

Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	37,291	-0.8	9.5
Nifty-50	11,279	-0.9	7.1
Nifty-M 100	18,993	-1.4	-10.1
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,904	0.5	8.6
Nasdaq	7,956	0.8	15.2
FTSE 100	7,300	0.0	-5.0
DAX	12,158	0.5	-5.9
Hang Seng	10,557	0.9	-9.8
Nikkei 225	23,095	1.2	1.4
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	79	1.1	17.8
Gold (\$/OZ)	1,198	-0.3	-8.0
Cu (US\$/MT)	6,064	2.4	-15.9
Almn (US\$/MT)	2,001	0.1	-11.3
Currency	Close	Chg. %	YTD.%
USD/INR	73.0	0.6	14.2
USD/EUR	1.2	-0.3	-2.9
USD/JPY	112.4	0.3	-0.3
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	8.1	0.51	0.8
10 Yrs AAA Corp	8.9	0.04	1.0
Flows (USD b)	18-Sep	MTD	YTD
FII	-0.16	-0.2	-0.8
DII	0.04	0.4	10.8
Volumes (INRb)	18-Sep	MTD*	YTD*
Cash	352	371	359
F&O	12,402	10,271	8,685

Note: YTD is calendar year, *Avg



Today's top research idea

Bajaj Finance - Annual Report Update

Superior execution; New products showing healthy traction

- ❖ Superior execution across products, focus to increase new growth/profit avenues (rural lending, housing finance companies (HFCs), cross-selling, etc.) and strong focus on asset quality are the key highlights of FY18 Annual Report (AR).
- ❖ With the strong treasury management (move towards capital market linked borrowings/deposits), positive assets liability management (ALM) gap and with pricing power on the focused segments, BAF spreads are likely to be stable.
- ❖ However, margins may moderate with the leverage on the balance sheet coming into play. Asset quality performance remains impeccable with GNPA of 1.48% and PCR of 75% (as of FY18).
- ❖ On back of rich valuation, we reiterate **Neutral** with target price of INR2,400 - 6x PBV—Unchanged.



Research covered

Cos/Sector	Key Highlights
Bajaj Finance	Superior execution; New products showing healthy traction
Exchanges	SEBI approves interoperability of clearing corporations
Utilities	Govt. seeks radical changes through Electricity Act
Telecom	Bharti, Vod-Idea cede subs market share to RJio;



Piping hot news

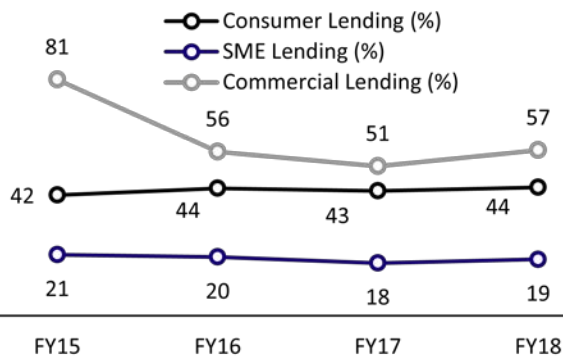
Rupee closes at all-time low of 72.97 a dollar

The Indian rupee on Tuesday hit a fresh record low against the US dollar and closed near the 73-mark, tracking losses in the local equity markets after US said it will impose fresh tariffs on China. The rupee ended at an all-time low of 72.97 a dollar, down 0.63% from its Monday's close of 72.51...



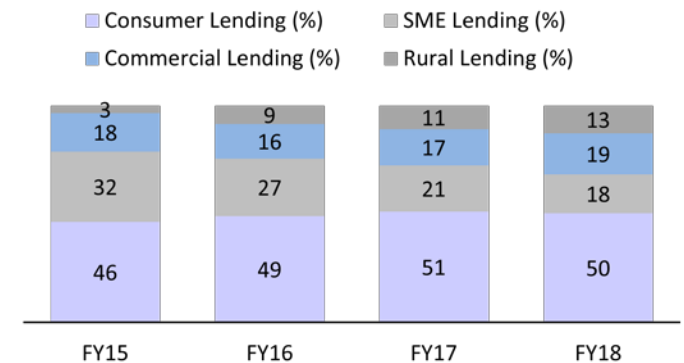
Chart of the Day: Bajaj Finance - Superior execution; New products showing healthy traction

Segmental growth rates



Source: MOSL, Company

Rural lending now meaningfully contributing to incremental AUM growth



Source: MOSL, Company

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

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



Kindly click on textbox for the detailed news link

1

Videocon case: ICICI Bank says not filed consent plea with SEBI

ICICI Bank, which is under the regulatory scanner in the Videocon loan case, has clarified that it has not filed any consent plea with the Securities and Exchange Board of India (SEBI) in the matter...

2

Rupee closes at all-time low of 72.97 a dollar

The Indian rupee on Tuesday hit a fresh record low against the US dollar and closed near the 73-mark, tracking losses in the local equity markets after US said it will impose fresh tariffs on China. The rupee ended at an all-time low of 72.97 a dollar, down 0.63% from its Monday's close of 72.51. The home currency opened at 72.60 per dollar and touched a low of 72.97. The 10-year bond yield closed at 8.14%, from its previous close of 8.098%. Bond yields and prices move in opposite directions...

3

Sebi decisions: Relief for NRIs, cut in mutual fund costs

In a move that would reassure foreign portfolio investors (FPIs), the Securities and Exchange Board of India (Sebi) said on Tuesday it broadly agrees with easier know-your-customer norms suggested by the committee headed by former Reserve Bank of India deputy governor HR Khan...

4

Fiat Chrysler escalates fight with Mahindra in US

Fiat Chrysler Automobiles NV (FCA) has escalated its effort to bar Mahindra and Mahindra Ltd from selling its off-road utility vehicle, Roxor, in the US, claiming that the Indian auto maker is seeking refuge in a legal interpretation of a contract signed between the two companies in 2009...

5

Sun marches ahead with its specialty pipeline, announces European approval for Tildra

India's largest drug maker Sun Pharma on Tuesday announced that the company's partner Spanish drug maker Almirall, has received the approval from European drug regulators for its psoriasis drug Tildrakizumab (brand name Ilumetri in Europe). This European approval for Sun Pharma comes just few days after the company received the approval for its eye care drug Xelpros, giving markets the confidence that despite the inspections by regulators of its plants in the last few weeks, there is no cause for worry...

6

Will next merger candidates be from east?

The three-way merger has triggered hopes for more such prospects and the next bunch of candidates of week banks may be from the east -- Allahabad Bank, Uco Bank and United Bank of India. These three have been languishing with business restrictions under Reserve Bank of India's corrective prescriptions and without much scope for growth in lending...

7

Infosys asked to pay balance ₹12-cr severance package to former CFO

Infosys will have to pay its former CFO Rajive Bansal the remaining ₹12.17 crore of the severance package it owes him. In a notification to the exchanges, Infosys said the arbitral tribunal, which went into this issue, added that while Infosys had bona fide disputes with Bansal...



Bajaj Finance

BSE SENSEX

37,291

S&P CNX

11,279

CMP: INR2,570 TP: INR2,400 (-7%)

Neutral



Stock Info

Bloomberg	BAF IN
Equity Shares (m)	575
M.Cap.(INRb)/(USDb)	1485.4 / 20.4
52-Week Range (INR)	2995 / 1514
1, 6, 12 Rel. Per (%)	-8/38/19
12M Avg Val (INR M)	2532
Free float (%)	44.9

Financials Snapshot (INR b)

Y/E March	2018	2019E	2020E
NII	72.3	100.0	133.2
PPP	48.8	69.7	93.2
PAT	25.0	36.1	47.7
EPS (INR)	43.4	62.7	82.9
EPS Gr. (%)	35.9	44.5	32.2
BV/Sh. (INR)	269	325	398
RoA (%)	3.3	3.5	3.6
RoE (%)	20.4	21.1	23.0
Payout (%)	10.1	10.0	10.0

Valuations

P/E (x)	60.0	41.5	31.4
P/BV (x)	9.7	8.0	6.6
Div. Yield (%)	0.1	0.2	0.3

Shareholding pattern (%)

As On	Jun-18	Mar-18	Jun-17
Promoter	55.1	55.1	57.9
DII	8.8	9.0	5.9
FII	20.4	20.0	19.1
Others	15.6	15.9	17.1

FII Includes depository receipts

Superior execution

New products showing healthy traction

Superior execution across products, focus to increase new growth/profit avenues (rural lending, housing finance companies (HFCs), cross-selling, etc.) and strong focus on asset quality are the key highlights of the FY18 Annual Report (AR). With the strong treasury management (move towards capital market linked borrowings/deposits), positive assets liability management (ALM) gap and with pricing power on the focused segments, BAF spreads are likely to be stable. However, margins may moderate with the leverage on the balance sheet coming into play. Asset quality performance remains impeccable with GNPA of 1.48% and PCR of 75% (as of FY18). On back of rich valuation, we reiterate Neutral with target price of INR2,400 - 6x PBV—Unchanged.

Strong growth in retail lending; New products showing healthy traction

In the past three years, BAF introduced eleven new products, primarily across the consumer and commercial lending segments. The company **financed 10m (+38% YoY) consumer durable loan contracts in FY18**, which is almost double from the volumes of FY16. It also **financed ~700,000 e-commerce transactions** during the year, which has increased 4x from FY17. **Digital product store outreach** has increased ~3x during FY15-18 to **15,900 stores**. As of FY18, BAF had an outstanding base of ~13m EMI cards and a co-branded credit card with RBL of ~0.4m.

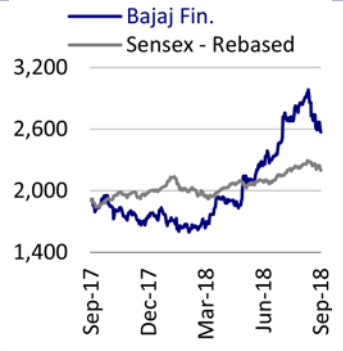
Rural business to grow into 16-17 states

Currently, the rural business targets the affluent class and distribution is present in only the top-10 states through 602 branches. Management has indicated that it wants to grow its distribution reach to 16-17 states, albeit in a calibrated manner. BAF is **focusing on growing its distribution through franchises over branch expansion, thus achieving a wider reach to target customers, but at a low cost**. Rural channel expansion is led by a hub-and-spoke model, with rural-lending franchisees growing ~2.6x during FY15-18.

Bajaj Housing Finance subsidiary carved out to focus on housing market

Bajaj Housing Finance Limited (100% subsidiary of BAF) was granted a housing finance company license by the National Housing Bank (NHB) in September 2015. BHFL started its lending operation from July 2017. Effective **February 2018, all incremental loans sourced** under these products **would be under BHFL**. **Mr. Atul Jain, who was the enterprise risk officer and has been with BAF for the last 16-years, has been appointed CEO**. As of FY18, mortgages contribute 29% to the balance sheet, which management expects to grow to 35% of balance sheet by FY21.

