

Market snapshot



Equities - India	Close	Chg. %	CYTD.%
Sensex	38,970	-1.0	8.0
Nifty-50	11,709	-1.0	7.8
Nifty-M 100	17,361	-1.1	-2.9
Equities-Global	Close	Chg. %	CYTD.%
S&P 500	2,864	0.8	14.3
Nasdaq	7,786	1.1	17.3
FTSE 100	7,329	0.2	8.9
DAX	12,143	0.8	15.0
Hang Seng	10,635	0.0	5.0
Nikkei 225	21,272	-0.1	6.3
Commodities	Close	Chg. %	CYTD.%
Brent (US\$/Bbl)	72	-0.7	35.5
Gold (\$/OZ)	1,275	-0.2	-0.6
Cu (US\$/MT)	5,965	-0.6	0.3
Almn (US\$/MT)	1,762	-0.2	-5.4
Currency	Close	Chg. %	CYTD.%
USD/INR	69.7	0.0	-0.1
USD/EUR	1.1	0.0	-2.7
USD/JPY	110.5	0.4	0.7
YIELD (%)	Close	1MChg	CYTDchg
10 Yrs G-Sec	7.3	0.02	-0.1
10 Yrs AAA Corp	8.5	0.02	-0.1
Flows (USD b)	21-May	MTD	CYTD
FII	0.17	-0.54	9.06
DII	-0.16	1.03	-1.21
Volumes (INRb)	21-May	MTD*	CYTD*
Cash	404	351	356
F&O	5,328	10,815	10,521

Note: *Average

Today's top research idea



Tech Mahindra: Communication and Enterprise swap momentums

- ❖ For FY19, TECHM's USD revenue grew 4.2% YoY, EBITDA increased 34% YoY and PAT was up 13% YoY. Including the buyback of INR19.6b, the total payout for the year stood at 74.5%. For 4QFY19, USD revenue grew 1.9% YoY (our estimate: +3.5% YoY), and was dragged by Enterprise (57.3% of revenues) decline of 2.2% QoQ, v/s our estimate of 1.5% Growth.
- ❖ Adjusted EBITDA margin declined 60bp QoQ to 18.7%, v/s estimate of 19.1%. Going forward, while TECHM continues to expect high-single digit revenue growth with stable margin, the mix of revenue traction is expected to change, with Communications likely taking over from Enterprise. Communications turnaround is a positive for TECHM, but case for upside weakens if Enterprise doesn't compound. Our price target of INR890 discounts forward earnings by 14.5% (5-year average) and implies 15% upside. Maintain **Buy**.



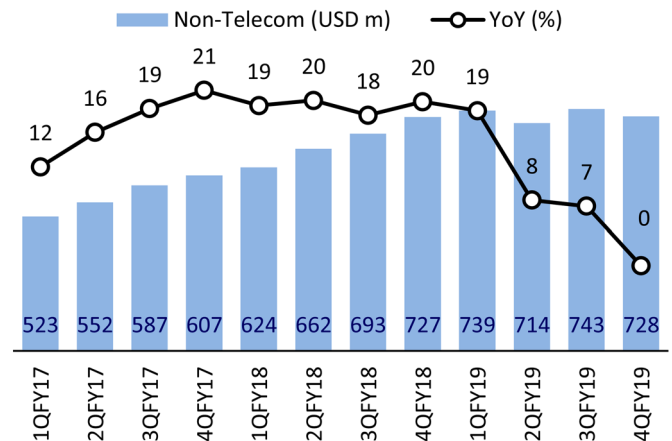
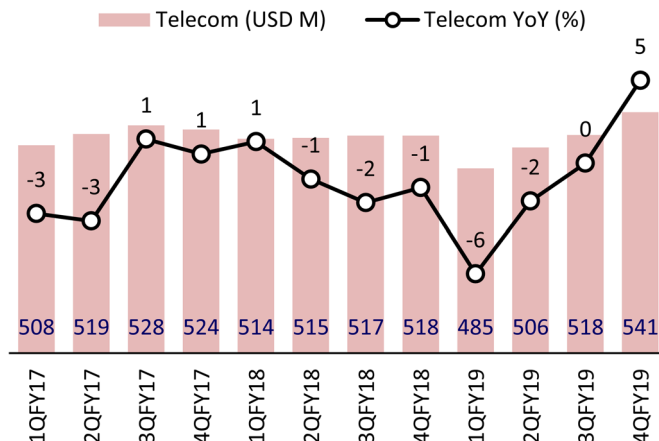
Research covered

Cos/Sector	Key Highlights
Tech Mahindra	Communication and Enterprise swap momentums
Bosch	Below est.; Negative op. leverage dents margins
United Breweries	Earnings growth hits a bump, long-term outlook intact
Torrent Pharma	Pain points evident across geographies
JSPL	Standalone in line, subs drive miss
CG Consumer Elec.	Marginal miss at operating level as ECD segment disappoints
JK Cements	Increasing utilization setting good stage for rapid capacity expansion
Other notes	INDOSTAR VATW SNGI Telecom
Result Expectation	ASBL BOB CIPLA KKC FCON GETD IIB QUESS SHKL TRCL TMX



Chart of the Day: Tech Mahindra (Communication and Enterprise swap momentums)

Communication revenue seen getting better



Source: MOFSL, Company

Research Team (Gautam.Duggad@MotilalOswal.com)

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

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



Kindly click on textbox for the detailed news link

1

RBI rules out credit line for NBFCs, discusses revised bad loan circular

The Reserve Bank of India (RBI) board on Tuesday suggested not extending a credit line to struggling non-banking financial companies (NBFCs) because it felt there was no systemic liquidity issue but there were solvency concerns in some large entities...

2

PNB could take control of OBC, Andhra Bank, Allahabad Bank: Reports

Punjab National Bank (PNB) could take control of two or three small state-run banks, that could include Oriental Bank of Commerce, Andhra Bank and Allahabad Bank, two sources familiar with the situation told Reuters. New Delhi has been trying to merge smaller regional state-run banks with better managed larger government-owned lenders as one way to reduce bad loans that stand at more than Rs 9 trillion (\$130 billion), or nearly 5 per cent of the nation's gross domestic output...

3

Competition watchdog probing allegations against Maruti, say reports

India's antitrust regulator is looking into allegations that Maruti Suzuki, the country's biggest car maker, resorted to anti-competitive practices by controlling how its dealers discounted cars, three people aware of the matter said. Maruti, majority-owned by Japan's Suzuki Motor Corp,...

4

DHFL puts fresh deposits and renewals on hold, halts premature withdrawals

Dewan Housing Finance Ltd (DHFL), one of India's largest housing finance companies, announced that it has stopped accepting fresh public deposits and renewals of existing deposits with immediate effect. This, in view of the recent revision of the credit rating of its fixed deposit programme...

5

Inside the audit lapses that led to IL&FS crisis

Every time there is corporate scam, audit firms and auditors are the first ones to be blamed. This time, too, after the Infrastructure Leasing and Financial Services Ltd (IL&FS) crisis, the auditors, especially the "big three"—EY, Deloitte and KPMG—are in the dock. Yet, larger questions remain about the changing role of the Institute of Chartered Accountants of India (ICAI), besides India's auditing rule. As things stand, IL&FS and its vast network of subsidiaries has now become a PR nightmare for the big three...

6

Opposition ups the ante on tallying EVMs, VVPAT slips

Two days ahead of the announcement the Lok Sabha poll results, 22 Opposition parties have marched to the Election Commission demanding a clear procedure in case of any mismatch between the counting figures of electronic voting machines (EVMs) and voter-verified paper audit trail (VVPAT) system...

7

NSE moves SAT against Sebi orders in co-location case

The National Stock Exchange of India (NSE) has challenged the colocation orders of the Securities and Exchange Board of India (Sebi) on the ground that they are unsustainable, arbitrary, and disproportionate. The protracted legal battle is a rare instance of an exchange challenging the market regulator's orders...



Tech Mahindra

BSE SENSEX	S&P CNX
38,970	11,709
Bloomberg	TECHM IN
Equity Shares (m)	985
M.Cap.(INRb)/(USD\$)	761.2 / 10.9
52-Week Range (INR)	846 / 613
1, 6, 12 Rel. Per (%)	-3/1/0
12M Avg Val (INR M)	2529
Free float (%)	64.1

Financials & Valuations (INR b)

Y/E Mar	2019	2021E	2021E
Net Sales	347.4	372.3	410.2
EBITDA	63.4	67.4	75.4
PAT	43.6	48.1	54.3
EPS (INR)	48.2	54.0	61.1
Gr. (%)	12.8	12.1	13.2
BV/Sh (INR)	228.7	240.4	273.1
RoE (%)	22.0	23.1	24.2
RoCE (%)	18.7	19.8	21.0
P/E (x)	16.0	14.3	12.6
P/BV (x)	3.4	3.2	2.8

Estimate change

TP change

Rating change

CMP: INR773 TP: INR890 (+15%)

Buy

Communication and Enterprise swap momentums

- A contrasting year for revenues and margins:** For FY19, TECHM's USD revenue grew 4.2% YoY, EBITDA increased 34% YoY and PAT was up 13% YoY. Including the buyback of INR19.6b, the total payout for the year stood at 74.5%. For 4QFY19, USD revenue grew 1.9% YoY (our estimate: +3.5% YoY), EBITDA increased 16% YoY (our estimate: 23%) to INR16.4b, while PAT declined 7% YoY (our estimate: -1% YoY) to INR11.3b.
- 4QFY19 dragged by Enterprise: Communications** (42.7% of revenue) surprised positively with sequential growth of 4.4% versus our estimate of ~3%. This was supported partly by seasonality in its products subsidiary Comviva, which was sanguine versus tepid expectations. However, **Enterprise** (57.3% of revenue) disappointed with a sequential decline of 2.2% in revenue versus our estimate of 1.5% growth. Revenue declined in four of the five verticals in Enterprise. The vertical was marred by the deferral of Healthcare projects into 1Q/2QFY20 and the 3Q base effect for Manufacturing and Retail. Profitability was impacted by a one-time non-recurring expense in SGA, excluding which, the EBITDA margin was 18.7% versus our estimate of 19.1%.
- Expect traction to shift from Enterprise to Communications:** TECHM's earlier outlook was of mid-single-digits growth in Communications and 8-10% growth in Enterprise. However, while the overall growth rate may remain in high-single-digits, Communications will likely be better, while Enterprise may soften. Three quarters of healthy growth, coupled with a strong order book, drive confidence in Communications. For margins, TECHM expects to maintain current levels at the least, despite 1QFY20 facing headwinds from wage hikes, visa costs and Comviva seasonality. Subsidiary companies' margins and utilization remain levers over the near term, while offshore revenue percentage is a medium- to long-term lever.
- Valuation view:** We cut our revenue estimates for FY20/21 by ~1pp, mainly on the back of the 4Q miss and the softer outlook on Enterprise. We were already building in a gradual improvement in Communications on the back of service providers' 5G investments. We continue estimating an EBITDA margin band of 18-18.5%. Our earnings estimates are little changed post the results. Over FY19-21, we expect USD revenue CAGR of 8% and earnings CAGR of 13%. Our TP of INR890 (15% upside) discounts forward earnings by 14.5x, the average multiple over the last five years. Maintain **Buy**.

Quarterly Performance (Consolidated)

Y/E March	FY18				FY19				FY18	FY19	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue (USD m)	1,138	1,179	1,209	1,244	1,224	1,218	1,261	1,268	4,771	4,971	1,288	-1.6
QoQ (%)	0.6	3.6	2.5	2.9	-1.6	-0.5	3.5	0.5	9.6	4.2	2.2%	51bp
Revenue (INR m)	73,361	76,064	77,760	80,545	82,763	86,298	89,437	88,923	3,07,730	3,47,421	90,810	-2.1
YoY (%)	6.0	6.1	2.9	7.5	12.8	13.5	15.0	10.4	5.6	12.9	12.7	-234bp
GPM (%)	28.0	29.3	30.8	31.9	30.7	34.0	33.1	33.1	30.0	32.8	33.0	9bp
SGA (%)	15.3	14.7	14.6	14.3	14.3	15.3	13.8	14.7	14.7	14.5	13.9	78bp
EBITDA	9,347	11,057	12,638	14,119	13,569	16,186	17,226	16,387	47,161	63,368	17,360	-5.6
EBITDA Margin (%)	12.7	14.5	16.3	17.5	16.4	18.8	19.3	18.4	15.3	18.2	19.1	-69bp
EBIT Margin (%)	9.4	11.0	12.7	13.8	13.0	15.3	16.1	15.4	11.8	15.0	15.9	-56bp
Other income	4,106	3,222	2,250	4,513	1,114	1,751	806	1,671	14,091	5,342	2,139	-21.9
Interest expense	370	386	341	527	305	388	358	281	1,624	1,332	344	-18.3
ETR (%)	25.4	25.3	21.8	18.6	21.2	26.8	17.8	23.5	22.4	22.4	25.0	
PAT excl. BT amort & EOI	7,985	8,362	9,422	12,221	8,979	10,642	12,029	11,325	37,990	42,975	12,092	-6.3
QoQ (%)	35.8	4.7	12.7	29.7	-26.5	18.5	13.0	-5.9			0.5	
YoY (%)	21.7	29.7	10.1	107.9	12.4	27.3	27.7	-7.3	38.3	13.1	-1.1	
EPS (INR)	9.0	9.4	10.6	13.7	10.1	11.9	13.5	12.6	42.6	47.7	13.5	
Headcount	1,15,990	1,17,225	1,15,241	1,12,807	1,13,552	1,18,391	1,21,842	1,21,082	1,12,807	1,21,082	1,25,491	-3.5
Util excl. trainees (%)	77.0	81.0	83.0	84.0	81.0	81.0	82.0	82.0	81.1	81.5	81.9	10bp
Attrition (%)	17.0	16.0	17.0	18.0	19.0	20.0	21.0	21.0				
Offshore rev. (%)	36.3	35.9	34.2	33.0	33.4	35.5	34.5	34.8	34.8	34.5	34.7	10bp



BSE SENSEX	S&P CNX
38,970	11,709
Bloomberg	BOS IN
Equity Shares (m)	31
M.Cap.(INRb)/(USDb)	513 / 7.4
52-Week Range (INR)	22400 / 16686
1, 6, 12 Rel. Per (%)	-4/-20/-14
12M Avg Val (INR M)	379
Free float (%)	29.5

CMP: INR17,394 TP: INR18,200 (+5%) Neutral

Below est.; Negative op. leverage dents margins; FY20 outlook cautious

- Revenues declined 13% YoY (-11% QoQ) to INR27.5b (our est. INR30.5b). Auto revenue declined 16% YoY (domestic auto revenues fell 16.4% while auto exports declined 6.3%). Powertrain revenues declined 19% impacted by diesel, even as gasoline grew in line with the industry. EBITDA declined 25% YoY (-22% QoQ) to INR5.2b (below our est. INR6b). EBITDA margin shrank 310bp YoY to 18.8% (our est. 19.8%) impacted by negative operating leverage. Lower tax restricted the decline in PAT to 17% YoY at INR4.1b (our est. INR4.4b). In FY19, Revenue/EBITDA/PAT grew 5%/3.4%/11.5%.
- **Concall highlights:** (a) FY20 outlook cautious due to BS6 transition, but growth expected from 2HFY20. It expects OEMs to stop manufacturing BS4 vehicles latest by end-3QFY20. (b) Aftermarket business grew 8-10% in CY18, but, 1QCY19 growth was muted. (c) BOS has ~33% market share in the gasoline business; it is growing in line with industry. (d) Capex: ~INR6b in FY19 and INR5-6b in FY20. (e) For BS6, customer acquisitions (incl. 2Ws) are at an all-time high for BOS (currently working on 150 projects).
- **Valuation view:** We have reduced our FY20/FY21 EPS estimates by 6%/7% to factor in the weak demand environment. BS6 transition poses the risk of (a) further market share loss in CVs, and (b) continuous decline in its stronghold — diesel PVs, though 2W opportunity should open up for BOS (it's one of the 3-4 players in 2W EFIs). BOS' earnings have been flat over the last three years. While we estimate EPS to grow at ~11.5% CAGR over FY19-21, the changing competitive positioning poses a threat to our estimates. Valuations have corrected, in line with muted earnings growth and dilution in competitive positioning. The stock now trades at 30.1x/25.8x FY20/FY21 EPS (v/s 10-year LPA at ~32x). Maintain **Neutral** with TP of ~INR18,200 (27x FY21EPS – ~15% discount to LPA).

Financials & Valuations (INR b)

Y/E Mar	2019	2020E	2021E
Net Sales	122.6	137.1	161.0
EBITDA	21.6	25.3	30.5
PAT	16.0	17.1	19.9
EPS (INR)	541.9	578.4	673.9
Gr. (%)	15.3	6.7	16.5
BV/Sh (INR)	3,095	2,707	3,106
RoE (%)	16.7	19.9	23.2
RoCE (%)	24.6	29.7	34.5
P/E (x)	32.1	30.1	25.8
P/BV (x)	5.6	6.4	5.6

Estimate change

TP change

Rating change



Quarterly performance (S/A)

Y/E March	FY18				FY19				FY18	FY19	Est 4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	26,484	28,119	30,719	31,580	32,122	32,011	30,955	27,492	116,902	122,579	30,458	-9.7
YoY Change (%)	4.2	6.8	14.1	22.7	21.3	13.8	0.8	-12.9	12.0	4.9	-3.6	
RM Cost (% of sales)	54.4	55.1	52.8	53.5	54.4	56.7	55.5	54.3	53.9	55.3	54.7	-40bp
Staff Cost (% of sales)	12.9	12.2	11.1	10.4	10.9	10.6	10.9	12.4	11.6	11.2	11.2	120bp
Other Exp. (% of sales)	16.2	14.5	21.5	14.2	15.1	14.0	19.9	14.5	16.6	15.9	14.2	20bp
EBITDA	4,390	5,080	4,476	6,914	6,282	5,962	4,226	5,165	20,933	21,635	6,037	-14.4
Margins (%)	16.6	18.1	14.6	21.9	19.6	18.6	13.7	18.8	17.9	17.7	19.8	-100bp
Depreciation	1,062	1,108	1,243	1,259	939	950	1,012	1,144	4,672	4,045	1,087	
Interest	5	0	27	1	0	0	102	31	33	133	0	
Other Income	1,295	1,290	1,023	1,582	1,147	1,395	1,786	1,625	5,118	5,953	1,638	
PBT before EO expense	4,618	5,262	4,229	7,236	6,489	6,407	4,899	5,615	21,346	23,410	6,588	-14.8
Extra-Ord expense	0	0	0	939	0	0	0	0	939	0	0	
PBT after EO Expense	4,618	5,262	4,229	6,297	6,489	6,407	4,899	5,615	20,407	23,410	6,588	-14.8
Tax Rate (%)	34.5	32.8	33.6	31.1	33.6	34.4	31.5	26.7	32.8	31.7	33.2	-650bp
Reported PAT	3,026	3,533	2,810	4,338	4,310	4,200	3,354	4,117	13,708	15,980	4,400	-6.4
Adj PAT	3,026	3,533	2,810	4,985	4,310	4,200	3,354	4,117	14,339	15,980	4,400	-6.4
YoY Change (%)	-19.3	-16.5	30.8	13.2	42.4	18.9	19.3	-17.4	4.7	11.5	-11.7	



United Breweries

BSE SENSEX	S&P CNX
38,970	11,709
Bloomberg	UBBL IN
Equity Shares (m)	264
M.Cap.(INRb)/(USD\$b)	377.5 / 5.4
52-Week Range (INR)	1494 / 1030
1, 6, 12 Rel. Per (%)	1/-/12
12M Avg Val (INR M)	954
Free float (%)	42.3

CMP: INR1,428

TP: INR1,430

Neutral

Financials & Valuations (INR b)

Y/E Mar	FY19	FY20E	FY21E
Net Sales	64.8	72.5	83.4
EBITDA	11.4	12.6	15.2
PAT	5.6	6.3	7.7
EPS (INR)	21.3	23.9	29.3
Gr. (%)	42.8	12.1	22.6
BV/Sh (INR)	119.8	140.5	166.0
RoE (%)	19.2	18.3	19.1
RoCE (%)	18.5	17.7	18.3
P/E (x)	67.1	59.8	48.8
EV/EBITDA (x)	33.2	30.0	25.0

Estimate change

TP change

Rating change



Earnings growth hits a bump, long-term outlook intact

- 4QFY19 standalone net sales grew 10.7% YoY (off a strong base) to INR16.3b (our est. INR16.5b). EBITDA declined 17.8% YoY to INR1.7b (our est. INR2.5b), while Adj. PAT declined 25.3% YoY to INR679m (our est. INR1.1b). Volumes are estimated to have grown at 9% with likely market share gains as well.
- Standalone Gross margins declined 220bp YoY (our est. -60bp) to 50.5% likely due to higher barley costs. Employee costs were up 10bp YoY to 7.6% while other expenses were up 130bp to 32.4%. Consequently, standalone EBITDA margins were down 360bp YoY to 10.5% (our est. 15.0%).
- FY19 consolidated performance:** Net Sales/EBITDA/PAT saw YoY increase of 15.2%/26.2%/42.8%. Gross margins improved 40bp YoY to 53.6% and EBITDA Margin by 150bp YoY to 17.6%. Strong FY19 PAT growth was on top of the 71.6% PAT growth seen in full-year FY18.
- Balance sheet details:** Working Capital was well managed with Net Working Capital increasing 9.4% v/s 15.2% increase in sales for the full year. Net debt declined sharply by 85% YoY. Negative factor in the balance sheet was the ~40% sharp increase in total other assets (incl. short term and long term).
- Valuation and view:** Significant expectations miss in 4QFY19 resulted in 10.9%/8.5% decrease in FY20/FY21 EPS. We had downgraded the stock to Neutral in Mar'19 citing likely sharp reduction in near-term earnings growth; this, after two stellar years of EPS growth (72% in FY18 and 43% in FY19). But, the EPS cuts have exceeded our earlier expectations. Near-term election related disruptions, rising barley costs and ongoing high capex intensity should limit EPS growth to ~12% in FY20. Nevertheless, long-term volume and earnings growth opportunity (FY19 PAT at only USD80m) is immense for India's largest beer player, especially in a sector with strong entry barriers in the form of distribution, brewery reach, scale and brands.
- Valuing the company at 25x FY21 EV/EBITDA (in line with peers), we get a target price of INR1,430. Maintain **Neutral**.

