

Market snapshot



Today's top research theme

Motilal Oswal values your support in the Asiamoney Brokers Poll 2020 for India Research, Sales and Trading team. We [request your ballot.](#)



Equities - India	Close	Chg .%	CYTD.%
Sensex	36,021	0.5	-12.7
Nifty-50	10,607	0.5	-12.8
Nifty-M 100	15,043	0.7	-12.0
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	3,130	0.0	-3.1
Nasdaq	10,208	0.0	13.8
FTSE 100	6,157	-1.3	-18.4
DAX	12,528	-0.6	-5.4
Hang Seng	10,243	1.9	-8.3
Nikkei 225	22,306	0.7	-5.7
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	42	0.0	-36.2
Gold (\$/OZ)	1,772	-0.2	16.8
Cu (US\$/MT)	6,024	-0.8	-2.0
Almn (US\$/MT)	1,583	-1.3	-11.1
Currency	Close	Chg .%	CYTD.%
USD/INR	74.6	-0.5	4.6
USD/EUR	1.1	0.1	0.3
USD/JPY	107.5	0.0	-1.0
YIELD (%)	Close	1MChg	CYTDchg
10 Yrs G-Sec	5.8	0.00	-0.7
10 Yrs AAA Corp	6.7	0.01	-0.9
Flows (USD b)	3-Jul	MTD	CYTD
FII	0.11	-0.15	-2.71
DII	-0.04	0.21	12.12
Volumes (INRb)	3-Jul	MTD*	CYTD*
Cash	519	538	511
F&O	7,929	19,702	14,781

Note: *Average

India Strategy - 4QFY20 results review: Muted as expected; Low earnings visibility; Broad-based earnings cut

- ❖ The March-quarter corporate earnings for our coverage universe were weak and muted but largely in line with our expectations. Profits declined 22% YoY (v/s est. 25% decline) in light of the COVID pandemic and the subsequent lockdown in the last few days of March, which impacted business operations for most companies across sectors.
- ❖ Nifty sales declined 5.1% YoY (v/s est. -10%), while EBITDA/PBT/PAT declined 4.8%/28.6%/20.1% YoY (v/s est. -8.8%/-21.2%/-20%). PAT was dragged by Autos, Oil and Gas (O&G), Metals, Private Banks and NBFCs.
- ❖ MOFSL Universe sales/EBITDA/PBT/PAT declines stood at 5%/6%/32%/22% YoY (v/s est. decline of 9%/9%/22%/25%). Only 4 sectors – PSU Banks (from Loss to Profit), Healthcare (10.8%), Technology (1%) and Consumer (0.3%) – posted YoY profit growth.
- ❖ Direction of earnings revision for the broader markets still remains downward – with 113 companies in the MOFSL Universe witnessing an earnings cut of >5% and 25 witnessing upgrades of >5%+ for FY21.
- ❖ Our FY21/FY22E Nifty EPS estimates have been cut by 9%/6% to INR454/INR637 (prior: INR499/INR677). We now expect FY21 Nifty EPS to decline by 3.7%.



