	34896	24166	44961	-22%	44%	25491	14886	28529	-11%	71%	35.2	20.6	39.4	-11%	71%
Cairn India	17168	20395	26772	-36%	-16%	4978	6661	7878	-37%	-25%	6228	-401	4328	44%		3.3	-0.2	2.3	44%	
GAIL	117324	134516	142706	-18%	-13%	12237	11562	6434	90%	6%	7700	6643	5108	51%	16%	6.1	5.2	4.0	51%	16%
Gujarat State Petronet	2319	2481	2387	-3%	-7%	2049	2092	1998	3%	-2%	997	1235	671	49%	-19%	1.8	2.2	1.2	48%	-19%
HPCL	421952	435004	446155	-5%	-3%	26613	22404	35142	-24%	19%	15529	10423	21624	-28%	49%	45.9	30.8	63.9	-28%	49%
Indian Oil	804496	834619	938320	-14%	-4%	40443	52421	92836	-56%	-23%	12432	25837	58854	-79%	-52%	5.2	10.9	24.8	-79%	-52%
Indraprastha Gas	8856	9292	9168	-3%	-5%	1969	1873	1758	12%	5%	1076	1051	959	12%	2%	7.7	7.5	6.8	12%	2%
Oil India	20093	23416	27130	-26%	-14%	7415	7521	8233	-10%	-1%	6844	4107	5517	24%	67%	11.3	6.8	9.2	24%	67%
ONGC	163848	184980	216475	-24%	-11%	44891	80430	76194	-41%	-44%	35638	52800	39351	-9%	-33%	4.2	6.2	4.6	-9%	-33%
Petronet LNG	60653	51460	71617	-15%	18%	4466	3158	2214	102%	41%	2393	1784	3007	-20%	34%	3.2	2.4	4.0	-20%	34%
Reliance Industries	499570	565670	560430	-11%	-12%	107270	102720	86290	24%	4%	73200	72180	62430	17%	1%	22.6	22.3	19.3	17%	1%

Quarterly Results (cont'd)

Company Name	Net Sales (Rs mn)			Growth (%)		Ebitda (Rs mn)			Growth (%)		APAT (Rs mn)			Growth (%)		EPS (Rs)			Growth (%)	
	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ
Pharmaceuticals																				
Aurobindo Pharma	37468	34955	31621	18%	7%	8823	8230	6561	34%	7%	5583	5220	4026	39%	7%	9.5	8.9	6.9	39%	7%
Cadila Healthcare	24491	24284	22882	7%	1%	5814	5787	4959	17%	0%	3879	3905	3468	12%	-1%	3.8	3.8	3.4	12%	-1%
Cipla	32665	31066	30927	6%	5%	4411	5314	5077	-13%	-17%	3084	3502	2625	17%	-12%	3.8	4.4	3.3	17%	-12%
Divi's Lab	10936	8558	7992	37%	28%	3979	3252	3151	26%	22%	3222	2466	2289	41%	31%	12.1	9.3	8.6	41%	31%
Dr. Reddy's Lab	37562	39679	38704	-3%	-5%	9557	10393	9164	4%	-8%	6874	6450	6127	12%	7%	40.3	37.8	35.9	12%	7%
Glenmark Pharma	23067	17783	17758	30%	30%	4507	3968	3974	13%	14%	2920	1973	3137	-7%	48%	10.4	7.0	11.1	-7%	48%
Granules India	3723	3449	3546	5%	8%	783	677	520	51%	16%	332	272	254	31%	22%	1.6	1.3	1.2	31%	22%
Ipca Lab	6246	6841	6279	-1%	-9%	635	1137	537	18%	-44%	405	485	53	666%	-17%	3.2	3.8	0.4	666%	-17%
Lupin	41812	35558	30782	36%	18%	13674	8772	7894	73%	56%	8071	5298	5474	47%	52%	17.9	11.8	12.1	47%	52%
Sun Pharma	76342	70821	61571	24%	8%	25203	21690	14080	79%	16%	17137	14166	19335	-11%	21%	7.1	5.9	8.0	-11%	21%
Torrent pharma	14990	15390	11540	30%	-3%	4840	6130	1620	199%	-21%	3570	5410	1300	175%	-34%	21.1	32.0	7.7	175%	-34%
Power																				
CESC	14790	15380	14160	4%	-4%	4760	2980	4490	6%	60%	2480	1120	2440	2%	121%	19.7	8.9	19.4	2%	121%
Gujarat Industries Power	3661	3418	2465	49%	7%	1080	815	1072	1%	32%	615	345	345	78%	78%	4.1	2.3	2.3	78%	78%
NHPC	16164	14643	14716	10%	10%	5813	8162	8785	-34%	-29%	4641	3880	2985	55%	20%	0.4	0.4	0.3	55%	20%
Power Grid Corporation	58662	53596	47032	25%	9%	51349	47496	40737	26%	8%	17116	16132	14643	17%	6%	3.3	3.1	2.8	17%	6%
Reliance Power	26049	25622	15849	64%	2%	12406	12297	6752	84%	1%	3202	3518	2765	16%	-9%	1.1	1.3	1.0	16%	-9%
Retail																				
Arvind	23196	21575	20405	14%	8%	3010	2815	2550	18%	7%	1146	1055	921	24%	9%	5.2	4.8	4.2	24%	9%
Page Industries	4244	4331	3720	14%	-2%	803	763	690	16%	5%	573	519	471	22%	10%	51.3	46.5	42.2	22%	10%
PC Jeweller	18983	21805	20202	-6%	-13%	1597	2043	2066	-23%	-22%	791	1461	1201	-34%	-46%	4.4	8.2	6.7	-34%	-46%
Phoenix Mills	915	911	808	13%	0%	612	604	514	19%	1%	442	453	363	22%	-2%	3.1	3.1	2.5	22%	-2%
Shoppers Stop	8959	9118	8157	10%	-2%	523	712	491	7%	-27%	102	236	103	-1%	-57%	1.2	2.8	1.2	-1%	-57%
Titan Company	24563	34262	24962	-2%	-28%	2101	3099	2701	-22%	-32%	1841	2253	2151	-14%	-18%	2.1	2.5	2.4	-14%	-18%
Telecommunications																				
Bharti Airtel	249831	241034	230398	8%	4%	91357	84512	81123	13%	8%	12903	11169	12553	3%	16%	3.2	2.8	3.1	3%	16%
Bharti Infratel	31619	30930	29467	7%	2%	14247	13430	13369	7%	6%	6617	5654	5575	19%	17%	3.5	3.0	3.0	19%	17%
Idea Cellular	94839	90097	84225	13%	5%	36160	31285	30645	18%	16%	5756	7642	9418	-39%	-25%	1.6	2.1	2.6	-39%	-25%
Tata Communications	51454	50995	48155	7%	1%	7665	7598	7216	6%	1%	527	219	-730		141%	1.8	0.8	-2.6		141%