Stock Performance (1-year)



Liability mix shifts to fixed-rate instruments leading to stable spreads

Liability mix has incrementally moved towards fixed-rate instruments leading to lower cost of borrowings and **stable spreads**. Cost of funds has declined by ~70 bp YoY in FY18. BAF is running a **positive gap in the next one year ALM, which should lead to stable-to-improving spreads and return ratios**.

Real estate exposure and top-20 borrower concentration reduced

Residential mortgages as % of AUM have reduced by half to 7.8% during FY17-18. Also, commercial real estate (CRE) exposure declined to 2.7% (vs. 4.5% in FY17) during FY17-18. Concentration of top-20 borrowers reduced to 3.9% (vs. 5.3% in FY17) during FY17-18.

Valuation and view

We believe the company, post the capital raise of ~INR46b, is well capitalized for growth over the next three years. **While we like the business and have confidence in the management’s superior execution of strategy, we believe valuations are stretched. Reiterate Neutral with target price of INR2,400 (6x PBV FY20).**



SEBI approves interoperability of clearing corporations...

...takes first steps to allow foreign entities to trade in commodity derivatives

The SEBI meeting that took place on 18th September 2018 had two key developments relevant to our Exchanges coverage universe ([link](#)):

- **Interoperability among clearing corporations** – this is a significantly positive development for BSE, but will take time to materialize, in our view.
- **First step toward allowing foreign entities to participate in commodity derivatives** – this is another tick on the reforms agenda, but it remains to be seen what will attract volumes from overseas entities. A neutral event from MCX's perspective, in our view.

Appended below are more details on both the decisions by the regulator:

Financials snapshot (INR b)

Y/E Mar	FY18	FY19E	FY20E
Net Sales	4.9	4.9	5.4
EBITDA	1.1	1.0	1.4
PAT	2.4	2.4	3.0
EPS (INR)	43.5	44.3	55.8
EPS Gr (%)	6.0	1.9	25.9
BV/Sh. INR	574	701	711
P/E (x)	6.5	19.3	15.3
P / BV (x)	1.3	1.2	1.2
RoE (%)	7.6	6.3	7.8
RoCE (%)	10.7	9.1	10.7

BSE: Interoperability among clearing corps – a big advantage

- **Linking of clearing corporations (CCPs):** The SEBI approved the amendments to the SECC Regulations, 2012 to enable interoperability among CCPs. It allows participants to consolidate their clearing and settlement functions at a single CCP, irrespective of the stock exchange on which the trade is executed. The choice of model will ensure all recognized CCPs are on an equal footing with each other with regard to flow of collateral, margins and general risk management.
- **Still some time away, but biggest hurdle cleared:** The SEBI will carry out necessary amendments to the SECC Regulations and issue necessary circular/guidelines for inter-CCP margins, inter-CCP settlement, inter-CCP collateral, default handling process, dispute resolution mechanism, and technology related issues, among others. We expect it to take time before the guidelines are out, and then further gestation as the systems in the ecosystem align for interoperability. That said, the SEBI approval was the key hurdle and an unknown which is now behind.
- **Advantage BSE:** We believe that the development has facilitated BSE with a two-pronged opportunity: [1] As trading and clearing get unbundled, despite a lower trading share, BSE can chase incremental improvement in clearing market share. At its base, any movement of margins away from NSE will move the needle substantially. [2] The development can trigger greater usage of 'Smart Order Routing (SOR),' which makes the execution of any order more efficient by allocating volumes judiciously between multiple exchanges. As the choice of exchange for keeping margins becomes non-issue, the rationale for SOR would turn more compelling.
- **Valuation view:** We currently have a **Buy** rating on BSE with a price target of INR950 (25% upside). Our price target did not ascribe any value to option values that exist in commodities success, GIFT city scale, and interoperability of CCPs. However, one of them has now seen light of day.

Financials snapshot (INR b)

Y/E Mar	FY18	FY19E	FY20E
Sales	2.6	3.1	3.5
EBITDA	0.7	1.2	1.5
PAT	1.1	1.2	1.7
EPS (INR)	21.2	23.1	33.9
EPS Gr. %	-14.6	9.1	46.7
BV/Sh.INR	269.9	284.0	329.2
RoE %	7.9	8.4	11.1
RoCE %	7.7	9.8	10.8
Payout %	97.0	104.6	71.3
P/E (x)	36.9	33.9	23.1
P/BV (x)	2.9	2.8	2.4
EV/EBITDA.x	43.0	24.7	19.0
Div. Yld (%)	2.6	3.1	3.1

MCX: First step to allow foreign entities to participate in commodity derivatives

- **Participation of Eligible Foreign Entities (EFEs):** The SEBI has approved the regulatory framework for permitting foreign entities to participate in the domestic commodity derivatives markets. In its board meeting, the SEBI announced draft guidelines for eligible foreign entities (EFEs) for the same. Currently, the approval is limited to entities having actual exposure to the Indian commodity markets.
- **Potential:** The benefits of enabling such international participants to trade on the Indian commodity derivative market include: [1] greater liquidity, and more depth in the far-month contracts and [2] encouragement to domestic firms to trade on Indian exchanges instead of overseas hedging.
- **Await use cases for such participation:** While it is another check box ticked in SEBI's reform agenda with respect to commodity derivatives, it remains to be seen what will be the attraction, if any, for overseas entities to participate in commodity derivatives on the Indian exchanges. As a result, we will wait and watch for any contribution from this new segment, before changing our neutral view on the development.
- **Valuation view:** We have a Buy rating on MCX with a price target of INR1,000 (28% upside). Current regulations prevent the entry of competition in options for at least another year, which protects MCX's turf from competition in the foreseeable future. Any change to that is a risk.



Govt. seeks radical changes through Electricity Act

24x7 power, DBT and easing open-access are the key positives

The Ministry of Power has proposed amendments to the Electricity Act, 2003.

Summary of key changes proposed are:

(a) Separating carriage and content, reducing the role of regulator

- Electricity distribution will be split into carriage – the owner of the network, and content – the supplier of electricity.
- Carriage will remain regulated, while content will be liberalized. Regulator's role will be to fix a ceiling tariff, on certain benchmarks.
- It will become effective after notification of a transfer scheme, for which no timeline is set in the Act.

In our view, this will be major step towards liberalizing the market. However, implementation could take long as issues like allocation of existing power purchase agreements (PPAs) and universal service obligations still need to be addressed. It could begin with circles where private distribution companies (DISCOMs) are operating (Mumbai, Delhi, Kolkata, Ahmedabad, and Surat). The earnings of private DISCOMs should not be at risk, as what they earn now is on carriage and insignificant on content.

(b) Aiding growth of renewable energy should cost conventional generation

- Renewable purchase obligation (RPO) is now part of the Act, and is thus enforceable. There's a penalty of INR1-to-5/unit for non-compliance.
- There is a concept of renewable generation obligation (RGOs) for new/expanded coal/lignite capacities. The quantum; however, is not specified.
- Widening of the definition of renewable energy to even include hydro capacities of >25MW (renewable energy has a must-run status).
- Generation and supply of renewable energy will not require licensing (i.e. deemed license).

The inclusion of RPOs, introduction of RGOs and a penalty provision highlights the seriousness of the government towards renewable energy. Solar generation was ~2% and non-solar RE generation was ~6% of India's generation in FY18. The RPO for solar and non-solar RE is 10.5% each for FY22. We are currently building-in RE's share at 13% of generation by FY22, lower than the RPO. While it is expected to boost demand for RE, it should come at the cost of conventional generation and impact expected recovery of the conventional generation sector.

(c) Unshackling open-access, improving competitiveness of industries

- Surcharge will be initially capped at 20% of the wheeling charge, and complete elimination in two years.
- No additional charges on open-access.

The various surcharges and additional charges on open-access currently ranges anywhere between ~INR0.6-3/kWh, equivalent to almost half the cost of electricity

on power exchanges. Reducing these charges was already part of the Tariff Policy, but given the guideline nature of the Tariff Policy, the follow-up was weak. Key beneficiaries of open-access are exchanges (besides industries). We expect DISCOMs to reciprocate by changing their tariff structure (more of fixed and less of variable) to become competitive. Other provisions in the Act should reduce the cost of DISCOMs, improving their competitiveness to open-access. The net benefit to exchanges will be an inter-play of these factors.

(d) DISCOMs as socio-commercial organizations

- 24x7 power supply will become a service obligation for the DISCOMs.
- DISCOMs will also be evaluated on the quality of power supplied. Performance will be monitored by the regulator. Penalties will be credited directly to customer accounts.
- All sales of electricity will have to be metered, and compulsory smart meters have to be installed above a particular load.
- Subsidy will be paid directly by the state government through direct benefit transfer (DBT).
- Cross-subsidy will be capped at 20% and will be eliminated in three years.
- New connection will be issued in seven days against the current one month.

DISCOMs currently operate as a social organization – supply electricity to the weaker section of the society, by over charging the other consumers. Not only is the lack of commerciality impacting their performance, over time the high paying consumers are becoming uncompetitive in a globally competitive market. Service standards, removing cross-subsidy, compulsory metering and rightfully shifting the social obligation of supplying electricity to the government (through DBT), will enable DISCOMs to work as a socio-commercial organization. It will address some of the core issues facing the electricity distribution sector.

(e) Others

- DISCOMs will need to sign long/medium term PPAs to meet their average demand. This will be monitored every two years by the regulator.
- Railways and metros will be deemed licensees.
- Electric vehicle (EV) charging will not require any licensing under the Act.
- Development of forwards and futures market.

The requirement to sign medium/long term PPA is restrictive, in our view. DISCOMs should have the flexibility to design their power purchase plan. The development of futures and forwards market is positive for the role of power exchanges.

History of the Bill and likely course of action

The draft is a follow-up to the Electricity (Amendment) Bill, 2014, introduced in the Lok Sabha in December 2014, but subsequently referred to the Standing Committee on Energy for examination. There was some opposition/objection by the state governments to the 2014 Bill. The new draft includes some more amendments (like the DBT, open-access, cross-subsidy) based on the recommendations/observations of the Standing Committee, and on further consultation with the state governments.

The new draft, called Electricity (Amendment) Act, 2018, is open for public comment for 45 days, which ends on 22 October 2018. It could be presented in the winter session of the Parliament, which starts in December. If the bill is not cleared in this session, the model code of conduct will apply and the Bill would then get deferred for consideration by the next government.

Radical, addresses some of the core issues impacting the sector

Some of the provisions in the draft are already part of the Tariff Policy (like open-access charges, RPO) but the states do not adhere to them as the Tariff Policy is only a guideline. By including them in the Act, it will become enforceable.

