

Market snapshot



Equities - India	Close	Chg. %	YTD.%
Sensex	37,121	-0.5	9.0
Nifty-50	11,234	-0.4	6.7
Nifty-M 100	18,817	-0.9	-11.0
Equities-Global	Close	Chg. %	YTD.%
S&P 500	2,931	0.8	9.6
Nasdaq	8,028	1.0	16.3
FTSE 100	7,367	0.5	-4.2
DAX	12,326	0.9	-4.6
Hang Seng	10,793	0.5	-7.8
Nikkei 225	23,675	0.0	4.0
Commodities	Close	Chg. %	YTD.%
Brent (US\$/Bbl)	79	0.6	18.5
Gold (\$/OZ)	1,204	0.5	-7.6
Cu (US\$/MT)	6,097	0.5	-15.4
Almn (US\$/MT)	1,991	-0.5	-11.7
Currency	Close	Chg. %	YTD.%
USD/INR	72.4	-0.8	13.3
USD/EUR	1.2	0.1	-2.8
USD/JPY	112.3	-0.1	-0.4
YIELD (%)	Close	1MChg	YTDchg
10 Yrs G-Sec	8.1	-0.82	0.7
10 Yrs AAA Corp	8.9	-0.07	1.0
Flows (USD b)	19-Sep	MTD	YTD
FII	-0.30	-0.5	-0.9
DII	0.17	0.7	11.0
Volumes (INRb)	19-Sep	MTD*	YTD*
Cash	362	371	359
F&O	20,503	10,581	8,751

Note: YTD is calendar year, *Avg

Today's top research idea



Auto: BJAUT expands market share led by price actions in CT100

Scooter – 125cc segment up ~50%, 110cc sales decline for the first time

We present key highlights from our analysis of brand-wise data for the domestic 2W industry.

- Domestic 2W industry sales are up by 11.5% in YTD FY19. Notably, motorcycle growth (+14.7% in YTD FY19) is outpacing scooter growth (+6.8%) for the first time in many years.
- Scooters market share has shrunk by 140bp to 32.7%. Growth in motorcycle sales has been broad-based, with the economy, executive and premium segments growing by 26.7%, 9.1% and 15.3%, respectively.
- A rural recovery and pricing actions are driving healthy momentum in the economy segment, which is growing at 20%+ for the second consecutive year.
- TVSL (-360bp) and HMCL (-320bp) ceded market share to BJAUT (+670bp) in the economy segment.
- Our top picks in Autos are **MSIL** and **MSS** in large caps, and **AL** and **EXID** in mid-caps. We prefer **MM** as the best bet on a rural market recovery.

Research covered



Cos/Sector	Key Highlights
Yes Bank	RBI drives yet another management change; overhang deepens
Automobiles	BJAUT expands market share led by price actions in CT100
Sun Pharmaceuticals	Mohali 483–Product approval or EIR key for compliance
EcoScope	Why the RBI should avoid further rate hikes

Piping hot news



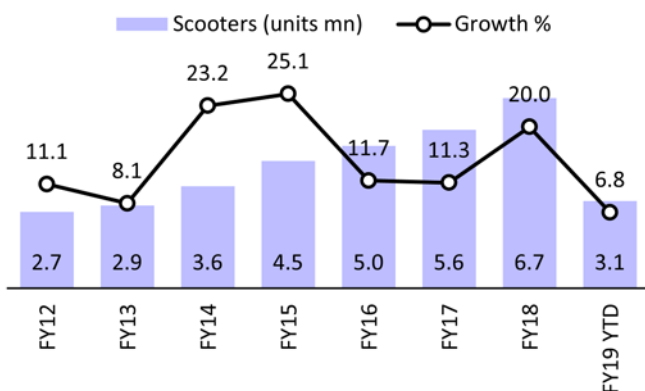
All eyes on YES Bank's succession plan post Rana Kapoor

The RBI's decision to cut down the term of YES Bank MD and CEO Rana Kapoor has left many in the industry surprised even as questions have now arisen over the private sector bank's succession plan...



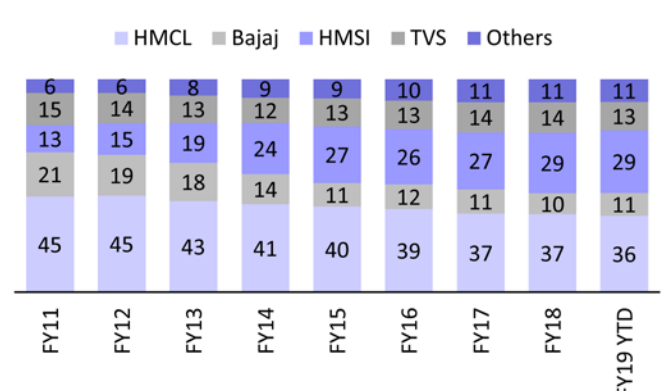
Chart of the Day: Auto - BJAUT expands market share led by price actions in CT100; Scooter – 125cc segment up ~50%, 110cc sales decline for the first time

Scooter sales moderates recently



Source: MOSL, Company

Domestic 2W market share trend



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

All eyes on YES Bank's succession plan post Rana Kapoor**Kapoor**

The RBI's decision to cut down the term of YES Bank MD and CEO Rana Kapoor has left many in the industry surprised even as questions have now arisen over the private sector bank's succession plan...

2

Govt appoints MDs, CEOs in 10 nationalised banks; 5 from SBI alone

Mrutyunjay Mahapatra and Padmaja Chundru are among five deputy managing directors in State Bank of India who have been appointed as managing director and chief executive officer of Syndicate Bank and Indian Bank respectively, according to an official order issued Wednesday. They are among 10 MDs and CEOs of state-owned banks whose appointments were approved by the Appointments Committee of the Cabinet headed by Prime Minister Narendra Modi...

3

Job creations soar to 11-month high of 9.51 lakh in July

New job creations in July rose to an 11-month high of 9.51 lakh, taking the total tally of new enrolments to 61.81 lakh since September 2017, according to the EPFO's payroll data. Job addition numbers, which are based on new members enrolled in various social security schemes of EPFO such as pension,...

4

Competition Commission approves ArcelorMittal's acquisition of Essar Steel

The Competition Commission has approved the acquisition of debt-ridden Essar Steel by a consortium of ArcelorMittal and Japan's Nippon Steel & Sumitomo Metal Corporation. Earlier this month, ArcelorMittal had offered Rs 420 billion to acquire Essar Steel,...

5

Launching EVs in India not a viable business case right now: Mercedes

German carmaker Mercedes-Benz does not yet see a "viable business case" to launch electric vehicles in India due to lack of clear policy and incentives to sell such models in the country, a senior company official said Thursday. The luxury automaker, which Thursday introduced updated version of its C-Class sedan in the country, priced between Rs 40 lakh and Rs 48.5 lakh (ex-showroom), said that due to high import duties on completely built units (CBUs) pricing of electric vehicles (EVs) is highly uncompetitive as compared with vehicles with internal combustion engines...

6

NSC, PPF accounts will fetch 8% as govt hikes small savings rates

Interest rates on various small savings schemes, including Public Provident Fund (PPF), Kisan Vikas Patra (KVP), National Savings Certificate, Monthly Income Scheme, Senior Citizen Savings Scheme (SCSS) and Sukanya Samridhi Scheme (SSS), were increased by 40 basis points (bps) for the October-December quarter...

7

South African Life Healthcare Group to exit Max Healthcare for Rs 2,120 cr

South Africa-based Life Healthcare Group Holdings has decided to sell its entire 49.70 per cent stake in Max Healthcare to Kohlberg Kravis Roberts & Co LP, for about Rs 2,120 crore, Max India said Wednesday. Life Healthcare Group Holdings is equal joint venture partner in Max Healthcare Institute Limited along with Max India...



Yes Bank

BSE SENSEX
37,291

S&P CNX
11,279

CMP: INR318

TP: INR350(+10%)

Buy



Stock Info

Bloomberg	YES IN
Equity Shares (m)	2,306
M.Cap.(INRb)/(USD\$b)	735.1 / 10.1
52-Week Range (INR)	404 / 285
1, 6, 12 Rel. Per (%)	-17/-6/-29
12M Avg Val (INR M)	4193
Free float (%)	80.0

Financials Snapshot (INR b)

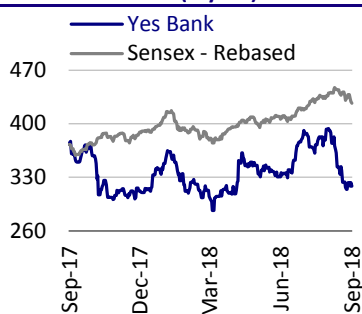
Y/E March	FY18	FY19E	FY20E
NII	77.4	101.2	128.3
OP	77.5	103.1	132.2
NP	42.2	54.7	70.7
NIM (%)	3.2	3.2	3.2
EPS (INR)	18.4	23.8	30.7
EPS Gr. (%)	26.3	29.0	29.2
BV/Sh. (INR)	111.8	131.8	158.1
ABV/Sh. (INR)	107.4	127.8	153.8
RoE (%)	17.7	19.5	21.2
RoA (%)	1.6	1.5	1.5
Valuations			
P/E(X)	17.3	13.4	10.4
P/BV (X)	2.8	2.4	2.0
P/ABV (X)	3.0	2.5	2.1

Shareholding pattern (%)

As On	Jun-18	Mar-18	Jun-17
Promoter	20.0	20.0	20.1
DII	25.2	24.8	22.9
FII	42.5	42.6	45.8
Others	12.3	12.6	11.2

FII Includes depository receipts

Stock Performance (1-year)



RBI drives yet another management change; overhang deepens

Yes Bank has informed the exchanges that the RBI has approved Mr. Rana Kapoor's term as MD & CEO until January-2019. This is in continuation to the recent RBI letter where in the Central Bank allowed Mr. Rana Kapoor to work as MD & CEO until further notice. This development has further added to the ongoing season of management changes across most major private banks and life insurance companies. While most other stocks have behaved resiliently despite the announcement of management change (some have even shown strong up moves), the development clearly is a big setback for Yes Bank. Since inception, Mr. Rana Kapoor has led the bank to become the fourth largest private bank with an impressive growth and profitability performance. His unexpected departure as MD & CEO, will raise concerns on the continuity of the strong past performance. The board of directors of Yes Bank will now meet on 25 September 2018 to decide the future course of action.