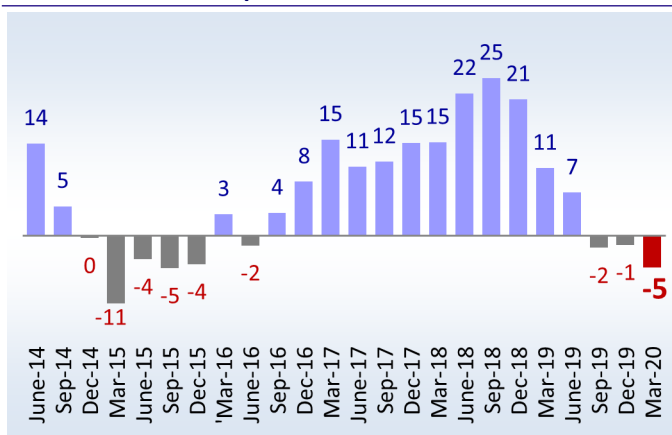
Research covered

Cos/Sector	Key Highlights
India Strategy	4QFY20 results review: Muted as expected; Low earnings visibility; Broad-based earnings cut
Oil & Gas	US Shale industry- Bankruptcies on the rise
Equitas Holdings	Moratorium book receding but still elevated
HDFC Bank	Strong business growth in uncertain macro environment
HDFC	Expect lower share of non-core income in 1QFY21
Marico	1QFY21 update: Double-digit sales decline likely
IndusInd Bank	Business growth moderates; CASA ratio at ~40%
Federal Bank	Loan growth moderates; CASA mix improves sequentially

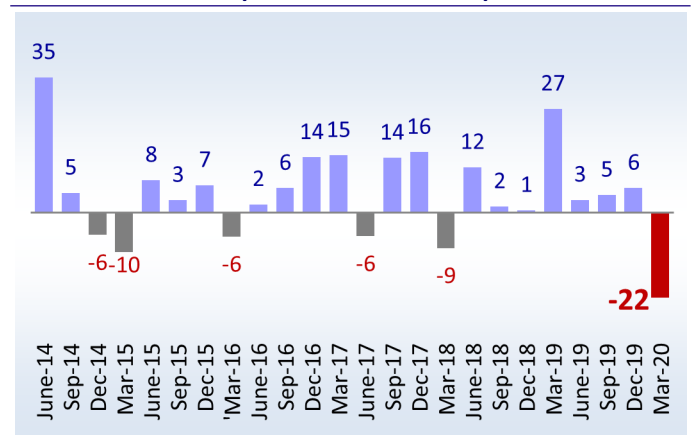


Chart of the Day: India Strategy (4QFY20 results review: Muted as expected; Low earnings visibility)

MOFSL Universe sales post 3rd consecutive YoY decline



MOFSL Universe PAT performance at multi-qtr low



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

At 4.27 crore in June, e-way bills coming back to pre-lockdown levels

E-way bill generation is inching towards pre-lockdown levels, with more than 4.27 crore bills generated in June, against an average of 5.3 crore per month in the pre-Covid period...

2

Decision soon to start hotels soon in Maharashtra: CM Uddhav Thackeray

Plans are afoot in Maharashtra to allow hotels and restaurants to start business soon, said chief minister Uddhav Thackeray today. He added that in the backdrop of covid-19, a mechanism is being worked out to revive the industry. Thackeray who held a video conference with officials of the Hotels Association in the state today advised the hotel management not to lay off its workers and employees. "Hotels as well as lodges, which are important industries in the tourism business, have to be allowed with great care before starting..."

3

Coal India suffers avg daily production hit of 56 per cent during three-day strike

State-owned Coal India suffered an average daily production hit of 56 per cent during the three-day strike by workers against the government's move to open the sector to private players, an official said...

4

Power demand slump narrows to 2.6 per cent in July beginning

Power demand slump has narrowed to 2.6 per cent in the beginning of July from 9.6 per cent in June, showing improvement in commercial and industrial activities in the country...

5

Reliance plans to up aviation fuel stations by 50 per cent

Reliance Industries Ltd (RIL) plans to increase its network of aviation fuel stations by 50 per cent as it looks to capture greater market share in the business currently controlled by public sector oil retailing firms...

6

Tariff hike in telecom 'inevitable', two rounds likely in 12-18 months: EY

Tariff hike in the telecom sector is "inevitable" as the current structure does not allow reasonable returns for operators, although a lot would depend on the timing given the "unprecedented" scale of the Covid-19 pandemic...

7

Yes Bank puts up for sale properties of Avantha Group, RHC Holdings for recovery

Yes Bank will auction properties of Thapar Group's Avantha Holdings and Oscar Investments Ltd of Singh brothers alongside those of some individuals later this month to recover loan dues of over ₹1,000 crore...