Standalone - Quarterly Earning Model

Y/E March	FY18				FY19				Consol.		FY19 4QE	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY18	FY19		
Net Sales	16,780	12,796	11,994	14,718	18,659	15,260	14,512	16,294	56,190	64,754	16,476	-1.1%
YoY Change (%)	7.3	23.4	17.3	32.3	11.2	19.3	21.0	10.7	18.7	15.2	12.1	
Gross Profit	8,817	6,907	6,272	7,762	10,095	8,485	7,739	8,230	29,876	34,678	8,588	
Margin (%)	52.5	54.0	52.3	52.7	54.1	55.6	53.3	50.5	53.2	53.6	52.1	
EBITDA	3,184	2,219	1,526	2,082	4,004	3,182	2,479	1,712	9,020	11,384	2,471	-30.7%
YoY Change (%)	9.4	83.1	19.3	105.9	25.8	43.4	62.4	-17.8	41	26.2	19	
Margins (%)	19.0	17.3	12.7	14.1	21.5	20.9	17.1	10.5	16.1	17.6	15.0	
Depreciation	649	650	650	648	637	656	665	639	2,597	2,599	761	
Interest	142	127	93	114	92	40	62	118	477	312	69	
Other Income	63	12	8	48	153	37	21	106	131	320	40	
PBT	2,456	1,454	791	1,368	3,428	2,523	1,772	1,062	6,078	8,793	1,681	-36.8%
Tax	837	515	317	459	1,208	885	681	383	2,132	3,160	555	
Rate (%)	34.1	35.4	40.1	33.6	35.3	35.1	38.4	36.0	35	35.9	33	
MI & P/L of Asso. Cos.	0	0	0	0	0	0	0	0	-4	-4	4.0	
Adj PAT	1,619	938	474	909	2,219	1,638	1,092	679	3,942	5,629	1,122	-39.5%
YoY Change (%)	10.1	246.9	-2.3	1,250.4	37.1	74.5	130.4	-25.3	71.7	42.8	23.5	
Margins (%)	9.6	7.3	4.0	6.2	11.9	10.7	7.5	4.2	7.0	8.7	6.8	



Torrent Pharmaceuticals

BSE SENSEX	S&P CNX
38,970	11,709
Bloomberg	TRP IN
Equity Shares (m)	169
M.Cap.(INRb)/(USD\$)	270.9 / 3.9
52-Week Range (INR)	1964 / 1282
1, 6, 12 Rel. Per (%)	-12/-14/7
12M Avg Val (INR M)	472
Free float (%)	28.8

CMP: INR1,601 TP: INR1,500 (-6%) Neutral

Pain points evident across geographies; success in course correction key

- **Sales growth subdued:** Sales increased 8% YoY to INR18.5b (our estimate: INR21.1b) in 4QFY19, supported by the US (+21% YoY to INR3.7b; +11% YoY to USD52m in USD terms) and India (DF; +9% YoY to INR7.5b) businesses. However, Germany (+2% YoY to INR2.3b) and Brazil (-4% YoY to INR2b) businesses exhibited a muted performance.
- **Profitability supported by a favorable base:** Gross margin (GM) shrank 170bp YoY (+50bp QoQ) to 70.7% due to a change in the product mix. However, EBITDA margin expanded 440bp YoY to 25.5% (our estimate: 26.9%), led by lower other expenses (-680bp YoY off a high base). EBITDA of INR4.7b (up 14% YoY) came in below our estimate of INR5.7b. In 4QFY19, TRP incurred an extraordinary expense of INR3.6b toward (a) an impairment related to Bio-Pharm (INR2.2b) and (b) a penalty on product recall in the US (INR1.4b). Adjusted for this, PAT stood at INR1.6b (our estimate: PAT of INR2.7b) up 12.5% YoY.
- For FY19, sales/EBITDA stood at INR76b (+27% YoY)/INR19.5b (+44% YoY), while PAT came in at INR7.2b (down 7% YoY)
- **Key concall highlights:** (a) The discontinuation of Losartan/Losartan H and the shutdown of the Pennsylvania site impacted US growth. (b) India sales growth was affected by discontinuation of a few products/productivity initiatives. Adjusted for the same, India sales growth was higher at 11% YoY.
- **Valuation and view:** There would be medium term weakness in financial performance due (a) supply disruption in a few products for the US market, (b) moderate growth in DF, (c) increased opex for its Pennsylvania site and (d) reduced operating leverage. Accordingly, we lower our EPS estimate for FY20/21 by 23%/13% to INR53/INR73. We roll to 20x (unchanged) 12M forward earnings and arrive at a TP of INR1,500 (prior: INR1,660). We await clarity on classification of the recent USFDA inspection at its key formulation sites (Dahej/Indrad). Maintain **Neutral**.

Financials & Valuations (INR b)

Y/E Mar	2019	2020E	2021E
Net Sales	76.1	84.1	94.6
EBITDA	19.5	21.7	25.0
PAT	7.2	9.0	12.3
EPS (INR)	42.7	53.0	72.6
Gr. (%)	-7.1	24.1	36.8
BV/Sh (INR)	279.2	314.2	360.6
RoE (%)	15.5	17.9	21.5
RoCE (%)	11.9	12.8	15.6
P/E (x)	37.3	30.1	22.0
P/BV (x)	5.7	5.1	4.4

Estimate change



TP change



Rating change



Quarterly performance (Consolidated)

Y/E March	FY18				FY19				FY18	FY19	Est. 4QE	Var. vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Revenues	13,740	14,290	14,770	17,220	18,720	18,940	19,880	18,560	60,020	76,100	21,185	-12.4%
YoY Change (%)	-8.8	1.6	4.5	24.7	36.2	32.5	34.6	7.8	2.5	26.8	23.0	
EBITDA	2,970	3,290	3,590	4,140	4,770	4,730	5,260	4,730	13,990	19,490	5,709	-17.1%
Margins (%)	21.6	23.0	24.3	24.0	25.5	25.0	26.5	25.5	23.3	25.6	26.9	
Depreciation	800	840	940	1,510	1,500	1,520	1,560	1,600	4,090	6,180	1,533	
Interest	560	510	800	1,210	1,220	1,260	1,330	1,230	3,080	5,040	1,192	
Other Income	1,050	780	740	420	270	100	30	170	2,990	570	300	
PBT before EO Expense	2,660	2,720	2,590	1,840	2,320	2,050	2,400	2,070	9,810	8,840	3,284	
Extra-Ord Expense	0	0	0	500	0	0	-350	3,570	500	3,220	0	
PBT after EO Expense	2,660	2,720	2,590	1,340	2,320	2,050	2,750	-1,500	9,310	5,620	3,284	
Tax	780	680	2,010	-940	690	260	290	20	2,530	1,260	570	
Rate (%)	29.3	25.0	77.6	-51.1	29.7	12.7	12.1	1.0	25.8	14.3	17.3	
Reported PAT	1,880	2,040	580	2,280	1,630	1,790	2,460	-1,520	6,780	4,360	2,714	
Adj PAT	1,880	2,040	2,390	1,472	1,630	1,790	2,152	1,656	7,782	7,228	2,714	-39.0%
YoY Change (%)	-35.6	-30.1	15.5	-35.7	-13.3	-12.3	-9.9	12.5	-16.6	-7.1	-2.4	
Margins (%)	13.7	14.3	16.2	8.5	8.7	9.5	10.8	8.9	13.0	9.5	12.8	

Jindal Steel and Power

BSE SENSEX 38,970
S&P CNX 11,709

CMP: INR163 TP: INR268 (+64%) Buy

Conference Call Details



Date: 22nd May 2019
Time: 12:00 IST
Dial-in details:
++91 (22) 6280 1384

Financials & Valuations (INR b)

Y/E March	2019	2020E	2021E
Sales	393.7	393.0	418.2
EBITDA	84.1	88.6	98.9
Adj. PAT	-1.7	-1.1	22.9
Adj. EPS (INR)	-1.7	-1.1	23.5
EPS Gr(%)	-79.5	-37.7	-2,262.3
BV/Sh. (INR)	296.9	294.6	317.7
RoE (%)	-0.6	-0.4	7.7
RoCE (%)	3.7	6.0	8.4
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	-93.6	-150.2	6.9
P/BV	0.5	0.6	0.5
EV/EBITDA (x)	7.1	6.5	5.7
Div. Yield (%)	0.0	0.0	0.0

Standalone in line, subs drive miss

4QFY19 consol. EBITDA of INR18.4b (our estimate: INR21b) was down 11% QoQ. EBITDA was in line with our estimate at the standalone level, but lower than estimate at subsidiaries. Interest cost increased 12% QoQ to INR11.6b. Depreciation charge of INR23b includes an impairment charge of INR12.8b for Australia coal mines, excluding which depreciation was flat QoQ. Exceptional charge of INR17.3b includes (a) INR12.7b for coal penalty paid in 2015 written-off and (b) INR3.7b duty and asset write-off. Cash PAT (pre-exceptional) was down 35% QoQ to INR6.8b. Net debt (ex-acceptances) declined INR1.1b QoQ to INR390.8b.

- **Standalone (S/A):** Steel sales were at 1.45mt (+21% QoQ, 23% YoY). Implied steel realization was at INR47,500/t (-10% QoQ). EBITDA/t was down by INR2,400 QoQ at INR9,931 due to lower steel spreads, partly offset by lower cost. EBITDA was at INR14.4b (-3% QoQ, in-line).
- **JPL:** Generation was at 2.6BU (13% YoY). Realization came in at INR4.16/kWh (-2% QoQ, -7% YoY). EBITDA/kWh was at INR1.1 (-4% QoQ, -11% YoY). EBITDA was at INR2.7b (-2% QoQ, +1% YoY) v/s our estimate of INR4b.
- **Oman:** Steel sales were at 460kt (+2% QoQ). EBITDA/t of USD81 was up USD10 QoQ. EBITDA came in at INR2.5b (our estimate: INR3.6b).
- **Other subs:** EBITDA was at -INR1.1b v/s +INR1b in 3Q.

We value the stock at INR268/sh on FY20E SOTP. Maintain Buy.

Quarterly Performance (Consolidated) – INR m

Y/E March	FY18				FY19				FY18	FY19	vs Est (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	59,096	61,234	69,926	85,988	96,654	99,823	95,656	101,590	276,244	393,721	97,767	4
Change (YoY %)	26.9	31.2	29.3	36.7	63.6	63.0	36.8	18.1	31.4	42.5	13.7	
EBITDA	13,527	13,734	16,065	21,365	22,766	22,074	20,769	18,447	64,691	84,056	21,030	-12
Change (YoY %)	37.5	61.9	25.8	37.7	68.3	60.7	29.3	-13.7	38.8	29.9	-1.6	
As % of Net Sales	22.9	22.4	23.0	24.8	23.6	22.1	21.7	18.2	23.4	21.3	21.5	
Interest	9,006	9,268	9,670	10,714	9,729	10,858	10,424	11,631	38,657	42,642	10,478	11
Depreciation	9,622	9,977	9,632	9,599	10,399	10,314	10,357	23,733	38,830	54,804	10,738	121
Other Income	0	14	10	5	0	9	148	0	29	157	9	
PBT (before EO item)	-5,101	-5,496	-3,227	1,057	2,637	911	136	-16,917	-12,767	-13,233	-178	9,402
Extra-ordinary Income	0	-1,497	0	-4,376	0	2,555	0	-17,339	-5,874	-14,784	0	
PBT (after EO item)	-5,101	-6,994	-3,227	-3,319	2,637	3,466	136	-34,255	-18,641	-28,017	-178	19,141
Total Tax	-887	-1,999	-457	944	1,538	674	1,008	-7,122	-2,398	-3,902	702	
% Tax	17.4	28.6	14.2	-28.4	58.3	19.4	741.5	20.8	12.9	13.9	-394.3	
Reported PAT	-4,214	-4,995	-2,770	-4,264	1,099	2,792	-872	-27,133	-16,243	-24,115	-880	2,983
MI - Loss/(Profit)	-334	-497	-67	-1,166	-709	-645	-614	-5,676	-2,064	-7,644	-654	
Associate	10	19	43	17	0	0	0	0	87	0	26	
Adjusted PAT	-3,871	-2,982	-2,660	1,295	1,808	882	-258	-4,119	-8,218	-1,687	-200	1,958
Change (YoY %)	-15.2	-60.0	-34.7	-142.8	-146.7	-129.6	-90.3	-418.0	-57.0	-79.5	-115.4	

CG Consumer Electrical

BSE SENSEX
38,970

S&P CNX
11,709

CMP: INR222

TP: INR270 (+20%)

Buy

Conference Call Details



Date: 22nd May 2019

Time: 11:00am IST

Dial-in details:

+91-22-62801259

Financials & Valuations (INR b)

Y/E March	2019	2020E	2021E
Net Sales	45.0	51.7	59.4
EBITDA	6.0	7.3	8.6
NP	3.8	4.8	5.8
EPS (INR)	6.0	7.7	9.3
EPS Gr. (%)	16.1	27.6	21.6
BV/Sh. (INR)	15.7	19.6	24.3
RoE (%)	42.4	43.4	42.4
RoCE (%)	27.1	31.9	37.8
P/E (x)	38.0	30.1	25.3
Div. Yield	1.1	1.4	1.7

Marginal miss at operating level as ECD segment disappoints

Lighting margins back to double-digits

- Sales stood at INR12.1b (+7% YoY), marginally below our estimate of INR12.3b. The revenue miss was on account of lower-than-estimated ECD sales. Revenue grew 9.6% YoY to INR8.6b. Lighting revenue grew a tepid 1.4% YoY to INR3.4b.
- EBITDA grew 3% YoY to INR1.7b and was 6% below expectation. EBITDA margin came in at 14% (-60bp YoY) v/s expectation of 14.5%.
- EBIT margins for the Lighting division stood at 11.5%, while EBIT margins for the ECD segment came in at 19.5% (4QFY18 - 21.7%).
- Other income was higher than expectation at INR172m.
- Tax write-back of INR284.5m boosted reported PAT, which stood at INR1.4b (+37% YoY).
- Adj. PAT stood at INR1.13b (+10% YoY) and was 1.5% below our expectation.

Quarterly Estimates (Standalone)

Y/E March	FY18				FY19				FY18	FY19	Vs Est. 4Q	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Sales	10,554	9,597	9,382	11,263	12,039	10,378	10,303	12,069	40,797	44,789	12,318	-2.0%
Change (%)	-3.7	9.8	6.7	7.6	14.1	8.1	9.8	7.2	4.6	9.8	9.4	
EBITDA	1,294	1,207	1,165	1,645	1,673	1,239	1,261	1,685	5,310	5,858	1,785	-5.6%
Change (%)	-17.8	19.3	19.8	27.5	29.3	2.7	8.3	2.5	9.6	10.3	8.5	
As of % Sales	12.3	12.6	12.4	14.6	13.9	11.9	12.2	14.0	13.0	13.1	14.5	
Depreciation	32	32	32	31	31	32	33	33	126	129	38	
Interest	162	157	158	161	152	150	150	143	637	596	159	
Other Income	97	35	66	109	88	98	124	172	308	483	128	
PBT	1,198	1,054	1,040	1,562	1,578	1,155	1,202	1,681	4,854	5,616	1,717	-2.1%
Tax	395	346	345	530	535	386	405	549	1,617	1,875	567	
Effective Tax Rate (%)	33.0	32.8	33.2	33.9	33.9	33.4	33.7	32.7	33.3	33.4	33.0	
Adjusted PAT	802	708	695	1,032	1,043	769	797	1,132	3,238	3,741	1,149	-1.5%
Change (%)	(14.2)	22.3	27.9	29.0	30.0	8.6	14.7	9.7	14.3	15.5	11.3	
Extra-ordinary Income (net)	-	-	-	-	-	-	-	284.5	-	284.5	-	
Reported PAT	802	708	695	1,032	1,043	769	797	1,417	3,238	4,025	1,149	23.3%
Change (%)	(14.2)	23.3	27.9	32.4	30.0	8.6	14.7	37.3	14.3	24.3	11.3	



J K Cement

BSE SENSEX	S&P CNX
38,970	11,709
Bloomberg	JKCE IN
Equity Shares (m)	77.3
M.Cap.(INRb)/(USD\$b)	53.3 / 0.8
52-Week Range (INR)	1194 / 650
1, 6, 12 Rel. Per (%)	-8/-31/-36
12M Avg Val (INR M)	44
Free float (%)	35.8

Financials & Valuations (INR b)

Y/E Mar	2019	2020E	2021E
Net Sales	52.6	60.1	67.7
EBITDA	8.3	9.9	11.9
PAT	2.6	3.2	4.1
EPS (INR)	34.1	41.9	52.7
Gr. (%)	-16.8	22.9	25.7
BV/Sh (INR)	348.8	382.3	426.5
RoE (%)	11.3	11.5	13.0
RoCE (%)	8.5	8.9	9.9
P/E (x)	27.7	22.5	17.9
P/BV (x)	2.7	2.5	2.2
EV/EBITDA (x)	10.1	10.0	7.8
EV/Ton (USD)	97	83	78

Estimate change



TP change



Rating change



CMP: INR944

TP: INR1,155 (+22%)

Buy

Increasing utilization setting good stage for rapid capacity expansion

- **Grey cement utilization now at 96%; white cement volume growth healthy:** Grey cement volumes (incl. clinker) increased by 5.5% YoY to 2.53mt (~96% utilization), while white cement volumes were up 9% YoY to 0.35mt in 4QFY19. Combined realizations stood at INR5,182/ton (+7% YoY). Revenue increased 13% YoY to INR14.9b (in-line) in the quarter.
- **Healthy realizations boost profitability:** Blended EBITDA/t increased 45% YoY to INR971 due to healthy realization, partially offset by a marginal rise in cost/t. EBITDA grew 54% YoY to INR2.8b (in-line), with the margin expanding 4.9pp YoY to 18.7%. Tax rate was at 29% in the quarter, as against 22% in the year-ago period. Consequently, PAT grew 43% YoY to INR 1.5b (in-line).
- **FY19 performance:** Volumes grew 5% YoY, while net sales were up 8.5% to INR50b. EBITDA increased 7% to INR8.1b. PAT was up 6% to INR3.25b.
- **Concall highlights: (1)** Expansion plans are at advanced stages of execution – expect commissioning of (a) the clinker line and the 2mt brownfield grinding units by Sep'19, (b) the greenfield grinding unit in Aligarh by Dec'19 and in Gujarat by Mar'20. **(2)** Taking various initiatives to improve profitability, JKCE has achieved savings of INR50/t in FY19 via logistics optimization and INR250m via AFR usage. **(3)** The company has guided for growth 10-12% in the grey cement business and ~10% in the white cement business in FY20.
- **Valuation view:** JKCE's capacity expansion will reduce the proportion of inefficient assets. JKCE is strategically well placed to benefit price improvement in the north due to limited supply addition. The white cement business has gained meaningful scale and deserves premium valuations, given raw material scarcity and JKCE's 40-45% share in the domestic white cement market. We value the white cement business at 10x, grey cement at 8x and Fujairah at 6x FY21E EV/EBITDA to arrive at a TP of INR1155. **Buy.**

Quarterly Performance (Standalone)

Y/E March	FY18				FY19				FY18	FY19	FY19	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Sales Dispatches (m ton)	2.13	2.22	2.32	2.72	2.32	2.16	2.50	2.88	9.39	9.88	2.87	0
YoY Change (%)	12.7	15.8	21.0	26.4	8.9	-2.9	7.5	5.8	19.1	5.1	5.4	
Realization (INR/ton)	4,900	4,981	4,847	4,839	4,819	5,096	5,098	5,182	4,888	5,044	5,142	1
YoY Change (%)	3.2	3.7	2.3	1.3	-1.7	2.3	5.2	7.1	2.7	3.2	6.3	
QoQ Change (%)	2.6	1.6	-2.7	-0.2	-0.4	5.8	0.0	1.7			0.9	
Net Sales	10,415	11,077	11,261	13,160	11,156	11,006	12,732	14,919	45,912	49,813	14,744	1
YoY Change (%)	16.4	20.1	23.7	28.0	7.1	-0.6	13.1	13.4	22.3	8.5	12.0	
Total Expenditure	8,438	9,005	9,559	11,343	9,652	9,309	10,627	12,124	38,309	41,712	11,891	2
EBITDA	1,977	2,072	1,702	1,816	1,504	1,698	2,105	2,795	7,604	8,101	2,853	-2
Margins (%)	19.0	18.7	15.1	13.8	13.5	15.4	16.5	18.7	16.6	16.3	19.4	
Depreciation	450	492	451	470	474	487	486	497	1,863	1,944	496	0
Interest	680	633	578	562	547	583	564	533	2,454	2,221	570	-6
Other Income	186	220	249	533	158	180	118	349	1,153	799	174	101
PBT before EO expense	1,033	1,167	923	1,317	640	808	1,173	2,114	4,440	4,736	1,961	8
Extra-Ord expense	0	-58	1	91	0	0	0	0	34	0	0	
PBT	1,033	1,225	922	1,227	640	808	1,173	2,114	4,406	4,736	1,961	8
Tax	240	293	193	265	147	161	564	614	991	1,487	502	22
Rate (%)	23.2	23.9	20.9	21.6	22.9	20.0	48.1	29.1	22.5	31.4	25.6	
Reported PAT	793	931	729	962	493	647	609	1,500	3,415	3,249	1,458	3
Adj PAT	793	873	731	1,052	493	647	609	1,500	3,449	3,249	1,458	3
YoY Change (%)	13.1	113.5	10.9	130.2	-37.8	-25.9	-16.6	42.5	49.9	-5.8	38.6	

Indostar Capital Finance

BSE SENSEX	S&P CNX
38,970	11,709
Bloomberg	INDOSTAR IN
Equity Shares (m)	92
M.Cap.(INRb)/(USDb)	32.8 / 0.5
52-Week Range (INR)	607 / 275
1, 6, 12 Rel. Per (%)	-12/-10/-52
12M Avg Val (INR M)	100
Free float (%)	39.5

CMP: INR356 TP: INR525 (+48%) Buy

Steady quarter; Acquisition of IIFL's CV financing business complete

- 4QFY19 PAT increased 83% YoY to INR741m, driven by healthy NII growth, higher upfronting of assignment income and controlled opex.
- The company completed the INR35.2b (INR22.4b on-book) acquisition of IIFL's CV financing business on 31st Mar'19, resulting in goodwill of ~INR3b. Excluding the acquisition, total AUM grew 8% QoQ to INR83.7b, largely driven by the VF portfolio.
- Disbursements in corporate finance rebounded from INR3-4b in the past two quarters to INR12b in 4QFY19, due to a structured finance deal of ~INR6b for a stressed asset. INDOSTAR sold down INR3-4b and retained INR2.5b on its books. **In the vehicle finance business too, disbursements improved from INR3.5b to INR5.8b QoQ.**
- NII declined 10% QoQ to INR1.27b, driven by a sharp 11% QoQ increase in interest expenses as incremental cost of funds rose to 10-10.5%.
- GNPL ratio jumped 170bp sequentially to 2.6% due to the IIFL book acquisition (GNPL ratio of ~9%). However, **management expects net credit loss of 100-150bp on a run-rate basis for the combined VF book.**
- For FY19, PAT grew 20% YoY to INR2.4b, while RoE remained largely stable at 9.5%.