- What probably drove this situation?** The RBI's incessant focus on asset quality clean-up has laid bare open large-scale non-performing loans (NPLs) at most PSB's and private corporate lenders. RBI's annual audit has further resulted in big divergences across banks while few lenders have further disclosed their watch-list on stressed assets. Yes Bank reported a divergence of INR63.55b in FY17. This came after INR41.7b of divergence that the bank reported after RBI's audit for FY16, and could have been one of the key reason behind this development.
- RBI acting very stringent; could have implications for other banks too:** We believe the Central Bank's focus on asset quality clean-up, continued reforms in the banking sector as pushed by the Center, and maintaining high levels of corporate governance amidst several large-scale issues in the banking system has driven such a harsh outcome at few private banks (earlier the RBI got Ms. Shikha Sharma's tenure cut short at Axis Bank). The RBI also promptly rejected Kotak Bank's preference share issuance proposal to lower promoter's ownership. The RBI is, thus, making a big difference to the running of banks and valuations of the stocks. Over the next 18-24 months, this will be a key variable for private banks as many of them could see management changes. What always looked like a given, will get closely scrutinized!
- How disruptive will this be for bank's growth plans?:** Yes Bank has shown strong progress in adding granularity to its business mix as it diversified its loan book and strengthened its liability franchise. The bank reported robust incremental loan market share of ~9.2% during FY18 as it reported ~54% YoY loan growth while the risk-weighted asset (RWA)/total-asset composition has also improved as the bank consciously worked on the rating profile of its exposure. However, owing to robust growth momentum, the capitalization levels of the bank has moderated with CET-1 declining by 170 bp over FY18 to 9.7%. The bank had earlier announced its intention to raise capital over the next one year; however, that may now get delayed due to pending management transition and clarity on business performance. This will thus have an adverse impact on the bank's growth ambitions in the near-term.

- **What options can YES Bank now look at?** Management bandwidth at Yes Bank remains strong, but filling Mr. Kapoor's shoes is not going to be easy. According to the Articles of Association of Yes Bank, Rana Kapoor has a non-retiring board seat and can thus, continue as a director on the board of Yes Bank. Mr. Kapoor may also take up the role of Non-Executive Chairman of the bank and handhold the management transition. While Yes Bank has a strong management team in place and has recruited people from several other banks, it nevertheless has limited time to search for a successor. Thus, it is not an easy task to find someone to fill Mr. Kapoor's shoes. Also, maintaining continuity in the top management team is critical during this transition phase.
- **Valuation and view:** This development has come in as a clear setback for the bank and will have implications on Yes Bank's growth plans. The potential change in business strategy post the management change, as Yes Bank goes for a course correction and fully adheres to the RBI's requirement, will likely have an impact on its loan growth/fee income, even as the capitalization level already remains modest. We note that while in the past the stock has reacted negatively to any such adverse incidents, the price performance over the next one-year following a crisis has always been impressive. We revise our TP to INR350 (from INR444) based on 2.0x forward ABV and maintain our BUY rating. Risk to our rating and target price would be from further developments on asset quality and management transition.



Automobiles

BJAUT expands market share led by price actions in CT100

Scooter – 125cc segment up ~50%, 110cc sales decline for the first time

In this report, we present key highlights from our analysis of brand-wise data for the domestic two-wheeler (2W) industry.

Domestic 2W industry sales are up by 11.5% in YTD FY19. Notably, motorcycle growth (+14.7% in YTD FY19) is outpacing scooter growth (+6.8%) for the first time in many years. Consequently, scooters market share has shrunk by 140bp to 32.7%. Growth in motorcycle sales has been broad-based, with the economy, executive and premium segments growing by 26.7%, 9.1% and 15.3%, respectively. A rural recovery and pricing actions are driving healthy momentum in the economy segment, which is growing at 20%+ for the second consecutive year. TVSL (-360bp) and HMCL (-320bp) ceded market share to BJAUT (+670bp) in the economy segment.

- Motorcycle sales are up by 14.7% and scooter sales by 6.8% in YTD FY19. Thus, the share of scooters moderated to 32.7% from 34.1% in YTD FY18.
- Rural recovery and price actions by BJAUT drove a revival in the economy segment. Economy segment is growing at the strongest pace in last seven years at 26.7% in YTD FY19 (+23% in FY18), followed by premium (+15%) and executive (+9%). Premium segment (ex RE) is up by 16% in YTD FY19.
- Growth in the scooter segment is led by the 125cc category, which is estimated to have grown by 49.6% in YTD FY19 to 0.65m units. On the other hand, the 110cc scooters segment has witnessed a first-ever decline of 0.5% to 2.4m units.
- In the economy segment, BJAUT gained market share (+670bp) at the expense of TVSL (-360bp) and HMCL (-320bp). BJAUT's volumes in Economy segment grew ~38%, whereas HMCL's volumes grew ~20%.
- Unlike in the previous years, growth in the premium segment (+15.3%) in YTD FY19 is also driven by non-RE brands (+15.5%, led by Apache, Pulsar and Xblade). RE is up by 14.8% so far in FY19.
- 2W market share: BJAUT has gained market share by 170bp to 10.7% in YTD FY19, while other OEMs have seen a contraction (HMSI's market share shrank the most by 100bp to 29.4%).

Motorcycle growth outpacing scooter growth

- Strong pick-up in rural demand has led to a seven-year-high growth of 14.7% in motorcycles sales in YTD FY19. For the first time, motorcycle sales growth has exceeded scooter sales growth (+7%).
- Economy segment (+26.7%) has outperformed motorcycle industry, helped by a rural recovery and pricing actions by BJAUT in the CT100 (spoke wheel) category.
- Executive segment sales are up 9.1% YoY in YTD FY19. Within this, the executive 100cc segment (+12.8%) is witnessing better growth than the executive 125cc segment (+1.3%).
- BJAUT made a comeback in the executive 100cc segment in Jan-18, with *Discover 110*, wholesales of which are 7.7k units on average in YTD FY19.

Are customers down trading from executive 125cc segment to lower cc due to better value proportion or are they up-trading to premium segment?

- HMSI's *Shine* continues gaining share from HMCL's *Glamour* in the executive 125cc segment. Consequently, the market share gap between HMSI and HMCL has widened, with HMSI achieving the number 1 spot (54.8% market share in YTD FY19, +630bp YoY). HMCL's market share stands at 39.2%.
- Mopeds sales are up 2.8% YoY to 345.5k units, although its contribution in 2W sales mix is declining persistently to 3.7% in YTD FY19 from 5.8% in FY12.

Scooters: First-ever decline in 110cc sales; 125cc segment heats up

- For the first time in several years, motorcycle growth has exceeded scooters growth. This is partly led by higher motorcycle sales due to a healthy rural recovery and lower sales in the 100cc scooter segment.
- 110cc scooter sales (-0.5% in YTD FY19 to 2.4 units) have declined for the first time ever.
- On the other hand, sales of 125cc scooters are up by 49.6% in YTD FY19, entirely driving scooter segment growth.
- According to our estimates, 125cc segment accounts for ~21% of YTD FY19 scooter sales.
- Market share movement: Suzuki gained maximum share of 210bp to 7.6%, followed by HMSI (+160bp to 61.2%). TVSL, too, gained 60bp market share to 16.5%, led by strong response to Ntorq.
- TVSL's scooter sales are up 13.3% in YTD FY19. This was solely led by Ntorq, as Jupiter sales remained flat and Wego/Scooty sales declined 38%/10.5%.

Ntorq driving scooter sales for TVSL, as Jupiter sales remain flat YoY and Wego sales are down 37.8%

Premium segment growth led by both RE and non-RE brands

- Premium segment sales are up by 15.3% YoY in YTD FY19 – sales of non-RE brands grew by a healthy 15.5% (v/s 4% in FY18) and those of RE increased by 14.8%.
- BJAUT's premium segment is up by 12% YoY in YTD FY19, as growth in Pulsar (+35.2% YoY) compensated for a decline in Avenger (-33.3% YoY) and V15 (-71.3% YoY) sales. Growth in Pulsar was led by the launch of twin-disc Pulsar, while the decline in Avenger was partly due to phasing out of old Avenger for re-launch.
- TVSL's premium segment is up by 25.4% led by growth in Apache (+23.8%), while HMSI's premium portfolio grew by 20.2% due to the launch of Xblade, which is recording average volume of 9.6k units per month in YTD FY19.
- Yamaha's premium motorcycle sales increased 33.8%, led by healthy growth in FZ (+21.3%) and R15 (+115.7%).
- Market share movement in YTD: Yamaha gained majority of the market share (+150bp to 10.3%), followed by TVSL (+110bp to 14.7%) and HMSI (+60bp to 15.9%). On the other hand, BJAUT and HMCL lost market share by 80bp and 220bp to 29.6% and 1.2%, respectively.

Except Bajaj and HMCL, other OEMs have gained market share in premium motorcycles

Valuation and view

- We prefer 4Ws over 2Ws and CVs due to stronger volume growth and a stable competitive environment.
- While we expect 2W volumes to benefit from a rural recovery in the near term, competitive intensity remains high in the segment due to changing customer preferences.

- Our top picks in Autos are **MSIL and MSS** in large caps, and **AL and EXID** in mid-caps. We prefer **MM** as the best bet on a rural market recovery.