BSE Sensex: 36,021

S&P CNX: 10,607

Refer our Mar-20
Quarter Preview



Motilal Oswal values your support in the Asiamoney Brokers Poll 2020 for India Research, Sales and Trading team. We request your ballot.



4QFY20 results review: Muted as expected

Low earnings visibility; Broad-based earnings cut

- The March-quarter corporate earnings for our coverage universe were weak and muted but largely in line with our expectations. Profits declined 22% YoY (v/s est. 25% decline) in light of the COVID pandemic and the subsequent lockdown in the last few days of March, which impacted business operations for most companies across sectors. Most sectors reported double-digit declines in profits with Defensives like Healthcare, Technology and Consumer sectors being the only exception. Corporate commentary was expectedly uncertain and many companies did not provide guidance for 1QFY21/FY21. We continue to see downside risks for our FY21 earnings estimates given the multiple moving parts and uncertain underlying demand backdrop.
- Nifty sales declined 5.1% YoY (v/s est. -10%), while EBITDA/PBT/PAT declined 4.8%/28.6%/20.1% YoY (v/s est. -8.8%/-21.2%/-20%). PAT was dragged by Autos, Oil and Gas (O&G), Metals, Private Banks and NBFCs. We have treated impairments by O&G and Commodity companies as exceptional item.
- MOFSL Universe sales/EBITDA/PBT/PAT declines stood at 5%/6%/32%/22% YoY (v/s est. decline of 9%/9%/22%/25%). Only 4 sectors – PSU Banks (from Loss to Profit), Healthcare (10.8%), Technology (1%) and Consumer (0.3%) – posted YoY profit growth. Automobiles and Telecom sectors posted losses. Private Banks, O&G, Capital Goods, Metals and NBFC sectors saw YoY PAT declines of 19%, 30%, 39%, 35% and 32%, respectively.
- Of the 18 sectors that we track, 6/1/11 sectors delivered PAT that was above/in-line/below our estimate.
- Sales for both the Nifty and MOFSL Universe declined for the third consecutive quarter, dragged by Automobiles, Metals, O&G and Cement.
- Private Banks' results were below expectation with PBT/PAT declines of 27%/19% on COVID related provisioning. Loan growth moderated across segments for most banks (except HDFCB, which saw strong growth in corporate book) due to the weak macro environment. Our NBFC Universe's results were also below expectations as PAT declined 32% YoY, mainly due to sluggish AUM growth and COVID related provisioning. BAF was an exception and posted 27% YoY AUM growth in the quarter.
- Consumer sector posted flattish PAT (v/s est. 11.4%) aided by lower taxes. Heavyweights like HUL and Asian Paints' results were below expectations as profits declined 8% and 2% YoY, respectively. Cement sector's results were above expectations as it posted just 5% YoY decline in profits (v/s est. 11% decline). Our Technology Universe posted in-line PAT growth of 1% YoY. Capital Goods too disappointed with 39% YoY decline in PAT.
- For Automobiles, PBT plummeted 96% YoY (much higher than est. decline of 72% YoY), largely due to losses in Tata Motors. Excluding Tata Motors, Auto PBT declined 35% YoY. Utilities impressed with 8% YoY PBT growth (v/s est. 43% decline). PBT for our Metals' Universe declined 42% YoY (v/s est. 54% YoY decline) while our O&G Universe's PBT plunged 73% YoY (v/s est. 61% YoY decline).
- Two-thirds of the MOFSL Universe posted YoY PAT declines as operations were impacted due to the lockdown with adverse demand-supply implications.
- Our FY21/FY22E Nifty EPS estimates have been cut by 9%/6% to INR454/INR637 (prior: INR499/INR677). We now expect FY21 Nifty EPS to decline by 3.7%.