Financials & Valuations (INR b)

Y/E March	2019	2020E	2021E
NII	5.2	9.0	12.1
Total Income	6.4	10.8	14.0
PPoP	4.0	6.8	9.3
PAT	2.4	3.5	4.9
EPS (INR)	26.1	38.4	53.5
EPS Gr. (%)	3	47	39
BV (INR)	326	367	422
BVPS Gr. (%)	24	13	15
RoA (%)	2.5	2.4	2.5
RoE (%)	9.5	11.1	13.6
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	13.8	9.3	6.7
P/BV (x)	1.1	1.0	0.8

Valuation and view: INDOSTAR is at the beginning of its 'second innings' – the ongoing business diversification into retail lending will help drive growth, improve credit rating and enable it to enjoy higher leverage. While RoE is likely to be subdued at 10-11% in the near term, it is likely to improve to 13-15% over the medium term. With capital adequacy ratio of 20%+, it is well capitalized and will not require any further dilution over the medium term. The key risk to our thesis lies in continued liquidity tightness leading to lower-than-expected growth in the vehicle finance segment. **We maintain our estimates. Buy with TP of INR525 (1.2x FY21 BVPS).**

INDOSTAR: Quarterly Performance

Y/E March	(INR Million)								FY2018	FY2019
	FY18				FY19					
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Interest Income	1,813	1,970	2,069	2,036	2,234	2,786	2,886	2,907	7,631	10,813
Interest Expenses	766	740	781	968	1,119	1,404	1,474	1,639	3,256	5,636
Net Interest Income	1,047	1,230	1,288	1,068	1,115	1,382	1,411	1,268	4,376	5,177
YoY Growth (%)					6.5	12.4	9.6	18.8		18.3
Other Income	22	25	-247	106	17	412	311	504	258	1,244
Total Income	1,069	1,255	1,041	1,174	1,132	1,794	1,722	1,772	4,634	6,420
YoY Growth (%)					5.9	43.0	65.5	51.0		38.6
Operating Expenses	298	306	438	506	541	692	580	654	1,547	2,466
Operating Profit	771	949	603	668	591	1,102	1,142	1,118	3,086	3,954
YoY Growth (%)					-23.4	16.2	89.5	67.4		28.1
Provisions & Loan Losses	-17	-119	23	-21	77	111	48	-73	-38	163
Profit before Tax	788	1,068	580	689	514	992	1,094	1,192	3,124	3,792
Tax Provisions	277	373	186	285	200	352	381	451	1,122	1,384
Net Profit	511	695	394	404	315	640	713	741	2,003	2,408
YoY Growth (%)					-38.3	-7.9	80.7	83.4		20.2
AUM Growth (%)					23.3	4.0	(0.2)	51.5	18.6	89.1
NIM (%)		10.5	10.9	7.7	6.6	7.3	7.3	5.2	7.9	6.4
Cost to Income Ratio (%)	27.8	24.4	42.1	43.1	47.8	38.6	33.7	36.9	33.4	38.4
Tax Rate (%)	35.2	35.0	32.0	41.4	38.8	35.5	34.9	37.8	35.9	36.5

*Quarterly and annual numbers may not match due to different reporting formats

Va Tech Wabag

BSE SENSEX
38,970

S&P CNX
11,709

CMP: INR309 TP: INR351 (+14%)

Neutral

Conference Call Details



Date: 22nd May 2019
Time: 4:00pm IST
Dial-in details:
+91-22-62801256

Financials & Valuations (INR b)

Y/E March	2019	2020E	2021E
Net Sales	27.8	44.9	55.0
EBITDA	2.2	3.9	4.8
NP	1.3	2.1	2.6
EPS (INR)	23.1	39.0	48.0
EPS Gr. (%)	-9.4	68.5	23.1
BV/Sh. (INR)	222.7	254.6	293.8
RoE (%)	9.5	16.4	17.5
RoCE (%)	8.0	13.7	14.7
P/E (x)	11.9	7.1	5.7
Div. Yield	1.3	2.2	2.8

Operating perf. below expectations due to weak execution

- Sales stood at INR6.8b (-35% YoY), meaningfully below our estimate of INR13.8b, attributed to lower-than-estimated overseas revenue. Overseas revenue declined 42% YoY to INR4.5b as new overseas projects are yet to pick up execution momentum. FY19 sales declined 20% YoY to INR27.8b, below management's guidance of INR35b.
- EBIDTA stood at INR473m (-53% YoY), impacted by operating deleverage, below our estimate of INR1.3b.
- EBIDTA margin stood at 7% (-270bp YoY), below our estimate of 9.1%.
- Interest cost stood at INR240m (+52% YoY), above our estimate of INR185m, given an increase in working capital requirement.
- Tax write-back of INR186m boosted reported PAT. Reported PAT stood at INR408m (-28% YoY).
- Adj. PAT (adjusted for forex loss of INR64m) stood at INR472m (+28% YoY), 40% below our estimate.
- Trade receivables from AP Genco stands elevated at INR4.2b.
- For FY19, order inflow stood at INR48.8b (+53% YoY) and order backlog at INR86b (+26% YoY).

Quarterly Performance Consol.

Y/E March	FY18				FY19				FY18	FY19	FY19	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY18	FY19	4Q	VsEst
Sales	6,686	8,865	8,647	10,375	6,879	7,520	6,619	6,793	34,573	27,810	13,783	-50.7%
Change (%)	15.2	14.0	20.4	-8.3	2.9	-15.2	-23.5	-34.5	7.8	-19.6	32.8	
EBITDA	405	827	757	1,010	646	498	539	473	2,999	2,155	1,250	-62.2%
Change (%)	47.5	41.4	-4.7	-23.3	59.3	-39.8	-28.8	-53.2	1.1	-28.1	31.8	
As of % Sales	6.1	9.3	8.8	9.7	9.4	6.6	8.1	7.0	8.7	7.8	9.1	
Depreciation	45	45	43	45	43	42	41	42	178	168	49	
Interest	133	143	142	158	148	177	187	240	577	753	185	
Other Income	20	2	8	26	7	5	5	27	57	44	31	
PBT	246	642	579	832	461	284	316	218	2,300	1,278	1,047	-79.2%
Tax	160	220	248	145	101	141	149	-186	774	204	325	
Effective Tax Rate (%)	64.9	34.3	42.9	17.5	21.9	49.8	47.1	(85.5)	33.7	16.0	31.0	
Minority Int	15.6	35.7	50.5	28.6	(3.9)	(85.6)	(33.7)	(68.1)	130	(191.3)	47.6	
Adj PAT	71	386	281	658	364	228	201	472	1,396	1,265	675	-30.1%
Change (%)	36.4	57.8	(1,196.1)	(13.0)	414.1	(40.8)	(28.4)	(28.3)	35.7	(9.4)	13.1	
Extra-ordinary Items	-13.0	52.0	-20.0	62.0	234.0	-130.0	46.0	64.0	81.0	214.0	0.0	
Reported PAT	84	334	301	596	130	358	155	408	1,315	1,051	675	-39.5%
Change (%)	61.5	57.5	-1,196.1	-13.0	414.1	-40.8	-28.4	-28.3	28.4	(20.1)	13.1	



Sanghi Industries

BSE SENSEX	S&P CNX
38,970	11,709
Bloomberg	SNGI IN
Equity Shares (m)	251
M.Cap.(INRb)/(USD\$b)	15.6 / 0.2
52-Week Range (INR)	103 / 51
1, 6, 12 Rel. Per (%)	-2/-12/-49
12M Avg Val (INR M)	17
Free float (%)	34.3

CMP: INR62

TP: INR78(+25%)

Buy

EBITDA beat on lower-than-estimated cost; expansion plans on track

- **Healthy growth in volumes:** 4QFY19 volumes increased 14% YoY to 0.71mt as sales improved in Maharashtra. Realization declined 5%YoY to INR3,903/t; this resulted in revenues of INR2.7b (+9% YoY) (in-line).
- **EBITDA/t declines marginally:** Unitary cost decreased 5% YoY to INR3,252/t (our est. INR 3,543/t) due to savings in freight cost/t and power & fuel cost/t. However, due to weaker realizations, EBITDA/t decreased 2% YoY to INR651, with EBITDA up 12% YoY at INR460m (our est. INR381m). Depreciation was lower by INR45.2m as the company changed the useful life of Plant & Machinery and the residual value, effective 1st Jan'19. PAT increased 42% YoY to INR264m (our est. INR40m).
- **Management commentary:** (1) Raw material cost in 4QFY19 was higher due to clinker purchase at higher prices. Also, proportion of blended cement increased to 36% in 4QFY19 v/s 31% in 4QFY18, as a result of which higher cost of fly ash was incurred. (2) Lignite constituted 25% and coal constituted 75% of the fuel mix. (3) The company's expansion program is on track; 85-90% of the ordering is done; 70% of the civil work has been completed.
- **FY19 performance:** Volumes grew 9.5% YoY and sales increased 3.4% YoY to INR 10.6b. EBITDA/PAT declined 29%/44% YoY to INR 1.5b/INR526m.
- **Valuation view:** For FY20/FY21, we reduce our EBITDA estimate by 2%/8% due to lower volume and realization growth assumption. We also reduce our estimate for depreciation expense to account for the revision in useful life of PPE. As a result, upgrade in PAT estimate is 48%/39% for FY20/21. We value the stock at EV/t of USD50 (not on EV/EBITDA as FY20/21 does not capture the full benefit of capacity added in Mar'20, but does fully capture debt) to on FY21 capacity to arrive at a TP of INR78. **Buy**.

Financials & Valuations (INR b)

Y/E Mar	2019	2020E	2021E
Net Sales	10.6	12.4	16.7
EBITDA	1.5	2.1	3.1
PAT	0.5	0.8	0.8
EPS (INR)	2.1	3.4	3.3
Gr. (%)	-43.6	61.3	-1.0
BV/Sh (INR)	65.8	69.1	82.7
RoE (%)	3.2	5.0	4.7
RoCE (%)	4.7	4.8	5.8
P/E (x)	30.1	18.7	18.9
P/BV (x)	1.0	0.9	0.8
EV/EBITDA (x)	14.1	13.0	8.1

Estimate change

TP change

Rating change

Standalone - Quarterly Perf.

Y/E March	(INR Million)											
	FY18				FY19				FY18	FY19	FY19	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		FY19 4QE		
Sales Dispatches (m ton)	0.67	0.48	0.74	0.62	0.67	0.62	0.66	0.71	2.44	2.67	0.68	4%
YoY Change (%)	(6.5)	(16.0)	(11.4)	(20.1)	0.5	29.4	(10.8)	14.0	(15.6)	9.5	9.9	
Realization (INR/ton)	4,324	4,292	3,758	4,091	4,114	3,937	4,007	3,903	4,209	3,974	4,102	-5%
YoY Change (%)	13.6	18.1	16.0	28.7	(4.8)	(8.3)	6.6	(4.6)	21.9	(5.6)	0.3	
QoQ Change (%)	36.0	(0.7)	(12.4)	8.9	0.6	(4.3)	1.8	(2.6)			2.4	
Net Sales	2,875	2,056	2,796	2,536	2,748	2,441	2,661	2,760	10,264	10,610	2,796	-1%
YoY Change (%)	6.2	-0.8	2.8	2.8	-4.4	18.7	-4.8	8.8	2.9	3.4	10.2	
EBITDA	661	467	618	413	434	324	321	460	2,158	1,540	381	21%
Margins (%)	23.0	22.7	22.1	16.3	15.8	13.3	12.1	16.7	21.0	14.5	13.6	
Depreciation	178	180	181	185	195	198	187	134	724	713	200	
Interest	187	189	173	173	123	167	147	136	721	573	198	
Other Income	21	11	57	131	83	61	55	74	220	273	57	
PBT before EO expense	316	109	322	186	199	20	43	264	933	526	40	561%
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	316	109	322	186	199	20	43	264	933	526	40	561%
Tax	0	0	0	0	0	0	0	0	0	0	0	
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Reported PAT	316	109	322	186	199	20	43	264	933	526	40	561%
Adj PAT	316	109	322	186	199	20	43	264	933	526	40	
YoY Change (%)	32.9	28.4	596.7	-29.2	-37.1	-82.1	-86.6	42.1	47.8	-43.6	-78.5	
Margins (%)	11.0	5.3	11.5	7.3	7.2	0.8	1.6	9.6	9.1	5.0	1.4	



RJio — the only player to add active subs in Mar'19

Bharti's MBB market share stabilizing

The Telecom Regulatory Authority of India (TRAI) has released subscriber data for the month of Mar'19. Key highlights:

- Net active subscriber base stood flat MoM at 1,022m. Bharti reported flat MoM active subs while Vodafone Idea lost 9.1m active subs. RJio continued its strong momentum, gaining 8.0m active subscribers in Mar'19.
- RJio's strong gains could be attributed to the series of Jiophone offtake. Bharti and Vodafone Idea — both are potentially witnessing an impact from the rollout of minimum recharge plans on pan-India basis.
- Broadband subscriber adds stood robust at 12.8m (+10.2m in Feb'19), reaching 544m (53% of active subscriber base).
- RJio continued to take the lion's share in incremental MBB adds (80% share among the top-3 players). However, we estimate it at 63% (ex-Jiophone), while Bharti gained ~20% share.

RJio – only telco to add active subs

Net active subscriber base remains flat MoM

Active subscriber base for the industry in Mar'19 was flat MoM at 1,022m (v/s Feb'19). RJio continued its strong active subscriber growth with 8m active subscriber adds (gaining healthy 80bp market share); Bharti's active subscriber base/market share stood flat MoM. Vodafone Idea lost 9.1m active subscribers, potentially due to the implementation of minimum ARPU plans; market share was down 90bp MoM. Overall, gross subscriber base declined 2% to 1,162m.

Bharti's active subscriber base/market share flat MoM

After witnessing a decline for three consecutive months, Bharti reported flat monthly active subscriber base at 328m; market share was also flat MoM at 32.1%. This could be attributed to the implementation of minimum ARPU plans on pan-India basis. However, gross subscriber base declined by 15m MoM (flat in Feb'19) to 325m.

RJio adds 8m active subscribers with healthy 80bp market share expansion

RJio remained the only telco to add active subscribers; it added 8m (+9.3m in Feb'19) active subs. Market share expanded 80bp MoM to 25.2%. However, it has decelerated from its six-month average of 8.6m. We believe ~50% of the addition could be attributed to Jiophone. Further, RJio added 9.5m gross subscribers on MoM basis.

Vodafone Idea sees 9.1m decline in active subscriber base; loses 90bp share

Vodafone Idea continued to lose active subscribers for almost 11 consecutive months. It lost 9.1m (-7.2m in Feb'19) active subscribers; with a 90bp MoM market share contraction to 36%. Vodafone Idea is losing ground potentially due to (a) implementation of minimum ARPU plans, and (b) deteriorating network quality possibly due to network integration issues. VIL cumulatively lost ~400bp active subscriber market share over the last one year. It lost 14.5m (-5.8m in Feb'19) gross subscribers on MoM basis.



Ashoka Buildcon

CMP: INR133
Buy

Bloomberg	ASBL IN
Equity Shares (m)	280.7
M. Cap. (INR b)/(USD b)	37 / 1
52-Week Range (INR)	197 / 93
1,6,12 Rel Perf. (%)	2 / 18 / -39

Financial Snapshot (INR b)

Y/E March	2018	2019E	2020E	2021E
Net Sales	24.5	34.7	47.9	57.5
EBITDA	2.9	4.5	6.0	7.2
Adj. PAT	2.4	3.0	3.5	4.2
Adj. EPS (INR)	8.4	10.6	12.4	15.1
EPS Gr (%)	34.6	25.6	16.8	21.7
BV/Sh (INR)	68.6	79.5	90.4	103.6
RoE (%)	13.0	14.3	14.6	15.5
RoCE (%)	14.0	16.1	16.7	17.6

Valuations

P/E (x)	15.8	12.5	10.7	8.8
P/BV (x)	1.9	1.7	1.5	1.3
EV/EBITDA (x)	12.7	8.2	6.1	4.8
Div. Yield (%)	1.5	1.1	0.8	0.6

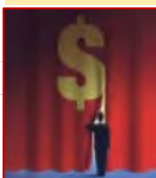
- We expect revenue growth of 37% YoY, led by a pick-up in execution of orders in hand. Revenue growth will be supported by execution of the existing EPC road project portfolio and power T&D projects.
- We expect operating margin to contract 80bp YoY to 12.3% and operating profit to improve 46% YoY to INR1.2b.
- Other income is expected to be INR201m, as against INR612m in 4QFY18.
- Tax rate during the quarter is expected to be 16%, as against 9.3% in 4QFY18.
- Net profit is expected to decline 24% YoY to INR800m, given the likely fall in other income during the quarter. Maintain **Buy**.

Key issues to watch

- Equity contribution arrangement from ABL for the recently won HAM projects.
- Execution timelines for the recently won HAM projects.

Quarterly performance (INR m)

Y/E March	FY18				FY19				FY18	FY19
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	7,063	3,787	6,589	7,023	6,837	7,644	10,651	9,606	24,464	34,739
YoY Change (%)	50.8	-14.5	25.7	15.1	-3.2	101.9	61.6	36.8	19.6	42.0
Total Expenditure	6,138	3,331	5,844	6,216	6,025	6,607	9,164	8,427	21,529	30,223
EBITDA	925	456	746	807	813	1,037	1,487	1,179	2,935	4,516
Margins (%)	13.1	12.0	11.3	11.5	11.9	13.6	14.0	12.3	12.0	13.0
Depreciation	113	130	144	144	136	166	202	205	532	708
Interest	129	116	128	113	171	130	239	224	485	764
Other Income	92	108	166	612	366	157	254	201	978	978
PBT before EO expense	774	318	640	1,163	871	899	1,301	951	2,895	4,022
Extra-Ord expense	0	0	0	0	0	0	398	0	0	-398
PBT	774	318	640	1,163	871	899	903	951	2,895	3,624
Tax	205	41	170	109	232	278	281	151	524	942
Rate (%)	26.5	13.0	26.5	9.3	26.7	30.9	31.2	15.8	18.1	26.0
Reported PAT	569	277	470	1,054	639	621	622	800	2,371	2,682
Adj PAT	569	277	470	1,054	639	621	895	800	2,371	2,956
YoY Change (%)	84.7	-39.0	9.9	61.2	12.3	124.4	90.5	-24.1	28.6	24.6
Margins (%)	8.1	7.3	7.1	15.0	9.3	8.1	8.4	8.3	9.7	8.5



Bank of Baroda

Bloomberg	BOB IN
Equity Shares (m)	2,651.8
M. Cap. (INR b)/(USD b)	353 / 5.0
52-Week Range (INR)	157 / 91
1,6,12 Rel Perf. (%)	15 / 21 / -24

Financial Snapshot (INRb)

Y/E March	FY18	FY19E	FY20E	FY21E
NII	155.2	185.3	214.1	246.0
OP	120.1	132.1	153.2	180.6
NP	-24.3	20.8	39.3	63.5
NIM (%)	2.3	2.6	2.7	2.6
EPS (INR)	-9.8	7.8	14.8	23.9
EPS Gr. (%)	NM	NM	89.0	61.4
BV/Sh. (INR)	157.1	163.8	177.5	198.6
ABV/Sh. (INR)	90.9	114.6	135.4	159.9
RoE (%)	-5.8	4.7	8.4	12.3
RoA (%)	-0.3	0.3	0.5	0.7
Valuations				
P/E(X)	-13.6	17.0	9.0	5.6
P/BV (X)	0.8	0.8	0.8	0.7
P/ABV (X)	1.5	1.2	1.0	0.8

CMP: INR133

Buy

- We expect loan book to grow at 11% YoY and deposit growth to remain moderate at 7% YoY. We expect drill-down in the international book to continue and the focus to remain on granular retail loans.
- We expect margins to improve to 2.8% on account of re-pricing of loans and an improvement in international margins.
- We expect slippages to moderate (0.6% annualized) and GNPA/NNPA to decline to 10.9%/3.6%.
- Management aims to develop more sustained fee income streams, which, coupled with an improvement in treasury performance, is expected to result in an uptick in other income.
- PAT is expected to be at INR6.6b v/s INR4.7b in 3QFY19. PAT for FY19 is expected to be INR20.8b. The stock trades at 0.8x FY21E ABV. **Buy.**

Key issues to watch for

- Movement of the watch-list and stress addition from the exposure toward infra group and international book.
- Developments on the merger front and the possible benefits from the same.