In our view, the proposals are radical and address some of the core issues plaguing the sector. The shifting of social responsibility to state governments (through DBT) and compulsory metering should improve health of DISCOMs. Unrestricting open-access and reducing cross-subsidies would lower cost of electricity for industries, boosting their demand. 24x7 power and supply quality obligations will also boost demand. Carriage and content will open up huge opportunity for the private sector. We see most of these measures as steps towards liberalization, and are much needed for the health of the sector.

The proposals are radical; hence, we believe they will have to be implemented over time. It will take time to not only build infrastructure (like for DBT, metering) but also for the existing players in the system to adjust to the new structure (if surcharges reduce, DISCOMs will also adjust their tariffs). But it will create a positive direction for the sector, in our view. The pace of progress will be the key.

Exhibit 1: Utilities sector valuation

	Rating	CMP (INR)	MCAP (USD M)	EPS			P/E (x)		P/B(x)		RoE (%)	
				FY18	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E
Power Grid	Buy	200	14,783	16.5	18.6	20.6	10.8	9.7	1.6	1.5	16.3	15.9
NTPC	Buy	175	20,377	13.4	14.9	16.3	11.7	10.7	1.3	1.2	11.4	11.7
JSW Energy	Neutral	69	1,598	3.0	3.9	4.8	17.8	14.3	1.0	1.0	5.7	6.9
CESC	Buy	987	1,858	75.5	97.5	106.7	10.1	9.3	1.1	1.0	11.0	11.0
Tata Power	Neutral	76	2,907	5.3	6.2	7.9	12.3	9.7	1.2	1.1	10.2	11.4
NHPC	Buy	25	3,885	2.4	2.7	3.0	9.1	8.2	0.8	0.8	9.1	9.8
Coal India	Buy	277	24,735	19.2	26.2	30.6	10.6	9.1	8.2	7.6	81.0	86.9

Source: MOSL, Company



Bharti, Vod-Idea cede subs market share to RJio

Market consolidates to three players

The Telecom Regulatory Authority of India (TRAI) has released the subscriber data for the month of July 2018. Key highlights:

- The number of industry net active subscribers increased by 5.3m in July 2018 to reach ~1,006m. RJio increased its active subscriber base by 9.7m, led by the re-launch of Jiophone. On the other hand, Bharti and Vodafone-Idea lost 0.9m and 2.9m subscribers, respectively.
- Notably, Bharti has seen a decline in the number of its active subscribers for the first time since RJio's launch, partly on account of consolidation of Telenor subscribers. Vodafone-Idea has seen a decline in its subscriber base for the third consecutive month now.
- The number of industry broadband subscribers increased strongly by 13m to 430m, which is 43% of active subscribers.
- RJio gained a huge 75% of incremental broadband market share, while Bharti and Vodafone-Idea accounted for a meagre 14% and 10%, respectively. This could partly be attributed to high offtake of Jiophone, which is largely a voice device but its users are classified as broadband subscribers by RJio.

RJio only player to add subscribers, Bharti sees decline in subscribers for first time since RJio launch

- **Net active subs up 5.3m:** Active subscriber base for the industry increased by 5.3m MoM to 1,006m, (v/s an increase by 17m in June-18). With consolidation underway in the industry, it is more of a tussle between the top three players (Bharti, Vodafone-Idea and RJio) now, rather than between the large and small players as was the case previously. RJio exhibited strong subscriber addition (+9.7m) in July 2018 – it was also the only player to witness an increase in active subscribers (market share expanded by 90bp). Bharti for the first time since the launch of RJio has seen a drop (-0.9m) in active subscribers (market share contracted 30bp, partly due to Telenor subscriber consolidation). Vodafone-Idea, too, lost 2.9m active subscribers (market share declined by 50bp). This could also be early signs of consumers starting to use RJio as a primary SIM and of a permanent loss of subscribers for other operators.
- **Bharti's active subs down by 0.9m, market share declines by 30bp:** Bharti's gross subscriber base increased 0.3m on MoM basis, but its active subscribers dropped by 0.9m for the first time since RJio's launch. This could be attributed to the loss of subscribers of Telenor, which was merged in May 2018. Since Telenor likely has a high proportion of 2nd SIM subscribers, its consolidation with Bharti may have led to terminations. Over the last 15 months (since the commercial launch of RJio), Bharti gained about 800bp active subscriber market share to 34%, as smaller players wound up and the company benefited from hyper competition, cushioning the impact of RJio launch.

- **RJio adds 9.7m active subs, market share expands sharply by 90bp:** RJio gained 9.7m active subscribers, reversing the trend of muted subscriber additions (3-6m) over the last two months. Notably, RJio was the only player to witness market share expansion (+90bp to 18.6%). We believe that this could be partly attributed to the offtake of Jiophone, which was re-launched in July. The recent flash sales (which started in Aug'18) could further fuel growth over the coming months.
- **Vodafone-Idea loses 2.9m active subs, market share down by 50bp:** Vodafone-Idea witnessed a decline in active subscribers (-2.9m in July) for the third straight month. This can be ascribed to its deteriorating network quality, possibly due to network integration issues. Vodafone-Idea has seen its active subscriber market share shrink by 160bp over the last two months.

Industry adds 13m broadband subscribers – RJio grabs a large pie, other telcos lag

- **Industry MBB subscribers up by 13m:** Industry MBB subscribers increased by 13m to 460m, which is 44% of total active subscribers in the market.
- **RJio takes the lion's share:** RJio gained a huge 75% of incremental broadband market share. The company has been consistently expanding its broadband subscriber market share, which now stands at 51.4%. This could also be attributed to the Jiophone, which is predominantly used for voice calls but its users are classified as broadband subscribers by RJio.
- **Bharti's broadband subs increase by mere 2.2m:** Bharti accounted for a meagre 14% of incremental subscriber market share. This comes as a disappointment as it had maintained healthy 25-30% of incremental broadband market share over the last 4-5 months (except May-18). The contraction in July is possibly due to high offtake of Jiophone in July'18 and also as the shift from 3G to 4G is not accounted.
- **Idea-Vodafone combined subs adds drop 34% to 1.5m (+2.3m in June-18):** Idea-Vodafone's MBB market share contracted by 40bp to 24.3% in the month. It gained a meagre 10% of incremental subscriber market share of the top 4 players, as against active subscriber market share of 42%. Vodafone-Idea's broadband market share trend has consistently been weak over the past few months.



1. BANK OF BARODA: Merged entity can grow without immediate influx of capital; PS Jayakumar, Managing Director & CEO

- The first step involves the boards of respective banks approving the merger followed by a mechanism to determine the swap ratio. Then the scheme of amalgamation is drawn up and once that is approved by the government and the RBI, it has to be placed before both the houses of Parliament for 30 days and thereafter the remaining formalities would get completed. It should take between four and six months' time.
- Clearly there is a lot of opportunity because the three banks have all scratched the surface with respect to their portfolios. The second aspect is the synergy with respect to branch rationalisation and cost structures. Bank is well positioned today to be able to get synergies and then transfer successes which exist between organisations.
- (Regarding a term extension) "These are decisions for the shareholders to make, the government to make and the board to make. I can only speak for myself which is that I had communicated to the government and to the others as well as stakeholders as well that to the extent they feel my continuation is necessary, it is available."
- Looking at the net NPA plus restructured assets - on a standalone basis, Bank of Baroda in March of this year, it was Rs 23,483 crore. For the combined entity, this figure was Rs 36,000 crore. That is how the ratios are playing out. It is not doubling and it seems to be proportionate to the respective balance sheet.
- The merged entity probably presenting its first financial results in the first quarter of 2019 or maybe the last quarter of 2018.
- If one were to look at the next 12 months number or the next three quarters, for example, with the combined CET1 ratio of 9.33 which is what it is as of 30th of June, there is sufficient headroom to grow without waiting for immediate influx of capital.

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2. VIJAYA BANK & DENA BANK: On the merger; ra sankara narayanan, MD and CEO - Vijaya Bank

- The merger or amalgamation of two strong banks and the third bank also will lead to a bigger sized bank.
- This adds definite value to the banking operations in India and global presence. Bank doesn't have any foreign branches while BoB does and that definitely will assist customers to get foreign currency loans under the benefits. The combined entity has a business of around Rs 15 lakh crore which will be a strong base which will give a wide range of production services to customers.
- Dena Bank's NPA is around 11 percent, BoB's NPA is somewhere around 5.5 percent and bank's NPA is around 4.1 percent. The combined entity will have around 5.3-5.7 percent. So definitely the total NPA in absolute numbers is somewhere around Rs 80,000 crore for an asset size of Rs 8 lakh crore.

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Ramesh Singh, ED - Dena Bank

- With Bank of Baroda as consortium leader, have hardly four or five accounts and that too in a very small scale.

- Bank's provision coverage ratio is already 64-65%. Only 35% is remaining and naturally provisions are to be made gradually year wise, depending on the age of the NPA. Naturally in such a process, Bank of Baroda will definitely get some advantage because Dena Bank has 41% CASA whereas they have 34% and Vijaya Bank has 25%. The new entity will have quite a good amount of CASA.
- All the boards' approval will be obtained in the next couple of days, maybe a week or so. Actually, it should not take more than three to six months total.
- Bank's stressed assets, particularly those that have been referred to NCLT are Rs 3,900 crore and expect around 35-40% recovery. Already, have made 60% provision in these accounts

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3. ITC: Illicit industry flourishing due to sharp increase in tax on cigarettes; Sanjiv Puri, Managing Director

- Given the synergies among company's businesses and the institutional capabilities as well as assets that can be leveraged by all businesses, the current structure has delivered appreciable outcomes for all stakeholders. In fact, have successfully created new engines of growth by synergising institutional capabilities that are resident in businesses.
- Witnessing a continued improvement in the demand for rooms and company is well poised to benefit from this improved demand with its expanding footprint.
- Whilst there is a need to regulate the cigarette industry, it is imperative that regulations should not lead to unintended consequences, as has been witnessed in the case of sharp increases in taxation on cigarettes. Over the last six years, cigarette taxation has trebled. Such punitive increase in taxation has led to substantial growth in the illicit cigarette industry. Overall tobacco consumption has increased over the years, however, the legal cigarette industry has declined and its share of tobacco consumption has reduced to 11% but accounts for 87% of the revenues and is taxed more than 50 times compared to other forms of tobacco products. So, there is a shift to illegal and smuggled cigarettes, which has led to an estimated loss of Rs 13,000 crore to the exchequer.
- (Regarding acquisition of GSK's Horlicks brand) Given the high FMCG valuations in India, such acquisitions could be a challenge. Not pursuing it.

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1. Strategies to digitize small businesses

- As has been argued in the first part of this series, a more creative and granular approach is needed to overcome the last mile barriers to digital payments, especially for micro businesses that comprise the overwhelming majority of retail value and volume. Products and delivery strategies will need to be tailored to create tangible business value to merchants, be it through easier and more affordable access to small credit, better customer analytics, or streamlined business process management. We tested a few such value drivers with merchants to arrive at propositions (see table 1). Beyond these broad themes, Catalyst's experiments in its digital payment lab in Jaipur reveal deeper insights for scaling digital payment solutions through public and private sector collaboration. First, target businesses that have payment collection challenges. Our work with newspaper vendors shows that digital solutions were adopted when they provided business value—to record deliveries, invoice and collect from customers, and reconcile month-end accounts. Over a five-month period, there was a 10-fold increase in paying businesses; the number of digitally-paid invoices increased from 2% to 25%.