Quarterly Results (cont'd)



Your success is our success

Company Name	Net Sales (Rs mn)			Growth (%)		Ebitda (Rs mn)			Growth (%)		APAT (Rs mn)			Growth (%)		EPS (Rs)			Growth (%)		
	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	Q4FY16	Q3FY16	Q4FY15	YoY	QoQ	
Others																					
Apar Industries	13250	11862	13380	-1%	12%	908	820	444	104%	11%	441	352	150	194%	25%	11.5	9.2	3.9	194%	25%	
Century Plyboards	4547	3906	4092	11%	16%	773	696	793	-3%	11%	405	416	480	-16%	-3%	1.8	1.9	2.2	-16%	-3%	
Essel Propack	5614	5134	6117	-8%	9%	1031	1028	1062	-3%	0%	507	429	416	22%	18%	3.2	2.7	2.6	22%	18%	
Grasim Industries	25044	23120	17016	47%	8%	4298	4289	976	341%	0%	2378	2604	572	316%	-9%	25.5	28.3	6.2	308%	-10%	
Havells India	14754	13445	13493	9%	10%	2196	1815	1796	22%	21%	1641	1208	1219	35%	36%	2.6	1.9	2.0	35%	36%	
HSIL	5959	5061	5589	7%	18%	992	954	1059	-6%	4%	381	369	398	-4%	3%	5.8	5.6	6.0	-4%	3%	
Kajaria Ceramics	6578	6016	5881	12%	9%	1339	1173	1031	30%	14%	660	582	574	15%	13%	8.3	7.3	7.2	15%	13%	
Somany Ceramics	5163	4152	4591	12%	24%	415	296	289	43%	40%	267	139	148	80%	92%	6.9	3.6	3.8	80%	92%	
SRF	9061	8597	8622	5%	5%	1854	1869	1351	37%	-1%	853	808	509	68%	6%	14.6	13.8	8.7	68%	6%	
Symphony	1379	1625	1244	11%	-15%	579	604	424	36%	-4%	465	477	365	27%	-3%	13.3	13.6	10.4	27%	-3%	