Quarterly Performance

(INR m)

	FY18				FY19E				FY18	FY19E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	34,050	37,205	43,940	40,023	43,811	44,925	47,432	49,097	1,55,218	1,85,265
% Change (YoY)	1.0	8.6	40.2	11.7	28.7	20.7	7.9	22.7	14.9	19.4
Other Income	15,512	17,371	16,730	16,959	11,478	13,516	16,211	16,046	66,572	57,251
Total Income	49,561	54,576	60,671	56,982	55,289	58,441	63,644	65,143	2,21,789	2,42,516
Operating Expenses	23,080	24,158	24,170	30,327	25,233	27,622	28,258	29,346	1,01,734	1,10,459
Operating Profit	26,481	30,418	36,501	26,655	30,056	30,819	35,385	35,797	1,20,056	1,32,057
% Change (YoY)	-0.8	13.1	40.6	-11.7	13.5	1.3	-3.1	34.3	9.4	10.0
Provisions	23,681	23,294	34,265	66,724	21,656	24,295	27,942	26,143	1,47,963	1,00,037
Profit before Tax	2,801	7,125	2,236	-40,069	8,400	6,524	7,443	9,654	-27,907	32,020
Tax	767	3,571	1,118	-9,046	3,120	2,270	2,731	3,086	-3,589	11,207
Net Profit	2,034	3,554	1,118	-31,023	5,280	4,254	4,712	6,567	-24,318	20,813
% Change (YoY)	-52.0	-35.6	-55.8	NM	159.6	19.7	321.6	NM	NM	NM
Operating Parameters										
Deposit (INR b)	5,706	5,832	5,733	5,913	5,815	6,070	6,106	6,327	5,913	6,327
Loan (INR b)	3,776	3,873	3,994	4,274	4,145	4,335	4,487	4,727	4,274	4,727
Asset Quality										
Gross NPA (INR B)	462	463	485	565	559	551	532	516	565	516
Gross NPA (%)	11.4	11.2	11.3	12.3	12.5	11.8	11.0	10.9	12.3	10.9
Net NPA (INR B)	195.2	195.7	198.5	234.8	223.8	210.6	191.3	170.2	234.8	170.2
Net NPA (%)	5.2	5.1	5.0	5.5	5.4	4.9	4.3	3.6	5.5	3.6
PCR (%)	57.7	57.7	59.1	58.4	59.9	61.8	64.0	67.0	58.4	67.0



Cipla

Bloomberg	CIPLA IN
Equity Shares (m)	804.5
M. Cap. (INR b)/(USD b)	423 / 6
52-Week Range (INR)	678 / 484
1,6,12 Rel Perf. (%)	-13 / -27 / -26

Financial Snapshot (INR Billion)

Y/E MARCH	2018	2019E	2020E	2021E
Sales	152.2	160.7	178.7	199.9
EBITDA	28.3	28.6	33.7	39.1
NP	16.3	14.1	17.1	20.3
EPS (INR)	20.3	17.6	21.2	25.3
EPS Gro. (%)	31.2	-13.6	20.8	19.1
BV/Sh. (INR)	176.7	191.3	209.5	231.7
RoE (%)	11.5	9.2	10.1	10.9
RoCE (%)	8.6	7.8	8.9	9.7

Valuations

P/E (x)	25.8	29.9	24.7	20.8
P/BV (x)	3.0	2.7	2.5	2.3
EV/EBITDA (x)	16.0	15.8	13.1	11.2
EV/Sales (x)	3.0	2.8	2.5	2.2

CMP: INR526

Neutral

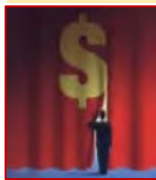
- We expect Cipla's revenue to grow ~11% YoY to INR41b in 4QFY19.
- Growth is expected to be driven by domestic formulations business which we expect to grow by 21% YoY. Export formulations are expected to grow at a subdued rate of 5% YoY on account of decline in sales expected in South Africa and emerging markets. This decline will be somewhat offset by exports to the US (which are expected to deliver strong growth of 31% YoY) and EU (which are expected to grow by 8% YoY).
- EBITDA margin is expected to come in at 17.6% (+250bp YoY). Absolute EBITDA is expected to see 30% YoY growth to INR7.2b.
- We expect PAT to grow 1% YoY to INR3.4b on account of increased tax rate during the quarter (25.8% vs 16.7% in 4QFY18).
- We remain positive on the company on the back of outperformance in domestic formulations business and better traction in the US business leveraging on its own front end. However, we maintain **Neutral**.

Key issues to watch out for

- Quality of filings in US and approval rate.
- Response to USFDA latest inspection observations.
- Outlook on institutional business.
- New product launches in the domestic segment.

Quarterly Performance (Consolidated)

Y/E March	FY18				FY19E				FY18	FY19E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Revenues	35,251	40,824	39,139	36,980	39,390	40,119	40,075	41,085	152,200	160,669
YoY Change (%)	-3.4	8.8	7.3	3.2	11.7	-1.7	2.4	11.1	4.3	5.6
EBITDA	6,465	8,044	8,187	5,569	7,264	7,022	7,077	7,237	28,271	28,599
Margins (%)	18.3	19.7	20.9	15.1	18.4	17.5	17.7	17.6	18.6	17.8
Depreciation	2,134	3,022	5,224	2,848	2,410	2,819	2,931	2,854	13,228	11,014
Interest	279	420	92	352	351	444	442	362	1,142	1,598
Other Income	1,514	1,133	529	400	551	1,326	785	688	3,577	3,350
Profit before Tax	5,566	5,735	3,402	2,769	5,056	5,085	4,489	4,710	17,477	19,337
Extra-Ord (expense)/income	0	0	0	775	1,150	0	0	0	775	1,150
PBT after EO expense	5,566	5,735	3,402	1,994	6,206	5,085	4,489	4,710	16,702	20,487
Tax	1,308	1,374	-642	462	1,737	1,424	1,257	1,216	2,501	5,634
Rate (%)	23.5	24.0	-18.9	16.7	34.4	28.0	28.0	25.8	14.3	29.1
Minority Interest	169.6	134.7	38.1	-254.2	-45.7	-109.2	-90.0	124.9	88.2	-120.0
Reported PAT	4,088	4,226	4,006	1,786	4,515	3,770	3,322	3,369	14,113	14,973
Adj PAT	4,088	4,226	4,677	3,336	3,655	3,770	3,322	3,369	16,335	14,116
YoY Change (%)	20.6	19.3	24.8	64.2	-10.6	-10.8	-29.0	1.0	31.2	-13.6
Margins (%)	11.6	10.4	12.0	9.0	9.3	9.4	8.3	8.2	10.7	8.8



Cummins India

Bloomberg	KKC IN
Equity Shares (m)	277.2
M. Cap. (INR b)/(USD b)	206 / 3
52-Week Range (INR)	885 / 612
1,6,12 Rel Perf. (%)	-3 / 4 / -13

Financial Snapshot (INR b)

Y/E March	2018	2019E	2020E	2021E
Net Sales	50.8	56.7	65.7	72.9
EBITDA	7.3	9.3	11.5	12.8
Adj. PAT	6.5	7.6	9.1	10.0
EPS (INR)	23.5	27.3	32.8	36.2
EPS Gr. (%)	-11.2	16.2	20.1	10.3
BV/Sh. (INR)	143.8	155.3	169.2	184.4
RoE (%)	18.3	18.3	20.2	20.5
RoCE (%)	16.1	17.5	19.4	19.7
Payout (%)	58.7	49.7	49.7	49.7

Valuations

P/E (x)	35.9	30.9	25.8	23.4
P/BV (x)	5.9	5.4	5.0	4.6
EV/EBITDA (x)	31.7	24.4	19.8	17.6
Div Yield (%)	1.8	1.6	1.9	2.1

CMP: INR745

Buy

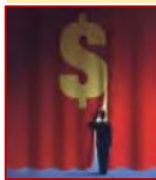
- We expect revenue to increase 7% YoY, supported by growth in the Industrial segment (24% YoY) and Distribution and Spars business (+17% YoY). However, exports is expected to decline sharply (-18% YoY) given weak demand from Middle East and Europe.
 - EBITDA margin is expected to remain flat YoY to 14%; and operating profit is expected to improve 8% YoY to INR1.9b.
 - Net profit is expected to register growth of 3% YoY to INR1.7b.
- Maintain **Buy**.

Key issue to watch

- Performance and guidance for the exports segment

Quarterly Performance (INR m)

Y/E March	FY18				FY19				FY18	FY19
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Sales	13,408	11,539	13,547	12,332	13,280	14,869	15,038	13,134	50,825	56,427
Change (%)	6.5	-9.8	0.0	4.1	-1.0	28.9	11.0	6.5	0.1	11.0
EBITDA	1,953	1,675	1,967	1,731	2,147	2,509	2,267	1,870	7,325	8,899
Change (%)	-5.4	-15.8	-13.2	1.8	9.9	49.8	15.3	8.0	-12.3	27.7
As of % Sales	14.6	14.5	14.5	14.0	16.2	16.9	15.1	14.2	14.4	15.8
Depreciation	208	220	237	273	271	274	279	287	938	1,111
Interest	42	38	34	34	36	40	41	32	148	148
Other Income	583	536	501	664	696	785	755	814	2,285	3,050
PBT	2,286	1,953	2,197	2,088	2,536	2,980	2,702	2,365	8,523	10,690
Tax	625	424	475	475	706	865	831	698	2,000	3,100
Effective Tax Rate (%)	27.4	21.7	21.6	22.8	27.8	29.0	30.8	29.5	23.5	29.0
Adjusted PAT	1,660	1,529	1,722	1,612	1,830	2,116	1,871	1,667	6,524	7,590
Change (%)	(8.4)	(22.3)	(13.1)	1.7	10.2	38.4	8.7	3.4	(11.2)	16.4
Extra-ordinary Income (net)	561.2	-	-	-	-	-	-	-	561.2	2.6
Reported PAT	2,222	1,529	1,722	1,612	1,830	2,116	1,871	1,667	7,085	7,593
Change (%)	22.6	(22.3)	(13.1)	1.7	(17.6)	38.4	8.7	3.4	(3.6)	7.2



Future Consumer

Bloomberg	FCON IN
Equity Shares (m)	1902.1
M. Cap. (INR b)/(USD b)	85 / 1
52-Week Range (INR)	63 / 35
1,6,12 Rel Perf. (%)	-14 / 9 / -37

Financial Snapshot (INR b)

Y/E March	2018	2019E	2020E	2021E
Sales	30.1	38.6	51.7	68.7
EBITDA	0.5	1.0	2.3	4.1
NP	-0.3	-0.2	1.1	2.7
EPS (INR)	-0.2	-0.1	0.7	1.6
EPS Gr. (%)	-53.2	-39.9	-715.4	136.0
BV/Sh. (INR)	6.0	5.9	6.6	8.2
RoE (%)	-3.3	-1.9	11.0	21.9
RoCE (%)	2.2	4.6	10.9	17.4

Valuations

P/E (x)	-240.6	-400.1	65.0	27.5
P/BV (x)	7.4	7.5	6.8	5.4
EV/Sales (x)	146.8	80.2	35.9	19.5
EV/EBITDA (x)	2.6	2.1	1.6	1.2

CMP: INR45

Buy

- We expect Future Consumer's (FCON) sales to grow 25.9% YoY to INR10.2b.
- Gross margins are expected to remain flat YoY at 12.9% (up 10bp QoQ).
- We estimate EBITDA margin expansion of 70bp YoY to 2.8% (up just 10bp QoQ). Hence, we have modeled EBITDA growth of 71.9% in the quarter with adj. loss of INR41m.
- The stock trades at 1.6x/3.1x FY20E/21E EV/sales. **Buy.**

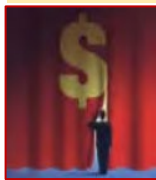
Key issues to watch for

- Whether the pace of top-line growth will be sustained.
- Extent of gross margin expansion.
- Flow of gross margin expansion into EBITDA margin.
- Commentary on working capital

Consolidated - Quarterly Earning Model

Y/E March	FY18				FY19				FY18	FY19E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Sales	6,626	7,510	7,847	8,075	8,409	10,111	9,912	10,169	30,050	38,602
YoY Change (%)	41.9	33.2	42.3	51.4	26.9	34.6	26.3	25.9	42.0	28.5
Gross Profit	922	1,038	1,071	1,042	1,182	1,331	1,273	1,310	4,076	5,095
Margins (%)	13.9	13.8	13.7	12.9	14.1	13.2	12.8	12.9	13.6	13.2
EBITDA	86	128	166	168	201	251	272	288	541	1,012
YoY Change (%)	949.1	318.3	420.1	543.0	133.4	96.0	64.0	71.9	458.9	87.0
Margins (%)	1.3	1.7	2.1	2.1	2.4	2.5	2.7	2.8	1.8	2.6
Depreciation	90	113	106	146	123	127	139	148	455	536
Interest	128	122	136	140	159	172	194	208	527	734
Other Income	58	52	45	163	83	89	67	77	325	317
PBT	-74	-55	-31	44	2	40	7	10	-115	60
Tax	0	0	0	-25	0	10	5	-13	-25	2
Rate (%)	0.0	0.0	0.0	-56.4	0.0	25.8	62.3	-135.3	21.7	2.9
Minority Interest & P/L of Asso. Cos.	28	33	16	110	61	60	55	64	216	240
Reported PAT	-102	-88	-47	-41	-59	-30	-52	-41	-306	-182
Adj PAT	-102	-88	-47	-41	-59	-30	-53	-41	-306	-184
YoY Change (%)	-51.0	-45.6	-66.5	-59.6	-41.8	-65.9	13.2	-0.4	Loss	LP
Margins (%)	-1.5	-1.2	-0.6	-0.5	-0.7	-0.3	-0.5	-0.4	-1.0	-0.5

E: MOFSL Estimates



GE T&D

Bloomberg	GETD IN
Equity Shares (m)	256.1
M. Cap. (INR b)/(USD b)	74 / 1
52-Week Range (INR)	413 / 219
1,6,12 Rel Perf. (%)	-8 / 15 / -46

Financial Snapshot (INR b)

Y/E March	2018	2019E	2020E	2021E
Net Sales	43.3	44.0	44.8	46.9
EBITDA	2.9	4.5	4.6	4.8
Adj. PAT	1.9	2.5	2.8	3.0
EPS (INR)	7.5	9.9	11.1	11.8
EPS Gr. (%)	30.8	31.9	12.1	6.7
BV/Sh. (INR)	46.5	52.6	59.5	66.8
RoE (%)	17.3	20.0	19.8	18.7
RoCE (%)	22.5	31.1	29.9	28.1
Payout (%)	31.4	31.4	31.4	31.4

Valuations

P/E (x)	38.7	29.3	26.2	24.5
P/BV (x)	6.2	5.5	4.9	4.3
EV/EBITDA (x)	24.5	15.8	15.0	14.0
EV/ Sales (x)	1.6	1.6	1.5	1.4
Div Yield (%)	0.6	1.1	1.2	1.3

CMP: INR290

Neutral

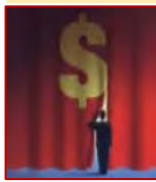
- We expect GE T&D to register revenue growth of 32% YoY to INR10.7b in 4QFY19. Revenue growth is supported by the weak base of 4QFY18 (-32.0% YoY).
- We expect operating profit of INR1b in 4QFY19, as against INR179m in 4QFY18. Operating margins are expected to improve 740bp at normalized level of to 9.6%. Margins in 4QFY18 (2.2%) were impacted by weak execution leading to operating de-leverage.
- GET&D is expected to book net profit of INR665m as against INR305m in 4QFY18. Maintain **Neutral**.

Key issues to watch

- Progress in the Champa-Kurukshetra II project, which is expected to be executed in FY19

Quarterly Performance (INR m)

Y/E March	FY18				FY19				FY18	FY19
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Sales	12,093	8,700	14,386	8,139	11,624	9,933	11,678	10,762	43,317	43,997
Change (%)	41.5	4.2	23.5	-32.0	-3.9	14.2	-18.8	32.2	6.9	1.6
EBITDA	1,055	805	728	179	1,442	921	1,126	1,030	2,853	4,519
Change (%)	4,875.9	130.6	-3.0	-83.7	36.7	14.5	54.7	475.9	-9.0	-9.0
As of % Sales	8.7	9.3	5.1	2.2	12.4	9.3	9.6	9.6	6.6	10.3
Depreciation	224	228	218	229	217	215	202	212	899	846
Interest	278	225	238	141	155	143	141	112	883	550
Other Income	422	344	630	638	192	238	97	242	1,948	769
PBT	975	695	1,099	419	1,262	801	880	949	3,189	3,893
Tax	358	220	381	141	442	287	350	284	1,101	1,362
Effective Tax Rate (%)	36.7	31.6	34.7	33.7	35.0	35.8	39.7	29.9	34.5	35.0
Reported PAT	617	475	718	278	820	515	531	665	2,088	2,530
Change (%)	-131.3	131.6	62.0	-39.7	33.0	8.3	-26.1	139.2	NM	21.2
Adj PAT	617	475	521	305	820	515	531	665	1,919	2,530
Change (%)	71.4	131.6	17.6	-33.8	33.0	8.3	1.8	117.7	30.8	31.9



IndusInd Bank

Bloomberg	IIB IN
Equity Shares (m)	602.0
M. Cap. (INR b)/(USD b)	1,069 / 15.1
52-Week Range (INR)	2,038 / 1,334
1,6,12 Rel Perf. (%)	9 / 1 / -19

Financial Snapshot (INR B)

Y/E MARCH	FY18	FY19E	FY20E	FY21E
NII	75.0	90.2	135.6	176.7
OP	66.6	82.8	125.8	161.6
NP	36.1	34.7	69.3	89.8
NIM (%)	4.2	4.0	4.7	4.8
EPS (INR)	60.2	53.8	99.4	127.4
EPS Gr. (%)	25.2	-10.6	84.8	28.2
BV/Sh. (INR)	394	427.1	541.0	656.6
ABV/Sh. (INR)	385	416.2	529.2	644.3
RoE (%)	16.5	13.1	20.6	21.4
RoA (%)	1.8	1.4	2.2	2.3
Payout (%)	12.0	16.4	10.5	9.2

Valuations

P/E (X)	29.5	33.0	17.9	13.9
P/BV (X)	4.5	4.2	3.3	2.7
P/ABV (X)	4.6	4.3	3.4	2.8
Div. Yield (%)	0.4	0.5	0.6	0.7

CMP: INR1,776

Buy

- We expect IIB to report strong loan growth of ~32% YoY in 4QFY19, significantly ahead of system loan growth. Deposit growth should also remain strong at ~22% YoY. Margins are likely to remain flattish QoQ at ~3.9%.
- We expect non-interest income to grow ~26% YoY, supported by healthy fee income growth. Stronger third-party distribution fees and treasury gains will further support non-interest income.
- Opex growth would remain at ~15% YoY v/s 22% growth in total income. PPop growth would remain healthy at 28% YoY.
- We expect earnings to remain under pressure and report a PAT of INR5.3b in 4QFY19 (INR34.7b for FY19) on account of elevated provisions due to IL&FS.
- IIB trades at 2.8x FY21E ABV. Maintain **Buy**.