Comparative valuations

	CMP (INR)	Rating	TP (INR)	P/E (x)		EV/EBITDA (x)		RoE (%)		Div Yield (%)		EPS CAGR (%)
				FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	
Auto OEM's												
Bajaj Auto	2,795	Buy	3,223	18.2	16.0	12.6	10.6	22.1	22.6	2.1	2.5	7.4
Hero MotoCorp	3,142	Neutral	3,446	16.2	14.3	9.4	8.4	31.1	31.5	3.3	3.7	8.8
TVS Motor	599	Neutral	546	38.8	26.5	20.8	15.1	23.4	28.4	0.7	0.8	27.4
M&M	947	Buy	1,099	19.6	17.1	15.4	13.4	14.5	15.0	1.1	1.1	16.3
Maruti Suzuki	8,207	Buy	10,805	26.4	20.1	15.0	12.4	19.5	22.1	1.2	1.5	23.9
Tata Motors	253	Buy	377	8.0	6.3	2.8	2.3	10.6	12.0	0.1	0.1	32.5
Ashok Leyland	126	Buy	152	17.1	13.4	8.7	5.9	27.5	29.0	1.8	2.0	31.9
Eicher Motors	28,443	Buy	34,111	29.4	23.0	23.5	19.4	32.7	32.2	0.6	0.7	24.4
Escorts	727	Neutral	992	13.8	11.0	11.0	8.5	19.4	20.5	0.7	0.7	29.4
Auto Ancillaries												
Bharat Forge	638	Buy	747	27.1	21.8	15.5	13.0	21.7	22.9	0.8	1.0	28.8
Exide Industries	267	Buy	314	25.3	20.8	14.1	11.6	14.9	16.0	1.0	1.2	25.2
Amara Raja Batteries	790	Buy	946	27.0	21.8	13.6	11.0	15.9	17.2	0.6	0.7	14.6
BOSCH	20,703	Neutral	20,334	35.4	29.0	22.9	18.2	17.0	18.6	1.0	1.2	23.2
Endurance Tech	1,372	Buy	1,691	36.9	27.9	17.3	13.6	22.0	24.5	0.5	0.9	30.0
Motherson Sumi	291	Buy	388	28.7	19.9	10.0	7.0	21.2	25.9	0.9	1.4	34.5
CEAT	1,340	Buy	1,588	17.6	13.5	10.2	7.9	11.2	13.2	0.6	0.8	24.6



Sun Pharma

BSE SENSEX
37,121

S&P CNX
11,234

CMP: INR647 TP: INR790 (+22%)

Buy



Stock Info

	SUNP IN
Bloomberg	
Equity Shares (m)	2,399
M.Cap.(INRb)/(USDb)	1553 / 21.4
52-Week Range (INR)	679 / 435
1, 6, 12 Rel. Per (%)	6/15/11
12M Avg Val (INR M)	3363
Free float (%)	45.6

Financials Snapshot (INR b)

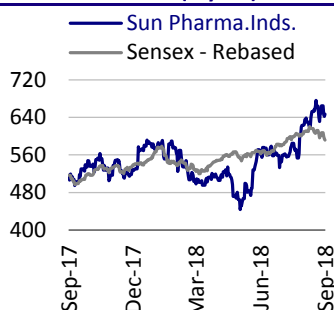
Y/E Mar	2018	2019E	2020E
Net Sales	260.7	311.7	361.6
EBITDA	51.8	68.6	92.2
PAT	32.4	44.8	63.3
EPS (INR)	13.5	18.6	26.3
Gr. (%)	-48.5	38.6	41.2
BV/Sh (INR)	158.4	170.0	189.3
RoE (%)	8.7	11.4	14.6
RoCE (%)	8.1	11.3	15.0
P/E (x)	48.1	34.7	24.6
P/BV (x)	4.1	3.8	3.4

Shareholding pattern (%)

As On	Jun-18	Mar-18	Jun-17
Promoter	54.4	54.4	54.4
DII	16.6	16.2	12.9
FII	16.4	16.3	19.7
Others	12.6	13.1	13.0

FII Includes depository receipts

Stock Performance (1-year)



Mohali 483—Product approval or EIR key for compliance

- The USFDA conducted an inspection at SUNP’s Mohali plant during 10-14 September 2018, and issued Form 483 with two observations.
- We believe SUNP will be able to address these observations with a strong response, and subsequently take a corrective and preventive action (CAPA) plan on the same. Following this, we await product approvals and/or the Establishment Inspection Report (EIR) for regulatory compliance at Mohali.
- We remain positive on SUNP on the back of better traction in specialty portfolio, healthy growth in the generics business after offsetting the decline in base business, and better-than-industry growth in domestic formulations.
- Maintain ‘Buy’ with a price target of INR790 at 27x 12M forward earnings (unchanged).

Observations related to in-process materials/drug products and stability testing program

The USFDA has issued Form 483 with two observations with respect to its inspection conducted during 10-14 September 2018 at SUNP’s Mohali plant. **(a)** The first observation is related to approval/rejection of in-process materials and drug products. Specifically, the USFDA inspector highlighted that exhibit batches, which failed the in-process sampling were not rejected. The root cause analysis related to out of specification (OOS) results was not adequate, but results were still submitted in support of drug application. **(b)** The second observation is related to the stability testing program. The inspector observed that: (i) the stability data is not a representative of intended manufacturing process for particular tablets; and (ii) the manufacture of the feasibility/optimization batches on two different compression machines after the exhibit batches were manufactured. Overall, we believe these observations are product specific which can be resolved with a strong corrective and preventive action plan, so that it does not impact product approvals or good manufacturing practices (GMP) compliance.

Second USFDA inspection at Mohali post-merger of Ranbaxy

In 2013, the USFDA had banned the import of drugs from four Ranbaxy units, including the one at Mohali, for violation of good manufacturing practices. Ranbaxy had then signed a consent decree, promising to take corrective measures. Post-merger of Ranbaxy, SUNP implemented remedial measures resulting in the lifting of import alert from this facility in March 2017. The recent inspection is the second to occur, post-merger of Ranbaxy. The US business from this facility is yet to pick up.

Valuation and view

We maintain our estimates and value SUNP at 27x (unchanged) 12M forward earnings arriving at a price target of INR790. We believe that discount to its 3-year average P/E should narrow going forward as: (a) share of its specialty portfolio increases; (b) downside in base business erosion reduces; (c) healthy pipeline of ANDAs is pending for approval; and (d) there is a sustained outperformance in the domestic formulation market. Re-iterate 'Buy'.

Recent Inspection History

Location	Type	Inspection End Date	Classification
Panoli, Gujarat	❖ API	May-18	NAI
Ahmednagar, Maharashtra	❖ API	Apr-18	VAI
Malanpur, MP	❖ API	Mar-18	NAI
Vadodara, Gujarat	❖ R&D	Mar-18	NAI
Cranbury (US)	❖ Formulation (Injectables)	Mar-18	VAI
Vadodara, Gujarat	❖ R&D	Mar-18	NAI
Halol, Gujarat	❖ Formulation (Oral solids, Inj. and Nasals)	Aug-18	Yet to be updated
Vadodara, Gujarat	❖ R&D	Feb-18	NAI
Gurugram, Haryana	❖ R&D	Jan-18	NAI

Source: US FDA

Why the RBI should avoid further rate hikes

Domestic fundamentals do not warrant a rate hike

- The bond market appears to have given its verdict. Over the past six weeks, the 10-year benchmark bond yield has increased from 7.70% to ~8.15%, implying that the most powerful market has moved on from “*Whether* RBI will hike rates next month?” to “*By how much* will RBI hike rates?” A rate hike of 25 basis points (bps) has almost become a consensus, and now talks of a 50bp hike are slowly gaining momentum. We, however, believe that the RBI should avoid further rate hikes.
- There are two reasons forwarded for rate hikes – higher core inflation and a weakening Indian Rupee (INR). However, we argue that a rate hike would be broadly ineffective to address these concerns. While headline inflation has consistently surprised on the downside, the drivers of so-called core inflation are largely rate-inelastic. Further, higher core inflation is driven by a very few components and more than 90% of the CPI basket (excluding ‘vegetables’ and ‘fuel’) is at 4.4% inflation. We, thus, believe that concerns about higher core inflation are overstated.
- While USD/INR has weakened 11.5% in FY19YTD, the INR has weakened only ~6% against the basket of 36 currencies. In fact, it is this basket that has more economic consequences than USD/INR. The impact of the piecemeal rate hike approach on the INR amid a period of global slowdown is highly unclear, while its adverse impact on domestic borrowings is certain. A 100bp rise in bond yields increases the government’s interest payments by INR60b – more than the budgeted spending on ‘jobs & skill development’ program in FY19.
- Overall, we believe that the spread between the repo rate and the bond yield must be narrowed by affirmatively talking down the rate hikes arguments rather than giving in to such demands. Otherwise, we might see downward pressure on real GDP growth.

In the 1990s, Bill Clinton’s campaign manager James Carville made a remark in the Wall Street Journal: “*I used to think if there was reincarnation, I wanted to come back as the President or the Pope or a .400 baseball hitter. But now I want to come back as the bond market. You can intimidate everybody.*” In our view, bond yields are so powerful because they act as a benchmark for almost all assets in the economy.

A rate hike of 25bp next month has almost become a consensus, and now talks of a 50bp hike are slowly gaining momentum

Bond market appears to have given the verdict: Since the last monetary policy meeting (1st August 2018), the 10-year bond yield is up from 7.70% to ~8.15%. Such increase clearly reflects that the bond market has moved on from “*Whether* RBI will hike rates next month?” to “*By how much* will RBI hike rates?” A rate hike of 25bp has almost become a consensus, and now talks of a 50bp hike are slowly gaining momentum.



1. MARICO: Input cost inflation will soften over next few quarters; Saugata Gupta, MD & CEO

- Sometime in the Jan-March quarter, it (input cost inflation) was at its peak. Copra is normally in a 18-24 month alternate inflation and deflation cycle. It has softened from the peak rates at 15%. Believe it will gradually soften over the next couple of quarters.
- A lot of packaging material and some of the RM is crude led. The crude prices would definitely have some input cost pressures towards the second half of the year
- Continue to focus on driving volumes and protect market share. Fortunately unlike last year when company had a significant input cost pressure on copra, at least that is going to be cheaper. Obviously, there are impacts of both the duty and crude prices for the other parts of business. But would like to ensure that company continues to first drive volume growth and protect and defend market share.
- Would like to go for an operating margin blend for the group at 17-18%. There could be some margin improvement in the second half of the year, but again, company has a very power packed innovation pipeline which is towards premiumisation of business and also foods business. Would like to ensure that company continues to invest incrementally behind ANP to drive that
- Beardo and Revofit are actually digital businesses which company wants to learn. More interestingly, there are enough opportunities within own portfolio for things like male grooming, foods and serums. Very confident with company's focus on e-comm and these brands will continue to grow that part of the business in excess of 15- 20%.
- (Engine-2 businesses) are right now marginal and have to show a disproportionate growth rate so that in three four years from now, will drastically reduce dependence on core, especially Parachute and Saffola. That has been happening for the last four five years. A significant part of growth happened to be in value-added hair oils in the last five years. Also need to have the secondary engine which is basically male grooming, serum, foods and some digital brands.

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2. HPCL: Do not think there is a possibility of us absorbing a part of crude price hike; MK Surana, CMD

- Do not think there is a possibility of company absorbing a part of it at present.
- If Iran barrels have to go out of the market completely, then overall supply situation has to be either met by other producing countries or would be short and to that extent there will be a price impact.
- (Crude) going above \$85 is unlikely. Sill expect it to be in the \$80 range.
- GRMs have been good in recent past and supported mainly by gas oil cracks. Gasoline cracks had been weaker. Gas oil cracks are likely to continue to be stronger and to that extent, it should support the GRM. Expect it to be in the range of 6 or 6 plus.
- In August, there was good demand. As far as August is concerned, petrol did grow by 7.8% and HSD by 4.7%. July also saw 7.9% growth in MS and 5% growth

in diesel. As of today, have not seen any demand destruction but if the crude prices continue to go higher, there may be a motivation for the people to have an expeditious work on the alternate sources.