Valuations

Company Name	Price (Rs)	Mkt Cap (Rs bn)	Reco	Target Price (Rs)	Sales (Rs mn)		EBITDA (Rs mn)		PAT (Rs mn)		EV (Rs mn)		EPS (Rs)		PE (x)		PB (x)		ROCE (%)		ROE (%)	
					FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e
Agri Input & Chemicals																						
Bayer CropScience	3,941	139	Hold	4,050	42,478	50,017	5,418	6,773	4,120	5,117	127,558	124,893	116.6	144.7	33.8	27.2	6.5	5.5	31.4	32.7	20.9	21.8
Chambal Fertilisers	65	27	Accumulate	71	80,746	85,103	7,387	8,119	3,799	4,143	73,866	90,325	9.1	10.0	7.1	6.5	0.9	0.8	8.5	7.7	14.3	13.2
Coromandel International	241	70	Buy	272	112,347	123,768	8,661	10,161	4,271	5,291	85,067	85,551	14.7	18.2	16.4	13.3	2.8	2.5	16.9	19.3	17.2	19.9
DCM Shriram	194	32	Buy	260	65,177	70,702	7,195	8,166	3,997	4,661	40,738	38,222	24.5	28.6	7.9	6.8	1.3	1.1	18.4	19.2	17.7	17.9
Deepak Fertilisers	157	14	Buy	217	46,452	47,442	5,124	5,352	1,776	1,916	33,727	32,696	20.1	21.7	7.8	7.2	0.8	0.8	11.5	11.7	10.8	10.8
Dhanuka Agritech	675	34	Accumulate	690	10,002	11,679	1,744	2,039	1,310	1,561	33,195	32,919	26.2	31.2	25.8	21.6	6.0	5.1	32.3	33.1	25.0	25.3
GNFC	139	22	Buy	105	43,725		6,295		2,081		52,573		13.4		10.3		0.8		6.5		8.0	
GSFC	73	29	Hold	74	65,808	68,702	4,983	6,455	2,977	3,963	43,268	45,828	7.5	9.9	9.8	7.4	0.6	0.6	7.0	8.6	6.2	7.8
Insecticides India	438	9	Hold	410	10,989	12,792	1,158	1,423	531	702	10,625	10,623	25.7	34.0	17.0	12.9	2.0	1.8	15.1	17.6	12.4	14.7
PI Industries	688	94	Accumulate	754	25,133	29,539	5,278	6,203	3,432	4,103	95,109	93,761	25.0	29.9	27.5	23.0	6.5	5.3	31.8	31.3	26.4	25.4
Rallis India	216	42	Hold	200	19,523	22,642	3,069	3,543	1,749	2,154	41,745	40,064	9.0	11.1	24.0	19.5	4.1	3.6	24.6	26.6	18.3	19.6
Sharda Cropchem	385	35	Reduce	330	14,335	16,899	2,724	3,211	1,855	2,132	32,626	31,477	20.6	23.6	18.7	16.3	3.5	2.9	27.4	25.8	20.6	19.6
Tata Chemicals	432	110	Accumulate	500	163,720	175,707	23,960	25,601	9,903	10,633	160,965	154,412	38.9	41.7	11.1	10.3	1.6	1.4	11.9	12.6	14.9	14.4
UPL	600	257	Accumulate	655	151,067	169,890	31,790	36,311	16,423	18,720	285,838	282,993	38.3	43.7	15.7	13.7	3.2	2.7	22.2	22.3	22.0	21.1
Automobiles																						
Ashok Leyland	106	302	Hold	97	237,273	282,263	25,987	31,055	14,163	18,116	305,677	297,362	5.0	6.4	21.3	16.7	5.5	4.5	30.3	36.4	28.4	29.8
Bajaj Auto	2,641	764	Hold	2,550	254,432	293,449	53,515	58,809	40,928	46,139	636,166	613,025	141.4	159.4	18.7	16.6	5.4	4.7	44.3	43.6	30.9	30.3
Eicher Motors	18,828	511	Accumulate	21,200	169,630	204,456	30,065	37,221	17,125	21,190	482,079	466,932	627.9	777.0	30.0	24.2	10.8	8.2	48.2	47.0	41.6	38.3
Hero Motocorp	3,130	625	Buy	3,400	315,674	364,931	48,839	56,478	34,097	39,628	563,396	548,864	170.8	198.5	18.3	15.8	6.6	5.5	54.2	53.1	39.2	38.2
Mahindra & Mahindra	1,378	856	Accumulate	1,400	476,624	547,305	50,522	59,109	35,608	41,468	828,328	821,019	57.8	67.3	23.8	20.5	3.5	3.1	18.3	19.3	15.5	16.1
Maruti Suzuki India	4,136	1,249	Buy	4,350	675,646	802,787	98,131	116,093	59,605	72,050	1,034,630	984,290	197.3	238.5	21.0	17.3	4.0	3.4	27.1	28.1	20.4	21.0
Tata Motors	463	1,499	Buy	520	3,034,892	3,488,875	475,657	546,923	166,852	196,714	1,903,057	1,875,365	48.7	57.4	9.5	8.1	1.7	1.4	16.9	17.3	19.3	18.8
TVS Motor	294	140	Reduce	255	134,646	157,932	10,724	12,630	6,264	7,600	144,776	140,719	13.2	16.0	22.3	18.4	5.9	4.8	29.9	32.4	29.1	28.8
Auto Ancillaries																						
Amara Raja Batteries	835	143	Accumulate	950	55,792	66,369	9,739	11,608	5,992	7,413	141,169	141,579	35.1	43.4	23.8	19.2	5.6	4.5	35.6	36.4	25.6	26.0
Apollo Tyres	153	78	Hold	155	131,557	151,414	19,683	21,313	9,852	9,884	105,559	109,523	19.4	19.4	7.9	7.9	1.1	1.0	16.4	14.5	14.9	13.2
Exide Industries	162	138	Hold	145	76,348	89,655	11,442	13,428	6,595	7,731	134,585	133,131	7.8	9.1	20.9	17.8	4.6	4.0	20.9	22.7	14.5	15.7
Motherson Sumi	287	380	Buy	350	448,752	516,147	44,723	54,979	16,294	21,024	419,002	420,930	12.3	15.9	23.3	18.1	7.3	5.9	28.2	32.2	34.5	36.1

Valuations (Cont'd)