Key issues to watch for

- Impact on the CV portfolio, particularly after the slowdown in CV sales.
- Corporate asset quality will be a key monitorable.
- Provisioning and further developments on the IL&FS exposure

Quarterly Performance

(INR m)

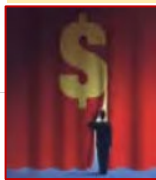
	FY18				FY19E				FY18	FY19E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	17,741	18,210	18,948	20,076	21,224	22,033	22,881	24,037	74,974	90,175
% Change (YoY)	30.8	24.7	20.0	20.4	19.6	21.0	20.8	19.7	23.7	20.3
Other Income	11,673	11,876	11,868	12,085	13,016	13,173	14,689	15,174	47,501	56,051
Total Income	29,413	30,086	30,816	32,161	34,240	35,206	37,569	39,211	1,22,475	1,46,226
Operating Expenses	13,528	13,751	14,169	14,467	15,129	15,281	16,400	16,635	55,914	63,445
Operating Profit	15,885	16,335	16,647	17,694	19,111	19,924	21,170	22,576	66,561	82,781
% Change (YoY)	28.8	27.5	22.1	12.5	20.3	22.0	27.2	27.6	22.1	24.4
Provisions	3,100	2,938	2,362	3,356	3,500	5,903	6,067	14,780	11,754	30,250
Profit before Tax	12,786	13,398	14,285	14,338	15,611	14,022	15,103	7,796	54,807	52,531
Tax	4,420	4,597	4,923	4,808	5,254	4,819	5,253	2,535	18,747	17,861
Net Profit	8,365	8,801	9,362	9,531	10,357	9,203	9,850	5,261	36,060	34,671
% Change (YoY)	26.5	25.0	24.7	26.8	23.8	4.6	5.2	-44.8	25.7	-3.9

Operating Parameters

Deposit Growth (%)	31.4	25.9	22.5	19.8	18.8	18.9	20.3	22.0	19.8	22.0
Loan Growth (%)	24.3	24.5	25.1	28.2	29.4	32.4	34.7	32.0	28.2	32.0
Deposit (INR b)	1,337	1,414	1,461	1,516	1,589	1,682	1,757	1,850	1,516	1,850
Loan (INR b)	1,164	1,232	1,285	1,450	1,507	1,631	1,732	1,913	1,450	1,913

Asset Quality

Gross NPA (INR b)	12.7	13.5	15.0	17.0	17.4	17.8	19.7	21.2	17.0	21.2
Gross NPA (%)	1.1	1.1	1.2	1.2	1.2	1.1	1.1	1.1	1.2	1.1
Net NPA (INR b)	5.1	5.4	5.9	7.5	7.6	7.9	10.3	10.7	7.5	10.7
Net NPA (%)	0.4	0.4	0.5	0.5	0.5	0.5	0.6	0.6	0.5	0.6
PCR (%)	60.0	60.1	60.5	56.3	56.2	55.8	47.7	49.5	56.3	49.5



Quess Corp

Bloomberg	QUESS IN
Equity Shares (m)	146.1
M. Cap. (INR b)/(USD b)	108 / 2
52-Week Range (INR)	1300 / 581
1,6,12 RelPerf. (%)	-5 / -23 / -45

Financial Snapshot (INR Billion)

INR million	FY18	FY19	FY20E	FY21E
Sales	61.7	85.5	105.8	123.9
EBITDA	3.5	4.6	6.4	7.8
NP	3.1	2.5	4.5	5.9
EPS (Rs)	21.8	17.4	30.5	40.5
EPS Growth (%)	115.7	-20.2	75.2	32.7
BV/Share (Rs)	217.1	239.6	278.9	331.1
P/E (x)	32.4	40.6	23.2	17.5
P/BV (x)	3.3	3.0	2.5	2.1
EV/EBITDA (x)	29.5	22.3	16.0	12.9
EV/Sales (x)	1.7	1.2	1.0	0.8
RoE (%)	16.5	9.8	15.2	17.1
RoCE (%)	14.6	10.2	14.2	16.0

CMP: INR740

Neutral

- We expect revenue of INR23.2b for Quess in 4QFY19, signifying growth of 22.8% YoY.
- With total headcount in north at 190,000 in PS business, we expect growth of 27.5% YoY. GTS business is expected to grow at 31% YoY.
- We expect EBITDA margin to gradually increase hereon. Our estimate for EBITDA margin stands at 5.5%, which is expected to inch up by 20bp sequentially due to normalization of investments in the P&S business.
- Our PAT estimate is INR822m, a decline of 4% YoY. While benefits will come from 80JJA, we expect tax rate to normalize at 11% (vs. 4% in 4QFY18). PAT margin is 3.1% for 4QFY19.

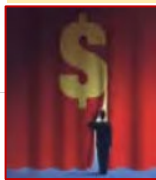
Key things to watch for

- Integration of recently acquired entities.
- Restructuring of operations in the industrials segment.
- Organic growth momentum and traction in the general staffing business post-GST.

Consolidated - Quarterly

Y/E March	FY18				FY19				FY18	FY19E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	12,973	13,953	15,840	18,908	19,684	20,917	21,722	23,218	61,673	85,540
YoY Change (%)	30.9	37.1	48.5	52.5	51.7	49.9	37.1	22.8	42.9	38.7
Total Expenditure	12,221	13,164	14,930	17,814	18,659	19,797	20,538	21,930	58,129	80,924
EBITDA	752	789	909	1,093	1,025	1,120	1,183	1,287	3,544	4,616
Margins (%)	5.8	5.7	5.7	5.8	5.2	5.36	5.4	5.5	5.7	5.4
Depreciation	136	144	183	285	299	291	317	317	747	1,223
Interest	170	157	177	252	261	282	280	282	755	1,107
Other Income	35	168	126	240	156	143	123	134	569	556
PBT before EO expense	482	656	675	797	621	690	710	822	2,611	2,841
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	482	656	675	797	621	690	710	822	2,611	2,841
Tax	31	-619	74	31	93	105	11	90	-483	299
Rate (%)	6.4	-94.4	11.0	3.9	14.9	15.1	1.5	11.0	-18.5	10.5
MI & P/L of Asso. Cos.	-6	2	-9	8	-16	-31	49	5	-4	0
Reported PAT	457	1,274	610	758	544	616	650	726	3,098	2,543
Adj PAT	457	1,274	610	758	544	616	650	726	3,098	2,543
YoY Change (%)	84.8	322.8	81.2	127.2	19.2	-51.6	6.5	-4.1	154.2	-17.9
Margins (%)	3.5	9.1	3.9	4.0	2.8	2.9	3.0	3.1	5.0	3.0

E: MOFSL Estimates



S H Kelkar

Bloomberg	SHKL IN
Equity Shares (m)	144.6
M. Cap. (INR b)/(USD b)	22 / 0
52-Week Range (INR)	264 / 137
1,6,12 RelPerf. (%)	-5 / -34 / -58

CMP: INR155

Buy

- We expect revenue to grow at a sluggish 4% YoY to INR2,969m in 4QFY19 due to sluggish demand.
- EBIDTA margin is likely to expand 600bp YoY to 16% on weak base quarter performance (a one-time expense had dragged base quarter margins) but remain flat on QoQ basis at 16% in 4QFY19. EBIDTA is likely to grow by 72% YoY to INR466m.
- We estimate adjusted PAT to grow 2.6% YoY to INR237m in 4QFY19.

Financial Snapshot (INR Billion)

Y/E MARCH	FY18	FY19E	FY20E	FY21E
Net Sales	10.4	10.8	12.4	14.4
EBITDA	1.6	1.6	2.0	2.4
Adj. Net Profit	1.0	0.9	1.1	1.4
Adj. EPS (INR)	7.1	6.4	7.6	9.4
Adj. EPS Gr. (%)	-2.2	-10.3	19.5	24.1
BV/Sh (INR)	59.3	63.8	69.2	75.9
RoE (%)	12.3	10.3	11.4	13.0
RoCE (%)	16.9	13.3	15.4	18.0
Div. Payout (%)	28.9	28.9	28.9	28.9

Valuations

P/E (x)	22.7	25.3	21.2	17.1
P/BV (x)	2.7	2.5	2.3	2.1
EV/EBITDA (x)	15.2	15.8	12.7	10.3
Div. Yield (%)	1.0	0.9	1.1	1.4

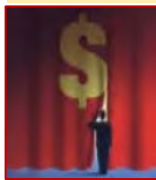
Key issues to watch for

- Pricing pressure in key raw materials, impacting profitability.
- CFF acquisition – cross-selling opportunities.
- Shift of ingredients from Netherlands to manufacturing plants in India.

Consolidated - Quarterly Earning Model

Y/E March	FY18				FY19				FY18	FY19E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	2,343	2,219	2,831	2,851	2,374	2,845	2,565	2,969	10,430	10,753
YoY Change (%)	-15.3	-9.5	13.5	15.2	1.3	28.2	-9.4	4.1	-1.6	3.1
Total Expenditure	1,929	1,865	2,255	2,580	2,035	2,467	2,165	2,503	8,808	9,173
EBITDA	414	355	576	271	340	378	400	466	1,622	1,581
Margins (%)	17.7	16.0	20.3	9.5	14.3	13.3	15.6	15.7	15.6	14.7
Depreciation	58	57	58	65	68	76	89	85	238	315
Interest	6	11	7	16	15	19	45	45	40	125
Other Income	51	12	7	154	23	50	50	40	216	162
PBT before EO expense	401	298	517	344	280	334	316	376	1,560	1,303
Extra-Ord expense	0	0	101	28	0	0	0	0	-129	0
PBT	401	298	416	316	280	334	316	376	1,432	1,303
Tax	133	110	144	119	100	49	103	126	506	378
Rate (%)	33.1	36.8	34.7	37.6	35.7	14.6	32.5	33.6	35.3	29.0
Minority Interest & P/L of Asso. Cos.	0	0	0	-16	-7	3	-1	13	-16	6
Reported PAT	268	189	272	213	187	288	214	237	942	919
Adj PAT	268	189	338	231	187	288	214	237	1,025	919
YoY Change (%)	-2.5	-22.4	33.0	-15.9	-30.2	52.8	-36.7	2.6	-2.2	-10.3
Margins (%)	11.4	8.5	11.9	8.1	7.9	10.1	8.3	8.0	9.8	8.5

E: MOFSL Estimates



The Ramco Cements

Bloomberg	TRCL IN
Equity Shares (m)	235.6
M. Cap. (INR b)/(USD b)	175 / 3
52-Week Range (INR)	879 / 546
1,6,12 Rel Perf. (%)	-1 / 6 / -17

Financial Snapshot (INR Billion)

Y/E March	2018	2019E	2020E	2021E
Sales	43.9	49.8	57.4	66.5
EBITDA	10.7	10.0	12.9	16.1
NP	5.6	5.0	6.7	8.7
Adj. EPS (INR)	24.0	21.4	28.5	36.8
EPS Gr. (%)	-11.9	-10.6	33.1	29.0
BV/Sh. (INR)	171.6	189.5	214.5	247.8
RoE (%)	14.5	11.9	14.1	15.9
RoCE (%)	11.7	9.9	11.7	13.6
Payout (%)	12.7	16.3	12.2	9.5

Valuations				
P/E (x)	30.9	34.6	26.0	20.2
P/BV (x)	4.3	3.9	3.5	3.0
EV/EBITDA (x)	17.2	17.3	14.2	10.8
EV/Ton (USD)	154	146	130	123

CMP: INR741

Buy

- 4QFY19 volumes are estimated to grow 10% YoY to 3.02m tons, with growth from underlying markets of south. Average realizations are expected to increase by 5% QoQ to 4,603/ton due to strong prices in the south.
- EBITDA margin is likely to expand 4.8pp QoQ (+0.8pp YoY) to 22.3%. EBITDA/ton (ex-windmill) is estimated at INR 1042 (+INR42 YoY, +INR258 QoQ) due to higher realization.
- PAT is estimated to increase 19% YoY to INR1.6b.
- The stock trades at a P/E of 26x (FY20E) and 20x (FY21E), EV/EBITDA of 14.2x (FY20E) and 10.8x (FY21E), and EV/ton of USD130 (FY20E) and USD123 (FY21E). Maintain Buy.

Key issues to watch out for

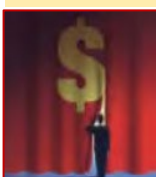
- Volume growth recovery and outlook.
- Cement pricing outlook and demand sustainability in south (AP and Tamil Nadu).

Quarterly Performance

(INR m)

Y/E March	FY18				FY19				FY18	FY19E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Sales Dispatches (m ton)	2.15	2.15	2.27	2.74	2.61	2.47	2.75	3.02	9.31	10.85
YoY Change (%)	4.1	6.3	14.7	20.2	21.6	14.7	20.8	10.2	11.5	16.5
Realization (INR/ton)	4,607	4,783	4,606	4,571	4,537	4,622	4,392	4,603	4,638	4,538
YoY Change (%)	1.0	-0.1	-1.9	2.7	-1.5	-3.4	-4.7	0.7	0.4	-2.2
QoQ Change (%)	3.5	3.8	-3.7	-0.8	-0.8	1.9	-5.0	4.8		
Net Sales	10,165	10,633	10,534	12,519	12,046	11,806	12,074	13,898	43,851	49,825
YoY Change (%)	5.1	5.0	12.4	23.1	18.5	11.0	14.6	11.0	11.6	13.6
EBITDA	2,781	2,908	2,276	2,694	2,350	2,442	2,110	3,098	10,658	10,000
Margins (%)	27.4	27.3	21.6	21.5	19.5	20.7	17.5	22.3	24.3	20.1
Depreciation	720	718	730	754	735	728	756	776	2,922	2,994
Interest	155	173	160	105	114	131	135	141	592	522
Other Income	176	103	82	218	202	88	96	134	579	520
PBT before EO expense	2,082	2,120	1,467	2,053	1,703	1,671	1,315	2,315	7,723	7,005
Extra-Ord expense	0	-77	-124	288	0	0	0	0	87	0
PBT	2,082	2,197	1,592	1,765	1,703	1,671	1,315	2,315	7,636	7,005
Tax	524	511	364	679	453	527	304	677	2,079	1,961
Rate (%)	25.2	23.3	22.9	38.5	26.6	31.5	23.1	29.3	27.2	28.0
Reported PAT	1,558	1,685	1,227	1,086	1,250	1,145	1,011	1,638	5,557	5,043
Adj PAT	1,558	1,609	1,103	1,374	1,250	1,145	1,011	1,638	5,644	5,043
YoY Change (%)	-0.1	-22.3	-26.4	2.2	-19.8	-28.8	-8.4	19.2	-12.8	-10.6
Margins (%)	15.3	15.1	10.5	11.0	10.4	9.7	8.4	11.8	12.9	10.1

E: MOFSL Estimates



Thermax

Bloomberg	TMX IN
Equity Shares (m)	112.6
M. Cap. (INR b)/(USD b)	106 / 2
52-Week Range (INR)	1205 / 878
1,6,12 Rel Perf. (%)	-14 / -8 / -34

Financial Snapshot (INR b)

Y/E March	2018	2019E	2020E	2021E
Net Sales	44.6	54.9	64.0	75.3
EBITDA	4.0	4.4	5.9	7.1
Adj. PAT	2.3	2.9	4.1	4.8
EPS (INR)	20.5	25.4	36.3	43.0
EPS Gr. (%)	-1.2	24.0	42.8	18.2
BV/Sh. (INR)	241.1	259.7	287.6	321.2
RoE (%)	8.8	10.2	13.3	14.1
RoCE (%)	9.8	10.0	12.7	13.4
Payout (%)	29.2	25.1	20.0	18.6

Valuations

P/E (X)	51.5	41.6	29.1	24.6
P/BV (X)	4.4	4.1	3.7	3.3
EV/EBITDA (X)	29.5	27.5	19.8	16.1
Div Yield (%)	0.6	0.6	0.7	0.8

CMP: INR941

Buy

- Revenue is likely to grow 10% YoY, supported by execution pick-up in the Energy segment (+20% YoY) and Chemicals segment (+31% YoY) given improvement in orders available for execution.
- Operating profit is expected to register 9% YoY growth to INR1.5b, while operating margin is expected to remain stable at 9.4% during the quarter.
- Net profit is expected to register 29% YoY growth to INR979m supported by lower tax rate (40.3% v/s 37.6% in 4QFY18) and lower share of loss in JV (INR13m loss v/s INR172m loss in 4QFY18). Maintain **Buy**.

Key issue to watch

- Demand environment in domestic and overseas markets

Quarterly Performance

(INR m)

Y/E March	FY18				FY19				FY18	FY19E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Sales	8,718	10,331	11,170	14,430	10,353	14,276	14,366	15,934	44,649	54,929
Change (%)	-11.0	-3.5	18.3	-3.2	18.7	38.2	28.6	10.4	-0.4	23.0
EBITDA	721	952	955	1,382	693	1,100	1,073	1,496	4,009	4,363
Change (%)	-10.3	3.6	9.1	-20.2	-3.9	15.6	12.4	8.3	-7.4	8.8
As of % Sales	8.3	9.2	8.5	9.6	6.7	7.7	7.5	9.4	9.0	7.9
Depreciation	189	189	208	239	210	235	230	220	824	894
Interest	16	51	25	37	33	39	36	42	129	150
Other Income	241	236	238	450	310	356	313	355	1,164	1,334
Extra-ordinary Items	0	0	0	0	0	0	99	0	0	99
PBT	757	947	961	1,555	761	1,183	1,121	1,589	4,220	4,653
Tax	284	370	378	626	274	434	463	598	1,658	1,768
Effective Tax Rate (%)	37.5	39.0	39.3	40.3	36.0	36.7	41.3	37.6	39.3	38.0
Share of P/L from JV/Minority	-67	-10	3	-172	3	-3	-7	-13	(251.9)	(20.0)
Reported PAT	406	568	586	757	490	745	751	979	2,311	2,865
Change (%)	(17.0)	(27.4)	9.3	73.4	20.6	31.1	28.1	29.3	(1.2)	24.0
Adj PAT	406	568	586	757	490	745	652	979	2,311	2,865
Change (%)	(17.0)	(27.4)	9.3	23.1	20.6	31.1	11.2	29.3	(1.2)	24.0



1. HINDALCO: NEXT PHASE OF GROWTH IS GOING TO BE IN DOWNSTREAM ; Satish Pai, MD

- In FY19, the biggest story was the big rise in input cost of coal, of the carbon products as well as furnace oil and caustic soda. All these had a big impact in FY19.
- Happy to say that in Q4, by February-March, saw prices easing. For example, Q3 to Q4, company's cost of production was flat but from March onwards, company is guiding that in Q1 the cost of production will be 3% lower.
- What benefits company when LME goes down is twofold; one, company has a diversified business model. 25% of the aluminium it sells as downstream value-added products benefits company in times of lower LME because it gets an additional EBITDA per ton from that. Company has a chemical business where it sells speciality alumina and hydrates. Third, 38% of company's metal was hedged.
- Company is done with the upstream expansion and that was where Aditya, Mahan and Utkal, which involved nearly \$5 billion (Rs 30,000 crore) of investment.
- Company is starting on a new growth phase which has got two legs to it; one is downstream and involves aluminium and copper. Company is today selling about 300 KT of the 1.295 million aluminium as value added. Want to double that to 600. Company is selling today 245 KT of the 400 KT of copper as value added, want to convert that to nearly 380, so nearly 90% is value added.
- The second is, now the alumina market is very attractive. Company did a brownfield expansion of Utkal which is going to be completed and may even expand further.
- (Doubling the downstream capacity of aluminium. When will that come on stream?) From FY18 to FY19, company already increased 5%. This is the downstream expansion which is going to be modular. Over the next three to five years, one will see company steadily increasing its downstream capacities as well as going into higher value-added products. Goal is to get an additional \$150 per ton of EBITDA 600 KT on top of the metal EBITDA that you get.

[→ Read More](#)

2. BSE: WE ARE THE FASTEST STOCK EXCHANGE IN THE WORLD; Ashishkumar Chauhan, MD

- As the market was uncertain in 2018-19, there was a decline in transactions in the equity market. The stocks from where company gets larger revenues are the exclusive stocks listed only on BSE. They contribute nearly half of transaction charges. During last fiscal, daily volumes in those stocks declined from nearly Rs 200 crore to Rs 50 crore a day. That led to an overall dip in revenues.
- India International Exchange, the country's first global exchange based out of the Gift International Financial Centre in Gujarat, is doing exceedingly well. Since it has just commenced operations, have not started charging and hence there is an initial loss. Company has an expense of Rs 30-35 crore on balance sheet. The exchange has reached a turnover of \$2.93 billion daily.
- (Mutual fund biz) growing at 100% year-on-year. For the first time in 10 years, have started charging now and earned Rs 30 crore in revenues in 2018-19. If the

trend continues for 5-6 years, the MF business will surpass transaction income. Company closed March with 37 lakh transactions and in April, it clocked 43 lakh transactions.

- Exchange (BSE) is the fastest stock exchange in the world, with 6 micro seconds in response time. It is 10 times faster than the second fastest which has 60 micro seconds. In a competitive scenario, where you are the challenger, you have to keep evolving.
- Slowly reducing the money in the balance sheet by way of dividends and buybacks. That will improve the return on capital employed (ROCE).
- Have applied for a joint venture with the US-based Ebix, the largest insurance exchange in the world. They had recently taken over several companies such as ItzCash. This JV is for insurance distribution.
- Company has also applied to the Insurance Regulatory and Development Authority (Irdi) for a license. Have also tied up with ICICI Bank and Power Trading Corp (PTC) to set up an energy exchange for trading electricity on spot basis. Company will have a 25% stake in the venture.

[➔ Read More](#)



1. THE GEOGRAPHY OF INDUSTRIAL GROWTH IN A FEDERAL POLITY

- The new political alignments that emerge after 23 May will influence, among other things, the pattern of industrial growth across Indian states. Whoever wins, it is almost certain that regional parties will exercise much power. Rapid industrial growth in their states will no doubt be a priority for them, as also for state governments led by national parties. This is the context in which we need to think about the future geography of industrial growth in a federal polity. In a conference on Growth and Regional Development in India organised by the Institute of Human Development in New Delhi last week, K.V. Ramaswami presented an interesting paper entitled, 'Where have all the factories gone: growth and concentration of sub-national manufacturing activity in India'. The paper demonstrates that just six states, Tamil Nadu, Maharashtra, undivided Andhra Pradesh, Gujarat, Uttar Pradesh and Bengal, account for close to two-thirds of all factories in the organised sector (64.3%) and a similar share of workers in the sector (62.2%).

[→ Read More](#)

2. RISING H1B REJECTION RATES CAN ALTER INDIAN IT SERVICES MODEL

- There are many weapons used in a trade war. The two that are most often used are complaints to the World Trade Organization or unilateral changes in tariffs against a trading partner as we have seen with the US and China. Non-tariff trade barriers are often more potent and can be used with relative stealth. One such non-tariff barrier, often used on people-centric industries, is the restriction of the free movement of labour. India still gets about 70% of the H1B's issued each year. US consulates in India have considerable latitude. They can act under a current administration's orders to tighten up the H1B regime without any drastic change in US immigration laws. Other similar "work permit" rules in countries such as Australia, Singapore and the UK also vary over time. I spoke recently with Viju George of JP Morgan, a veteran information technology (IT) sector analyst, whose insight I respect.