- Rs 60,000 crore is capex for next five years. Fundamentally, it is for the refinery expansion for Mumbai and Vizag. Mumbai refinery is around Rs 5,000 crore and Vizag expansion is around Rs 20,000 crore. These two projects are likely to be completed by 2021 and this will also help the bottom upgradation and the Euro VI fuel facilities. The third project is the Rajasthan refinery project which is likely to come by 2023.

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3. MCX: Giving foreign players access to mentha and cotton trade to make markets more liquid; Mrugank Paranjape, MD & CEO

- This is a game changing move by SEBI. (Will apply for) physical players who have an exposure to India. This means a slew of new commodities will now be traded in India. That would be a big game changer in the long run for the commodity derivatives market.

There are two sets of commodities. One, commodities that are purely trading in international prices today and where the market is being discovered globally. In that sense, maybe some of the metal and energy products may not attract immediate volumes.

- But if one takes bullion where there is a price discovery happening outside of India, seeing two things now; one, India is looking to create a domestic viable spot market in the bullion, second, there is a duty element which creates a differential between the international pricing and the local pricing. So, anybody who is internationally an importer of Indian jewellery, would want to hedge, based on prices which are prevalent in Indian and not necessarily prices prevailing elsewhere.
- When we talk of commodities where India is a predominant exporter and one of the largest producers, mentha oil and cotton come to mind. India is among biggest players in the global market in these commodities. Those are the commodities where access to foreign players will make the markets much more liquid and increase the volumes in those commodities.

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1. Turbulent times for the indian aviation industry

- The domestic airlines industry, despite strong traction on growth, is facing challenging times. The industry is facing a double whammy with the increasing aviation turbine fuel (ATF) prices and the depreciation of the rupee against the dollar. Coupled with pressure on yields, this has aggravated the turbulence in the industry. The domestic air passenger traffic has grown at a healthy compounded annual growth rate (CAGR) of 20.9% over FY2015-18. The growth trajectory has continued in the current year as well, with a robust year-on-year growth of 20.3% during 4M-FY2019. A healthy capacity addition of 16.9% during the period supported the growth to a large extent. With relatively low penetration levels, a favourable macroeconomic environment, support from the regulatory environment—i.e. the Regional Connectivity Scheme, or UDAN-RCS (Ude Desh ka Aam Naagrik)—and the development of new airports, ICRA expects that the domestic passenger traffic will continue to grow at a healthy pace (i.e. 15.5-16.5% per annum) over the medium term.

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2. NPA saga – where do we go from here?

- As the high-decibel slug-fest over the fugitive promoter of the now-defunct Kingfisher Airlines plays out in the headlines, it is instructive to turn back to the RBI's financial stability report (FSR) of June 2012. Here, the RBI voiced its concern about the relatively large loan exposure of a comparatively small set of PSU banks to the airlines sector. The words were clear and sharp: "Asset quality of banks' credit to the airlines industry came under some stress in recent periods, driven largely by the performance of some specific airline companies. Sharp increases in impairment and restructuring in the sector saw the share of this sector in aggregate banking system NPA and restructured assets rise disproportionate to its share in banking sector credit. There was significant concentration discernible in distribution of credit to the airline sector as ten banks accounted for almost 86 per cent of total bank credit to this sector. As at end-March 2012, nearly three quarters of the advances of banks, which have an exposure of above ₹10 billion to the airline industry, were either impaired or restructured. PSBs accounted for the major share of these exposures."

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3. Make in India won't fix the real problems

- The Narendra Modi government's flagship "Make in India" programme is not the first attempt to goose Indian manufacturing. It will not be the last, no matter who wins the 2019 elections. Scrying the entrails of past policy pushes is helpful. It throws up some constant truths. Import substitution hasn't worked and is unlikely to do so. Industrial policies can introduce significant distortions. Policy decisions made in New Delhi often don't survive the journey to manufacturing plants. A new working paper by Rajesh Raj S.N., Kunal Sen and Sabyasachi Kar, Unmaking "Make in India": Weak governance, good deals and their economic impact, provides interesting insights into that last point. Since its inception in 2003, the World Bank's Doing Business report has been perhaps the most popular yardstick by which to measure the state-business relationship. Much was made of India's jumping 30 ranks to 100th position in last year's report. It is

a laudable achievement as far as it goes, speaking to the Modi government's attempts to clear up regulatory cholesterol and put new, effective systems in place.

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International

4. The emerging world's high achievers

- Emerging economies are often grouped together as something of a monolith. But when it comes to economic performance, they diverge widely, with only some countries achieving rapid and relatively consistent growth over long periods. What is their secret? In the McKinsey Global Institute's recent review of the per capita GDP growth of 71 emerging economies, 18 stood out. In seven – China, Hong Kong, Indonesia, Malaysia, Singapore, South Korea, and Thailand – per capita GDP grew by at least 3.5% annually over the half-century from 1965 to 2016. The other 11 high performers tend to get less attention, as their per capita GDP growth began to accelerate more recently. Yet Azerbaijan, Belarus, Cambodia, Ethiopia, India, Kazakhstan, Laos, Myanmar, Turkmenistan, Uzbekistan, and Vietnam all achieved per capita GDP growth of at least 5% for 20 years, from 1996 to 2016. Development economists have long sought to identify the “secret sauce” that enables certain economies to achieve more stable and robust growth than their counterparts. A look at what these 18 economies have in common provides powerful insights into what that formula might be.

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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	790	946	20	27.6	29.3	36.3	-1.5	6.2	23.8	28.6	27.0	4.6	4.0	17.0	15.9
Ashok Ley.	Buy	126	152	21	5.4	6.6	8.7	23.9	23.4	30.5	17.1	18.9	5.1	4.4	23.7	27.5
Bajaj Auto	Buy	2795	3223	15	151.3	153.9	174.6	7.3	1.7	13.5	18.5	18.2	4.2	3.8	24.2	22.1
Bharat Forge	Buy	638	747	17	17.7	23.5	29.3	34.9	33.2	24.5	36.1	27.1	6.4	5.5	18.8	21.7
Bosch	Neutral	20703	20334	-2	469.8	584.2	712.6	-0.7	24.3	22.0	44.1	35.4	6.3	5.7	15.3	17.0
CEAT	Buy	1340	1588	19	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	28443	34111	20	799.6	966	1,238	27.0	20.9	28.1	35.6	29.4	11.0	8.5	35.2	32.7
Endurance Tech.	Buy	1372	1691	23	29.1	37.1	49.1	23.8	27.8	32.3	47.2	36.9	8.9	7.5	21.0	22.0
Escorts	Neutral	727	992	37	39.5	52.5	65.9	88.0	32.8	25.5	18.4	13.8	2.9	2.5	18.3	19.4
Exide Ind	Buy	267	314	18	8.2	10.6	12.8	0.4	29.1	21.4	32.6	25.3	4.2	3.8	12.9	14.9
Hero Moto	Neutral	3142	3446	10	185.1	193.4	219.0	9.5	4.5	13.2	17.0	16.2	5.3	4.8	33.8	31.1
M&M	Buy	947	1099	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	8207	10805	32	266.7	311.2	409.2	7.3	16.7	31.5	30.8	26.4	5.9	5.2	18.5	19.5
Motherson Sumi	Buy	291	388	33	8.2	10.2	14.6	5.9	24.4	44.0	35.7	28.7	6.6	5.7	19.5	21.2
Tata Motors	Buy	253	377	49	22.9	30.1	38.2	15.7	31.3	26.9	11.0	8.0	0.9	0.8	10.1	10.6
TVS Motor	Neutral	599	546	-9	13.9	15.6	22.8	18.7	11.6	46.1	42.9	38.5	9.9	8.4	25.1	23.6
Aggregate								15.2	18.6	24.9	24.5	20.7	3.8	3.4	15.5	16.3
Banks - Private																
AU Small Finance	Buy	673	760	13	10.2	14.0	19.8	-79.5	37	40.8	65.7	48.0	8.5	6.2	13.8	14.9
Axis Bank	Buy	609	750	23	1.1	20.1	35.9	-92.8	1,705	79.2	548.2	30.4	2.5	2.3	0.5	7.8
DCB Bank	Neutral	163	170	4	8.0	9.5	11.2	13.8	18.9	18.2	20.5	17.3	1.9	1.7	10.9	10.8
Equitas Hold.	Buy	138	175	27	0.9	4.9	9.7	-82.3	427.2	99.5	148.8	28.2	2.1	2.0	1.4	7.1
Federal Bank	Buy	75	110	47	4.8	5.8	7.9	-1.3	22.8	35.2	15.8	12.8	1.2	1.1	8.3	9.1
HDFC Bank	Buy	1962	2400	22	67.8	79.2	94.9	19.4	16.8	19.9	28.9	24.8	4.8	3.6	17.9	16.6
ICICI Bank	Buy	321	355	11	11.1	9.9	20.8	-34.3	-10.8	110.5	29.0	32.5	2.0	2.0	6.8	6.2
IndusInd	Buy	1805	2250	25	60.2	81.8	108.2	25.2	36.0	32.2	30.0	22.0	4.6	4.0	16.5	19.4
J&K Bank	Buy	52	100	93	3.8	6.5	7.8	LP	74.1	19.7	13.8	7.9	0.5	0.5	3.8	6.7
Kotak Mah. Bk	Neutral	1227	1400	14	32.5	37.2	45.7	21.3	14.2	22.9	37.7	33.0	4.6	4.1	12.5	11.8
RBL Bank	Buy	591	700	19	15.1	20.6	28.0	27.3	36.3	35.6	39.0	28.6	3.7	3.4	11.6	12.3
South Indian	Buy	16	26	64	1.9	1.7	3.9	-25.5	-9.7	134.2	8.5	9.5	0.6	0.5	6.6	5.7
Yes Bank	Buy	319	350	10	18.4	23.8	30.7	26.3	29.0	29.2	17.3	13.4	2.8	2.4	17.7	19.5
Aggregate								-1.3	30.7	43.1	33.4	25.5	3.5	3.0	10.4	11.6
Banks - PSU																
BOB	Under Review	116	-		-9.8	11.7	19.6	PL	LP	67.9	NM	10.0	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	289	430	49	26.2	32.2	53.4	-10.4	22.7	66.1	11.0	9.0	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	271	360	33	-5.3	7.9	30.5	PL	LP	286.2	NM	34.4	1.1	1.1	-3.5	2.4
Union Bk	Neutral	78	97	24	-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	32.5	0.8	0.8	-8.0	2.5
NBFCs																
Aditya Birla Cap	Buy	127	200	57	3.8	4.6	6.2	NA	22.4	34.8	34.0	27.7	3.2	2.7	12.4	10.9
Bajaj Fin.	Neutral	2499	2400	-4	43.4	62.7	82.9	35.9	44.5	32.2	57.6	39.8	9.3	7.7	20.4	21.1
Capital First	Buy	586	960	64	33.1	44.2	55.6	34.3	33.4	26.0	17.7	13.3	2.2	2.0	13.4	15.7
Cholaman. Inv. & F n	Buy	1317	1700	29	62.3	75.3	89.5	35.5	20.8	18.9	21.1	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	1831	2335	28	42.3	46.5	55.6	6.2	10.1	19.4	43.3	39.3	4.9	4.2	18.6	17.5
HDFC Stand. Life	Buy	400	525	31	5.5	7.0	8.8	23.7	26.5	26.0	72.4	57.2	5.3	4.5	25.8	26.7
ICICI Pru Life	Buy	348	450	29	11.3	11.6	12.5	-3.8	2.4	8.4	30.9	30.2	2.7	2.3	16.1	16.8
Indiabulls Hsg	Buy	1157	1650	43	90.2	106.4	126.6	31.5	18.0	19.0	12.8	10.9	3.3	2.9	27.9	28.3
L&T Fin Holdings	Buy	146	240	64	6.8	11.8	13.9	29.5	74.7	17.4	21.6	12.3	2.6	2.2	14.2	19.3