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2. Interest-rate defence of rupee a bad idea

- Given how the rupee closed at 72.51 to the dollar versus Friday's close of 71.86—10-year yields softened a bit at 8.098 versus Friday's 8.127—it would appear the markets weren't too impressed with the measures announced by the government over the weekend, from taking measures to curb "non-essential" imports of gold and electronics to ensuring that the fiscal deficit targets will be met while keeping capex untouched. This is not to say that measures like those announced to make it easier for corporates to raise funds overseas—including removing withholding taxes for masala bonds—are not a good idea. Of course they are, but the current volatility in the rupee is not just related to a weakness in India's macros, it is part of global pressures brought on by a stronger dollar, the likelihood of the Fed continuing to tighten rates and the fear that the trade wars will continue to heighten. While it is true the measures announced over the weekend are part of an overall confidence-building package—more are likely to be announced—what is not clear is why the government and RBI did not raise \$30-40 billion from NRI bonds when it was first suggested several months ago; nor is it clear why, given how much forex they consume, a separate forex window was not created to keep oilcos away from the forex market.

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3. Policy solutions to india's balance of payment crisis

- Burgeoning crude oil prices have raised concerns about India's current account deficit (CAD). Oil imports are a major constituent of India's import bill. The rupee has hit fresh lows in September 2018 as the crude prices have risen. Though the falling rupee is interpreted as good for export competitiveness, the leverage from exports to stem the balance of payment (BoP) crisis cannot be the sole short term strategy before the government. In meetings held by prime minister Modi with his economic advisers and finance ministry officials, it was emphasised that the strategies should be to focus on "strengthening the macro-

economic fundamentals” and to remain firm in the path of fiscal consolidation through revenue buoyancy strategies. This fiscal policy emphasis is welcome, when compared to an option of a clarion call by RBI through intervening in the market to “artificially stabilise” the rupee to a specific level.

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International

4. A better bailout was possible

- The recent exchange between Joe Stiglitz and Larry Summers about “secular stagnation” and its relation to the tepid economic recovery after the 2008-2009 financial crisis is an important one. History does not repeat itself, but it rhymes, Mark Twain reportedly once said. But, to paraphrase Bob Dylan, in light of our recent economic history, history doesn’t rhyme, it swears. Stiglitz and Summers appear to agree that policy was inadequate to address the structural challenges that the crisis revealed and intensified. Their debate addresses the size of the fiscal stimulus, the role of financial regulation, and the importance of income distribution. But additional issues need to be explored in depth. We believe a critical opportunity was missed when the balance of the burden of adjustment was tilted heavily in favor of creditors relative to debtors in the response to the crisis and that this contributed to the prolonged stagnation that followed the crisis. The long-term social and political ramifications of this missed opportunity have been profound.

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY18	FY19E	FY18	FY19E
Automobiles																
Amara Raja	Buy	789	946	20	27.6	29.3	36.3	-1.5	6.2	23.8	28.6	26.9	4.6	4.0	17.0	15.9
Ashok Ley.	Buy	126	149	18	5.4	6.6	8.7	23.9	23.4	30.5	23.5	19.0	5.2	4.4	23.7	25.1
Bajaj Auto	Buy	2776	3223	16	151.3	153.9	174.6	7.3	1.7	13.5	18.3	18.0	4.2	3.8	24.2	22.1
Bharat Forge	Buy	630	747	19	17.7	23.5	29.3	34.9	33.2	24.5	35.7	26.8	6.3	5.4	18.8	21.7
Bosch	Neutral	20737	19280	-7	469.8	584.2	712.6	-0.7	24.3	22.0	44.1	35.5	6.3	5.7	15.3	17.0
CEAT	Buy	1343	1588	18	64.0	76.1	99.2	-31.5	19.0	30.4	21.0	17.6	2.1	1.9	10.3	11.2
Eicher Mot.	Buy	28911	34111	18	799.6	966	1,238	27.0	20.9	28.1	36.2	29.9	11.2	8.7	35.2	32.7
Endurance Tech.	Buy	1385	1691	22	29.1	37.1	49.1	23.8	27.8	32.3	47.6	37.3	9.0	7.5	21.0	22.0
Escorts	Neutral	761	988	30	39.5	52.5	65.9	88.0	32.8	25.5	19.2	14.5	3.1	2.6	18.3	19.3
Exide Ind	Buy	269	314	17	8.2	10.6	12.8	0.4	29.1	21.4	32.8	25.4	4.2	3.8	12.9	14.9
Hero Moto	Neutral	3112	3446	11	185.1	193.4	219.0	9.5	4.5	13.2	16.8	16.1	5.3	4.7	33.8	31.1
M&M	Buy	947	1103	16	41.0	48.3	55.5	49.8	17.8	14.8	23.1	19.6	3.7	3.3	14.2	14.5
Maruti Suzuki	Buy	8400	10805	29	266.7	311.2	409.2	7.3	16.7	31.5	31.5	27.0	6.1	5.4	18.5	19.5
Motherson Sumi	Buy	286	388	35	8.2	10.2	14.6	5.9	24.4	44.0	35.1	28.2	6.5	5.6	19.5	21.2
Tata Motors	Buy	251	353	40	22.9	30.1	38.2	15.7	31.3	26.9	11.0	8.4	0.9	0.8	10.1	10.1
TVS Motor	Neutral	593	546	-8	13.9	15.6	22.8	18.7	11.6	46.1	42.5	38.1	9.8	8.3	25.1	23.6
Aggregate								15.2	18.6	24.9	24.9	21.0	3.8	3.4	15.5	16.3
Banks - Private																
AU Small Finance	Buy	674	760	13	10.2	14.0	19.8	-79.5	37	40.8	65.8	48.0	8.5	6.2	13.8	14.9
Axis Bank	Buy	608	750	23	1.1	20.1	35.9	-92.8	1,705	79.2	547.5	30.3	2.5	2.3	0.5	7.8
DCB Bank	Neutral	165	170	3	8.0	9.5	11.2	13.8	18.9	18.2	20.8	17.5	1.9	1.7	10.9	10.8
Equitas Hold.	Buy	140	175	25	0.9	4.9	9.7	-82.3	427.2	99.5	151.4	28.7	2.1	2.0	1.4	7.1
Federal Bank	Buy	75	110	46	4.8	5.8	7.9	-1.3	22.8	35.2	15.8	12.9	1.2	1.1	8.3	9.1
HDFC Bank	Buy	1993	2400	20	67.8	79.2	94.9	19.4	16.8	19.9	29.4	25.2	4.9	3.7	17.9	16.6
ICICI Bank	Buy	319	355	11	11.1	9.9	20.8	-34.3	-10.8	110.5	28.8	32.3	2.0	2.0	6.8	6.2
IndusInd	Buy	1861	2250	21	60.2	81.8	108.2	25.2	36.0	32.2	30.9	22.7	4.7	4.1	16.5	19.4
J&K Bank	Buy	53	100	88	3.8	6.5	7.8	LP	74.1	19.7	14.2	8.1	0.5	0.5	3.8	6.7
Kotak Mah. Bk	Neutral	1216	1400	15	32.5	37.2	45.7	21.3	14.2	22.9	37.4	32.7	4.6	4.0	12.5	11.8
RBL Bank	Buy	595	700	18	15.1	20.6	28.0	27.3	36.3	35.6	39.3	28.9	3.7	3.4	11.6	12.3
South Indian	Buy	16	26	63	1.9	1.7	3.9	-25.5	-9.7	134.2	8.6	9.5	0.6	0.5	6.6	5.7
Yes Bank	Buy	323	444	37	18.4	23.8	30.7	26.3	29.0	29.2	17.5	13.6	2.9	2.5	17.7	19.5
Aggregate								-1.3	30.7	43.1	33.7	25.8	3.5	3.0	10.4	11.6
Banks - PSU																
BOB	Under	113	-		-9.8	11.7	19.6	PL	LP	67.9	NM	9.7	0.7	0.7	-5.8	6.9
BOI	Neutral	90	90	0	-43.2	5.1	8.3	Loss	LP	62.7	NM	17.7	0.5	0.5	-17.8	2.5
Canara	Neutral	247	278	13	-63.5	19.3	44.2	PL	LP	129.2	NM	12.8	0.6	0.5	-12.2	3.9
Indian Bk	Buy	293	430	47	26.2	32.2	53.4	-10.4	22.7	66.1	11.2	9.1	0.8	0.8	8.3	9.4
PNB	Neutral	79	85	7	-50.3	-8.9	8.0	PL	Loss	LP	NM	NM	0.6	0.6	-29.6	-6.4
SBI	Buy	274	360	31	-5.3	7.9	30.5	PL	LP	286.2	NM	34.7	1.1	1.1	-3.5	2.4
Union Bk	Neutral	75	97	30	-56.5	-4.3	3.5	PL	Loss	LP	NM	NM	0.4	0.3	-23.7	-2.1
Aggregate								PL	LP	291.2	0.0	34.4	0.9	0.9	-8.0	2.5
NBFCs																
Aditya Birla Cap	Buy	130	200	54	3.8	4.6	6.2	NA	22.4	34.8	34.7	28.3	3.3	2.8	12.4	10.9
Bajaj Fin.	Neutral	2570	2400	-7	43.4	62.7	82.9	35.9	44.5	32.2	60.0	41.5	9.7	8.0	20.4	21.1
Capital First	Buy	594	960	62	33.1	44.2	55.6	34.3	33.4	26.0	17.9	13.5	2.3	2.0	13.4	15.7
Cholaman.Inv.&F	Buy	1318	1700	29	62.3	75.3	89.5	35.5	20.8	18.9	21.2	17.5	4.1	3.4	20.9	21.0
GRUH Fin.	Neutral	331	300	-9	5.0	6.2	7.0	21.9	25.5	13.1	66.7	53.1	18.7	15.4	31.8	31.8
HDFC	Buy	1856	2335	26	42.3	46.5	55.6	6.2	10.1	19.4	43.9	39.9	5.0	4.3	18.6	17.5
HDFC Stand. Life	Buy	410	525	28	5.5	7.0	8.8	23.7	26.5	26.0	74.1	58.6	5.4	4.6	25.8	26.7
ICICI Pru Life	Buy	359	450	26	11.3	11.6	12.5	-3.8	2.4	8.4	31.8	31.0	2.7	2.3	16.1	16.8
Indiabulls Hsg	Buy	1163	1650	42	90.2	106.4	126.6	31.5	18.0	19.0	12.9	10.9	3.3	2.9	27.9	28.3
L&T Fin Holdings	Buy	151	240	59	6.8	11.8	13.9	29.5	74.7	17.4	22.2	12.7	2.7	2.3	14.2	19.3
LIC Hsg Fin	Neutral	466	600	29	39.4	45.0	53.5	3.0	14.3	18.7	11.8	10.4	1.9	1.7	17.0	17.2
MAS Financial	Buy	560	780	39	19.2	24.4	30.7	27.5	27.5	25.4	29.2	22.9	4.2	3.7	20.7	17.2
M&M Fin.	Buy	443	600	35	17.4	20.3	24.2	146.3	16.2	19.3	25.4	21.9	2.8	2.6	12.5	12.4
Muthoot Fin	Neutral	444	490	10	43.0	51.2	58.1	45.6	19.1	13.3	10.3	8.7	2.3	1.9	24.1	24.2
PNB Housing	Buy	1247	1520	22	49.9	67.1	81.4	57.7	34.5	21.4	25.0	18.6	3.2	2.8	13.9	16.1
Repco Home	Buy	510	710	39	32.9	40.9	45.9	13.1	24.0	12.3	15.5	12.5	2.5	2.1	16.9	18.0
Shriram City	Buy	1877	2500	33	100.8	136.9	158.5	19.5	35.8	15.8	18.6	13.7	2.3	2.0	12.7	15.4