[→ Read More](#)

3. THE GLOBAL CONSEQUENCES OF A SINO-AMERICAN COLD WAR

- A few years ago, as part of a Western delegation to China, I met President Xi Jinping in Beijing's Great Hall of the People. When addressing us, Xi argued that China's rise would be peaceful, and that other countries – namely, the United States – need not worry about the “Thucydides Trap,” so named for the Greek historian who chronicled how Sparta's fear of a rising Athens made war between the two inevitable. In his 2017 book *Destined for War: Can America and China Escape Thucydides's Trap?*, Harvard University's Graham Allison examines 16 earlier rivalries between an emerging and an established power, and finds that 12 of them led to war. No doubt, Xi wanted us to focus on the remaining four. Despite the mutual awareness of the Thucydides Trap – and the recognition that history is not deterministic – China and the US seem to be falling into it anyway. Though a hot war between the world's two major powers still seems far-fetched, a cold war is becoming more likely. The US blames China for the current tensions. Since joining the World Trade Organization in 2001, China has reaped the benefits of the global trading and investment system, while failing to meet its obligations and free riding on its rules. According to the US, China has gained an unfair advantage through intellectual-property theft, forced technology transfers, subsidies for domestic firms, and other instruments of state capitalism. At the same time, its government is becoming increasingly authoritarian, transforming China into an Orwellian surveillance state.

[➔ Read More](#)



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
Automobiles																
Amara Raja	Buy	628	761	21	28.3	33.3	38.0	2.6	17.6	14.2	18.9	16.5	2.9	2.6	16.1	16.4
Ashok Ley.	Buy	88	113	28	7.0	7.3	6.0	16.9	4.7	-18.0	12.1	14.8	2.7	2.5	24.1	17.7
Bajaj Auto	Neutral	2981	3050	2	165.4	174.3	190.1	9.3	5.4	9.0	17.1	15.7	3.6	3.2	21.9	21.5
Bharat Forge	Buy	468	595	27	22.2	24.5	27.0	20.3	10.4	10.3	19.1	17.3	3.6	3.1	19.8	19.1
Bosch	Neutral	17394	18200	5	541.9	578.4	673.9	15.4	6.7	16.5	30.1	25.8	6.4	5.6	19.9	40.8
CEAT	Buy	985	1277	30	63.6	73.1	91.2	-0.5	14.9	24.7	13.5	10.8	1.3	1.2	10.3	11.7
Eicher Mot.	Buy	20918	23500	12	813.9	877	1,007	1.8	7.8	14.8	23.8	20.8	5.3	4.5	24.4	23.6
Endurance Tech.	Buy	1149	1350	18	36.2	42.9	49.4	24.5	18.4	15.4	26.8	23.2	5.4	4.7	21.7	21.5
Escorts	Neutral	595	724	22	53.2	57.9	60.4	34.7	8.8	4.3	10.3	9.9	1.7	1.5	17.7	15.8
Exide Ind	Buy	210	281	34	9.1	10.9	12.2	10.6	20.2	12.2	19.3	17.2	2.7	2.4	14.0	14.2
Hero Moto	Neutral	2657	2912	10	169.5	176.8	184.7	-8.5	4.3	4.5	15.0	14.4	3.7	3.4	26.1	24.8
M&M	Buy	639	793	24	40.6	44.1	44.4	-0.9	8.5	0.8	14.5	14.4	2.0	1.9	13.1	11.7
Mahindra CIE	Buy	229	290	27	14.1	17.1	19.4	44.7	21.3	13.0	13.4	11.8	1.8	1.5	14.0	13.8
Maruti Suzuki	Buy	6858	8047	17	247.7	277.3	334.4	-7.1	12.0	20.6	24.7	20.5	4.2	3.8	16.4	18.1
Motherson Sumi	Buy	121	186	54	5.3	6.9	7.8	-2.6	31.8	12.0	17.4	15.6	3.2	2.8	19.4	19.1
Tata Motors	Neutral	177	199	13	-4.4	14.2	15.4	PL	LP	8.7	12.4	11.5	0.9	0.9	7.7	7.8
TVS Motor	Neutral	490	480	-2	14.1	18.1	22.9	1.1	28.6	26.2	27.0	21.4	5.8	4.8	23.5	24.6
Aggregate								-21.6	31.3	10.1	19.2	17.4	3.0	2.7	15.4	15.4
Banks - Private																
AU Small Finance	Buy	697	720	3	13.2	18.2	24.8	28.9	38	36.2	38.3	28.1	5.0	4.3	14.8	16.4
Axis Bank	Buy	773	875	13	18.2	40.0	55.7	1,538.1	120	39.1	19.3	13.9	2.6	2.2	14.3	17.0
DCB Bank	Buy	230	250	8	10.5	14.0	18.6	32.0	33.2	33.1	16.5	12.4	2.1	1.8	14.1	16.2
Equitas Hold.	Buy	133	160	20	6.3	9.3	12.2	583.7	46.2	31.5	14.4	10.9	1.6	1.5	12.0	14.2
Federal Bank	Buy	101	120	18	6.3	8.0	10.0	32.2	26.7	25.3	12.7	10.2	1.4	1.2	11.4	12.9
HDFC Bank	Buy	2404	2650	10	79.3	94.4	115.6	16.9	19.1	22.4	25.5	20.8	3.9	3.3	16.1	17.2
ICICI Bank	Buy	400	470	17	5.2	21.2	28.5	-52.8	305.8	34.5	18.9	14.0	2.2	2.0	12.4	15.0
IndusInd	Buy	1448	2050	42	53.8	99.4	127.4	-10.6	84.8	28.2	14.6	11.4	2.7	2.2	20.6	21.4
Kotak Mah. Bk	Neutral	1487	1450	-3	37.7	44.1	53.6	16.0	16.8	21.5	33.7	27.8	4.3	3.7	13.2	14.3
RBL Bank	Buy	669	800	20	20.3	25.2	34.8	34.3	24.1	37.8	26.5	19.3	2.7	2.5	12.4	13.5
South Indian	Buy	14	18	30	1.4	2.2	3.1	-26.2	64.4	36.7	6.1	4.5	0.5	0.4	7.4	9.6
Yes Bank	Buy	141	280	99	7.5	14.1	19.8	-59.6	88.6	40.9	10.0	7.1	1.0	0.9	11.0	13.5
Aggregate								9.3	62.9	29.5	22.2	17.1	3.1	2.7	13.7	15.5
Banks - PSU																
BOB	Buy	125	160	28	7.8	14.8	23.9	LP	89.0	61.4	8.5	5.2	0.7	0.6	8.4	12.3
BOI	Neutral	88	90	2	-22.0	3.2	11.7	Loss	LP	270.9	27.9	7.5	0.7	0.7	2.4	8.7
Canara	Neutral	261	278	7	17.0	42.3	49.3	LP	148.5	16.6	6.2	5.3	0.5	0.5	8.2	8.9
Indian Bk	Buy	247	280	13	6.7	24.0	39.6	-74.4	258.3	64.9	10.3	6.2	0.6	0.6	6.7	10.2
PNB	Neutral	86	90	4	-14.6	5.8	11.6	Loss	LP	102	15	7.4	0.7	0.7	4.8	9.1
SBI	Buy	338	380	13	2.6	33.5	37.3	LP	1,199	11.6	10.1	9.0	1.2	1.1	13.4	13.2
Union Bk	Neutral	72	80	12	4.5	12.8	24.6	LP	185.7	92.1	5.6	2.9	0.3	0.3	5.5	9.9
Aggregate								Loss	LP	32	10	7.6	0.9	0.8	9.0	10.7
NBFCs																
Aditya Birla Cap	Buy	95	130	37	4.0	4.3	5.8	25.7	9.0	34.4	22.0	16.4	2.0	1.6	9.9	10.9
Bajaj Fin.	Neutral	3433	2900	-16	69.5	86.8	107.4	60.0	25.0	23.8	39.5	32.0	8.3	6.8	23.2	23.4
Cholaman.Inv.&F n	Under Review	1417	-		76.8	88.6	101.0	23.2	15.4	14.1	16.0	14.0	3.0	2.5	20.5	19.5
HDFC	Buy	2114	2330	10	43.1	49.2	56.3	29.6	14.2	14.3	42.9	37.6	4.4	3.9	13.8	14.3
HDFC Life Insur.	Buy	402	475	18	6.3	7.3	9.0	14.4	15.8	22.6	54.9	44.8	3.7	3.1	20.2	20.0
ICICI Pru Life	Buy	347	450	30	8.0	7.8	9.3	-29.5	-1.3	18.2	44.2	37.4	2.0	1.7	15.9	15.7
Indiabulls Hsg	Under Review	808	-		95.9	101.9	119.0	5.0	6.3	16.8	7.9	6.8	1.8	1.6	24.3	25.3
Indostar Capital	Buy	356	525	48	26.1	38.4	53.5	2.5	47.1	39.3	9.3	6.7	1.0	0.8	11.1	13.6
L&T Fin Holdings	Buy	125	170	36	11.2	13.1	15.4	64.8	17.3	17.7	9.5	8.1	1.6	1.3	17.7	17.8
LIC Hsg Fin	Buy	525	580	10	48.1	54.3	61.3	21.4	12.8	12.8	9.7	8.6	1.4	1.3	15.9	15.8



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
MAS Financial	Buy	542	700	29	28.1	33.0	39.9	52.5	17.4	21.1	16.4	13.6	2.8	2.4	18.4	19.0
M&M Fin.	Buy	402	540	34	25.3	29.5	34.0	44.7	16.3	15.6	13.7	11.8	2.1	1.9	16.3	16.8
Muthoot Fin	Neutral	619	560	-10	49.2	55.3	64.2	10.8	12.4	15.9	11.2	9.6	2.3	2.0	22.2	22.1
PNB Housing	Buy	788	875	11	71.1	73.2	80.4	40.9	2.9	9.8	10.8	9.8	1.6	1.4	15.6	15.0
Repco Home	Buy	425	550	29	38.4	43.3	49.9	16.6	12.8	15.2	9.8	8.5	1.5	1.3	16.5	16.3
Shriram City Union	Buy	1476	2100	42	149.9	165.5	188.6	48.7	10.4	14.0	8.9	7.8	1.3	1.1	15.9	15.7
Shriram Trans.	Buy	1086	1325	22	113.1	129.7	149.7	4.3	14.6	15.4	8.4	7.3	1.3	1.1	17.2	17.0
Aggregate								24.4	14.3	17.0	23.9	20.5	3.6	3.2	15.1	15.4
Capital Goods																
ABB	Sell	1426	1190	-17	12.0	18.3	22.6	12.7	52.9	23.4	77.8	63.0	7.0	6.4	9.0	10.1
Bharat Elec.	Buy	97	115	19	7.1	7.4	7.7	24.0	4.1	3.7	13.1	12.6	2.4	2.1	18.3	17.1
BHEL	Sell	63	60	-5	3.2	3.8	4.5	45.5	18.6	17.9	16.7	14.2	0.7	0.7	4.2	4.9
Blue Star	Neutral	751	770	3	19.5	24.4	31.0	34.7	25.6	26.6	30.7	24.3	6.9	5.7	22.4	23.3
CG Cons. Elec.	Buy	222	270	21	6.0	7.7	9.3	16.1	27.6	21.6	30.1	25.3	11.4	9.1	43.4	42.4
Cummins	Buy	743	950	28	27.4	31.2	34.8	16.4	13.8	11.6	23.9	21.4	4.4	4.1	19.2	19.8
Engineers India	Buy	113	125	11	5.9	6.5	7.5	-8.4	10.4	15.3	17.4	15.1	3.0	2.8	17.1	18.0
GE T&D	Neutral	265	300	13	9.9	11.1	11.8	31.9	12.1	6.7	23.9	22.4	4.5	4.0	19.8	18.7
Havells	Buy	758	871	15	13.8	16.7	20.3	23.0	21.2	21.1	45.3	37.4	9.5	8.2	21.1	21.9
K E C Intl	Buy	291	347	19	19.0	24.2	28.9	6.0	27.7	19.2	12.0	10.1	2.5	2.0	20.7	20.1
L&T	Buy	1448	1850	28	61.4	76.9	96.1	18.7	25.3	24.9	18.8	15.1	2.9	2.5	16.3	18.0
Siemens	Buy	1181	1290	9	25.1	32.5	34.0	27.1	29.5	4.6	36.3	34.7	4.6	4.2	13.3	12.7
Solar Ind	Neutral	1112	1230	11	28.9	35.0	43.9	18.6	21.0	25.6	31.8	25.3	6.7	5.6	23.2	24.1
Thermax	Buy	991	1290	30	25.4	36.3	43.0	24.0	42.8	18.2	27.3	23.1	3.4	3.1	13.3	14.1
Va Tech Wab.	Neutral	309	351	14	23.1	39.0	48.0	-4.0	68.8	23.1	7.1	5.7	1.2	1.0	16.4	17.5
Voltas	Neutral	585	595	2	15.7	17.4	20.5	-9.2	10.8	18.0	33.6	28.5	4.3	3.8	13.3	14.1
Aggregate								18.8	22.1	19.8	22.9	19.1	3.1	2.8	13.5	14.6
Cement																
Ambuja Cem.	Neutral	221	211	-4	6.3	6.8	7.8	2.0	8.7	14.6	32.4	28.3	2.0	2.0	6.3	7.1
ACC	Buy	1612	1913	19	57.3	66.3	85.4	22.1	15.8	28.7	24.3	18.9	2.6	2.4	11.3	13.3
Birla Corp.	Buy	588	583	-1	33.2	45.0	63.2	53.6	35.5	40.4	13.1	9.3	1.0	0.9	7.5	9.8
Dalmia Bhar.	Buy	1088	1319	21	15.6	18.8	31.4	13.3	20.4	66.7	57.8	34.6	1.9	1.9	3.4	5.5
Grasim Inds.	Neutral	866	836	-3	66.2	85.0	98.3	39.8	28.5	15.7	10.2	8.8	1.2	1.1	6.1	6.0
India Cem	Neutral	100	103	3	2.8	5.4	7.8	-14.1	91.5	44.7	18.6	12.8	0.6	0.5	3.1	4.4
J K Cements	Buy	944	1155	22	34.1	41.9	52.7	-16.8	22.9	25.8	22.5	17.9	2.5	2.2	11.5	13.0
JK Lakshmi Ce	Buy	366	407	11	6.0	11.8	20.2	-19.1	96.7	71.5	31.1	18.1	2.6	2.3	8.8	13.6
Ramco Cem	Buy	769	853	11	21.4	28.5	36.8	-10.6	33.1	29.0	27.0	20.9	3.6	3.1	14.1	15.9
Orient Cem	Buy	114	119	5	2.3	4.4	8.1	7.5	89.8	84	25.8	14.0	2.1	1.8	8.3	13.7
Prism Johnson	Buy	90	104	15	3.1	3.8	4.1	123.4	21.3	7.7	23.8	22.1	3.5	3.1	15.6	14.8
Sanghi Inds.	Buy	62	78	25	2.1	3.4	3.3	-43.5	61.9	-2.9	18.6	18.8	0.9	0.8	5.0	4.7
Shree Cem	Buy	20455	23400	14	362.2	470.3	628.1	-6.1	29.8	33.6	43.5	32.6	6.5	5.5	15.9	18.2
Ultratech	Buy	4649	5190	12	89.4	113.0	153.6	4.3	26.4	35.9	41.1	30.3	3.7	3.3	10.1	11.5
Aggregate								14.5	27.4	26.3	25.1	19.8	2.5	2.2	9.8	11.3
Consumer																
Asian Paints	Sell	1359	1150	-15	23.1	23.7	28.8	9.1	2.6	21.7	57.4	47.2	12.6	11.6	22.9	25.6
Britannia	Buy	2846	3350	18	48.1	59.2	69.8	15.1	23.1	17.8	48.0	40.8	15.1	14.8	32.5	36.7
Colgate	Buy	1159	1555	34	27.9	32.1	37.0	10.8	15.1	15.2	36.1	31.3	19.5	20.8	54.1	64.2
Dabur	Neutral	383	415	8	8.5	9.2	10.4	9.0	8.5	12.8	41.6	36.9	10.7	9.9	27.2	27.9
Emami	Buy	362	540	49	12.5	14.3	16.4	2.7	14.7	14.5	25.3	22.1	7.3	7.3	29.4	32.9
Future Consumer	Buy	40	58	44	-0.1	0.7	1.6	Loss	LP	136.0	58.3	24.7	6.1	4.9	11.0	21.9
Godrej Cons.	Neutral	659	650	-1	15.1	16.1	18.5	7.2	6.4	15.1	41.0	35.7	8.7	8.0	21.9	23.4
GSK Cons.	Neutral	7417	7470	1	216.1	229.6	256.8	29.8	6.3	11.8	32.3	28.9	6.8	6.2	22.3	22.4
HUL	Buy	1784	1950	9	28.9	33.1	39.0	18.2	14.3	17.7	53.9	45.8	46.9	44.1	90.1	99.2
ITC	Neutral	305	305	0	10.2	10.8	12.1	14.8	6.6	12.1	28.2	25.1	6.0	5.6	22.2	23.2
Jyothy Lab	Neutral	164	175	7	5.4	6.0	7.4	10.5	11.2	23.1	27.4	22.2	4.3	4.1	16.1	18.8



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
Marico	Buy	360	425	18	7.2	8.9	10.6	14.2	23.4	19.4	40.5	33.9	13.1	11.4	35.0	35.9
Nestle	Neutral	10596	10615	0	178.6	196.0	227.2	27.5	9.8	15.9	54.1	46.6	27.5	29.4	51.2	61.0
Page Inds	Neutral	22340	27515	23	378.3	472.0	573.3	21.6	24.7	21.5	47.3	39.0	25.5	21.9	53.8	56.2
Parag Milk Foods	Buy	244	305	25	15.7	16.7	20.4	51.5	6.3	22.1	14.6	11.9	2.2	1.9	15.9	17.0
Pidilite Ind.	Neutral	1202	1135	-6	18.6	21.7	25.2	-2.0	17.2	15.8	55.3	47.8	12.7	10.8	24.6	24.4
P&G Hygiene	Neutral	10804	9860	-9	131.9	166.2	207.6	14.5	26.0	24.9	65.0	52.0	31.7	26.7	52.8	55.7
United Brew	Neutral	1428	1430	0.2	21.3	23.9	29.3	42.9	12.2	22.6	59.8	48.8	10.2	8.6	18.3	19.1
United Spirits	Buy	551	690	25	10.0	13.6	18.4	47.7	36.8	34.8	40.4	30.0	10.3	7.7	25.6	25.6
Aggregate								16.0	11.4	16.3	41.3	35.5	11.6	10.7	28.1	30.0
Healthcare																
Alembic Phar	Neutral	530	587	11	31.0	28.5	32.3	41.6	-8.2	13.5	18.6	16.4	3.2	2.7	18.0	17.7
Alkem Lab	Buy	1688	2170	29	70.9	91.7	109.4	20.3	29.4	19.2	18.4	15.4	3.2	2.7	18.4	19.0
Ajanta Pharma	Buy	1015	1225	21	44.4	48.2	55.6	-16.1	8.4	15.4	21.1	18.3	3.4	3.0	17.6	17.5
Aurobindo	Buy	668	940	41	42.8	59.1	64.2	0.2	38.1	8.7	11.3	10.4	2.3	1.9	22.2	19.7
Biocon	Neutral	519	670	29	12.4	19.9	23.7	99.6	60.7	19.2	26.1	21.9	4.5	3.9	18.3	19.1
Cadila	Buy	245	420	72	17.5	17.7	18.8	-0.4	1.5	5.8	13.8	13.0	2.2	2.0	17.0	16.0
Cipla	Neutral	559	488	-13	17.6	21.2	25.3	-13.6	20.8	19.1	26.3	22.1	2.7	2.4	10.1	10.9
Divis Lab	Neutral	1695	1570	-7	56.0	61.3	70.4	69.5	9.4	14.8	27.6	24.1	5.4	4.6	21.1	20.5
Dr Reddy's	Neutral	2663	2700	1	105.2	131.6	134.8	62.6	25.1	2.5	20.2	19.7	2.8	2.5	14.6	13.3
Glenmark	Neutral	575	560	-3	28.2	34.7	38.3	-0.9	22.8	10.6	16.6	15.0	2.3	2.0	14.1	13.5
Granules	Buy	108	150	39	9.2	10.5	12.7	76.5	14.0	20.6	10.3	8.5	1.6	1.4	16.6	17.8
GSK Pharma	Neutral	1274	1350	6	24.6	28.8	32.9	25.2	17.0	14.4	44.2	38.7	9.6	9.0	21.8	23.2
IPCA Labs	Buy	909	1145	26	36.8	45.3	54.4	94.1	23.1	20.1	20.1	16.7	3.2	2.7	17.0	17.7
Jubilant Life	Buy	537	800	49	57.5	66.1	68.8	26.1	15.0	4.1	8.1	7.8	1.5	1.2	19.5	17.2
Laurus Labs	Buy	370	470	27	10.4	17.2	25.2	-34.5	65.6	46.7	21.6	14.7	2.3	2.0	11.0	14.3
Lupin	Buy	748	930	24	23.3	34.7	44.2	-27.1	49.0	27.3	21.5	16.9	2.3	2.1	11.0	12.8
Sanofi India	Buy	5506	6930	26	165.5	187.5	208.9	16.7	13.3	11.4	29.4	26.4	5.2	4.7	17.8	17.8
Shilpa Medicare	Buy	375	465	24	13.9	22.3	24.2	8.2	60.8	8.3	16.8	15.5	2.2	2.0	13.8	13.2
Strides Pharma	Buy	411	635	54	6.9	27.5	36.3	-39.2	300.7	32.2	15.0	11.3	1.3	1.2	9.0	11.0
Sun Pharma	Buy	409	546	34	16.2	20.4	23.8	20.7	25.7	16.4	20.0	17.2	2.2	2.0	11.7	12.3
Torrent Pharma	Neutral	1601	1500	-6	42.7	53.0	72.6	-7.1	24.1	37.0	30.1	22.0	5.1	4.4	17.9	21.5
Aggregate								13.5	24.3	14.6	20.0	17.5	2.8	2.5	14.1	14.3
Infrastructure																
Ashoka Buildcon	Buy	121	175	45	10.5	12.4	15.1	24.7	17.6	21.7	9.7	8.0	1.3	1.2	14.6	15.5
IRB Infra	Neutral	125	155	24	27.1	23.5	14.8	13.6	-13.4	-37.1	5.3	8.4	0.6	0.5	11.5	6.7
KNR Constructions	Buy	239	295	23	14.4	14.4	15.5	-25.4	-0.4	8.1	16.6	15.4	2.2	1.9	14.0	13.2
Sadbhav Engineering	Buy	239	285	19	13.5	13.4	14.0	5.2	-1.1	4.6	17.9	17.1	1.8	1.6	10.5	10.0
Aggregate											9.6	11.0	1.1	1.0	11.5	9.2
Logistics																
Allcargo Logistics	Buy	104	142	36	8.7	10.1	11.4	19.3	16.2	12.9	10.4	9.2	1.1	0.9	10.7	10.8
Concor	Buy	484	564	17	19.9	22.7	26.2	14.9	13.9	15.3	21.3	18.5	2.7	2.5	12.9	14.0
Aggregate								15.6	14.3	14.9	20.1	17.5	2.4	2.3	12.1	12.9
Media																
D B Corp	Buy	196	215	10	15.7	21.5	23.4	-11.1	37.0	9.0	9.1	8.4	1.7	1.5	19.0	17.9
Ent.Network	Buy	472	720	52	11.0	19.0	33.8	62.0	72.9	77.6	24.8	14.0	2.2	1.9	9.3	14.7
Jagran Prak.	Buy	112	140	25	9.1	13.8	15.5	-5.7	51.5	12.9	8.1	7.2	1.5	1.3	19.7	19.2
Music Broadcast	Buy	57	76	34	2.3	3.0	3.9	25.5	30.6	31.2	19.1	14.6	2.3	2.0	12.7	14.5
PVR	Buy	1810	1950	8	37.8	40.7	50.6	41.7	7.5	24.4	44.5	35.8	5.3	4.7	13.6	13.9
Sun TV	Buy	546	740	36	37.5	41.4	46.5	35.2	10.4	12.2	13.2	11.7	3.8	3.5	30.4	31.1
Zee Ent.	Neutral	348	450	29	16.3	18.9	22.7	35.2	15.8	20.5	18.5	15.3	3.3	2.8	19.1	19.6
Aggregate								18.7	20.4	6.1	15.3	14.5	2.8	2.9	18.1	19.9
Metals																
Hindalco	Buy	196	253	29	24.7	22.9	24.5	30.9	-7.3	6.8	8.6	8.0	1.0	0.9	12.3	11.8