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
LIC Hsg Fin	Neutral	462	600	30	39.4	45.0	53.5	3.0	14.3	18.7	11.7	10.2	1.9	1.7	17.0	17.2
MAS Financial	Buy	546	780	43	19.2	24.4	30.7	27.5	27.5	25.4	28.5	22.3	4.1	3.6	20.7	17.2
M&M Fin.	Buy	433	600	39	17.4	20.3	24.2	146.3	16.2	19.3	24.8	21.4	2.8	2.5	12.5	12.4
Muthoot Fin	Neutral	458	490	7	43.0	51.2	58.1	45.6	19.1	13.3	10.7	8.9	2.4	2.0	24.1	24.2
PNB Housing	Buy	1234	1520	23	49.9	67.1	81.4	57.7	34.5	21.4	24.7	18.4	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 Union	Buy	1878	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
Shriram Trans.	Buy	1190	1650	39	69.1	109.4	135.5	24.7	58.4	23.8	17.2	10.9	2.0	1.7	12.7	16.9
Aggregate								25.2	24.9	20.7	31.5	25.3	4.7	4.0	14.8	15.8
Capital Goods																
ABB	Sell	1437	950	-34	19.8	25.2	31.3	8.1	27.0	24.5	72.5	57.1	8.4	7.6	11.6	13.3
Bharat Elec.	Buy	83	120	45	5.7	6.3	7.3	-8.8	10.2	16.1	14.4	13.1	2.6	2.3	18.0	17.8
BHEL	Sell	75	60	-20	2.2	3.2	4.1	64.1	45.6	28.0	34.0	23.3	0.8	0.8	2.5	3.6
Blue Star	Neutral	652	695	7	14.5	20.0	25.1	12.7	37.6	25.7	44.9	32.7	7.5	6.8	17.5	21.8
CG Cons. Elec.	Buy	226	305	35	5.2	6.4	7.8	14.3	23.4	22.6	43.8	35.5	18.0	14.3	48.7	44.8
CG Power & Indu.	Neutral	53	60	12	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	724	800	10	23.5	26.5	31.9	-11.2	12.6	20.4	30.8	27.3	5.0	4.7	18.3	17.7
Engineers India	Buy	125	155	24	6.3	6.3	7.4	14.8	0.8	17.0	20.0	19.9	3.7	3.4	15.7	16.8
GE T&D	Neutral	277	330	19	7.5	11.7	13.2	30.8	56.4	12.7	36.9	23.6	6.0	5.1	17.3	23.4
Havells	Buy	644	645	0	11.2	13.8	16.9	17.4	23.4	22.1	57.4	46.5	10.7	9.5	18.7	20.4
K E C Intl	Neutral	307	360	17	17.9	20.1	25.7	51.1	12.5	27.8	17.1	15.2	4.0	3.2	23.1	21.3
L&T	Buy	1332	1570	18	51.7	59.7	72.8	22.4	15.4	22.0	25.8	22.3	3.4	3.1	13.7	14.3
Siemens	Neutral	963	1070	11	19.8	25.1	30.1	10.9	27.0	19.8	48.8	38.4	4.5	4.1	9.1	10.8
Solar Ind	Neutral	1084	1150	6	24.4	29.5	38.3	18.2	21.1	29.8	44.5	36.7	9.1	7.6	21.9	22.4
Thermax	Buy	961	1295	35	20.5	31.1	40.4	-1.2	51.4	30.1	46.8	30.9	4.0	3.6	8.8	12.3
Va Tech Wab.	Buy	370	450	22	24.1	32.4	37.2	27.6	34.5	14.8	15.4	11.4	1.8	1.6	12.4	12.9
Voltas	Neutral	568	605	6	17.3	18.9	21.6	11.9	9.3	14.5	32.9	30.1	4.8	4.3	15.9	15.1
Aggregate								15.1	19.2	21.6	30.4	25.5	3.3	3.1	11.0	12.1
Cement																
Ambuja Cem.	Neutral	225	231	3	6.1	8.1	9.6	30.5	33.9	18.0	37.1	27.7	2.2	2.1	6.1	7.8
ACC	Buy	1562	1633	5	46.9	72.5	92.4	27.7	54.7	27.4	33.3	21.5	3.1	2.9	9.7	14.0
Birla Corp.	Buy	726	1030	42	18.9	37.7	49.6	-35.6	99.2	31.6	38.4	19.3	1.3	1.2	3.8	6.6
Dalmia Bharat	Buy	2538	3141	24	55.7	71.6	102.9	106.3	28.4	43.8	45.5	35.5	3.8	3.4	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	6	3.3	5.9	8.1	-42.0	80.2	38.1	34.8	19.3	0.7	0.7	2.0	3.5
JK Lakshmi Ce	Buy	313	384	23	7.4	11.6	19.5	5.8	58.1	67.3	42.5	26.9	2.5	2.3	6.1	9.1
Ramco Cem	Buy	639	802	25	23.9	25.8	38.0	-12.3	8.0	47.4	26.8	24.8	3.7	3.3	14.4	14.1
Orient Cem	Buy	104	139	34	2.2	5.1	8.4	LP	138.5	62.6	47.9	20.1	2.1	1.9	4.4	9.9
Prism Johnson	Buy	104	136	31	1.1	5.5	7.3	288.2	416.9	33.5	97.9	18.9	5.0	4.1	27.4	22.7
Sagar Cements	Not Rated	709	-		25.2	50.6	70.6	LP	101.0	39.7	28.2	14.0	1.8	1.6	6.5	12.0
Sanghi Inds.	Buy	78	130	67	3.7	5.4	7.6	29.5	45.4	40.5	20.9	14.4	1.2	1.1	6.9	8.1
Shree Cem	Buy	17077	19804	16	385.8	424.5	617.1	0.4	10.0	45.3	44.3	40.2	6.7	5.8	16.2	15.5
Ultratech	Buy	4050	4536	12	85.7	103.3	141.4	-10.9	20.5	36.9	47.3	39.2	4.3	4.0	9.4	10.5
Aggregate								-0.7	43.6	34.1	37.2	25.9	3.1	2.8	8.2	10.7
Consumer																
Asian Paints	Neutral	1289	1405	9	21.1	23.3	28.3	1.9	10.1	21.6	61.0	55.4	14.7	13.8	25.3	25.7
Britannia	Buy	5956	7165	20	83.6	98.6	124.9	13.5	17.8	26.7	71.2	60.4	21.0	18.6	32.9	32.6
Colgate	Buy	1117	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	466	440	-6	7.8	8.5	10.1	7.2	9.7	18.9	59.9	54.6	14.4	11.5	25.9	23.4
Emami	Buy	531	665	25	12.1	14.4	17.2	-8.5	18.8	19.5	43.7	36.8	12.0	10.4	29.2	30.2
Future Consumer	Buy	48	69	43	-0.2	0.1	0.9	Loss	LP	1,080.9	NM	639.4	8.0	7.9	-3.3	1.2
Godrej Cons.	Neutral	824	827	0	14.1	16.3	19.0	11.4	16.1	16.2	58.5	50.4	13.4	11.6	24.9	24.8
GSK Cons.	Neutral	7602	6710	-12	166.5	197.3	222.1	6.6	18.5	12.6	45.7	38.5	9.2	8.2	21.2	22.5
HUL	Buy	1649	2025	23	24.5	29.2	35.6	24.7	19.5	21.8	67.3	56.4	50.4	47.7	78.1	86.9