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY18	FY19E	FY18	FY19E
Shriram Trans.	Buy	1185	1650	39	69.1	109.4	135.5	24.7	58.4	23.8	17.2	10.8	2.0	1.7	12.7	16.9
Aggregate								25.2	24.9	20.7	32.0	25.6	4.7	4.1	14.8	15.8
Capital Goods																
ABB	Sell	1441	950	-34	19.8	25.2	31.3	8.1	27.0	24.5	72.7	57.3	8.5	7.6	11.6	13.3
Bharat Elec.	Buy	84	120	43	5.7	6.3	7.3	-8.8	10.2	16.1	14.6	13.3	2.6	2.4	18.0	17.8
BHEL	Sell	74	60	-19	2.2	3.2	4.1	64.1	45.6	28.0	33.5	23.0	0.8	0.8	2.5	3.6
Blue Star	Neutral	650	695	7	14.5	20.0	25.1	12.7	37.6	25.7	44.8	32.5	7.5	6.8	17.5	21.8
CG Cons. Elec.	Buy	227	305	34	5.2	6.4	7.8	14.3	23.4	22.6	44.0	35.7	18.1	14.3	48.7	44.8
CG Power & Indu.	Neutral	53	60	13	2.9	4.4	5.1	-29.8	52.6	16.1	18.5	12.1	0.9	0.8	4.5	6.9
Cummins	Buy	719	800	11	23.5	26.5	31.9	-11.2	12.6	20.4	30.5	27.1	5.0	4.6	18.3	17.7
Engineers India	Buy	129	155	21	6.3	6.3	7.4	14.8	0.8	17.0	20.6	20.4	3.8	3.5	15.7	16.8
GE T&D	Neutral	282	330	17	7.5	11.7	13.2	30.8	56.4	12.7	37.7	24.1	6.1	5.3	17.3	23.4
Havells	Buy	647	645	0	11.2	13.8	16.9	17.4	23.4	22.1	57.7	46.7	10.8	9.5	18.7	20.4
K E C Intl	Neutral	303	360	19	17.9	20.1	25.7	51.1	12.5	27.8	16.9	15.0	3.9	3.2	23.1	21.3
L&T	Buy	1329	1570	18	51.7	59.7	72.8	22.4	15.4	22.0	25.7	22.3	3.3	3.0	13.7	14.3
Siemens	Neutral	966	1070	11	19.8	25.1	30.1	10.9	27.0	19.8	48.9	38.5	4.5	4.2	9.1	10.8
Solar Ind	Neutral	1085	1150	6	24.4	29.5	38.3	18.2	21.1	29.8	44.5	36.8	9.1	7.6	21.9	22.4
Thermax	Buy	982	1295	32	20.5	31.1	40.4	-1.2	51.4	30.1	47.9	31.6	4.1	3.7	8.8	12.3
Va Tech Wab.	Buy	383	450	18	24.1	32.4	37.2	27.6	34.5	14.8	15.9	11.8	1.9	1.7	12.4	12.9
Voltas	Neutral	579	605	5	17.3	18.9	21.6	11.9	9.3	14.5	33.5	30.6	4.9	4.4	15.9	15.1
Aggregate								15.1	19.2	21.6	30.9	25.9	3.4	3.1	11.0	12.1
Cement																
Ambuja Cem.	Neutral	223	231	3	6.1	8.1	9.6	30.5	33.9	18.0	36.8	27.5	2.2	2.1	6.1	7.8
ACC	Buy	1570	1633	4	46.9	72.5	92.4	27.7	54.7	27.4	33.5	21.6	3.1	2.9	9.7	14.0
Birla Corp.	Buy	711	1030	45	18.9	37.7	49.6	-35.6	99.2	31.6	37.6	18.9	1.3	1.2	3.8	6.6
Dalmia Bharat	Buy	2579	3141	22	55.7	71.6	102.9	106.3	28.4	43.8	46.3	36.0	3.8	3.5	9.0	10.1
Grasim Inds.	Neutral	1067	1084	2	57.4	101.4	129.0	-15.4	76.8	27.2	18.6	10.5	1.4	1.3	8.0	12.6
India Cem	Neutral	114	120	5	3.3	5.9	8.1	-42.0	80.2	38.1	35.0	19.4	0.7	0.7	2.0	3.5
JK Lakshmi Ce	Buy	311	384	24	7.4	11.6	19.5	5.8	58.1	67.3	42.2	26.7	2.5	2.3	6.1	9.1
Ramco Cem	Buy	643	802	25	23.9	25.8	38.0	-12.3	8.0	47.4	26.9	24.9	3.7	3.3	14.4	14.1
Orient Cem	Buy	105	139	33	2.2	5.1	8.4	LP	138.5	62.6	48.5	20.3	2.1	1.9	4.4	9.9
Prism Johnson	Buy	103	136	32	1.1	5.5	7.3	288.2	416.9	33.5	97.5	18.9	5.0	4.1	27.4	22.7
Sagar Cements	Not Rated	729	-		25.2	50.6	70.6	LP	101.0	39.7	29.0	14.4	1.8	1.6	6.5	12.0
Sanghi Inds.	Buy	79	130	65	3.7	5.4	7.6	29.5	45.4	40.5	21.1	14.5	1.2	1.1	6.9	8.1
Shree Cem	Buy	16897	19804	17	385.8	424.5	617.1	0.4	10.0	45.3	43.8	39.8	6.6	5.8	16.2	15.5
Ultratech	Buy	4061	4536	12	85.7	103.3	141.4	-10.9	20.5	36.9	47.4	39.3	4.3	4.0	9.4	10.5
Aggregate								-0.7	43.6	34.1	37.7	26.2	3.1	2.8	8.2	10.7
Consumer																
Asian Paints	Neutral	1291	1405	9	21.1	23.3	28.3	1.9	10.1	21.6	61.1	55.5	14.7	13.8	25.3	25.7
Britannia	Buy	6061	7165	18	83.6	98.6	124.9	13.5	17.8	26.7	72.5	61.5	21.4	18.9	32.9	32.6
Colgate	Buy	1118	1360	22	25.2	27.8	32.5	18.6	10.5	16.7	44.4	40.2	19.9	18.9	49.0	48.3
Dabur	Neutral	470	440	-6	7.8	8.5	10.1	7.2	9.7	18.9	60.4	55.1	14.5	11.6	25.9	23.4
Emami	Buy	544	665	22	12.1	14.4	17.2	-8.5	18.8	19.5	44.8	37.7	12.3	10.7	29.2	30.2
Future Consumer	Buy	47	69	46	-0.2	0.1	0.9	Loss	LP	1,080.9	NM	624.8	7.8	7.7	-3.3	1.2
Godrej Cons.	Neutral	859	827	-4	14.1	16.3	19.0	11.4	16.1	16.2	61.1	52.6	14.0	12.1	24.9	24.8
GSK Cons.	Neutral	7591	6710	-12	166.5	197.3	222.1	6.6	18.5	12.6	45.6	38.5	9.2	8.2	21.2	22.5
HUL	Buy	1666	2025	22	24.5	29.2	35.6	24.7	19.5	21.8	68.1	57.0	51.0	48.2	78.1	86.9
ITC	Neutral	303	295	-3	8.9	10.0	11.4	5.5	13.2	13.8	34.2	30.2	7.2	6.6	22.3	22.9
Jyothy Lab	Neutral	214	220	3	4.9	5.7	7.0	-12.4	14.9	24.5	43.5	37.8	6.8	6.3	16.0	17.3
Marico	Neutral	344	370	7	6.5	7.6	9.0	-2.8	17.6	18.2	53.4	45.4	17.5	15.2	34.2	35.8
Nestle	Neutral	10280	10620	3	140.0	181.0	197.8	13.2	29.2	9.3	73.4	56.8	29.0	26.3	40.3	48.5
Page Inds	Neutral	32793	31600	-4	311.1	412.2	529.4	30.3	32.5	28.5	105.4	79.6	43.2	34.7	41.0	43.6
Parag Milk Foods	Neutral	274	314	15	10.4	12.0	14.9	187.1	15.8	24.3	26.4	22.8	3.2	2.9	13.0	13.2
Pidilite Ind.	Buy	1115	1325	19	18.9	19.7	23.5	13.2	4.0	19.3	58.9	56.6	15.8	13.9	27.3	26.2
P&G Hygiene	Neutral	9850	10250	4	115.3	156.6	186.4	-13.4	35.9	19.0	85.4	62.9	34.3	29.8	46.3	50.8
Prabhat Dairy	Not Rated	153	-		3.5	6.4	9.7	-2.0	83.8	52.1	44.0	23.9	2.1	2.0	4.9	8.5
United Brew	Buy	1307	1730	32	14.9	19.2	24.1	71.7	28.8	25.6	87.6	68.0	12.8	11.0	15.7	17.5
United Spirits	Neutral	568	615	8	6.7	9.2	13.2	26.1	36.4	43.1	84.2	61.7	16.5	12.1	19.6	19.6
Aggregate								10.5	16.4	18.4	53.0	45.5	14.0	12.6	26.4	27.7
Healthcare																