Company Name	Price (Rs)	Mkt Cap (Rs bn)	Reco	Target Price (Rs)	Sales (Rs mn)		EBITDA (Rs mn)		PAT (Rs mn)		EV (Rs mn)		EPS (Rs)		PE (x)		PB (x)		ROCE (%)		ROE (%)	
					FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e
Eng. & Capital Goods																						
ABB	1,211	257	Buy	1,407	91,974	102,891	9,325	11,704	4,539	6,249	257,179	255,791	21.4	29.5	56.5	41.1	7.8	7.0	21.0	25.1	14.4	18.0
Alstom T&D	368	94	Sell	309	38,236	46,135	3,290	4,830	1,423	2,665	82,816	83,563	5.6	10.4	66.2	35.4	7.1	6.6	15.2	24.3	10.7	19.3
BHEL	119	292	Sell	84	281,337	338,191	-67	14,164	3,238	16,627	31,029	20,394	1.3	6.8	90.2	17.6	0.9	0.9	1.6	7.8	1.0	4.9
Blue Star	435	39	Accumulate	480	40,230	45,262	2,665	3,422	1,548	2,066	42,849	43,203	16.2	21.7	26.8	20.1	5.2	5.4	23.7	29.8	21.2	26.4
Cummins India	800	222	Accumulate	975	51,000	55,589	7,696	8,130	7,350	7,695	217,725	217,150	26.5	27.8	30.2	28.8	6.5	6.1	26.3	25.7	22.3	21.8
Siemens	1,207	430	Sell	876	94,230	102,434	9,769	11,997	6,528	8,423	392,706	387,717	18.3	23.7	65.8	51.0	6.3	5.8	17.4	18.6	11.0	11.9
TD Power Systems	223	7	Buy	345	5,257	6,563	516	844	213	453	4,920	4,518	6.4	13.6	34.7	16.3	1.6	1.5	7.1	13.6	4.5	9.3
Thermax	804	96	Reduce	651	50,893	57,159	4,501	5,686	2,556	3,107	87,934	87,337	21.4	26.1	37.5	30.8	3.8	3.6	13.3	15.1	10.5	12.0
Triveni Turbine	111	37	Buy	129	7,900	8,863	1,888	2,148	1,177	1,362	35,345	35,040	3.6	4.1	31.2	27.0	10.1	8.2	47.2	41.6	36.0	33.6
Voltas	337	111	Buy	408	65,534	74,206	6,002	7,281	4,469	5,347	106,449	104,172	13.5	16.2	24.9	20.8	4.1	3.6	24.1	25.5	17.5	18.6
Fin. Services - Others																						
CARE	991	29	Under Review		3,753		2,193		1,857		22,638		64.0		15.5		4.4		43.0		30.8	
CRISIL	2,250	160	Under Review		0	17	0	-34	0	-77											0.0	
ICRA	4,267	43	Under Review		3,982		1,592		1,358		38,135		135.8		31.4		426.7		2,323.4		1,357.7	
IT Services																						
eClerx Services	1,431	58	Hold	1,400	14,325	16,103	5,176	5,707	3,769	4,165	49,912	46,140	91.3	100.9	15.7	14.2	4.1	3.2	39.1	32.9	30.2	25.4
Firstsource Solutions	46	31	Accumulate	50	35,601	38,440	4,736	5,077	3,147	3,545	32,243	28,987	4.5	5.1	10.2	9.1	1.2	1.1	13.3	14.0	12.5	12.5
HCL Tech	727	1,025	Accumulate	900	461,621	503,831	101,989	110,481	81,623	90,746	877,244	840,737	57.1	63.5	12.7	11.4	3.3	2.9	35.2	33.9	27.9	26.9
Hexaware Technologies	214	65	Accumulate	270	35,924	40,210	6,405	7,229	4,821	5,448	61,147	61,215	15.9	17.9	13.5	12.0	4.3	4.0	42.6	45.2	32.6	34.7
Infosys	1,257	2,888	Hold	1,240	706,814	795,553	194,858	217,127	149,533	166,952	2,478,665	2,426,579	65.4	73.0	19.2	17.2	4.2	3.8	32.8	33.2	23.1	23.4
Mindtree	650	109	Reduce	680	55,459	62,216	9,595	11,037	6,533	7,703	99,736	92,318	38.8	45.7	16.8	14.2	3.5	2.8	30.4	28.4	23.7	21.8
Mphasis	557	117	Hold	500	64,524	70,608	10,212	11,413	8,100	8,845	85,007	82,970	38.5	42.1	14.4	13.2	1.8	1.7	16.3	16.8	12.5	12.9
MPS	662	12	Accumulate	780	2,804	3,179	1,051	1,247	747	876	10,360	10,183	40.1	47.1	16.5	14.1	4.1	3.8	38.9	42.7	25.9	28.4
NIIT	79	13	Buy	120	10,956	12,157	937	1,191	950	1,181	13,676	13,551	5.7	7.1	13.8	11.1	1.5	1.4	4.3	5.8	11.5	13.3
NIIT Tech	513	31	Accumulate	630	28,812	31,927	5,178	5,704	3,070	3,456	25,279	22,987	50.2	56.5	10.2	9.1	1.8	1.6	24.8	24.4	18.4	18.2
Persistent Systems	728	58	Reduce	640	29,030	32,855	4,712	5,733	3,300	3,769	49,047	47,578	41.6	47.3	17.5	15.4	3.1	2.8	24.3	26.8	16.7	19.1
TCS	2,631	5,184	Hold	2,400	1,207,282	1,349,391	336,078	371,745	259,187	287,345	4,759,175	4,673,726	132.4	146.8	19.9	17.9	5.9	5.1	44.0	41.2	32.4	30.5
Tech Mahindra	536	520	Accumulate	550	290,154	324,939	49,894	57,990	32,325	40,208	467,241	448,005	32.8	40.8	16.3	13.1	3.3	2.8	25.2	27.2	21.4	22.8
Wipro	540	1,334	Hold	580	572,112	625,635	103,800	113,803	93,961	102,787	1,141,963	1,095,752	38.8	42.4	13.9	12.7	2.5	2.3	19.9	19.9	19.0	18.7

Valuations (Cont'd)