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
Hind. Zinc	Neutral	255	239	-6	18.8	21.6	21.9	-10.8	14.6	1.7	11.8	11.6	2.8	2.4	25.1	22.3
JSPL	Buy	163	268	64	-1.7	-1.1	23.5	LP	-35.3	LP	NM	6.9	0.6	0.5	-0.4	7.7
JSW Steel	Buy	280	336	20	30.6	20.7	29.3	30.7	-32.2	41.3	13.5	9.6	1.9	1.7	15.1	18.7
Nalco	Buy	49	75	52	8.8	5.7	6.9	71.9	-34.9	20.6	8.6	7.2	0.9	1.0	10.8	13.3
NMDC	Buy	93	132	42	15.3	10.7	12.9	16.6	-29.7	20.1	8.7	7.2	1.1	1.0	12.5	14.2
SAIL	Neutral	50	52	3	6.3	6.1	9.7	2,330.1	-3	60.5	8.3	5.2	0.5	0.5	6.2	9.3
Rain Industries	Buy	106	123	16	20.4	11.7	17.3	-14.0	-42.7	48.0	9.1	6.1	0.8	0.7	8.5	11.9
Vedanta	Sell	165	144	-13	18.1	16.6	17.4	-11.0	-8.2	4.5	9.9	9.5	1.0	0.9	9.8	9.8
Tata Steel	Neutral	474	532	12	88.6	78.6	77.9	27.3	-11.2	-1.0	6.0	6.1	0.8	0.7	13.5	12.0
Aggregate								20.4	-11.6	17.5	10.0	8.5	1.1	1.0	10.8	11.6
Oil & Gas																
Aegis Logistics	Buy	205	276	34	6.9	9.9	11.3	16.3	43.0	14.7	20.8	18.2	4.2	3.6	21.9	21.4
BPCL	Buy	375	452	21	43.4	47.7	51.6	-12.9	9.9	8.2	7.9	7.3	1.7	1.5	22.7	21.8
GAIL	Neutral	339	340	0	29.5	28.4	30.0	44.6	-3.8	5.7	12.0	11.3	1.6	1.4	13.7	13.3
Gujarat Gas	Neutral	163	151	-7	6.3	6.7	7.5	47.4	6.5	13.0	24.4	21.6	4.4	3.8	19.3	18.8
Gujarat St. Pet.	Neutral	185	191	3	14.1	12.7	14.3	18.9	-10.2	12.9	14.6	13.0	1.6	1.5	11.8	12.1
HPCL	Neutral	285	309	8	43.9	51.3	51.6	-7.3	16.8	0.6	5.6	5.5	1.2	1.1	24.0	21.2
IOC	Buy	153	198	29	18.8	18.7	19.7	-23.7	-0.8	5.5	8.2	7.8	1.2	1.1	14.7	14.4
IGL	Buy	308	368	20	11.2	13.0	14.6	18.2	16.5	12.0	23.7	21.1	4.5	3.9	20.4	19.7
Mahanagar Gas	Neutral	856	1007	18	55.3	57.5	59.3	14.3	4.0	3.0	14.9	14.4	3.1	2.8	22.2	20.3
MRPL	Neutral	62	70	13	1.9	10.5	10.4	-84.8	442.7	-0.9	5.9	5.9	0.9	0.8	16.2	14.3
Oil India	Buy	182	237	30	33.5	29.8	30.6	41.9	-11.1	2.6	6.1	6.0	0.6	0.6	10.9	10.6
ONGC	Buy	174	196	12	26.7	29.3	28.9	32.1	10.0	-1.4	5.9	6.0	0.9	0.8	16.0	14.4
PLNG	Buy	240	300	25	14.4	18.5	21.7	3.7	28.5	17.6	13.0	11.1	3.3	3.0	26.4	28.6
Reliance Ind.	Neutral	1340	1431	7	67.2	70.7	80.3	10.4	5.2	13.6	18.9	16.7	1.9	1.7	10.3	10.7
Aggregate								5.9	7.3	6.2	11.7	11.0	1.5	1.4	13.2	12.8
Retail																
Avenue Supermarts	Sell	1274	1125	-12	14.5	18.8	24.9	11.9	30.1	32.3	67.7	51.2	11.8	9.6	19.0	20.6
Aditya Fashion	Birla Buy	203	240	19	1.6	3.7	5.4	156.7	126.3	46.2	54.4	37.2	9.1	7.3	18.3	21.9
Future Lifestyle	Buy	466	585	26	8.6	10.8	14.5	30.1	25.4	34.6	43.1	32.1	4.4	4.0	10.7	13.0
Future Retail	Buy	437	580	33	13.7	15.4	17.5	12.2	12.4	13.5	28.3	24.9	4.8	4.0	18.6	17.6
Jubilant Food.	Neutral	1302	1325	2	24.1	29.3	33.1	62.0	21.6	13.0	44.4	39.3	12.1	10.6	27.2	26.9
Shoppers Stop	Neutral	463	520	12	7.8	13.2	15.9	-36.3	70.0	19.9	35.0	29.2	3.8	3.3	11.4	12.1
Spencers Retail	Buy	124	175	41	0.1	0.7	0.8	LP	780.0	16.0	175.1	150.9	6.5	6.2	3.8	4.2
Titan Company	Buy	1248	1310	5	15.7	20.3	26.2	24.0	29.4	29.2	61.6	47.7	17.5	14.6	29.0	33.4
Trent	Buy	371	440	18	2.9	5.8	7.7	11.6	99.2	32.3	63.9	48.3	6.7	5.9	11.1	13.0
V-Mart Retail	Neutral	2248	2450	9	39.5	47.3	57.2	-8.0	19.8	21.0	47.5	39.3	8.2	6.8	18.9	18.9
Aggregate								21.5	31.6	27.2	55.4	43.6	10.5	8.8	18.9	20.2
Technology																
Cyient	Buy	545	730	34	43.4	48.7	52.4	13.4	12.3	7.6	11.2	10.4	2.1	1.9	18.9	18.4
HCL Tech.	Neutral	1057	1200	14	73.6	77.7	90.4	17.6	5.7	16.3	13.6	11.7	3.1	2.8	23.9	25.0
Hexaware	Neutral	358	360	1	19.3	21.2	24.1	16.5	9.7	13.7	16.9	14.8	4.0	3.5	25.1	25.3
Infosys	Buy	709	860	21	37.5	38.5	44.2	15.9	2.7	14.6	18.4	16.1	4.8	4.4	25.8	28.8
L & T Infotech	Neutral	1773	1910	8	86.6	94.0	106.2	30.6	8.6	13.0	18.9	16.7	5.0	4.1	29.8	27.1
Mindtree	Neutral	981	1000	2	44.8	52.7	62.8	53.1	17.6	19.0	18.6	15.6	4.2	3.6	24.3	25.0
Mphasis	Neutral	940	1050	12	56.9	60.8	70.4	29.3	6.7	15.8	15.5	13.4	4.3	3.5	31.0	30.9
NIIT Tech	Neutral	1289	1400	9	67.0	77.4	88.5	47.1	15.6	14.3	16.7	14.6	3.3	2.9	21.4	21.3
Persistent Sys	Buy	610	800	31	44.0	53.3	60.2	8.9	21.2	13.0	11.4	10.1	1.9	1.7	16.9	17.6
Tata Elxsi	Under Review	840	-		46.6	48.6	57.5	20.2	4.4	18.3	17.3	14.6	3.8	2.8	26.1	22.0
TCS	Neutral	2109	2010	-5	83.5	89.8	100.6	26.4	7.6	12.0	23.5	21.0	8.9	8.4	39.0	41.4
Tech Mah	Buy	773	890	15	48.5	54.9	62.1	12.8	13.2	13.1	14.3	12.6	3.2	2.8	23.1	24.2
Wipro	Neutral	287	280	-2	14.8	17.1	18.4	10.1	15.6	7.5	16.8	15.6	3.3	3.1	18.4	20.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
Zensar Tech	Buy	249	285	15	13.8	16.2	19.0	29.2	17.2	17.5	15.3	13.1	2.5	2.2	17.6	18.0
Aggregate								13.7	6.3	12.7	20.4	18.1	5.6	5.2	27.7	28.5
Telecom																
Bharti Airtel	Buy	331	410	24	-8.8	-5.0	-1.8	PL	Loss	Loss	NM	NM	1.8	1.8	-3.1	-1.0
Bharti Infratel	Neutral	276	290	5	13.6	13.1	12.6	-0.3	-3.4	-4.1	21.0	21.9	3.7	4.0	17.2	17.5
Vodafone Idea	Buy	12	20	69	-18.5	-5.1	-4.7	Loss	Loss	Loss	NM	NM	0.5	0.6	-22.7	-21.6
Tata Comm	Neutral	543	600	11	-2.2	12.7	22.0	PL	LP	73.7	42.8	24.6	86.0	19.1	-	127.2
Aggregate								Loss	Loss	Loss	-15	-18.4	1.2	1.3	-8.2	-7.1
Utilities																
Coal India	Buy	237	240	1	27.4	29.0	29.9	43.0	6.0	2.8	8.2	7.9	6.6	6.1	80.4	76.3
CESC	Buy	717	841	17	89.0	84.1	92.5	43.3	-5.6	10.1	8.5	7.8	1.0	0.9	11.9	12.1
JSW Energy	Neutral	66	77	16	4.2	5.0	5.9	40.2	17.4	18.1	13.3	11.3	0.9	0.8	6.8	7.7
NHPC	Neutral	23	25	10	2.3	2.4	2.4	-7.0	6.9	0.3	9.4	9.4	0.7	0.7	8.0	7.8
NTPC	Buy	128	158	23	10.9	13.1	15.0	22.9	19.7	14.5	9.8	8.6	1.1	1.0	11.4	12.2
Power Grid	Buy	184	232	26	18.3	20.8	22.6	10.4	13.9	8.8	8.9	8.1	1.4	1.3	17.1	16.8
Torrent Power	Buy	242	300	24	18.7	20.5	25.7	-4.6	9.6	25.4	11.8	9.4	1.2	1.1	10.6	12.2
Tata Power	Neutral	64	68	6	2.1	5.3	5.6	-60.5	150.1	5.6	12.2	11.6	1.0	0.9	8.2	8.2
Aggregate								24.9	11.3	7.8	9.1	8.4	1.6	1.5	17.8	17.8
Others																
Brigade Enterpr.	Buy	245	324	32	17.5	16.0	15.0	62.0	-8.5	-6.4	15.3	16.3	1.4	1.3	9.6	8.2
BSE	Buy	602	750	25	38.1	37.2	46.1	-12.4	-2.2	23.7	16.2	13.1	1.1	1.1	6.9	8.5
Castrol India	Buy	146	190	30	7.2	7.6	7.7	2.4	6.4	0.7	19.2	19.1	11.2	10.2	61.4	56.2
Coromandel Intl	Buy	405	542	34	25.2	28.1	31.9	6.5	11.5	13.5	14.4	12.7	3.0	2.6	22.5	21.8
Delta Corp	Buy	183	329	79	7.2	9.2	11.0	23.8	27.9	19.6	20.0	16.7	2.3	2.0	12.1	12.8
Indian Hotels	Buy	149	186	25	2.4	3.2	4.4	257.4	34.3	37.8	47.2	34.2	3.8	3.5	8.4	10.7
Interglobe	Neutral	1476	1444	-2	0.1	67.4	103.1	-99.7	-	53	22	14.3	7.6	6.9	35.5	50.6
Info Edge	Neutral	1868	1800	-4	24.9	33.9	41.9	67.2	36.4	23.5	55.0	44.6	8.6	7.4	16.9	18.1
Godrej Agrovet	Buy	480	609	27	12.5	15.6	19.1	10.9	24.6	22.2	30.7	25.2	5.0	4.4	17.2	18.7
Kaveri Seed	Buy	467	582	25	32.9	36.9	38.8	2.7	12.2	5.3	12.7	12.0	2.6	2.3	21.2	20.3
Lemon Tree Hotel	Buy	74	90	22	0.5	1.0	1.9	149.7	115.2	94.2	75.3	38.8	6.2	5.3	8.6	14.8
MCX	Buy	827	950	15	28.4	29.7	37.9	34.1	4.4	27.6	27.9	21.8	3.0	2.8	11.1	13.3
Navneet Education	Buy	108	135	25	6.7	8.2	9.7	22.5	22.2	18.5	13.2	11.1	2.6	2.2	21.6	21.6
Oberoi Realty	Buy	557	628	13	22.5	33.5	35.0	78.1	49.2	4.3	16.6	15.9	2.2	2.0	14.2	13.1
Phoenix Mills	Buy	616	785	27	25.0	25.6	28.7	57.8	2.5	12.3	24.1	21.5	2.5	2.3	10.8	11.0
Qess Corp	Neutral	689	730	6	15.9	31.7	41.8	-27.3	99.9	31.8	21.7	16.5	2.5	2.1	15.8	17.6
PI Inds.	Buy	1121	1266	13	29.7	38.0	46.9	11.6	27.8	23.4	29.5	23.9	5.7	4.8	21.0	21.8
Piramal Enterp.	Buy	2228	2974	33	73.7	124.6	151.3	-5.2	68.9	21.5	17.9	14.7	1.5	1.4	8.9	10.1
SRF	Buy	2954	2983	1	113.7	139.5	179.4	60.0	22.7	28.6	21.2	16.5	3.6	3.0	18.3	19.9
S H Kelkar	Buy	153	207	36	6.4	7.6	9.4	-10.3	19.5	24.1	20.1	16.2	2.2	2.0	11.4	13.0
Tata Chemicals	Buy	616	700	14	42.9	45.5	52.9	-10.8	6.1	16.1	13.5	11.7	1.2	1.1	9.1	9.9
Team Lease Serv.	Buy	2903	3500	21	59.1	86.1	122.6	37.4	45.6	42.4	33.7	23.7	7.1	5.4	23.4	26.0
Trident	Buy	64	81	27	8.4	9.3	10.1	71.2	11.7	8.0	6.9	6.3	1.0	0.9	15.0	15.0
UPL	Neutral	998	1067	7	43.4	63.5	76.2	-0.8	46.3	20.0	15.7	13.1	3.0	2.6	20.7	21.5



Company	1 Day (%)	1M (%)	12M (%)
Automobiles			
Amara Raja Batt.	-2.1	-9.5	-22.5
Ashok Leyland	0.8	-7.8	-34.3
Bajaj Auto	-0.8	-2.7	9.6
Bharat Forge	-3.5	-6.4	-32.7
Bosch	-1.1	-4.3	-1.3
CEAT	-2.2	-11.0	-27.1
Eicher Motors	-1.8	-0.5	-29.0
Endurance Tech.	-0.7	-1.0	-6.2
Escorts	1.4	-22.7	-32.5
Exide Inds.	-2.4	-5.1	-14.9
Hero Motocorp	-2.0	-3.0	-24.0
M & M	-2.4	-6.5	-22.7
Mahindra CIE	0.2	1.6	-4.1
Maruti Suzuki	-3.3	-7.8	-18.6
Motherson Sumi	-5.2	-23.3	-44.1
Tata Motors	-7.1	-25.1	-40.4
TVS Motor Co.	-0.8	-5.4	-12.9
Banks - Private			
AU Small Fin. Bank	0.4	13.1	-1.2
Axis Bank	-1.2	0.2	46.2
DCB Bank	-0.6	13.8	27.6
Equitas Holdings	-2.0	-2.0	-17.0
Federal Bank	-2.1	4.5	25.2
HDFC Bank	-1.2	5.0	20.7
ICICI Bank	-1.8	-1.1	38.2
IndusInd Bank	-3.0	-17.9	-24.7
Kotak Mah. Bank	-1.0	8.0	16.7
RBL Bank	-1.7	-1.0	34.0
South Ind. Bank	-1.8	-19.8	-43.9
Yes Bank	-1.8	-44.8	-57.8
Banks - PSU			
BOB	2.0	-0.8	-3.4
BOI	-2.1	-8.7	-10.2
Canara	-2.3	-6.0	6.0
Indian Bk	-3.0	-6.9	-19.6
PNB	-2.5	-4.4	10.2
SBI	-2.0	8.6	37.7
Union Bk	-3.6	-21.1	-17.7
NBFCs			
Aditya Birla Cap	-0.3	-5.0	-34.1
Bajaj Fin.	0.8	13.9	63.1
Cholaman. Inv. & Fn	-0.9	-3.8	-8.1
HDFC	-0.2	5.5	16.1
HDFC Life Insur.	1.5	-0.9	-17.8
Indiabulls Hsg	-0.3	1.0	-27.1
Indostar Capital	-2.7	-12.9	-39.2
L&T Fin. Holdings	-1.0	-14.8	-25.2
LIC Hsg Fin	-1.1	1.5	10.3
M&M Fin.	-1.7	-3.7	-12.5
Muthoot Fin	0.2	0.7	55.2
MAS Financial Serv.	0.1	-9.2	-6.6
ICICI Pru Life	-3.1	-5.0	-16.4
PNB Housing	1.7	-0.5	-37.4
Repco Home	-3.1	-1.3	-26.4
Shriram City Union	-0.6	-17.7	-31.8
Shriram Trans.	-0.8	-10.5	-22.9
Capital Goods			
ABB	-0.4	-0.4	18.6

Company	1 Day (%)	1M (%)	12M (%)
Bharat Elec.	-2.8	4.7	-17.7
BHEL	-4.2	-16.5	-15.8
Blue Star	3.4	13.5	6.8
CG Cons. Elec.	-1.8	-5.8	-7.4
Cummins	-2.6	0.7	0.8
Engineers India	-2.4	-4.3	-19.3
GE T&D	-1.3	0.6	-27.3
Havells	0.2	0.1	44.7
K E C Intl	-0.7	-0.3	-20.3
L&T	-0.2	6.4	10.2
Siemens	-0.7	-0.2	14.4
Solar Ind	-0.9	4.0	0.5
Thermax	-0.3	1.1	-13.6
Va Tech Wab.	4.2	4.3	-32.0
Voltas	-0.7	-5.0	7.5
Cement			
Ambuja Cem.	-1.7	-5.7	6.0
ACC	-3.1	-5.0	19.9
Birla Corp.	-0.1	13.2	-19.5
Dalmia Bhar.	-0.1	0.1	
Grasim Inds.	-2.7	0.1	-16.6
India Cem	-3.0	-9.2	-23.0
J K Cements	4.1	6.2	-1.4
JK Lakshmi Ce	0.0	-1.6	-3.7
Ramco Cem	-1.8	-1.2	-5.5
Orient Cem	2.4	20.9	-5.3
Prism Johnson	-2.4	-10.0	-11.6
Sanghi Inds.	-1.3	-2.0	-36.7
Shree Cem	0.6	4.1	27.2
Ultratech	-2.5	9.4	20.7
Consumer			
Asian Paints	-1.0	-7.3	4.5
Britannia	1.4	-5.1	3.0
Colgate	-0.8	-4.8	-4.0
Dabur	0.0	-5.4	2.8
Emami	-1.5	-8.2	-29.0
Future Consumer	-1.1	-8.8	-26.6
Godrej Cons.	-2.6	-1.4	-8.4
GSK Cons.	-0.8	2.8	25.0
HUL	0.6	2.7	13.0
ITC	-0.6	0.3	8.2
Jyothy Lab	6.0	-11.0	-25.2
Marico	-0.9	-1.1	16.4
Nestle	-1.7	-3.3	11.8
Page Inds	-0.9	-6.0	-2.6
Parag Milk	-2.5	-0.3	-26.1
Pidilite Ind.	-1.3	-4.1	9.8
P&G Hygiene	0.0	0.8	17.4
United Brew	4.4	1.0	25.1
United Spirits	-0.4	-0.2	-11.6
Healthcare			
Alembic Phar	0.1	-0.8	19.4
Alkem Lab	-1.7	-1.9	-12.8
Ajanta Pharma	-1.0	-0.9	2.8
Aurobindo	0.5	-15.1	18.0
Biocon	-1.1	-15.7	-17.3
Cadila	-2.4	-27.4	-30.5
Cipla	-1.2	-0.6	7.5
Divis Lab	2.1	-1.8	49.2