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY18	FY19E	FY18	FY19E
Alembic Phar	Neutral	632	540	-15	21.9	25.0	28.2	2.5	14.3	12.5	28.9	25.2	5.4	4.6	19.6	19.3
Alkem Lab	Buy	2035	2475	22	58.9	74.0	98.6	-21.1	25.7	33.2	34.6	27.5	5.0	4.4	15.1	17.0
Ajanta Pharma	Buy	1188	1560	31	53.0	51.5	65.0	-7.5	-2.7	26.2	22.4	23.0	5.1	4.3	26.0	20.4
Aurobindo	Buy	777	910	17	42.7	44.2	59.1	8.7	3.5	33.8	18.2	17.6	3.9	3.2	23.8	20.1
Biocon	Neutral	678	625	-8	6.2	10.6	20.9	-39.2	71.1	96.5	109.2	63.8	7.8	7.2	7.2	11.3
Cadila	Buy	407	440	8	17.5	18.0	19.6	20.6	2.5	8.9	23.2	22.7	4.8	4.1	22.1	19.5
Cipla	Neutral	662	620	-6	20.3	23.2	30.2	31.2	14.3	29.8	32.6	28.5	3.7	3.4	11.5	11.7
Divis Lab	Neutral	1381	1270	-8	33.0	43.3	52.6	-17.3	31.0	21.5	41.8	31.9	6.2	5.7	15.5	18.6
Dr Reddy's	Neutral	2587	2170	-16	64.7	99.3	120.6	-10.9	53.6	21.4	40.0	26.0	3.4	3.1	8.6	12.5
Fortis Health	Buy	142	171	21	-2.3	1.4	4.8	PL	LP	234.2	NM	99.3	1.6	1.6	-2.3	1.6
Glenmark	Neutral	681	550	-19	28.5	29.7	35.6	-27.5	4.1	20.0	23.9	23.0	3.7	3.2	15.6	14.0
Granules	Buy	112	130	16	5.7	6.8	8.7	-21.8	20.2	28.0	19.7	16.4	2.2	2.0	12.2	12.7
GSK Pharma	Neutral	1662	1444	-13	19.7	30.7	34.7	14.4	56.0	13.2	84.6	54.2	13.7	14.9	16.2	27.5
IPCA Labs	Buy	768	850	11	19.0	28.4	38.3	18.1	49.8	34.6	40.5	27.0	3.6	3.3	9.3	12.7
Jubilant Life	Buy	773	1020	32	45.6	63.0	73.3	23.3	38.2	16.4	17.0	12.3	2.9	2.4	18.9	21.6
Laurus Labs	Buy	435	552	27	15.8	21.1	31.2	-10.9	33.1	47.7	27.5	20.6	3.1	2.7	11.9	14.0
Lupin	Buy	930	950	2	46.8	29.2	45.1	-17.4	-37.6	54.5	19.9	31.8	3.1	2.9	15.6	9.4
Sanofi India	Buy	6426	6590	3	141.7	166.8	191.6	9.8	17.7	14.8	45.3	38.5	7.3	6.6	16.1	17.2
Shilpa Medicare	Buy	509	620	22	12.8	21.2	26.9	-0.7	65.4	26.8	39.6	24.0	3.8	3.3	10.3	14.5
Strides Pharma	Buy	499	481	-4	11.3	12.2	23.4	-65.1	8.4	92.0	44.3	40.9	1.8	1.8	3.9	4.4
Sun Pharma	Buy	642	790	23	13.5	18.6	26.3	-48.5	38.6	41.2	47.8	34.5	4.1	3.8	8.7	11.4
Torrent Pharma	Neutral	1735	1430	-18	53.7	48.1	65.0	-2.6	-10.4	35.0	32.3	36.1	6.4	5.4	20.3	16.2
Aggregate								-18.2	16.2	32.6	34.1	29.3	4.3	3.9	12.6	13.2
Infrastructure																
Ashoka Buildcon	Buy	116	195	68	-4.2	0.8	2.6	Loss	LP	231.2	NM	146.4	10.3	9.6	-30.2	6.8
IRB Infra	Neutral	172	225	31	23.9	23.8	23.5	17.5	-0.5	-1.2	7.2	7.2	1.0	0.9	14.6	12.9
KNR	Buy	199	315	58	19.4	13.7	16.8	61.8	-29.1	22.3	10.3	14.5	2.4	2.1	26.5	15.5
Sadbhav	Buy	266	385	45	12.9	16.0	17.8	17.5	24.7	11.3	20.7	16.6	2.4	2.2	12.5	13.8
Aggregate											13.9	12.7	1.8	1.6	12.8	12.5
Logistics																
Allcargo Logistics	Buy	112	146	30	7.3	8.4	10.5	-23.1	16.3	24.3	15.5	13.3	1.4	1.3	9.5	10.0
Concor	Buy	615	769	25	17.1	25.8	30.9	13.4	51.2	19.7	36.0	23.8	3.2	3.0	9.1	12.9
Aggregate								4.7	45.1	20.4	33.5	23.1	3.0	2.8	8.9	12.0
Media																
Dish TV	Buy	66	100	52	-0.4	1.8	5.5	PL	LP	201.8	NM	36.2	1.8	1.7	-2.1	4.9
D B Corp	Neutral	216	300	39	17.6	18.4	23.1	-13.8	4.3	25.7	12.3	11.8	2.1	2.1	18.4	17.0
Ent.Network	Buy	650	851	31	6.8	13.2	21.6	-40.5	93.7	64.4	95.7	49.4	3.5	3.3	3.7	6.9
Hathway Cable	Buy	24	47	94	-0.9	-0.8	-0.6	Loss	Loss	Loss	NM	NM	2.5	2.8	-8.7	-8.2
Hind. Media	Neutral	157	237	51	23.9	25.5	28.0	-7.5	6.9	9.5	6.6	6.1	0.9	0.8	14.0	13.2
HT Media	Neutral	53	59	11	13.0	8.5	9.9	75.6	-34.5	16.6	4.1	6.2	0.5	0.4	12.6	7.5
Jagran Prak.	Buy	119	156	31	9.6	11.9	14.9	-9.5	23.8	24.7	12.4	10.0	1.8	1.8	14.3	17.5
Music Broadcast	Buy	330	455	38	9.1	13.0	17.1	41.1	43.5	31.6	36.4	25.4	3.1	3.0	9.0	11.9
PVR	Buy	1340	1565	17	26.7	34.3	44.8	29.9	28.6	30.5	50.2	39.1	5.8	5.1	12.2	13.9
Sun TV	Buy	673	1050	56	27.7	36.5	41.9	11.6	31.5	14.9	24.3	18.4	5.7	5.2	25.2	29.6
Zee Ent.	Buy	463	680	47	14.6	16.1	19.5	-7.0	10.6	21.3	31.8	28.7	5.9	5.1	19.6	19.0
Aggregate								0.1	26.3	33.9	29.0	23.0	3.5	3.3	12.1	14.2
Metals																
Hindalco	Buy	234	322	37	18.9	24.2	27.1	120.5	28.1	12.2	12.4	9.7	1.4	1.2	12.8	13.6
Hind. Zinc	Neutral	298	295	-1	21.1	22.2	26.3	7.2	5.0	18.6	14.1	13.4	3.5	3.0	26.7	24.2
JSPL	Buy	229	327	43	-8.5	1.9	3.8	Loss	LP	101.2	NM	120.7	0.7	0.7	-2.7	0.6
JSW Steel	Buy	407	385	-5	23.4	33.4	30.1	56.9	42.8	-9.8	17.4	12.2	3.5	2.8	22.2	25.5
Nalco	Buy	68	108	59	5.0	9.1	8.2	35.3	80.7	-10.4	13.5	7.5	1.2	1.0	9.1	14.8
NMDC	Buy	119	178	50	13.1	13.7	14.6	31.5	4.7	6.1	9.1	8.7	1.5	1.4	17.7	17.1
SAIL	Neutral	76	82	8	0.3	8.9	6.8	LP	3,359	-23.8	295.6	8.5	0.9	0.8	0.3	9.5
Rain Industries	Buy	194	241	24	23.7	32.4	34.2	238.1	36.4	5.7	8.2	6.0	1.7	1.3	22.9	24.5
Vedanta	Buy	230	269	17	20.4	21.6	27.0	34.6	6.2	24.9	11.3	10.6	1.3	1.3	12.2	12.2
Tata Steel	Neutral	612	632	3	71.9	85.1	68.7	76.5	18.4	-19.3	8.5	7.2	1.3	1.1	17.8	16.5
Aggregate								73.3	31.1	2.1	13.9	10.6	1.6	1.4	11.5	13.4
Oil & Gas																
Aegis Logistics	Buy	217	311	43	5.9	8.1	11.0	64.5	36.9	35.9	36.6	26.7	6.0	5.1	19.4	20.7