- Direction of earnings revision for the broader markets still remains downward – with 113 companies in the MOFSL Universe witnessing an earnings cut of >5% and 25 witnessing upgrades of >5%+ for FY21.
- For the MOFSL Universe, at sectoral level, PSU Banks and O&G have seen earnings upgrade for FY21 of 11% and 2%, respectively, albeit on a lower base. On the other hand, Automobiles, Retail, Metals, Capital Goods and Cement have seen downward revisions of 56%, 47%, 27%, 14% and 13%, respectively. Estimates for Technology, Consumer, Private Banks, NBFCs, and Healthcare have been cut by 4%, 10%, 9%, 8% and 4%, respectively.
- Top upgrades (FY21E): Gail (29%), Vedanta (21%), Britannia (20%), and SBI (6%).
- Top downgrades (FY21E): Tata Motors (Loss), Tata Steel (Loss), Asian Paints (39%), Titan (30%), Eicher (29%), JSW Steel (27%), Tech Mahindra (27%), UltraTech Cement (21%), Maruti Suzuki (18%) and Bajaj Finance (15%).
- The 4QFY20 corporate earnings were muted but on expected lines. Given the disruption owing to the COVID pandemic, earnings recovery seems pushed back by at least a year. Meanwhile, markets are looking beyond FY21, aided by global recovery and gradual return to normalcy. Amidst the overall challenging macros, one silver lining is the 'Rural' economy, which has seen lesser damage from the COVID pandemic. Drivers for rural income remain robust with the strong start to monsoons, robust Kharif sowings, and sharp hike in allocation to MGNREGA. Near-term earning predictability has been impaired and hopes have now shifted to potential FY22E earnings recovery. After the 39% rally from Mar'20 lows, the Nifty at 20.6x P/E is now trading at a slight premium to its long period average and is not looking as attractive as it was in March. Further upside, in our view, now rests on the inter-play of Health crisis and restoration of normalcy in the economy. We advocate a more cautious/defensive portfolio positioning.
- **Top Ideas:** Large-caps: ICICI Bank, Bharti Airtel, Infosys, HUL, HDFC, Dabur, M&M, Reliance.
Mid-caps: ABFRL, TCPL, Crompton Consumer, Alkem, LT Infotech, Gujarat Gas, JSPL, Motherson Sumi.

Preferred Large-cap ideas

Company	Mkt Cap (USDb)	CMP (INR)	EPS (INR)			EPS CAGR (%)	PE (x)			PB (x)			ROE (%)		
			FY20	FY21E	FY22E	FY20-22	FY20	FY21E	FY22E	FY20	FY21E	FY22E	FY20	FY21E	FY22E
Reliance Inds.	150.1	1,788	68.1	66.4	98.1	20.0	26.2	26.9	18.2	2.5	2.3	2.1	10.3	8.9	11.9
Hind. Unilever	67.5	2,172	31.2	33.8	43.4	17.9	69.6	64.3	50.1	58.4	38.9	37.9	86.0	75.0	76.7
Infosys	46.2	763	39.0	36.8	43.1	5.1	19.5	20.7	17.7	5.3	4.5	4.0	25.3	21.8	22.9
HDFC	43.0	1,886	49.2	48.0	51.0	1.8	38.3	39.3	37.0	3.8	3.5	3.3	13.4	11.1	10.8
Bharti Airtel	42.0	581	-7.5	3.0	6.4	LP	-77.8	195.6	90.7	4.1	4.0	3.9	-5.5	2.1	4.3
ICICI Bank	31.0	361	12.3	18.9	25.3	43.5	29.4	19.1	14.3	2.0	1.9	1.7	7.2	10.3	12.4
Dabur	10.9	467	8.6	8.8	10.1	8.4	54.1	52.9	46.1	12.5	11.7	10.9	24.9	22.8	24.4
Mahindra & Mahindra	8.5	530	34.6	30.1	43.5	12.1	15.3	17.6	12.2	1.8	1.7	1.6	9.7	7.2	9.3