Company Name	Price (Rs)	Mkt Cap (Rs bn)	Reco	Target Price (Rs)	Sales (Rs mn)		EBITDA (Rs mn)		PAT (Rs mn)		EV (Rs mn)		EPS (Rs)		PE (x)		PB (x)		ROCE (%)		ROE (%)	
					FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e
Media & Entertainment																						
DB Corp	376	69	Hold	350	22,716	24,907	6,176	6,923	3,546	3,984	67,657	66,209	19.3	21.7	19.5	17.3	4.6	4.2	33.8	35.1	25.0	25.6
Den Netw orks	91	16	Reduce	79	16,331	20,653	2,263	4,190	-2,037	-172	28,734	31,382	-11.5	-1.0	-7.9	-93.4	1.2	1.2	-1.4	3.6	-14.4	-1.3
Dish TV	89	94	Buy	117	34,549	38,155	11,737	13,203	2,650	4,879	103,502	98,044	2.5	4.6	35.6	19.3	14.4	8.3	49.9	72.6	51.0	54.4
Entertainment Netw ork	732	35	Accumulate	776	5,748	6,856	1,643	2,177	654	1,125	33,585	31,890	13.7	23.6	53.3	31.0	4.3	3.8	10.0	17.4	8.3	12.9
Hathway Cable & Datacom	34	28	Reduce	33	23,505	26,515	5,052	5,559	-985	-993	49,188	50,053	-1.2	-1.2	-28.6	-28.4	3.0	3.3	3.4	4.0	-9.9	-11.0
HMVL	274	20	Buy	365	10,285	11,438	2,523	2,894	2,012	2,402	20,644	19,512	27.4	32.7	10.0	8.4	1.8	1.5	25.5	26.2	20.2	19.9
HT Media	80	19	Hold	88	27,592	30,419	3,497	3,886	1,757	1,953	26,991	24,557	7.5	8.4	10.6	9.5	0.8	0.8	11.6	12.0	8.2	8.4
Inox Leisure	207	20	Accumulate	240	13,438	15,706	2,256	2,719	853	1,167	21,974	21,269	8.9	12.1	23.4	17.1	2.8	2.4	15.4	18.6	12.5	14.9
Jagran Prakashan	172	56	Accumulate	203	23,598	26,061	6,650	7,521	3,596	4,290	55,390	52,480	11.3	13.5	15.1	12.7	3.0	2.6	26.5	28.9	22.3	22.2
PVR	915	43	Buy	1,073	21,982	25,652	3,924	4,723	934	1,352	49,346	48,849	20.1	29.1	45.6	31.5	4.5	4.0	14.2	16.6	10.2	13.3
Sun TV Netw ork	360	142	Hold	445	28,839	32,873	19,759	22,731	9,912	11,703	131,445	128,148	25.2	29.7	14.3	12.1	3.5	3.2	38.2	41.2	25.8	27.7
Zee Entertainment	463	444	Buy	475	67,004	75,768	18,779	22,589	12,057	14,673	420,546	412,863	12.6	15.3	36.9	30.3	6.5	5.8	31.3	33.0	18.5	20.2
Metals & Mining																						
Coal India	308	1,944	Buy	384	867,731	978,038	198,234	227,020	152,489	168,582	1,590,523	1,593,641	24.1	26.7	12.7	11.5	5.9	5.8	68.4	75.7	45.5	50.4
Godawari Power & Ispat	60	2	Under Review		26,452		4,665		725		18,354		22.1		2.7		0.2		12.2		8.1	
Hindalco	110	226	Buy	115	1,053,694	1,093,418	109,036	117,651	18,371	23,243	800,152	800,518	8.9	11.3	12.3	9.7	0.6	0.5	7.2	7.7	4.7	5.7
Hindustan Zinc	172	725	Buy	190	145,428	160,471	68,058	76,738	72,743	81,012	393,803	345,281	17.2	19.2	10.0	8.9	1.7	1.6	20.5	20.5	18.5	18.5
JSW Steel	1,377	333	Buy	1,462	503,551	582,601	89,849	120,656	16,508	35,235	691,272	693,009	68.3	145.8	20.2	9.4	1.5	1.3	9.5	13.6	7.7	14.8
MOIL	244	41	Buy	262	6,519	7,703	1,651	2,489	2,814	3,666	11,328	9,383	16.8	21.8	14.6	11.2	1.1	1.1	11.8	14.6	8.0	9.8
National Aluminium Co	42	108	Buy	51	70,454	76,749	9,715	12,299	8,527	10,559	61,090	60,094	3.3	4.1	12.6	10.2	0.8	0.8	8.4	10.2	6.6	8.0
NMDC	91	363	Sell	74	59,906	66,391	29,523	33,679	32,852	35,719	246,944	268,307	8.3	9.0	11.0	10.2	1.2	1.1	14.8	15.4	10.7	11.1
SAIL	42	173	Sell	37	448,154	513,619	15,505	45,325	-9,546	16,100	505,101	511,614	-2.3	3.9	-18.1	10.7	0.4	0.4	0.9	5.0	-2.4	4.1
Tata Steel	343	333	Sell	269	1,278,006	1,350,192	105,132	140,867	-11,547	13,513	1,087,398	1,112,226	-11.9	13.9	-28.8	24.6	1.3	1.2	4.9	7.7	-4.2	5.1
Vedanta	110	326	Buy	114	634,722	707,305	138,560	166,647	19,184	36,083	1,018,874	1,015,317	6.5	12.2	17.0	9.0	0.7	0.7	8.3	9.9	4.4	7.9

Valuations (Cont'd)

Company Name	Price (Rs)	Mkt Cap (Rs bn)	Reco	Target Price (Rs)	Sales (Rs mn)		EBITDA (Rs mn)		PAT (Rs mn)		EV (Rs mn)		EPS (Rs)		PE (x)		PB (x)		ROCE (%)		ROE (%)	
					FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e
Oil & Gas																						
BPCL	976	706	Buy	1,173	1,399,292	1,554,768	114,442	127,857	65,666	69,791	689,952	662,382	90.8	96.5	10.8	10.1	2.3	2.0	23.4	23.0	22.5	20.9
Cairn India	142	265	Ur		87,618	104,164	34,016	45,603	18,241	29,200	103,234	90,604	9.7	15.6	14.5	9.1	0.5	0.5	4.2	6.7	3.7	5.7
GAIL	374	475	Buy	443	598,485	599,803	67,637	70,720	35,970	37,572	496,881	482,925	28.4	29.6	13.2	12.6	1.5	1.4	14.1	13.9	11.5	11.2
Gujarat Gas	524	72	Sell	450	60,480	63,915	9,286	9,611	3,737	3,953	80,728	78,390	27.1	28.7	19.3	18.3	3.0	2.7	16.7	16.3	16.7	15.6
Gujarat State Petronet	135	76	Buy	163	12,639	12,639	11,166	11,071	6,105	6,225	62,367	56,182	10.8	11.1	12.5	12.2	1.6	1.5	18.4	17.2	14.1	12.7
HPCL	906	307	Buy	1,183	1,740,305	2,141,914	86,221	92,353	42,225	45,226	350,618	340,772	124.5	133.4	7.3	6.8	1.4	1.2	17.1	16.3	21.1	19.5
Indian Oil	419	1,017	Buy	570	4,223,892	4,753,912	276,192	313,975	120,041	156,623	1,217,533	1,246,460	49.4	64.5	8.5	6.5	1.2	1.0	16.8	17.8	15.0	17.0
Indraprastha Gas	576	81	Hold	515	36,645	38,820	8,063	8,489	4,504	4,769	75,187	72,404	32.2	34.1	17.9	16.9	3.2	2.8	26.9	25.2	18.9	17.6
Petronet LNG	273	205	Buy	313	500,194	505,315	19,815	28,195	10,239	15,699	209,725	196,507	13.7	20.9	20.0	13.0	2.9	2.4	18.1	24.6	15.1	20.0
Oil India	352	212	Buy	407	101,418	107,384	32,276	35,319	21,924	22,818	90,859	106,292	36.5	38.0	9.7	9.3	0.9	0.9	11.0	11.2	9.5	9.7
ONGC	213	1,822	Buy	262	748,824	831,205	323,967	373,730	175,611	201,379	1,557,857	1,623,871	20.5	23.5	10.4	9.0	1.1	1.1	14.6	15.8	11.2	12.1
Reliance Industries	955	3,096	Buy	1,160	3,733,226	3,844,628	483,148	511,270	308,621	324,908	2,261,730	1,873,691	94.4	99.3	10.1	9.6	1.2	1.1	13.4	13.3	12.2	11.6
Pharmaceuticals																						
Aurobindo Pharma	771	451	Buy	905	162,539	186,337	36,778	43,760	24,427	29,346	479,538	461,508	41.7	50.2	18.5	15.4	4.9	3.8	28.1	30.0	29.9	27.5
Cadila Healthcare	319	327	Accumulate	357	101,361	104,720	23,566	26,180	16,263	18,191	337,421	333,343	15.9	17.8	20.1	18.0	5.0	4.2	24.4	23.2	27.4	25.3
Cipla	468	376	Accumulate	565	164,208	189,680	31,142	36,978	18,133	22,651	419,586	409,130	22.6	28.2	20.8	16.6	2.8	2.5	14.0	15.6	14.4	15.8
Divi's Lab	1,148	305	Accumulate	1,220	45,825	54,674	17,662	21,314	13,367	16,165	295,573	292,608	50.4	60.9	22.8	18.9	5.8	4.7	33.9	32.7	28.0	27.4
Dr. Reddy's Lab	3,156	538	Hold	3,153	165,218	180,456	38,496	44,663	22,515	26,993	525,895	510,924	132.0	158.3	23.9	19.9	3.7	3.2	17.4	18.6	16.4	17.3
Glenmark Pharma	762	215	Accumulate	892	89,170	99,271	22,103	22,565	13,900	13,979	253,588	249,077	49.3	49.5	15.5	15.4	3.9	3.2	21.6	19.0	28.3	22.6
Granules India	140	30	Accumulate	162	17,048	23,924	3,410	5,024	1,573	2,468	36,541	35,766	6.9	10.8	20.3	12.9	4.0	3.1	22.4	28.4	21.4	26.9
Ipca Lab	431	54	Hold	666	37,103	42,423	7,050	8,485	3,620	4,662	62,768	61,932	28.7	36.9	15.0	11.7	2.0	1.8	14.9	17.7	14.4	16.4
Lupin	1,435	647	Accumulate	1,895	188,602	218,013	55,203	66,318	31,588	38,781	705,495	678,661	70.1	86.1	20.5	16.7	4.7	3.8	24.3	25.5	25.6	25.2
Sun Pharma	739	1,778	Accumulate	850	308,383	345,525	103,944	124,043	70,210	89,049	1,663,729	1,596,996	29.2	37.0	25.3	20.0	4.7	3.9	20.0	20.9	20.3	21.3
Torrent Pharma	1,376	233	Accumulate	1,495	57,690	72,688	15,495	21,357	9,710	14,075	255,351	248,038	57.4	83.2	24.0	16.5	5.8	4.6	23.1	28.4	26.2	30.9