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY18	FY19E	FY18	FY19E
BPCL	Buy	355	534	50	49.8	48.6	48.9	3.0	-2.3	0.5	7.1	7.3	1.9	1.7	29.0	24.4
GAIL	Neutral	375	361	-4	20.4	26.6	32.5	20.5	30.6	21.9	18.4	14.1	2.1	1.9	11.8	14.2
Gujarat Gas	Buy	709	990	40	21.2	32.9	40.7	32.0	55.4	23.8	33.5	21.6	5.3	4.4	16.7	22.3
Gujarat St. Pet.	Neutral	179	196	9	11.9	12.3	12.2	34.6	4.0	-1.0	15.1	14.6	2.0	1.8	14.0	13.0
HPCL	Buy	250	426	71	47.4	50.6	51.8	-12.4	6.7	2.4	5.3	4.9	1.5	1.3	31.0	27.8
IOC	Buy	153	252	65	23.9	17.9	18.8	11.0	-24.9	4.7	6.4	8.5	1.3	1.2	21.0	14.5
IGL	Buy	261	383	47	9.4	11.5	12.8	9.2	22.1	11.5	27.7	22.7	5.2	4.4	20.8	21.0
Mahanagar Gas	Buy	837	1097	31	48.4	51.1	54.8	21.5	5.5	7.3	17.3	16.4	3.9	3.5	24.3	22.5
MRPL	Neutral	74	88	19	12.8	10.0	11.9	-13.6	-21.6	19.0	5.8	7.4	1.2	1.0	21.2	15.0
Oil India	Buy	208	296	43	22.2	33.1	35.1	-1.2	49.3	5.8	9.4	6.3	0.9	0.8	9.4	13.7
ONGC	Buy	173	219	26	20.2	28.3	31.5	-9.9	40.1	11.3	8.6	6.1	1.1	1.0	13.0	16.9
PLNG	Buy	231	312	35	13.9	17.2	19.3	21.8	24.5	11.9	16.7	13.4	3.6	3.1	23.3	24.6
Reliance Ind.	Buy	1217	1477	21	60.9	76.6	94.9	20.7	25.7	23.9	20.0	15.9	2.5	2.1	13.0	14.3
Aggregate								5.5	15.1	13.9	12.3	10.7	1.8	1.6	14.9	15.3
Retail																
Jubilant Food	Neutral	1386	1320	-5	14.9	22.0	27.5	180.6	48.2	24.8	93.2	62.9	18.9	15.3	20.3	24.2
Titan Co.	Buy	825	1130	37	12.6	16.2	20.5	39.9	28.4	26.5	65.3	50.9	14.4	14.3	24.0	28.2
Aggregate								51.2	31.3	26.2	69.1	52.6	15.0	14.4	21.8	27.4
Technology																
Cyient	Neutral	705	780	11	38.2	38.8	45.9	24.8	1.4	18.2	18.4	18.2	3.4	3.0	18.3	16.7
HCL Tech.	Neutral	1082	1100	2	62.6	72.0	81.5	4.5	15.2	13.1	17.3	15.0	4.1	3.6	25.0	25.3
Hexaware	Neutral	462	460	-1	16.6	19.5	22.4	21.2	17.3	15.3	27.9	23.8	7.0	5.9	26.9	26.8
Infosys	Buy	719	800	11	40.9	36.2	42.1	30.2	-11.5	16.5	17.6	19.9	4.0	4.9	24.1	25.0
KPIT Tech	Neutral	299	320	7	12.7	15.4	18.2	6.1	21.3	18.0	23.6	19.4	3.3	2.8	15.4	16.1
L&T Infotech	Neutral	1846	1640	-11	66.3	87.3	106.5	19.6	31.7	21.9	27.8	21.1	8.4	6.4	33.1	34.4
Mindtree	Buy	1146	1260	10	34.4	46.3	62.3	38.0	34.8	34.5	33.3	24.7	6.9	5.9	18.8	25.7
Mphasis	Neutral	1214	1100	-9	44.0	57.7	63.2	13.2	31.1	9.5	27.6	21.0	4.3	4.9	14.6	20.9
NIIT Tech	Neutral	1308	1100	-16	45.6	59.3	70.2	19.8	30.1	18.4	28.7	22.1	4.5	4.1	16.2	19.5
Persistent Sys	Buy	833	950	14	40.4	46.0	58.9	7.2	13.9	28.0	20.6	18.1	3.3	3.1	16.7	18.3
Tata Elxsi	Buy	1327	1700	28	38.7	47.4	55.4	37.7	22.3	16.8	34.3	28.0	11.4	8.9	37.6	35.8
TCS	Neutral	2070	1950	-6	66.0	81.9	93.5	-1.0	24.1	14.1	31.3	25.3	9.1	8.8	29.4	34.9
Tech Mah	Buy	755	800	6	42.7	43.3	52.6	33.6	1.3	21.6	17.7	17.4	3.5	3.1	21.5	19.3
Wipro	Neutral	333	300	-10	17.9	18.8	21.5	7.7	5.2	14.2	18.6	17.7	3.1	2.7	17.0	15.7
Zensar Tech	Buy	304	300	-1	10.6	14.3	19.1	1.3	35.9	33.0	28.8	21.2	4.2	3.6	15.3	18.2
Aggregate								5.3	10.4	14.7	24.5	22.2	5.9	5.6	24.2	25.1
Telecom																
Bharti Airtel	Buy	374	470	26	4.1	-0.8	1.2	-63.3	PL	LP	91.7	NM	2.1	2.2	2.4	-0.5
Bharti Infratel	Neutral	267	290	9	13.6	11.2	10.0	-8.1	-17.6	-10.9	19.6	23.7	2.9	3.1	15.6	12.6
Vodafone Idea	Buy	46	70	52	-9.6	-15.2	-13.3	Loss	Loss	Loss	NM	NM	0.7	0.9	-16.0	-26.5
Tata Comm	Buy	517	670	29	3.5	0.7	13.8	-67.2	-78.5	1,752.3	149.3	695.9	29.5	28.3	9.4	4.2
Aggregate								-98.8	PL	Loss	2,845	-49	2.1	2.2	0.1	-4.5
Utilities																
Coal India	Buy	273	345	26	19.2	26.2	30.6	28.3	36.6	16.7	14.3	10.4	8.8	8.1	36.5	77.8
CESC	Buy	982	1292	32	75.5	96.2	105.4	45.5	27.4	9.6	13.0	10.2	1.2	1.1	9.2	10.9
JSW Energy	Neutral	70	75	8	3.0	3.5	4.8	-21.2	15.5	36.5	23.0	19.9	1.0	1.0	4.6	5.1
NHPC	Buy	24	33	36	2.4	2.5	3.0	-17.3	0.5	23.3	10.0	9.9	0.8	0.8	8.5	8.3
NTPC	Buy	170	194	14	13.2	15.3	16.3	6.8	16.0	6.4	12.8	11.1	1.3	1.3	10.8	11.7
Power Grid	Buy	199	253	27	16.5	18.6	20.6	16.1	12.5	10.7	12.0	10.7	1.9	1.6	16.3	16.3
Tata Power	Neutral	74	75	1	5.3	6.2	7.9	3.5	16.0	26.9	13.9	12.0	1.3	1.1	10.7	10.2
Aggregate								13.4	21.3	12.8	13.2	10.9	2.0	1.9	15.3	17.2
Others																
Arvind	Neutral	383	454	18	12.7	14.7	20.0	0.1	15.4	36.5	30.1	26.1	2.6	2.4	8.9	9.6
Avenue	Sell	1536	1117	-27	12.9	16.7	22.3	68.4	29.3	33.7	118.9	91.9	20.5	16.8	18.9	20.1
BSE	Buy	758	950	25	43.5	44.3	55.8	6.0	1.9	25.9	17.4	17.1	1.3	1.1	7.6	6.3
Castrol India	Buy	153	218	43	7.0	6.2	6.2	2.9	-11.4	0.7	21.8	24.7	14.8	14.0	69.1	58.3
Coromandel Intl	Buy	404	557	38	22.7	23.4	27.9	38.8	3.1	19.1	17.8	17.3	3.8	3.3	22.1	20.4
Delta Corp	Buy	242	301	24	5.8	6.9	9.4	89.4	18.8	36.3	41.9	35.2	3.9	3.7	11.9	10.8
Interglobe	Neutral	862	903	5	58.3	42.1	64.3	35.1	-27.8	52.7	14.8	20.5	4.7	4.5	41.3	22.4
Indo Count	Neutral	76	93	23	6.4	7.4	8.4	-45.7	15.8	13.8	11.9	10.3	1.6	1.4	14.0	14.3
Info Edge	Buy	1535	1550	1	22.5	25.7	31.8	31.3	14.5	23.9	68.3	59.7	8.9	8.1	13.4	14.1



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY18	FY19E	FY18	FY19E
Kaveri Seed	Buy	619	741	20	32.0	35.7	43.6	67.8	11.5	22.3	19.3	17.3	4.0	3.7	20.9	22.2
MCX	Buy	783	1000	28	21.2	23.0	33.7	-14.6	8.4	46.7	36.9	34.1	2.9	2.8	7.9	8.4
Navneet	Buy	121	160	33	5.4	7.9	8.9	-26.1	45.7	12.8	22.3	15.3	3.7	3.3	17.4	22.9
Oberoi Realty	Buy	460	616	34	12.6	24.5	35.8	21.2	94.1	46.3	36.4	18.8	2.7	2.1	7.8	12.6
Phoenix Mills	Buy	593	757	28	15.8	18.3	26.1	44.2	15.8	42.4	37.5	32.4	3.2	2.5	9.6	8.7
Qess Corp	Neutral	887	1100	24	21.8	23.0	35.0	115.7	5.3	52.1	40.7	38.6	4.1	3.6	18.8	12.4
PI Inds.	Buy	773	889	15	26.7	30.7	37.1	-20.2	15.3	20.6	29.0	25.1	5.5	4.8	20.7	20.4
Piramal Enterp.	Buy	2929	3685	26	77.8	78.9	137.6	7.2	1.4	74.5	37.7	37.1	2.2	2.1	7.5	5.8
SRF	Buy	1992	2225	12	80.4	102.6	130.9	-10.3	27.6	27.5	24.8	19.4	3.3	2.9	13.7	15.8
S H Kelkar	Buy	219	257	17	7.1	7.6	10.3	-2.2	7.8	34.6	31.0	28.7	3.7	3.4	12.3	12.3
Tata Chemicals	Buy	740	957	29	48.2	49.7	58.8	39.7	3.0	18.5	15.3	14.9	1.7	1.6	24.9	11.0
Team Lease Serv.	Buy	2521	3500	39	43.0	60.4	94.8	28.0	40.3	56.9	58.6	41.7	9.5	7.7	17.6	20.4
Trident	Buy	64	82	28	5.3	7.0	8.2	-21.8	32.9	16.5	12.2	9.2	1.1	1.0	9.2	11.5
UPL	Buy	708	749	6	44.2	46.7	50.6	5.9	5.7	8.3	16.0	15.2	3.9	3.2	26.9	23.4



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	0.7	-7.9	1.8
Ashok Ley.	-0.8	-1.3	6.7
Bajaj Auto	-2.8	4.3	-11.3
Bharat Forge	-3.7	-0.2	0.9
Bosch	-1.1	9.9	-5.3
CEAT	-1.5	-6.2	-24.6
Eicher Mot.	-2.5	1.3	-11.8
Endurance Tech.	-3.3	-8.3	34.7
Escorts	-2.1	-12.5	13.8
Exide Ind	-0.4	-7.6	20.0
Hero Moto	-0.7	-4.2	-21.2
M&M	0.0	-1.4	46.3
Maruti Suzuki	-1.6	-8.2	3.0
Motherson Sumi	-0.4	-8.0	-14.0
Tata Motors	-3.4	-2.3	-38.0
TVS Motor	0.7	15.0	-10.6
Banks - Private			
AU Small Fin. Bank	-1.3	-3.1	20.0
Axis Bank	-2.8	-3.0	16.2
DCB Bank	-0.6	-0.1	-15.1
Equitas Hold.	-3.0	-0.6	-13.2
Federal Bank	-3.1	-12.8	-35.6
HDFC Bank	0.0	-4.0	7.2
ICICI Bank	-2.1	-6.3	8.9
IndusInd	-0.8	-6.4	6.6
Kotak Mah. Bk	-1.1	-3.7	19.4
RBL Bank	-0.2	4.0	10.8
South Indian	-1.8	-12.8	-45.3
Yes Bank	1.4	-17.8	-13.1
Banks - PSU			
BOB	-16.0	-22.3	-22.0
BOI	-3.9	-3.9	-41.9
Canara	-7.7	-11.0	-28.8
Indian Bk	-8.3	-14.3	2.7
PNB	-4.5	-5.0	-45.2
SBI	-4.1	-9.3	1.4
Union Bk	-9.1	-13.6	-45.5
NBFCs			
Aditya Birla Cap	-1.5	-8.9	-35.0
Bajaj Fin.	-1.4	-9.9	34.4
Capital First	-1.0	-4.6	-27.2
Cholaman.Inv.&Fn	0.3	-11.4	12.7
GRUH Fin.	0.0	5.0	22.1
HDFC	-1.2	-1.5	4.8
HDFC Stand. Life	-0.8	-11.2	
Indiabulls Hsg	-3.1	-8.4	-10.7
L&T Fin.Holdings	-3.3	-17.1	-28.2
LIC Hsg Fin	-2.2	-16.3	-29.1
M&M Fin.	0.3	-7.8	1.4
Muthoot Fin	-1.3	9.5	-13.3
MAS Financial Serv.	-1.0	-1.7	
ICICI Pru Life	-1.6	-8.0	-15.5
PNB Housing	-2.1	-6.0	-23.1
Repco Home	-3.6	-13.1	-21.4