Preferred Mid-cap ideas

Company	Mkt Cap (USDb)	CMP (INR)	EPS (INR)			EPS CAGR (%)	PE (x)			PB (x)			ROE (%)		
			FY20	FY21E	FY22E	FY20-22	FY20	FY21E	FY22E	FY20	FY21E	FY22E	FY20	FY21E	FY22E
L&T Infotech	4.5	1,977	86.7	92.5	109.0	12.1	22.8	21.4	18.1	6.4	5.2	4.3	31.1	27.3	26.3
Motherson Sumi	4.1	98	3.7	2.2	5.5	22.1	26.5	44.9	17.8	2.8	2.6	2.4	10.5	6.0	14.1
Alkem Lab	3.7	2,352	95.4	103.3	125.7	14.8	24.7	22.8	18.7	4.6	4.0	3.4	19.7	18.6	19.5
Tata Consumer	3.3	396	8.0	9.3	11.2	18.7	49.7	42.8	35.3	2.6	2.5	2.4	6.9	6.1	7.1
Gujarat Gas	2.9	322	17.3	12.3	16.8	-1.5	18.6	26.1	19.1	6.7	5.6	4.5	43.6	23.4	26.2
JSPL	2.1	154	-2.8	3.0	7.7	LP	-55.9	50.7	20.0	0.5	0.5	0.5	-0.8	1.0	2.4
CG Consumer Elect.	2.0	236	7.0	6.0	8.6	11.0	33.9	39.2	27.5	10.1	8.8	7.4	29.8	22.4	26.9
Aditya Birla Fashion	1.2	121	0.7	-4.3	1.3	35.6	169.3	-28.0	92.1	8.6	12.4	10.9	4.4	-36.3	12.6

LP: Loss to Profit



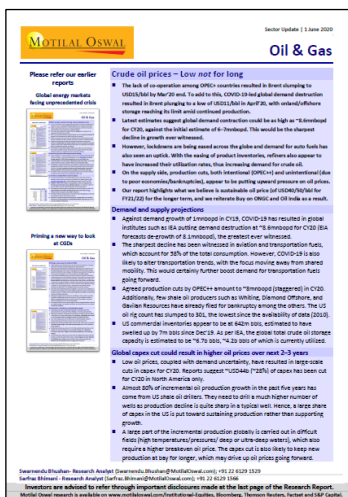
Oil & Gas

Motilal Oswal values your support in the Asiamoney Brokers Poll 2020 for India Research, Sales and Trading team. We [request your ballot](#).



Please refer our earlier reports

Crude Oil prices - Low not for long



US Shale industry- Bankruptcies on the rise

- In our earlier report ([Oil not low for long](#)) published on 1st Jun'20, we had highlighted that few shale companies in the US had already gone bankrupt with the possibility of a few more being on the way toward bankruptcy.
- The total number of E&P bankruptcies has risen to 20 so far (see exhibit 1, 2, 3). The latest victim is Chesapeake Energy, one of the pioneers of the US shale industry, with a total debt of USD9b. The lower prevailing oil prices are expected to result in write-down of ~USD300b of global E&P assets.
- **The US rig count fell to a record low** of 278 units in the week ended 26th Jun'20 (decline of 65% since Mar'20 and 72% YoY), even as oil prices rebounded from historic lows as some producers restarted production. As per Baker Hughes data, the worldwide rig count has declined 52% YoY to 1,073 units (v/s 2,221 units in Jun'19).
- According to a Platts Analytics Spotlight report, rigs are expected to stay relatively flat until early-2021 as operators are expected to wait several months for higher oil prices before starting to gradually increase rig count.
- Global lockdowns on account of COVID-19 has led to huge demand destruction, which saw crude oil prices sink to historic lows. With lifting of the lockdowns across the world, demand is again seeing an uptick. On the supply side, production cuts, both intentional (OPEC++) and unintentional (due to poor economies/bankruptcies), appear to be putting upward pressure on oil prices.
- We reiterate our belief that in the near term Brent would stabilize between USD40-50/bbl and settle at USD50-60/bbl in the longer run.