Valuations (Cont'd)

Company Name	Price (Rs)	Mkt Cap (Rs bn)	Reco	Target Price (Rs)	Sales (Rs mn)		EBITDA (Rs mn)		PAT (Rs mn)		EV (Rs mn)		EPS (Rs)		PE (x)		PB (x)		ROCE (%)		ROE (%)	
					FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e
Power																						
Adani Power	30	100	Sell	34	193,709	194,963	58,898	57,773	-9,976	-6,810	513,334	492,464	-3.5	-2.4	-8.6	-12.6	2.5	3.1	6.5	6.6	-25.5	-22.1
CESC	555	74	Accumulate	622	68,733	73,404	16,213	17,315	7,458	7,860	105,698	98,479	56.0	59.0	9.9	9.4	0.9	0.8	9.1	9.2	9.2	9.1
Gujarat Industries Power	88	13	Buy	103	13,509	13,979	3,594	3,699	1,905	2,028	13,218	10,985	12.6	13.4	7.0	6.5	0.6	0.6	10.3	10.1	9.3	9.2
RattanIndia Power	10	31	Buy	15	42,876	63,152	23,626	30,927	3,694	9,897	151,744	136,963	1.3	3.4	8.3	3.1	0.6	0.5	8.6	12.6	7.7	18.0
Jaiprakash Power Ventures	4	11	Buy	11	108,075	108,522	60,594	58,819	3,019	2,604	345,364	325,095	1.2	1.0	3.2	3.7	0.2	0.2	10.9	10.8	6.3	5.1
JSW Energy	71	116	Sell	66	80,287	80,830	29,251	28,537	11,458	11,572	178,040	159,708	7.0	7.1	10.1	10.0	1.3	1.1	13.3	11.1	13.2	12.0
KSK Energy	30	13	Buy	100	86,370	86,946	37,453	39,151	4,108	6,388	196,252	177,023	8.6	13.4	3.5	2.2	0.3	0.3	11.3	12.5	10.2	13.7
Lanco Infratech	4	12	Hold	7	150,333	244,894	22,849	70,463	-18,472	-2,637	438,678	436,776	-7.5	-1.1	-0.6	-3.9	-0.3	-0.3	2.9	13.1	94.5	7.5
Nava Bharat Ventures	193	17	Buy	217	24,661	31,545	6,534	10,481	1,628	2,863	31,192	24,134	18.2	32.0	10.6	6.0	0.5	0.5	8.7	13.8	4.9	8.1
NHPC	24	267	Hold	25	89,536	100,188	53,739	59,975	30,331	33,167	408,434	410,529	2.7	3.0	8.8	8.0	0.9	0.8	8.8	9.1	10.3	10.7
NTPC	148	1,224	Hold	146	858,184	973,582	175,999	202,923	97,386	110,006	2,113,880	2,210,249	11.8	13.3	12.6	11.1	1.3	1.2	6.6	7.0	10.7	11.1
Power Grid Corporation	150	784	Buy	176	248,164	284,567	219,959	252,589	80,798	96,226	1,861,638	2,010,652	15.4	18.4	9.7	8.1	1.4	1.3	9.8	10.0	16.4	16.5
PTC India	73	22	Hold	73	174,114		2,153		1,585		13,609		5.4		13.6		0.8		8.5		5.7	
Reliance Power	52	145	Buy	60	140,620	208,219	74,964	83,968	20,099	20,429	560,991	522,806	7.2	7.3	7.2	7.1	0.6	0.6	8.8	8.5	8.9	8.1
SJVN	28	114	Buy	29	25,580	25,804	21,306	21,492	13,847	14,480	99,891	98,777	3.3	3.5	8.3	7.9	1.0	0.9	12.5	11.9	12.0	11.7
Tata Power	74	199	Hold	81	433,152	454,503	84,634	86,275	19,619	27,875	603,814	583,272	7.3	10.3	10.1	7.1	1.3	1.2	11.0	12.4	13.2	17.3
Retail																						
Arvind	314	81	Accumulate	330	94,749	109,396	12,998	15,433	5,134	6,618	114,741	115,509	19.9	25.6	15.8	12.3	2.6	2.2	17.9	19.5	17.9	19.6
Page Industries	13,952	156	Buy	15,050	21,300	25,792	4,460	5,476	2,993	3,613	156,147	156,044	268.4	323.9	52.0	43.1	23.5	18.3	61.4	59.2	51.3	47.7
PC Jeweller	359	64	Buy	475	81,945	93,517	8,723	10,301	4,788	6,244	68,184	67,973	26.7	32.8	13.4	10.9	2.4	1.9	24.7	25.4	19.0	19.6
Phoenix Mills	305	47	Buy	399	23,294	24,721	11,172	11,673	3,038	3,528	77,050	73,690	21.0	24.4	14.5	12.5	2.1	1.8	16.2	16.5	15.3	15.5
Shoppers Stop	352	29	Buy	476	38,135	43,855	2,642	3,271	772	1,165	33,030	31,603	9.3	14.0	38.0	25.2	3.4	3.0	14.5	19.3	9.4	12.8
Titan Company	361	320	Hold	330	134,082	153,493	12,677	15,416	8,598	10,613	317,430	314,599	9.7	12.0	37.2	30.2	7.8	6.7	31.8	33.5	22.6	23.9
Telecommunications																						
Bharti Airtel	349	1,396	Reduce	337	1,056,392	1,142,986	367,706	399,313	44,865	61,662	2,236,513	2,113,872	11.2	15.4	31.1	22.6	1.9	1.8	9.0	10.5	5.5	8.1
Bharti Infratel	374	710	Buy	470	132,193	143,469	58,766	65,950	26,315	30,339	689,581	680,344	13.9	16.1	26.9	23.3	4.8	4.9	23.8	28.0	17.5	20.9
Idea Cellular	105	379	Reduce	118	393,535	437,901	140,997	153,669	15,925	18,772	775,789	734,891	4.4	5.2	23.8	20.2	1.4	1.4	8.8	9.7	6.2	6.9
Tata Communications	452	129	Accumulate	518	221,546	242,541	32,115	35,221	1,112	1,915	232,554	212,416	3.9	6.7	115.9	67.3	-175.4	-443.0	8.5	11.3	-200.3	-373.5