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
ITC	Neutral	300	295	-2	8.9	10.0	11.4	5.5	13.2	13.8	33.8	29.9	7.1	6.6	22.3	22.9
Jyothy Lab	Neutral	205	220	7	4.9	5.7	7.0	-12.4	14.9	24.5	41.6	36.2	6.5	6.1	16.0	17.3
Marico	Neutral	344	370	8	6.5	7.6	9.0	-2.8	17.6	18.2	53.3	45.4	17.5	15.2	34.2	35.8
Nestle	Neutral	10153	10620	5	140.0	181.0	197.8	13.2	29.2	9.3	72.5	56.1	28.6	26.0	40.3	48.5
Page Inds	Neutral	32329	31600	-2	311.1	412.2	529.4	30.3	32.5	28.5	103.9	78.4	42.6	34.2	41.0	43.6
Parag Milk Foods	Neutral	268	314	17	10.4	12.0	14.9	187.1	15.8	24.3	25.8	22.3	3.1	2.8	13.0	13.2
Pidilite Ind.	Buy	1118	1325	19	18.9	19.7	23.5	13.2	4.0	19.3	59.0	56.7	15.9	14.0	27.3	26.2
P&G Hygiene	Neutral	9781	10250	5	115.3	156.6	186.4	-13.4	35.9	19.0	84.9	62.5	34.1	29.5	46.3	50.8
Prabhat Dairy	Not Rated	150	-		3.5	6.4	9.7	-2.0	83.8	52.1	43.3	23.5	2.1	1.9	4.9	8.5
United Brew	Buy	1309	1730	32	14.9	19.2	24.1	71.7	28.8	25.6	87.8	68.1	12.9	11.1	15.7	17.5
United Spirits	Neutral	561	615	10	6.7	9.2	13.2	26.1	36.4	43.1	83.1	61.0	16.3	12.0	19.6	19.6
Aggregate								10.5	16.4	18.4	53.5	46.0	14.1	12.8	26.4	27.7
Healthcare																
Alembic Phar	Neutral	639	540	-15	21.9	25.0	28.2	2.5	14.3	12.5	29.2	25.5	5.4	4.7	19.6	19.3
Alkem Lab	Buy	2064	2475	20	58.9	74.0	98.6	-21.1	25.7	33.2	35.0	27.9	5.1	4.4	15.1	17.0
Ajanta Pharma	Buy	1178	1560	32	53.0	51.5	65.0	-7.5	-2.7	26.2	22.2	22.9	5.1	4.3	26.0	20.4
Aurobindo	Buy	776	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	669	625	-7	6.2	10.6	20.9	-39.2	71.1	96.5	107.8	63.0	7.8	7.1	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	659	620	-6	20.3	23.2	30.2	31.2	14.3	29.8	32.4	28.4	3.7	3.3	11.5	11.7
Divis Lab	Neutral	1389	1270	-9	33.0	43.3	52.6	-17.3	31.0	21.5	42.1	32.1	6.2	5.7	15.5	18.6
Dr Reddy's	Neutral	2604	2170	-17	64.7	99.3	120.6	-10.9	53.6	21.4	40.3	26.2	3.4	3.1	8.6	12.5
Fortis Health	Buy	142	171	20	-2.3	1.4	4.8	PL	LP	234.2	NM	99.4	1.6	1.6	-2.3	1.6
Glenmark	Neutral	669	550	-18	28.5	29.7	35.6	-27.5	4.1	20.0	23.5	22.6	3.7	3.2	15.6	14.0
Granules	Buy	112	130	17	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	1651	1444	-13	19.7	30.7	34.7	14.4	56.0	13.2	84.0	53.8	13.6	14.8	16.2	27.5
IPCA Labs	Buy	751	850	13	19.0	28.4	38.3	18.1	49.8	34.6	39.6	26.4	3.5	3.2	9.3	12.7
Jubilant Life	Buy	746	1020	37	45.6	63.0	73.3	23.3	38.2	16.4	16.4	11.8	2.8	2.3	18.9	21.6
Laurus Labs	Buy	435	552	27	15.8	21.1	31.2	-10.9	33.1	47.7	27.4	20.6	3.1	2.7	11.9	14.0
Lupin	Buy	909	950	5	46.8	29.2	45.1	-17.4	-37.6	54.5	19.4	31.1	3.0	2.8	15.6	9.4
Sanofi India	Buy	6325	6590	4	141.7	166.8	191.6	9.8	17.7	14.8	44.6	37.9	7.2	6.5	16.1	17.2
Shilpa Medicare	Buy	504	620	23	12.8	21.2	26.9	-0.7	65.4	26.8	39.2	23.7	3.8	3.2	10.3	14.5
Strides Pharma	Buy	490	481	-2	11.3	12.2	23.4	-65.1	8.4	92.0	43.5	40.1	1.8	1.7	3.9	4.4
Sun Pharma	Buy	647	790	22	13.5	18.6	26.3	-48.5	38.6	41.2	48.1	34.7	4.1	3.8	8.7	11.4
Torrent Pharma	Neutral	1754	1430	-18	53.7	48.1	65.0	-2.6	-10.4	35.0	32.7	36.5	6.4	5.4	20.3	16.2
Aggregate								-18.2	16.2	32.6	33.8	29.1	4.3	3.8	12.6	13.2
Infrastructure																
Ashoka Buildcon	Buy	118	195	66	-4.2	0.8	2.6	Loss	LP	231.2	NM	148.3	10.4	9.8	-30.2	6.8
IRB Infra	Neutral	165	225	37	23.9	23.8	23.5	17.5	-0.5	-1.2	6.9	6.9	0.9	0.9	14.6	12.9
KNR Constructions	Buy	195	315	62	19.4	13.7	16.8	61.8	-29.1	22.3	10.1	14.2	2.4	2.0	26.5	15.5
Sadbhav Engineering	Buy	265	385	45	12.9	16.0	17.8	17.5	24.7	11.3	20.6	16.5	2.4	2.1	12.5	13.8
Aggregate											13.7	12.6	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	15.4	13.3	1.4	1.3	9.5	10.0
Concor	Buy	623	769	24	17.1	25.8	30.9	13.4	51.2	19.7	36.5	24.1	3.2	3.0	9.1	12.9
Aggregate								4.7	45.1	20.4	32.4	22.3	2.9	2.7	8.9	12.0
Media																
Dish TV	Buy	63	100	58	-0.4	1.8	5.5	PL	LP	201.8	NM	34.8	1.7	1.7	-2.1	4.9
D B Corp	Neutral	212	300	41	17.6	18.4	23.1	-13.8	4.3	25.7	12.1	11.6	2.0	2.1	18.4	17.0
Ent.Network	Buy	629	851	35	6.8	13.2	21.6	-40.5	93.7	64.4	92.6	47.8	3.4	3.2	3.7	6.9
Hathway Cable	Buy	25	47	90	-0.9	-0.8	-0.6	Loss	Loss	Loss	NM	NM	2.6	2.8	-8.7	-8.2
Hind. Media	Neutral	159	237	49	23.9	25.5	28.0	-7.5	6.9	9.5	6.6	6.2	0.9	0.8	14.0	13.2
HT Media	Neutral	52	59	13	13.0	8.5	9.9	75.6	-34.5	16.6	4.0	6.2	0.5	0.4	12.6	7.5



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY18	FY19E	FY18	FY19E
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	329	455	39	9.1	13.0	17.1	41.1	43.5	31.6	36.2	25.3	3.1	3.0	9.0	11.9
PVR	Buy	1335	1565	17	26.7	34.3	44.8	29.9	28.6	30.5	50.1	38.9	5.8	5.1	12.2	13.9
Sun TV	Buy	653	1050	61	27.7	36.5	41.9	11.6	31.5	14.9	23.5	17.9	5.5	5.1	25.2	29.6
Zee Ent.	Buy	452	680	50	14.6	16.1	19.5	-7.0	10.6	21.3	31.0	28.0	5.7	5.0	19.6	19.0
Aggregate								0.1	26.3	33.9	28.6	22.6	3.5	3.2	12.1	14.2
Metals																
Hindalco	Buy	236	322	36	18.9	24.2	27.1	120.5	28.1	12.2	12.5	9.8	1.4	1.3	12.8	13.6
Hind. Zinc	Neutral	297	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	233	327	41	-8.5	1.9	3.8	Loss	LP	101.2	NM	122.4	0.8	0.7	-2.7	0.6
JSW Steel	Buy	417	385	-8	23.4	33.4	30.1	56.9	42.8	-9.8	17.8	12.5	3.6	2.8	22.2	25.5
Nalco	Buy	69	108	58	5.0	9.1	8.2	35.3	80.7	-10.4	13.6	7.5	1.2	1.1	9.1	14.8
NMDC	Buy	118	178	51	13.1	13.7	14.6	31.5	4.7	6.1	9.0	8.6	1.5	1.4	17.7	17.1
SAIL	Neutral	77	82	6	0.3	8.9	6.8	LP	3,359	-23.8	300.2	8.7	0.9	0.8	0.3	9.5
Rain Industries	Buy	188	241	28	23.7	32.4	34.2	238.1	36.4	5.7	7.9	5.8	1.6	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	620	632	2	71.9	85.1	68.7	76.5	18.4	-19.3	8.6	7.3	1.3	1.1	17.8	16.5
Aggregate								73.3	31.1	2.1	13.7	10.5	1.6	1.4	11.5	13.4
Oil & Gas																
Aegis Logistics	Buy	216	311	44	5.9	8.1	11.0	64.5	36.9	35.9	36.5	26.7	6.0	5.1	19.4	20.7
BPCL	Buy	365	534	46	49.8	48.6	48.9	3.0	-2.3	0.5	7.3	7.5	2.0	1.7	29.0	24.4
GAIL	Neutral	384	361	-6	20.4	26.6	32.5	20.5	30.6	21.9	18.8	14.4	2.1	1.9	11.8	14.2
Gujarat Gas	Buy	681	990	45	21.2	32.9	40.7	32.0	55.4	23.8	32.2	20.7	5.1	4.2	16.7	22.3
Gujarat St. Pet.	Neutral	178	196	10	11.9	12.3	12.2	34.6	4.0	-1.0	15.0	14.4	2.0	1.8	14.0	13.0
HPCL	Buy	252	426	69	47.4	50.6	51.8	-12.4	6.7	2.4	5.3	5.0	1.5	1.3	31.0	27.8
IOC	Buy	153	252	64	23.9	17.9	18.8	11.0	-24.9	4.7	6.4	8.6	1.3	1.2	21.0	14.5
IGL	Buy	257	383	49	9.4	11.5	12.8	9.2	22.1	11.5	27.2	22.3	5.1	4.3	20.8	21.0
Mahanagar Gas	Buy	836	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	75	88	17	12.8	10.0	11.9	-13.6	-21.6	19.0	5.9	7.5	1.2	1.1	21.2	15.0
Oil India	Buy	208	296	42	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	177	219	24	20.2	28.3	31.5	-9.9	40.1	11.3	8.7	6.2	1.1	1.0	13.0	16.9
PLNG	Buy	234	312	34	13.9	17.2	19.3	21.8	24.5	11.9	16.9	13.6	3.6	3.1	23.3	24.6
Reliance Ind.	Buy	1210	1477	22	60.9	76.6	94.9	20.7	25.7	23.9	19.9	15.8	2.4	2.1	13.0	14.3
Aggregate								5.5	15.1	13.9	12.2	10.6	1.8	1.6	14.9	15.3
Retail																
Jubilant Food	Neutral	1333	1320	-1	14.9	22.0	27.5	180.6	48.2	24.8	89.6	60.5	18.2	14.7	20.3	24.2
Titan Co.	Buy	824	1130	37	12.6	16.2	20.5	39.9	28.4	26.5	65.2	50.8	14.4	14.3	24.0	28.2
Aggregate								51.2	31.3	26.2	69.4	52.9	15.1	14.5	21.8	27.4
Technology																
Cyient	Neutral	703	780	11	38.2	38.8	45.9	24.8	1.4	18.2	18.4	18.1	3.4	3.0	18.3	16.7
HCL Tech.	Neutral	1087	1100	1	62.6	72.0	81.5	4.5	15.2	13.1	17.4	15.1	4.1	3.6	25.0	25.3
Hexaware	Neutral	456	460	1	16.6	19.5	22.4	21.2	17.3	15.3	27.5	23.4	6.9	5.8	26.9	26.8
Infosys	Buy	720	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	292	320	10	12.7	15.4	18.2	6.1	21.3	18.0	23.0	19.0	3.2	2.7	15.4	16.1
L&T Infotech	Neutral	1820	1640	-10	66.3	87.3	106.5	19.6	31.7	21.9	27.4	20.8	8.2	6.3	33.1	34.4
Mindtree	Buy	1120	1260	12	34.4	46.3	62.3	38.0	34.8	34.5	32.6	24.2	6.7	5.8	18.8	25.7
Mphasis	Neutral	1228	1100	-10	44.0	57.7	63.2	13.2	31.1	9.5	27.9	21.3	4.3	5.0	14.6	20.9
NIIT Tech	Neutral	1272	1100	-14	45.6	59.3	70.2	19.8	30.1	18.4	27.9	21.5	4.4	4.0	16.2	19.5
Persistent Sys	Buy	825	950	15	40.4	46.0	58.9	7.2	13.9	28.0	20.4	17.9	3.2	3.1	16.7	18.3
Tata Elxsi	Buy	1330	1700	28	38.7	47.4	55.4	37.7	22.3	16.8	34.3	28.1	11.4	9.0	37.6	35.8
TCS	Neutral	2077	1950	-6	66.0	81.9	93.5	-1.0	24.1	14.1	31.5	25.3	9.1	8.8	29.4	34.9
Tech Mah	Buy	770	800	4	42.7	43.3	52.6	33.6	1.3	21.6	18.0	17.8	3.6	3.2	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	294	300	2	10.6	14.3	19.1	1.3	35.9	33.0	27.9	20.5	4.0	3.5	15.3	18.2
Aggregate								5.3	10.4	14.7	24.4	22.1	5.9	5.5	24.2	25.1