Company	1 Day (%)	1M (%)	12M (%)
Shriram City Union	-1.2	-6.1	-12.8
Shriram Trans.	-0.9	-10.6	9.1
Capital Goods			
ABB	-0.2	17.5	1.6
Bharat Elec.	-3.7	-28.5	-52.2
BHEL	-3.2	-0.2	-17.0
Blue Star	-1.7	-6.8	-17.3
CG Cons. Elec.	3.0	-13.2	3.6
CG Power & Inds Sol.	-2.7	-10.5	-35.4
Cummins	-2.6	6.2	-23.8
Engineers India	-5.5	5.2	-18.8
GE T&D	1.5	1.6	-31.6
Havells	-2.9	-4.7	26.6
K E C Intl	-0.1	3.1	-3.4
L&T	-1.2	7.1	7.3
Siemens	-1.4	-5.0	-31.7
Solar Ind	-1.6	-11.2	14.8
Thermax	-0.4	-2.4	4.1
Va Tech Wab.	-0.8	-1.2	-40.3
Voltas	-3.3	-5.9	5.0
Cement			
Ambuja Cem.	-1.1	-2.4	-20.8
ACC	-1.0	-1.4	-13.9
Birla Corp.	1.3	-6.5	-24.9
Dalmia Bharat	-2.3	-4.5	-8.3
Grasim Inds.	0.5	2.2	-13.2
India Cem	-4.8	-2.9	-39.8
JK Lakshmi Ce	-0.5	-5.5	-27.2
Ramco Cem	-0.5	-5.5	-14.1
Orient Cem	-2.7	-13.0	-34.8
Prism Johnson	-3.1	-5.1	-4.6
Sagar Cements	0.0	-3.9	-11.3
Sanghi Inds.	0.9	-5.5	-15.4
Shree Cem	-3.5	-4.6	-8.8
Ultratech	-1.1	-5.1	-3.3
Consumer			
Asian Paints	-1.1	-7.8	2.8
Britannia	0.5	-8.4	38.0
Colgate	0.6	-2.1	-1.9
Dabur	2.1	3.1	52.2
Emami	-0.7	-5.2	-4.7
Future Consumer	-3.4	2.4	-24.6
Godrej Cons.	0.7	-4.0	36.5
GSK Cons.	0.0	13.7	49.9
HUL	3.9	-6.4	30.2
ITC	0.2	-3.6	13.4
Jyothy Lab	5.2	-2.3	1.0
Marico	0.3	-7.1	4.1
Nestle	1.1	-5.5	41.0
Page Inds	-0.7	-3.7	69.7
Parag Milk	-3.4	-10.1	10.8
Pidilite Ind.	0.3	-0.7	32.6
P&G Hygiene	-0.8	-6.4	17.3
Prabhat Dairy	-2.6	-1.8	14.8
United Brew	-1.1	-5.7	63.9



Company	1 Day (%)	1M (%)	12M (%)
United Spirits	-0.5	-11.1	6.3
Healthcare			
Alembic Phar	-1.6	7.3	28.8
Alkem Lab	-1.8	-2.7	13.0
Ajanta Pharma	-1.5	-0.8	-1.9
Aurobindo	-1.7	18.7	1.8
Biocon	3.3	14.4	89.8
Cadila	-1.3	14.2	-16.3
Cipla	-0.1	2.2	16.2
Divis Lab	1.3	17.8	65.7
Dr Reddy's	0.7	9.5	15.2
Fortis Health	-2.1	-5.6	-6.0
Glenmark	0.2	13.5	12.2
Granules	-4.4	0.7	-17.0
GSK Pharma	-2.5	0.6	37.9
IPCA Labs	0.7	5.0	52.1
Jubilant Life	-2.3	4.2	8.7
Lupin	-2.0	5.7	-7.9
Laurus Labs	-0.9	-2.1	-19.9
Sanofi India	-1.5	1.1	58.6
Shilpa Medicare	-3.0	17.9	-12.9
Strides Pharma	-1.9	11.1	-48.7
Sun Pharma	-0.6	3.0	23.3
Torrent Pharma	-2.7	-1.8	39.5
Infrastructure			
Ashoka Buildcon	0.7	-18.8	-12.0
IRB Infra.Devl.	-1.5	-9.1	-21.5
KNR Construct.	-2.1	-12.5	-3.0
Sadbhav Engg.	-0.7	-0.9	-9.1
Logistics			
Allcargo Logistics	-2.0	-7.2	-36.7
Concor	-3.3	-4.0	-10.0
Media			
Dish TV	-1.7	-5.2	-14.9
D B Corp	-0.6	-13.3	-40.9
Ent.Network	1.0	-10.9	-24.5
Hathway Cab.	-8.7	28.4	-24.5
Hind. Media	-1.3	-3.7	-41.5
HT Media	-0.9	-4.7	-48.8
Jagran Prak.	-1.5	2.8	-35.6
Music Broadcast	-0.2	-1.1	-16.9
PVR	-4.1	2.5	0.8
Sun TV	-0.3	-14.8	-20.8
Zee Ent.	-2.2	-8.2	-14.7
Metals			
Hindalco	-3.0	6.6	-5.8
Hind. Zinc	-0.4	7.2	-4.0
JSPL	-3.6	15.5	52.3
JSW Steel	-1.1	21.9	54.9
Nalco	-2.8	-1.2	-17.2
NMDC	-1.5	13.8	-10.8
Rain Industries	-0.7	-15.4	24.8
SAIL	-2.6	0.4	23.4
Vedanta	-1.9	7.0	-29.1
Tata Steel	-0.5	5.5	-3.4

Company	1 Day (%)	1M (%)	12M (%)
Oil & Gas			
Aegis Logistics	1.2	-7.6	-2.7
BPCL	-2.6	-6.0	-28.9
GAIL	0.6	-3.2	24.7
Gujarat Gas	-1.3	-7.6	-15.3
Gujarat St. Pet.	-0.1	-7.7	-9.1
HPCL	-3.1	-6.7	-44.4
IOC	-2.5	-4.4	-26.5
IGL	-3.5	-5.4	-9.4
Mahanagar Gas	-0.6	-8.7	-25.1
MRPL	-6.3	-9.1	-45.6
Oil India	0.8	1.7	-4.3
ONGC	0.9	6.3	4.8
PLNG	-2.7	6.1	-1.2
Reliance Ind.	-0.7	1.1	44.0
Retail			
Jubilant Food	2.4	-8.3	94.7
Titan Co.	0.0	-12.4	27.7
Technology			
Cyient	-3.8	-4.6	39.5
HCL Tech.	0.4	7.8	20.5
Hexaware	-0.6	-5.1	66.0
Infosys	-1.0	0.5	58.3
KPIT Tech	-1.2	0.6	142.9
L&T Infotech	-0.9	0.1	144.0
Mindtree	-0.5	11.3	142.1
Mphasis	-0.9	2.2	97.9
NIIT Tech	-2.7	-1.9	160.7
Persistent Sys	-1.9	-4.2	30.9
Tata Elxsi	-2.5	-7.3	46.8
TCS	-0.1	2.9	65.7
Tech Mah	-1.6	9.9	69.7
Wipro	1.0	18.9	15.2
Zensar Tech	-4.6	10.4	101.8
Telecom			
Bharti Airtel	-2.3	0.6	-5.9
Bharti Infratel	-0.2	-5.7	-31.2
Idea Cellular	-3.0	-9.3	-44.0
Tata Comm	-1.3	-6.5	-27.0
Utilites			
Coal India	-0.5	-2.8	3.3
CESC	-1.7	5.6	-7.1
JSW Energy	-0.1	3.3	-9.3
NHPC Ltd	-1.4	-4.5	-13.8
NTPC	-1.7	7.4	1.0
Power Grid	-1.4	6.1	-7.6
Tata Power	-4.4	8.4	-11.2
Others			
Arvind	-1.4	-4.7	-7.1
Avenue Super.	0.9	-5.1	41.0
BSE	-2.7	-0.2	-25.6
Castrol India	-2.1	-2.1	-20.5
Coromandel Intl	-1.6	-1.2	-3.8
Delta Corp	-6.8	-7.4	23.1
Interglobe	-3.2	-17.8	-26.0



Company	1 Day (%)	1M (%)	12M (%)
Indo Count	-4.2	-4.4	-36.5
Info Edge	-2.4	3.1	33.4
Kaveri Seed	-4.0	0.9	7.0
MCX	-3.5	-8.6	-29.6
Navneet Educat.	-2.0	-2.6	-31.0
Oberoi Realty	-1.9	-3.0	9.6
Phoenix Mills	-1.8	-5.8	18.8
PI Inds.	-0.2	-0.9	0.2
Piramal Enterp.	-1.1	8.2	3.6
Qess Corp	-2.9	-14.6	6.0
SRF	-1.7	0.1	21.5
S H Kelkar	0.1	9.3	-21.8
Tata Chemicals	-1.4	4.4	15.1
Team Lease Serv.	0.2	-3.7	65.2
Trident	-0.8	4.6	-38.4
UPL	-2.2	14.9	-15.1

NOTES

THEMATIC/STRATEGY RESEARCH GALLERY

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End of a long drought

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Sector: **Food Items**
Phoenix Mills



The Specialist

Research Analyst: Research Analyst (Finance)@motilaloswal.com | 41 21 832 4384
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MOTILAL OSWAL Initiating Coverage | 17 April 2020
Sector: **Chemicals**
Tata Chemicals



Flight of rebirth

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MOTILAL OSWAL Initiating Coverage | 12 March 2020
Sector: **Consumer**
Future Consumer



Company of the "Future"

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MOTILAL OSWAL Initiating Coverage | 17 March 2020
Sector: **Logistics**
Aegis Logistics



The Giant Kelp

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MOTILAL OSWAL Initiating Coverage | 16 February 2020
Sector: **Agri-Inputs**
UPL



Reaping growth

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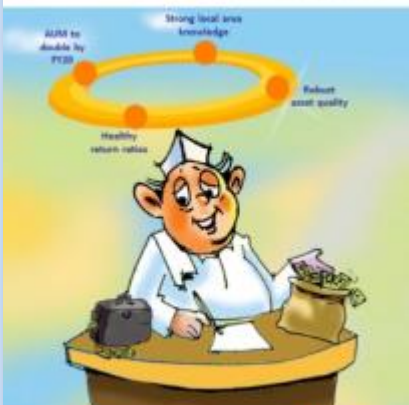
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SELL	< - 10%
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UNDER REVIEW	Rating may undergo a change
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