Valuations (Cont'd)

Company Name	Price (Rs)	Mkt Cap (Rs bn)	Reco	Target Price (Rs)	Sales (Rs mn)		EBITDA (Rs mn)		PAT (Rs mn)		EV (Rs mn)		EPS (Rs)		PE (x)		PB (x)		ROCE (%)		ROE (%)	
					FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e
Others																						
Apar Industries	516	20	Buy	615	54,765	62,180	3,828	4,388	1,401	1,793	21,173	20,413	36.4	46.6	14.2	11.1	2.0	1.8	27.0	28.7	15.3	17.2
Century Plyboards	165	37	Accumulate	204	18,740	25,244	3,181	4,624	1,847	2,267	43,274	43,191	8.3	10.2	19.8	16.1	5.7	4.5	24.0	26.4	31.5	31.1
Essel Propack	187	29	Buy	215	23,451	26,137	4,710	5,386	2,248	2,768	32,693	31,168	14.3	17.6	13.1	10.6	2.6	2.2	21.6	23.7	21.1	22.0
Grasim Industries	4,327	404	Buy	4,943	411,539	464,860	75,904	95,317	29,451	39,375	444,053	404,029	315.5	421.8	13.7	10.3	1.4	1.3	12.5	15.9	10.8	13.0
Havells India	360	225	Accumulate	355	62,859	72,926	9,096	11,031	6,633	8,115	209,590	204,361	10.6	13.0	33.9	27.7	7.9	6.8	33.9	36.1	24.9	26.5
HSIL	268	19	Buy	340	22,495	25,069	3,745	4,393	1,263	1,623	23,985	22,817	17.5	22.4	15.3	11.9	1.7	1.5	14.3	16.2	11.5	13.4
Kajaria Ceramics	1,174	93	Accumulate	1,280	27,353	31,351	5,252	6,176	2,771	3,386	94,333	92,620	34.9	42.6	33.7	27.6	8.1	6.6	31.3	32.6	26.8	26.4
Kridhan Infra	82	6	Accumulate	102	8,191	11,150	749	1,225	279	503	7,588	7,439	3.8	6.8	21.7	12.1	6.6	4.5	13.3	23.9	20.7	44.4
Somany Ceramics	496	21	Accumulate	545	19,521	22,569	1,872	2,240	810	1,048	21,227	20,607	19.1	24.7	26.0	20.1	4.3	3.6	21.9	25.3	17.6	19.6
SRF	1,262	72	Accumulate	1,408	50,021	57,384	11,057	12,899	4,994	5,876	88,288	82,636	85.5	100.5	14.8	12.6	2.4	2.0	14.6	15.1	17.3	17.5
Symphony	2,401	84	Sell	1,839	6,974	8,185	1,838	1,928	1,395	1,530	83,123	82,709	39.9	43.7	60.2	54.9	25.4	22.2	61.2	57.4	44.5	43.1

Valuations (Cont'd)