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
Telecom																
Bharti Airtel	Buy	370	470	27	4.1	-0.8	1.2	-63.3	PL	LP	90.7	NM	2.1	2.1	2.4	-0.5
Bharti Infratel	Neutral	271	290	7	13.6	11.2	10.0	-8.1	-17.6	-10.9	19.9	24.1	3.0	3.1	15.6	12.6
Vodafone Idea	Buy	46	70	53	-9.6	-15.2	-13.3	Loss	Loss	Loss	NM	NM	0.7	0.9	-16.0	-26.5
Tata Comm	Buy	521	670	29	3.5	0.7	13.8	-67.2	-78.5	1,752.3	150.4	701.2	29.8	28.5	9.4	4.2
Aggregate								-98.8	PL	Loss	2,792	-48	2.0	2.1	0.1	-4.5
Utilities																
Coal India	Buy	281	345	23	19.2	26.2	30.6	28.3	36.6	16.7	14.6	10.7	9.0	8.3	36.5	77.8
CESC	Buy	976	1292	32	75.5	96.2	105.4	45.5	27.4	9.6	12.9	10.1	1.2	1.1	9.2	10.9
JSW Energy	Neutral	67	75	11	3.0	3.5	4.8	-21.2	15.5	36.5	22.3	19.3	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	9.9	9.9	0.8	0.8	8.5	8.3
NTPC	Buy	169	194	15	13.2	15.3	16.3	6.8	16.0	6.4	12.8	11.0	1.3	1.3	10.8	11.7
Power Grid	Buy	198	253	28	16.5	18.6	20.6	16.1	12.5	10.7	12.0	10.7	1.8	1.6	16.3	16.3
Tata Power	Neutral	75	75	-1	5.3	6.2	7.9	3.5	16.0	26.9	14.1	12.2	1.3	1.1	10.7	10.2
Aggregate								13.4	21.3	12.8	13.1	10.8	2.0	1.9	15.3	17.2
Others																
Arvind	Neutral	379	454	20	12.7	14.7	20.0	0.1	15.4	36.5	29.8	25.8	2.6	2.4	8.9	9.6
Avenue Supermarts	Sell	1513	1117	-26	12.9	16.7	22.3	68.4	29.3	33.7	117.1	90.6	20.2	16.5	18.9	20.1
BSE	Buy	736	950	29	43.5	44.3	55.8	6.0	1.9	25.9	16.9	16.6	1.3	1.1	7.6	6.3
Castrol India	Buy	154	218	42	7.0	6.2	6.2	2.9	-11.4	0.7	22.0	24.8	14.9	14.1	69.1	58.3
Coromandel Intl	Buy	396	557	41	22.7	23.4	27.9	38.8	3.1	19.1	17.4	16.9	3.7	3.2	22.1	20.4
Delta Corp	Buy	243	301	24	5.8	6.9	9.4	89.4	18.8	36.3	42.0	35.4	3.9	3.7	11.9	10.8
Interglobe	Neutral	871	903	4	58.3	42.1	64.3	35.1	-27.8	52.7	14.9	20.7	4.7	4.6	41.3	22.4
Indo Count	Neutral	74	93	26	6.4	7.4	8.4	-45.7	15.8	13.8	11.6	10.0	1.5	1.4	14.0	14.3
Info Edge	Buy	1484	1550	4	22.5	25.7	31.8	31.3	14.5	23.9	66.1	57.7	8.6	7.8	13.4	14.1
Kaveri Seed	Buy	619	741	20	32.0	35.7	43.6	67.8	11.5	22.3	19.3	17.4	4.0	3.7	20.9	22.2
MCX	Buy	807	1000	24	21.2	23.0	33.7	-14.6	8.4	46.7	38.0	35.1	3.0	2.9	7.9	8.4
Navneet Education	Buy	119	160	35	5.4	7.9	8.9	-26.1	45.7	12.8	22.0	15.1	3.7	3.3	17.4	22.9
Oberoi Realty	Buy	452	616	36	12.6	24.5	35.8	21.2	94.1	46.3	35.8	18.5	2.7	2.0	7.8	12.6
Phoenix Mills	Buy	597	757	27	15.8	18.3	26.1	44.2	15.8	42.4	37.7	32.6	3.2	2.6	9.6	8.7
Qess Corp	Neutral	886	1100	24	21.8	23.0	35.0	115.7	5.3	52.1	40.6	38.6	4.1	3.6	18.8	12.4
PI Inds.	Buy	771	889	15	26.7	30.7	37.1	-20.2	15.3	20.6	28.9	25.1	5.5	4.7	20.7	20.4
Piramal Enterp.	Buy	2888	3685	28	77.8	78.9	137.6	7.2	1.4	74.5	37.1	36.6	2.2	2.1	7.5	5.8
SRF	Buy	1985	2225	12	80.4	102.6	130.9	-10.3	27.6	27.5	24.7	19.3	3.3	2.9	13.7	15.8
S H Kelkar	Buy	219	257	18	7.1	7.6	10.3	-2.2	7.8	34.6	30.8	28.6	3.7	3.4	12.3	12.3
Tata Chemicals	Buy	739	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	2492	3500	40	43.0	60.4	94.8	28.0	40.3	56.9	57.9	41.3	9.4	7.6	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	693	749	8	44.2	46.7	50.6	5.9	5.7	8.3	15.7	14.8	3.8	3.2	26.9	23.4



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja	0.2	-7.7	1.3
Ashok Ley.	-0.5	-1.8	6.5
Bajaj Auto	0.7	5.1	-10.3
Bharat Forge	1.3	1.2	0.7
Bosch	-0.2	9.7	-5.3
CEAT	-0.7	-6.8	-24.7
Eicher Mot.	-1.6	-0.4	-12.1
Endurance Tech.	-0.9	-9.1	29.8
Escorts	-4.5	-16.5	7.5
Exide Ind	-0.7	-8.3	18.0
Hero Moto	1.0	-3.3	-20.4
M&M	0.0	-1.4	46.4
Maruti Suzuki	-2.3	-10.3	0.7
Motherson Sumi	1.6	-6.5	-14.8
Tata Motors	0.5	-1.8	-40.4
TVS Motor	0.9	16.1	-9.2
Banks - Private			
AU Small Fin. Bank	-0.1	-3.2	21.8
Axis Bank	0.1	-2.9	17.0
DCB Bank	-1.2	-1.2	-16.3
Equitas Hold.	-1.7	-2.3	-15.4
Federal Bank	-0.3	-13.1	-37.0
HDFC Bank	-1.6	-5.6	6.0
ICICI Bank	0.7	-5.6	9.0
IndusInd	-3.1	-9.3	3.4
Kotak Mah. Bk	0.9	-2.8	18.6
RBL Bank	-0.8	3.1	10.5
South Indian	-0.6	-13.4	-45.5
Yes Bank	-1.4	-18.9	-14.6
Banks - PSU			
BOB	2.5	-20.3	-19.4
BOI	0.5	-3.4	-41.8
Canara	-0.2	-11.1	-28.1
Indian Bk	-1.1	-15.3	1.7
PNB	0.0	-5.0	-45.0
SBI	-0.9	-10.1	1.3
Union Bk	4.5	-9.7	-42.9
NBFCs			
Aditya Birla Cap	-2.1	-10.8	-35.9
Bajaj Fin.	-2.8	-12.4	30.7
Capital First	-1.3	-5.8	-29.2
Cholaman.Inv.&Fn	-0.1	-11.5	12.7
GRUH Fin.	0.0	5.0	22.9
HDFC	-1.3	-2.8	4.5
HDFC Stand. Life	-2.3	-13.2	
Indiabulls Hsg	-0.5	-8.8	-11.6
L&T Fin.Holdings	-3.1	-19.7	-30.1
LIC Hsg Fin	-1.0	-17.2	-29.0
M&M Fin.	-2.3	-9.9	0.2
Muthoot Fin	3.3	13.1	-10.2
MAS Financial Serv.	-2.6	-4.3	
ICICI Pru Life	-2.8	-10.6	-17.7
PNB Housing	-1.6	-7.5	-24.5
Repco Home	-0.1	-13.1	-21.0