Company	1 Day (%)	1M (%)	12M (%)
Dr Reddy's	2.9	-4.9	40.6
Glenmark	-0.1	-10.1	14.8
Granules	0.1	-5.3	21.5
GSK Pharma	-0.1	-1.9	7.6
IPCA Labs	-2.2	-6.2	36.2
Jubilant Life	-5.1	-23.4	-31.1
Laurus Labs	-1.5	-6.3	-17.5
Lupin	-1.5	-10.4	1.6
Sanofi India	0.2	-4.6	11.4
Shilpa Medicare	-1.3	-6.0	-8.7
Strides Pharma	-2.4	-15.8	20.6
Sun Pharma	-1.2	-11.6	-7.9
Torrent Pharma	-3.3	-12.5	19.8
Infrastructure			
Ashoka Buildcon	-0.2	-8.5	-25.9
IRB Infra.Devl.	-2.5	-8.8	-44.6
KNR Construct.	-0.1	-1.5	-15.1
Sadbhav Engg.	-1.7	-0.1	-33.4
Logistics			
Allcargo Logist.	-0.7	-10.2	-16.6
Concor	-2.6	-7.3	-12.8
Media			
D B Corp	-0.3	2.5	-26.2
Ent.Network	-0.1	-10.0	-25.9
Jagran Prak.	0.0	-4.8	-31.7
Music Broadcast	0.5	-0.2	-14.8
PVR	0.9	5.6	35.4
Sun TV	-3.1	-7.3	-41.9
Zee Ent.	-4.2	-13.5	-37.3
Metals			
Hindalco	-1.7	-5.4	-14.2
Hind. Zinc	-2.2	-10.1	-12.0
JSPL	-1.1	-11.0	-32.1
JSW Steel	-2.1	-6.4	-9.6
Nalco	-4.5	-9.3	-32.8
NMDC	-3.1	-10.6	-17.7
Rain Industries	-2.5	-15.6	-52.3
SAIL	-1.8	-12.0	-29.7
Vedanta	-0.7	-7.4	-37.8
Tata Steel	-2.0	-12.8	-17.9
Oil & Gas			
Aegis Logistics	0.4	-1.4	-19.8
BPCL	-4.5	3.5	-4.9
GAIL	-1.6	-3.7	4.2
Gujarat Gas	-1.4	1.5	-4.4
Gujarat St. Pet.	-1.1	-2.3	6.5
HPCL	-2.9	6.9	-9.0
IOC	-2.6	-1.8	-7.2
IGL	-2.0	-5.3	18.5
Mahanagar Gas	-2.2	-15.9	1.7
MRPL	-2.3	-12.2	-38.1
Oil India	-0.5	1.5	-23.8
ONGC	-1.0	8.8	-6.1
PLNG	1.8	0.3	14.0
Reliance Ind.	1.1	-3.1	43.8
Retail			
Aditya Bir. Fas.	0.6	-8.6	44.7
Avenue Super.	-3.1	-6.6	-5.5
Future Lifestyle	-1.4	-3.2	10.8
Future Retail	-1.0	1.6	-17.3

Company	1 Day (%)	1M (%)	12M (%)
Jubilant Food	-0.5	-3.2	3.0
Spencer's Retail	-0.3	-10.8	
Shoppers St.	0.9	2.4	-14.3
Titan Co.	1.4	10.9	36.2
Trent	1.3	3.3	11.4
V-Mart Retail	-2.5	-15.5	-1.2
Technology			
Cyient	-2.0	-7.3	-28.6
HCL Tech.	-1.3	-3.9	18.0
Hexaware	0.2	6.1	-16.1
Infosys	-1.8	-1.0	19.9
L&T Infotech	0.8	7.4	16.3
Mindtree	0.1	1.3	-4.4
Mphasis	-0.5	-3.9	-13.1
NIIT Tech	1.3	-1.7	23.0
Persistent Sys	0.5	-2.9	-23.7
Tata Elxsi	-2.5	-12.1	-27.6
TCS	-1.4	-1.7	18.6
Tech Mah	-0.7	-3.2	12.8
Wipro	-1.1	0.7	44.4
Zensar Tech	0.8	4.3	1.9
Telecom			
Bharti Airtel	-2.7	3.9	0.0
Bharti Infra.	2.4	-10.3	-13.8
Idea Cellular	-5.6	-31.3	-62.8
Tata Comm	-2.3	-5.2	-10.9
Utilities			
Coal India	-0.4	-5.7	-12.0
CESC	-1.1	-1.7	-8.6
JSW Energy	-2.9	-8.5	-5.4
NHPC Ltd	-1.5	-3.6	-12.5
NTPC	-0.5	-5.1	-6.2
Power Grid	-2.1	-5.3	-13.6
Tata Power	-2.2	-8.7	-18.1
Torrent Power	-2.4	-6.4	10.4
Others			
Brigade Enterpr.	0.2	-0.1	2.1
BSE	1.0	-3.4	-25.3
Castrol India	-0.2	-10.4	-12.2
Coromandel Intl	-1.2	-7.8	-8.8
Delta Corp	2.4	-26.3	-20.9
Godrej Agrovet	1.1	-8.1	-20.1
Indian Hotels	0.1	-2.8	7.0
Interglobe	1.3	-5.1	30.3
Info Edge	1.8	-2.2	57.4
Kaveri Seed	-1.8	-2.1	-3.6
Lemon Tree Hotel	-1.9	-5.1	16.5
MCX	-2.2	6.1	12.0
Navneet Educat.	-1.5	-5.1	-21.4
Oberoi Realty	-1.3	1.4	7.7
Phoenix Mills	2.7	0.5	-13.4
PI Inds.	1.4	9.2	32.8
Piramal Enterp.	-2.6	-16.0	-5.3
Quess Corp	-3.6	-3.7	-37.8
SRF	1.3	20.6	57.3
S H Kelkar	-3.0	-0.2	-37.8
Tata Chemicals	1.2	3.3	-16.1
Team Lease Serv.	-0.3	-2.3	7.5
Trident	0.5	-3.8	17.4
UPL	-1.8	6.9	46.5

THEMATIC/STRATEGY RESEARCH GALLERY

MOTILAL OSWAL Thematic | 26 April 2019
Economy

When will government accept fiscal policy limits?

Research Report: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Report Agreed: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Research is subject to other through important disclosures made at the last page of the Research Report.
 Motilal Oswal is a subsidiary of Motilal Oswal Financial Services Private Limited. Research, Training, Brokerage, and IPO/Underwriting.

MOTILAL OSWAL Thematic | April 2019
Economy

Fiscal policy has reached limits

Research Report: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Report Agreed: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Research is subject to other through important disclosures made at the last page of the Research Report.
 Motilal Oswal is a subsidiary of Motilal Oswal Financial Services Private Limited. Research, Training, Brokerage, and IPO/Underwriting.

MOTILAL OSWAL Thematic | 22 January 2019
Economy

Employment: Broken Link Or...?

Research Report: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Report Agreed: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Research is subject to other through important disclosures made at the last page of the Research Report.
 Motilal Oswal is a subsidiary of Motilal Oswal Financial Services Private Limited. Research, Training, Brokerage, and IPO/Underwriting.

MOTILAL OSWAL Thematic | April 2019
Retail

The Land of Opportunities

Research Report: Research & Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Report Agreed: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Research is subject to other through important disclosures made at the last page of the Research Report.
 Motilal Oswal is a subsidiary of Motilal Oswal Financial Services Private Limited. Research, Training, Brokerage, and IPO/Underwriting.

MOTILAL OSWAL Thematic | August 2018
Oil & Gas

IMO 2020: Busting the myth!

Research Report: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Report Agreed: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Research is subject to other through important disclosures made at the last page of the Research Report.
 Motilal Oswal is a subsidiary of Motilal Oswal Financial Services Private Limited. Research, Training, Brokerage, and IPO/Underwriting.

MOTILAL OSWAL Thematic | June 2018
Utilities

Power oversupply has started shrinking

Research Report: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Report Agreed: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Research is subject to other through important disclosures made at the last page of the Research Report.
 Motilal Oswal is a subsidiary of Motilal Oswal Financial Services Private Limited. Research, Training, Brokerage, and IPO/Underwriting.

MOTILAL OSWAL April 2019
India Strategy

New Year, New Forces

Research Report: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Report Agreed: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Research is subject to other through important disclosures made at the last page of the Research Report.
 Motilal Oswal is a subsidiary of Motilal Oswal Financial Services Private Limited. Research, Training, Brokerage, and IPO/Underwriting.

MOTILAL OSWAL January 2019
India Strategy

New Year, New Forces

Research Report: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Report Agreed: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Research is subject to other through important disclosures made at the last page of the Research Report.
 Motilal Oswal is a subsidiary of Motilal Oswal Financial Services Private Limited. Research, Training, Brokerage, and IPO/Underwriting.

MOTILAL OSWAL October 2018
India Strategy

Correction everywhere

Research Report: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Report Agreed: Research Analyst: Priya Agrawal (priya@motilal.com), 91 11 2342 1400
 Research is subject to other through important disclosures made at the last page of the Research Report.
 Motilal Oswal is a subsidiary of Motilal Oswal Financial Services Private Limited. Research, Training, Brokerage, and IPO/Underwriting.

REPORT GALLERY

RECENT INITIATING COVERAGE REPORTS

MOTILAL OSWAL Initiating Coverage | 23 April 2020
Sector: Hospitality
Lemon Tree Hotels



The Eagle Eyed

Research Analyst - Research Analyst (Covered Name)@motilaloswal.com | 91 11 4228 4800
Research Analyst - Sector Head (Covered Name)@motilaloswal.com | 91 11 4228 4800
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.


MOTILAL OSWAL Initiating Coverage | 16 April 2020
Sector: Financials
IndoStar Capital Finance



A New Beginning

Research Analyst - Research Analyst (Covered Name)@motilaloswal.com | 91 11 4228 4800
Research Analyst - Sector Head (Covered Name)@motilaloswal.com | 91 11 4228 4800
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.

MOTILAL OSWAL Initiating Coverage | 13 April 2020
Sector: Agriculture
Godrej Agrovet



Agri behemoth in the making

Research Analyst - Research Analyst (Covered Name)@motilaloswal.com | 91 11 4228 4800
Research Analyst - Sector Head (Covered Name)@motilaloswal.com | 91 11 4228 4800
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.

MOTILAL OSWAL Initiating Coverage | 22 March 2020
Sector: Utilities
Torrent Power



On growth track, again!

Research Analyst - Research Analyst (Covered Name)@motilaloswal.com | 91 11 4228 4800
Research Analyst - Sector Head (Covered Name)@motilaloswal.com | 91 11 4228 4800
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.


MOTILAL OSWAL Initiating Coverage | 24 December 2019
Sector: Real Estate
Brigade Enterprises



Tactical Shift

Research Analyst - Research Analyst (Covered Name)@motilaloswal.com | 91 11 4228 4800
Research Analyst - Sector Head (Covered Name)@motilaloswal.com | 91 11 4228 4800
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.

MOTILAL OSWAL Initiating Coverage | 21 November 2019
Sector: Hospitality
Indian Hotels



Check-in now

Research Analyst - Research Analyst (Covered Name)@motilaloswal.com | 91 11 4228 4800
Research Analyst - Sector Head (Covered Name)@motilaloswal.com | 91 11 4228 4800
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.

MOTILAL OSWAL Initiating Coverage | 22 June 2018
Sector: Financials
ICI Prudential Life Insurance



Moving up the profitability curve

Research Analyst - Research Analyst (Covered Name)@motilaloswal.com | 91 11 4228 4800
Research Analyst - Sector Head (Covered Name)@motilaloswal.com | 91 11 4228 4800
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.

MOTILAL OSWAL Initiating Coverage | 08 April 2018
Sector: Real Estate
Phoenix Mills



The Specialist

Research Analyst - Research Analyst (Covered Name)@motilaloswal.com | 91 11 4228 4800
Research Analyst - Sector Head (Covered Name)@motilaloswal.com | 91 11 4228 4800
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.

MOTILAL OSWAL Initiating Coverage | 23 April 2018
Sector: Chemicals
Tata Chemicals



Flight of rebirth

Research Analyst - Research Analyst (Covered Name)@motilaloswal.com | 91 11 4228 4800
Research Analyst - Sector Head (Covered Name)@motilaloswal.com | 91 11 4228 4800
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.
Responsible for global to India through independent disclosure made at the top page of the Research Report.

DIFFERENTIATED PRODUCT GALLERY

MOTILAL OSWAL 28 November 2013

Annual Report Threadbare

THE Q&A OF ANNUAL REPORT THREADBARE

Q1: How is the company's performance in FY13? A: The company's performance in FY13 was mixed. While the revenue grew by 12% to ₹1,000 crore, the net profit fell by 15% to ₹100 crore. This was primarily due to the increase in the cost of raw materials and the depreciation of fixed assets.

Q2: What are the key challenges facing the company? A: The key challenges are the volatility of raw material prices, the depreciation of fixed assets, and the intense competition in the market.

Q3: What are the company's future plans? A: The company plans to focus on cost optimization, diversification of raw material sources, and expansion into new markets.

Q4: How is the company's financial position? A: The company's financial position is stable. It has a strong track record of dividend payments and a healthy balance sheet.

Q5: How is the company's market position? A: The company is a market leader in its segment and has a strong brand equity.

Q6: How is the company's R&D spending? A: The company spends 5% of its revenue on R&D to stay ahead of the competition.

Q7: How is the company's customer base? A: The company has a diverse customer base across different segments.

Q8: How is the company's employee base? A: The company has a highly skilled and experienced employee base.

Q9: How is the company's environmental and social performance? A: The company is committed to sustainable growth and has implemented various initiatives to reduce its carbon footprint and improve its social performance.

Q10: How is the company's risk management? A: The company has a robust risk management framework in place to identify and mitigate risks.

Q11: How is the company's governance? A: The company has a strong corporate governance structure and is committed to transparency and accountability.

Q12: How is the company's overall outlook? A: The company has a positive outlook for the future and is confident about its growth prospects.

MOTILAL OSWAL 23 February 2013

CornerOffice

Interview with Mr. C. S. Prasad, CEO of Infosys

A great time for large developers with legacy brands

Mr. C. S. Prasad, the Chief Executive Officer (CEO) of Infosys, has been a key player in the Indian IT industry. He has led the company through its growth phase, from a small startup to a global leader. In this interview, he discusses the challenges and opportunities in the Indian IT market, the company's strategy, and his vision for the future.

Q: How do you see the Indian IT market? A: The Indian IT market is growing rapidly and is expected to continue to do so in the coming years. There is a strong demand for IT services from both domestic and international clients.

Q: What are the key challenges facing the Indian IT industry? A: The key challenges are the shortage of skilled IT talent, the high cost of IT services, and the intense competition from global players.

Q: How is Infosys addressing these challenges? A: Infosys is addressing these challenges by investing in talent development, offering competitive pricing, and focusing on high-value services.

Q: What are the key drivers of Infosys' success? A: The key drivers of Infosys' success are its strong client relationships, its focus on innovation, and its commitment to quality.

Q: What are Infosys' future plans? A: Infosys plans to continue to invest in talent development, expand its global footprint, and focus on high-value services.

Q: How do you see the future of the Indian IT industry? A: The future of the Indian IT industry is bright. There is a strong demand for IT services from both domestic and international clients, and the industry is expected to continue to grow rapidly.

MOTILAL OSWAL 10 February 2013

VOICES

India Inc on Call

India Inc is a quarterly publication that provides a platform for industry leaders to share their views on the Indian economy and business. It is a must-read for anyone interested in the Indian market.

Q: How is the Indian economy performing? A: The Indian economy is growing at a steady pace and is expected to continue to do so in the coming years.

Q: What are the key challenges facing India Inc? A: The key challenges are the shortage of skilled IT talent, the high cost of IT services, and the intense competition from global players.

Q: How is India Inc addressing these challenges? A: India Inc is addressing these challenges by investing in talent development, offering competitive pricing, and focusing on high-value services.

Q: What are the key drivers of India Inc's success? A: The key drivers of India Inc's success are its strong client relationships, its focus on innovation, and its commitment to quality.

Q: What are India Inc's future plans? A: India Inc plans to continue to invest in talent development, expand its global footprint, and focus on high-value services.

Q: How do you see the future of India Inc? A: The future of India Inc is bright. There is a strong demand for IT services from both domestic and international clients, and the industry is expected to continue to grow rapidly.

MOTILAL OSWAL 26 August 2013

EcoKnowledge

Diving into Trending Themes

How sustainable is the leverage of Indian Financials?

Q: How is the leverage of Indian Financials? A: The leverage of Indian Financials is high and is expected to continue to increase in the coming years.

Q: What are the key challenges facing Indian Financials? A: The key challenges are the high cost of debt, the intense competition from global players, and the shortage of skilled financial talent.

Q: How is Indian Financials addressing these challenges? A: Indian Financials is addressing these challenges by offering competitive pricing, focusing on high-value services, and investing in talent development.

Q: What are the key drivers of Indian Financials' success? A: The key drivers of Indian Financials' success are its strong client relationships, its focus on innovation, and its commitment to quality.

Q: What are Indian Financials' future plans? A: Indian Financials plans to continue to invest in talent development, expand its global footprint, and focus on high-value services.

Q: How do you see the future of Indian Financials? A: The future of Indian Financials is bright. There is a strong demand for financial services from both domestic and international clients, and the industry is expected to continue to grow rapidly.

MOTILAL OSWAL

BULLS & BEARS

INDIA VALUATION'S HANDBOOK

Highlights of Mar'13 edition

- Nifty gains strength toward year-end - up 55% in FY13
- IT and Technology top outperformers of FY13
- Mid-cap significantly underperforms large cap in FY13
- FDI flows weakest in 3 years

Research & Quant Team (Dewan@MotilalOswal.com) +91 22 6128 1273 April 2013

MOTILAL OSWAL

FUND FOLIO

Indian Mutual Fund Tracker

Key Highlights:

- Equity AUM rises for 4th consecutive year (FY13)
- INRS-51
- INRS155
- Equity AUM rises for 4th consecutive year (FY13)
- INRS-51
- INRS155

Research & Quant Team (Dewan@MotilalOswal.com) +91 22 6128 1273 April 2013

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

*In case the recommendation given by the Research Analyst becomes inconsistent with the investment rating legend, the Research Analyst shall within 28 days of the inconsistency, take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Securities Ltd. (MOSL*) is a SEBI Registered Research Analyst having registration no. INH000000412. MOSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Investment Advisory Services, Depository participant services & distribution of various financial products. MOSL is a subsidiary company of Motilal Oswal Financial Service Ltd. (MOFSL). MOFSL is a listed public company, the details in respect of which are available on www.motilalosalwal.com. MOSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE). Multi Commodity Exchange of India (MCX) & National Commodity & Derivatives Exchange Ltd. (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) & National Securities Depository Limited (NSDL) and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products. Details of associate entities of Motilal Oswal Securities Limited are available on the website at <http://online.reports.motilalosalwal.com/Dormant/documents/Associate%20Details.pdf>

MOSL, its associates, Research Analyst or their relative may have any financial interest in the subject company. MOSL and/or its associates and/or Research Analyst may have actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. MOSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. MOSL and/or its associates may have received any compensation from the subject company in the past 12 months.

In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, MOSL or any of its associates may have:

- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.
- Subject Company may have been a client of MOSL or its associates during twelve months preceding the date of distribution of the research report.

MOSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report. To enhance transparency, MOSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Terms & Conditions:

This report has been prepared by MOSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOSL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement

- Analyst ownership of the stock

Companies where there is interest

No

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This Report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Securities Limited (MOSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act") and together with the 1934 Act, the "Acts", and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co.Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore, as per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisers Act (CAP 110) provided to MOCMSPL by Monetary Authority of Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person must immediately discontinue any use of this Report and inform MOCMSPL.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time without any prior approval. MOSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOSL or any of its affiliates or employees from, and all responsibility/liability arising from such misuse and agrees not to hold MOSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022-3980 4263; www.motilalosalwal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 3080 1000. Compliance Officer: Neeraj Agarwal, Email Id: na@motilalosalwal.com, Contact No.:022-30801085.

Registration details of group entities: MOSL: SEBI Registration: INZ000158836 (BSEINSEMCX/NCDEX); CDSL: IN-DP-16-2015; NSDL: IN-DP-NSDL-152-2000; Research Analyst: INH000000412. AMFI: ARN 17397. Investment Adviser: INA000007100. Motilal Oswal Asset Management Company Ltd. (MOAMC); PMS (Registration No.: INP00000670) offers PMS and Mutual Funds products. Motilal Oswal Wealth Management Ltd. (MOWML); PMS (Registration No.: INP000004409) offers wealth management solutions. *Motilal Oswal Securities Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs, Insurance and IPO products. * Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. offers Real Estate products. * Motilal Oswal Private Equity Investment Advisors Pvt. Ltd. offers Private Equity products

*MOSL has been amalgamated with Motilal Oswal Financial Services Limited (MOFSL) w.e.f August 21, 2018 pursuant to order dated July 30, 2018 issued by Hon'ble National Company Law Tribunal, Mumbai Bench. The existing registration no(s) of MOSL would be used until receipt of new MOFSL registration numbers.