Indian upstream companies – growth in offing

Sensitivity for Indian E&P companies

- **Oil prices:** We have built in crude price assumption of USD50/bbl for FY22E (a normalized scenario v/s USD40/bbl in FY21). On this, a change of USD1/bbl in oil price impacts EPS of ONGC (consol.)/OINL by 3%/4%.
- **Gas prices:** Our gas price forecast stands at USD2.8/mmBtu for FY21 and USD3.0/mmBtu for FY22E. A change of USD1/mmBtu in gas price for FY22E would impact EPS by 22%/14% for ONGC (consol.)/OINL.
- According to a [media article](#), the government is formulating a structure to give Indian upstream companies some relief in royalty and cess as well as certain other reliefs. According to our model calculation, 1% change in cess results in EPS change of 2%/4% for ONGC (consol.)/OINL.

ONGC: PT INR105 - Buy

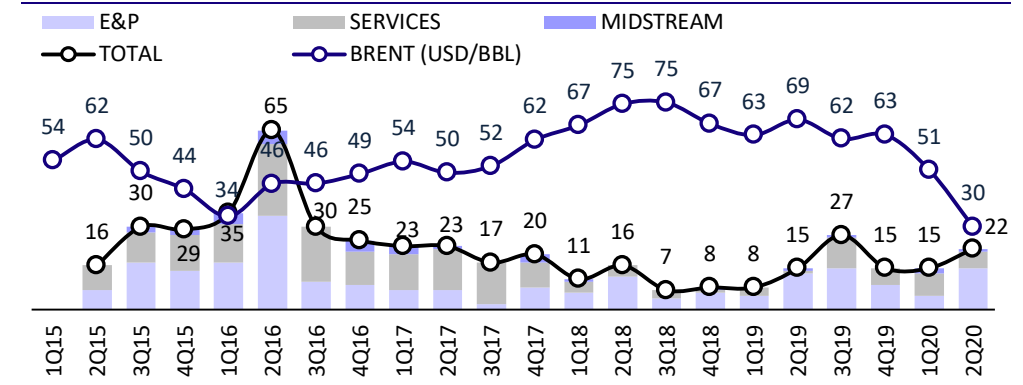
- ONGC did not see any reduction in crude oil demand starting 1st Apr'20. However, gas production saw modest decline of 9% during the lockdown, which has now been restored to normal pre-COVID levels.
- In FY20, ONGC made total 12 discoveries (7 onshore, 5 offshore). Of this, 7 are prospects (3 onshore, 4 offshore) and 5 are pools (4 onshore, 1 offshore). During FY21, ONGC has notified 3 discoveries so far (2 in offshore deep-water KG-DWN-98/2 block and 1 in onshore block in Nomination PML, Tripura).

- The company is also expected to grow its gas production by ~12%/26% to 27.9bcm/35.2bcm in FY21/FY22E. While no oil production growth is expected, ONGC's efforts to arrest decline from age-old fields (accounting for 60-70% of the total oil production) is commendable.
- ONGC is trading at 3.3x FY22E EV/EBITDA and 4.3x FY22E P/E of INR19.0 with FY22E PBV of 0.5x. We value the company at 10x FY22E adj. EPS of INR7.8 and add value of investments to arrive at a target price of INR105. Reiterate **Buy**.