Company	1 Day (%)	1M (%)	12M (%)
Shriram City Union	1.0	-5.1	-11.0
Shriram Trans.	0.4	-10.2	11.0
Capital Goods			
ABB	-0.3	17.1	-0.3
Bharat Elec.	-1.5	-29.6	-52.5
BHEL	1.2	1.0	-16.9
Blue Star	0.4	-6.4	-16.7
CG Cons. Elec.	-0.5	-13.7	3.3
CG Power & Inds Sol.	0.4	-10.2	-34.7
Cummins	0.8	7.0	-22.4
Engineers India	-2.5	2.5	-20.3
GE T&D	-2.0	-0.4	-32.9
Havells	-0.5	-5.2	26.1
K E C Intl	1.4	4.5	-2.1
L&T	0.3	7.4	8.6
Siemens	-0.2	-5.3	-31.5
Solar Ind	-0.1	-11.3	15.2
Thermax	-2.1	-4.5	2.8
Va Tech Wab.	-3.5	-4.7	-42.3
Voltas	-1.8	-7.7	3.7
Cement			
Ambuja Cem.	0.8	-1.6	-20.8
ACC	-0.5	-1.9	-14.0
Birla Corp.	2.0	-4.6	-24.4
Dalmia Bharat	-1.6	-6.0	-9.1
Grasim Inds.	0.0	2.2	-12.7
India Cem	-0.5	-3.4	-40.2
JK Lakshmi Ce	0.6	-4.9	-25.4
Ramco Cem	-0.6	-6.0	-13.4
Orient Cem	-1.1	-14.0	-36.8
Prism Johnson	0.4	-4.7	-6.6
Sagar Cements	-2.7	-6.5	-14.6
Sanghi Inds.	-1.1	-6.6	-15.2
Shree Cem	1.1	-3.6	-7.6
Ultratech	-0.3	-5.4	-3.3
Consumer			
Asian Paints	-0.1	-7.9	2.9
Britannia	-1.7	-10.0	36.5
Colgate	0.0	-2.1	-2.3
Dabur	-0.8	2.3	48.0
Emami	-2.5	-7.6	-7.1
Future Consumer	2.3	4.8	-20.5
Godrej Cons.	-4.1	-8.0	29.4
GSK Cons.	0.1	13.9	51.5
HUL	-1.0	-7.4	28.8
ITC	-1.0	-4.5	11.9
Jyothy Lab	-4.4	-6.5	-5.0
Marico	-0.1	-7.2	3.8
Nestle	-1.2	-6.6	39.6
Page Inds	-1.4	-5.0	66.6
Parag Milk	-2.1	-12.0	8.5
Pidilite Ind.	0.3	-0.4	31.1
P&G Hygiene	-0.7	-7.1	15.9
Prabhat Dairy	-1.6	-3.4	12.0
United Brew	0.1	-5.6	63.8



Company	1 Day (%)	1M (%)	12M (%)
United Spirits	-1.2	-12.2	5.2
Healthcare			
Alembic Phar	1.0	8.4	31.9
Alkem Lab	1.4	-1.4	16.0
Ajanta Pharma	-0.8	-1.5	-1.8
Aurobindo	-0.1	18.5	3.6
Biocon	-1.2	13.0	86.3
Cadila	0.0	14.1	-16.0
Cipla	-0.4	1.7	15.0
Divis Lab	0.6	18.4	60.8
Dr Reddy's	0.6	10.2	16.3
Fortis Health	0.1	-5.5	-7.6
Glenmark	-1.7	11.5	8.8
Granules	-0.1	0.6	-15.3
GSK Pharma	-0.7	-0.1	37.4
IPCA Labs	-2.3	2.6	53.1
Jubilant Life	-3.2	0.9	6.8
Lupin	-2.2	3.4	-9.6
Laurus Labs	-0.1	-2.2	-20.4
Sanofi India	-1.6	-0.4	56.3
Shilpa Medicare	-1.0	16.7	-13.1
Strides Pharma	-1.8	9.1	-49.9
Sun Pharma	0.8	3.9	25.3
Torrent Pharma	1.1	-0.7	40.2
Infrastructure			
Ashoka Buildcon	1.3	-17.8	-8.8
IRB Infra.Devl.	-4.1	-12.8	-25.8
KNR Construct.	-2.4	-14.6	-5.8
Sadbhav Engg.	-0.3	-1.2	-8.1
Logistics			
Allcargo Logistics	-0.3	-7.4	-36.5
Concor	1.3	-2.7	-8.1
Media			
Dish TV	-3.8	-8.8	-18.5
D B Corp	-1.8	-14.9	-43.2
Ent.Network	0.4	-10.5	-23.8
Hathway Cab.	2.5	31.6	-21.3
Hind. Media	1.1	-2.6	-41.2
HT Media	-1.0	-5.7	-50.2
Jagran Prak.	-0.1	2.7	-35.1
Music Broadcast	0.6	-0.5	-16.7
PVR	-0.4	2.1	-0.1
Sun TV	-2.9	-17.2	-23.3
Zee Ent.	-2.4	-10.4	-17.1
Metals			
Hindalco	0.7	7.4	-4.3
Hind. Zinc	-0.3	7.0	-3.7
JSPL	1.4	17.1	53.1
JSW Steel	2.4	24.9	59.2
Nalco	0.8	-0.4	-14.8
NMDC	-0.6	13.1	-11.0
Rain Industries	-3.0	-18.0	3.9
SAIL	1.6	2.0	23.6
Vedanta	0.0	7.0	-28.8
Tata Steel	1.3	6.9	-2.7

Company	1 Day (%)	1M (%)	12M (%)
Oil & Gas			
Aegis Logistics	-0.3	-7.9	-3.2
BPCL	2.9	-3.3	-27.9
GAIL	2.5	-0.8	21.9
Gujarat Gas	-3.9	-11.1	-19.4
Gujarat St. Pet.	-0.8	-8.4	-12.6
HPCL	0.9	-5.9	-45.3
IOC	0.5	-3.9	-26.6
IGL	-1.6	-6.9	-13.5
Mahanagar Gas	-0.2	-8.9	-25.8
MRPL	1.7	-7.6	-45.3
Oil India	0.2	1.9	-5.3
ONGC	1.9	8.3	6.4
PLNG	1.0	7.2	-1.4
Reliance Ind.	-0.6	0.6	44.1
Retail			
Jubilant Food	-3.9	-11.8	91.0
Titan Co.	-0.1	-12.4	28.7
Technology			
Cyient	-0.2	-4.8	40.8
HCL Tech.	0.5	8.4	21.6
Hexaware	-1.3	-6.4	63.5
Infosys	0.2	0.7	58.1
KPIT Tech	-2.5	-1.9	140.6
L&T Infotech	-1.4	-1.4	135.8
Mindtree	-2.2	8.8	137.3
Mphasis	1.1	3.4	97.7
NIIT Tech	-2.7	-4.5	151.6
Persistent Sys	-1.0	-5.2	31.6
Tata Elxsi	0.2	-7.1	50.0
TCS	0.3	3.2	66.3
Tech Mah	2.0	12.1	72.4
Wipro	0.1	19.0	15.2
Zensar Tech	-3.2	6.9	95.8
Telecom			
Bharti Airtel	-1.0	-0.4	-6.3
Bharti Infratel	1.5	-4.2	-31.8
Idea Cellular	-0.9	-10.1	-44.8
Tata Comm	0.8	-5.7	-26.2
Utilites			
Coal India	2.6	-0.2	8.7
CESC	-0.6	5.1	-8.9
JSW Energy	-3.0	0.2	-14.7
NHPC Ltd	-0.4	-4.9	-14.5
NTPC	-0.4	7.1	0.1
Power Grid	-0.3	5.8	-8.0
Tata Power	1.3	9.9	-11.1
Others			
Arvind	-1.2	-5.9	-7.8
Avenue Super.	-1.4	-6.5	40.2
BSE	-2.9	-3.0	-27.7
Castrol India	0.8	-1.3	-19.7
Coromandel Intl	-1.9	-3.1	-6.0
Delta Corp	0.4	-7.0	21.1
Interglobe	1.1	-16.9	-24.1



Company	1 Day (%)	1M (%)	12M (%)
Indo Count	-2.3	-6.6	-37.3
Info Edge	-3.3	-0.3	30.7
Kaveri Seed	0.0	1.0	8.2
MCX	3.0	-5.9	-27.1
Navneet Educat.	-1.4	-4.0	-32.3
Oberoi Realty	-1.6	-4.5	6.9
Phoenix Mills	0.7	-5.1	21.7
PI Inds.	-0.3	-1.2	-0.2
Piramal Enterp.	-1.4	6.7	4.5
Qess Corp	-0.1	-14.7	5.3
SRF	-0.3	-0.3	22.8
S H Kelkar	-0.4	8.9	-19.2
Tata Chemicals	0.0	4.4	12.5
Team Lease Serv.	-1.1	-4.8	61.2
Trident	-0.2	4.4	-39.7
UPL	-2.1	12.5	-17.0

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Sector: Retail Stores

Phoenix Mills



The Specialist

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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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Analyst Email: Research Analyst (Logistics)@mofos.com | 41 21 832 1384
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MOTILAL OSWAL Initiating Coverage | 16 February 2020
Sector: Agriculture

UPL



Reaping growth

Research Analyst: Research Analyst (Agriculture)@mofos.com | 41 21 832 1384
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MOTILAL OSWAL Initiating Coverage | 14 January 2020
Sector: Healthcare

Laurus Labs

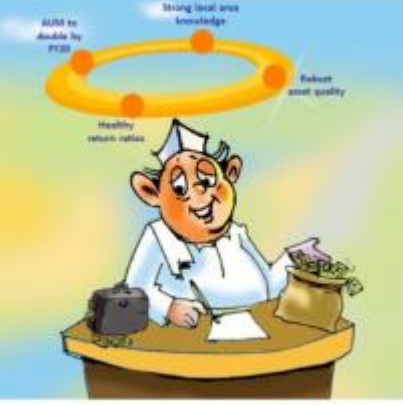


Angling for growth

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MOTILAL OSWAL Initiating Coverage | 11 January 2020
Sector: Financials

MAS Financial Services



Grassroots financier

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MOTILAL OSWAL Initiating Coverage | 8 January 2020
Sector: Finance

AU Small Finance Bank



First Among Equals

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MOTILAL OSWAL Initiating Coverage | 26 December 2019
Sector: Automobile

Motherson Sumi



Magical times ahead!

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Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
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UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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