Company Name	Price (Rs)	Mkt Cap (Rs bn)	Reco	Target Price (Rs)	Net Interest Income (Rs mn)		Pre Provision Profit (Rs mn)		PAT (Rs mn)		Net NPA (%)		EPS (Rs)		PE (x)		PB (x)		ROA (%)		ROE (%)	
					FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e	FY17e	FY18e
Banks & Fin. Services																						
Allahabad Bank	52	38	Under Review		68,563	78,889	47,454	54,533	2,798	7,948	3.1	2.1	4.6	13.1	11.3	4.0	0.5	0.4	0.1	0.3	2.3	6.4
Axis Bank	534	1,274	Hold	480	196,552	236,792	191,046	231,012	85,557	106,649	1.0	1.0	35.9	44.8	14.9	11.9	2.3	2.0	1.5	1.6	15.1	16.5
Bajaj Finance	7,687	414	Hold	7,920	52,853	65,977	33,511	41,807	16,969	21,044	0.1	0.1	315.0	390.6	24.4	19.7	4.7	3.9	3.1	3.0	20.9	21.6
Bank of Baroda	145	335	Reduce	126	142,741	160,593	104,220	116,876	33,772	55,031	4.8	3.9	14.6	23.8	9.9	6.1	1.5	1.2	0.5	0.7	9.6	14.3
Bank of India	86	80	Sell	70	122,865	142,270	65,894	79,645	8,241	14,079	7.3	5.4	10.1	17.2	8.5	5.0	0.9	0.6	0.1	0.2	3.2	5.2
Canara Bank	195	106	Reduce	170	112,256	125,149	79,936	86,541	5,465	17,497	5.7	4.1	10.1	32.2	19.4	6.1	1.9	1.0	0.1	0.3	2.1	6.5
Cholamandalam Finance	997	156	Buy	1,000	25,711	31,530	15,928	19,759	7,675	10,353	1.9	1.5	49.1	66.3	20.3	15.0	4.3	3.4	2.4	2.6	19.3	21.8
Corporation Bank	35	36	Under Review		50,975	58,007	37,541	45,885	3,475	7,524	4.7	4.1	3.4	7.4	10.3	4.7	0.9	0.7	0.1	0.3	2.9	6.0
DCB Bank	96	27	Buy	118	7,897	10,453	3,775	5,042	1,921	2,639	0.9	0.8	6.7	9.2	14.2	10.4	1.5	1.3	0.9	1.0	10.1	12.3
Federal Bank	57	97	Accumulate	55	28,386	33,595	17,260	21,649	8,190	10,941	1.9	1.8	4.8	6.4	11.9	8.9	1.2	1.1	0.8	0.9	9.7	12.0
HDFC	1,251	1,977	Accumulate	1,295	101,282	119,696	110,346	130,287	74,580	88,501	0.4	0.3	47.2	56.0	26.5	22.3	6.6	5.8	2.3	2.3	20.5	22.0
HDFC Bank	1,174	2,969	Accumulate	1,250	326,597	402,163	253,568	307,967	151,735	186,253	0.3	0.2	59.4	72.2	19.8	16.3	3.7	3.2	1.9	1.9	19.5	20.6
ICICI Bank	254	1,478	Hold	257	236,814	273,956	235,157	274,188	105,307	135,873	2.9	1.9	18.1	23.4	14.0	10.9	1.8	1.5	1.4	1.5	11.3	13.3
Indusind Bank	1,110	660	Accumulate	1,080	54,634	67,186	50,938	62,876	28,768	35,435	0.4	0.6	48.3	59.6	23.0	18.6	3.4	3.0	1.9	1.9	15.5	16.8
LIC Housing Finance	474	239	Hold	500	33,437	38,193	30,572	34,702	18,841	21,559	0.2	0.2	37.3	42.7	12.7	11.1	2.2	1.9	1.3	1.3	19.0	18.6
Magma Fincorp	93	22	Buy	130	13,757	15,538	7,313	8,133	2,524	3,169	6.4	5.8	10.7	13.4	8.7	7.0	1.6	1.4	1.5	1.7	11.2	12.6
Mahindra Finance	331	188	Buy	390	33,525	40,940	23,330	28,878	8,187	11,750	4.5	3.8	14.5	20.8	22.8	15.9	4.0	3.5	2.0	2.4	12.9	16.7
Punjab National Bank	78	152	Sell	65	178,129	205,647	136,742	158,080	23,851	37,063	6.3	4.2	12.1	18.9	6.4	4.1	0.9	0.6	0.3	0.5	6.5	9.5
Shriram City Union Finance	1,660	109	Hold	1,655	27,409	31,340	16,271	18,488	5,995	7,340	2.1	2.7	90.9	111.3	18.3	14.9	2.4	2.3	2.6	2.7	12.4	13.8
Shriram Transport Finance	1,172	266	Reduce	849	56,868	65,823	45,905	52,700	15,099	18,596	2.5	3.2	66.5	82.0	17.6	14.3	2.8	2.6	2.0	2.0	14.0	15.3
SKS Microfinance	675	86	Accumulate	675	10,575	15,268	7,470	10,640	4,852	6,480	-0.4	-1.0	38.4	51.3	17.6	13.2	4.6	3.4	4.9	4.2	29.9	29.6
South Indian Bank	20	27	Accumulate	21	16,824	19,520	10,359	12,753	3,991	5,734	1.7	1.0	3.0	4.2	6.7	4.7	0.8	0.7	0.6	0.7	10.3	13.5
State Bank of India	210	1,631	Accumulate	220	672,823	776,641	511,372	588,053	154,634	191,373	3.6	2.9	19.9	24.7	10.5	8.5	1.2	1.0	0.6	0.7	10.7	12.1
Union Bank of India	118	81	Hold	128	96,241	108,275	70,508	80,305	17,776	24,190	5.1	4.8	25.9	35.2	4.6	3.4	0.7	0.6	0.4		8.4	
Yes Bank	1,066	449	Accumulate	1,050	58,673	74,013	55,021	69,536	31,899	41,414	0.3	0.5	75.9	98.5	14.1	10.8	2.8	2.4	1.7	1.8	21.2	23.0

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India

Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

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