Oil India: PT INR110 - Buy

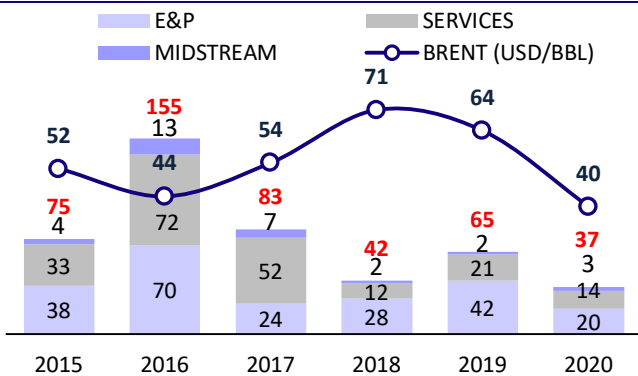
- In the long run, the company intends to add gas production of ~5msmcmd starting 2024-25E (on current 7.5msmcmd), while arresting the decline in oil production.
- However, we expect no incremental change in production volumes for both oil and gas in the near term. Also, OINL has guided for oil and gas production in FY21 to be marginally lower YoY.
- The stock trades at 6.1x FY22E EV/EBITDA and 5.7x FY22E EPS of INR17.1 with FY22E PBV of 0.4x. We use SOTP-based fair value of 8x FY22E adj. EPS of INR13.7 and add investments to arrive at a price target of INR110. Maintain **Buy**.

US bankruptcies v/s Brent prices



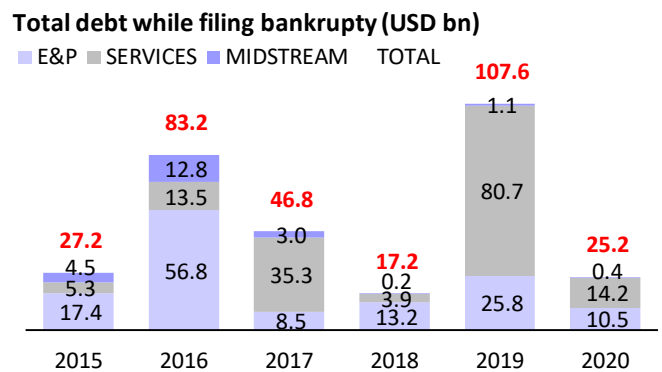
Source: Haynes and Boone, MOFSL

Yearly bankruptcies in US rising...



Source: Haynes and Boone, MOFSL

...with total debt while filing for bankruptcies (as on 31st May, 2020)



Source: Haynes and Boone, MOFSL

Indian upstream companies – valuation snapshot

Company	EPS (INR)			P/E (x)			P/BV (x)			EV/EBITDA (x)			ROE (%)			Div. Yield
	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E	
Oil India	22.9	10.6	17.1	4.3	9.2	5.7	0.5	0.4	0.4	3.7	10.2	6.1	9.9	4.8	7.5	10.9
ONGC	13.1	11.1	19.0	6.3	7.5	4.3	0.5	0.5	0.5	3.3	4.9	3.3	7.9	6.7	10.8	6.1



Equitas Holdings

BSE SENSEX 36,021 S&P CNX 10,067

CMP: INR54 TP: INR65 (+21%) Buy

Motilal Oswal values your support in the Asiamoney Brokers Poll 2020 for India Research, Sales and Trading team. We request your ballot.



Bloomberg	EQUITAS IN
Equity Shares (m)	342
M.Cap.(INRb)/(USDb)	18.3 / 0.3
52-Week Range (INR)	131 / 33
1, 6, 12 Rel. Per (%)	4/-36/-46
12M Avg Val (INR M)	603
Free float (%)	100.0

Financials & Valuations (INR b)

Y/E March	FY20	FY21E	FY22E
NII	15.0	16.0	17.8
OP	6.0	6.2	6.9
NP	2.4	1.6	2.6
NIM (%)	8.8	8.2	8.0
EPS (INR)	7.1	4.7	7.6
BV/Sh. (INR)	80.3	83.9	89.1
ABV/Sh. (INR)	75.6	75.6	78.5

Ratios

RoE (%)	9.7	5.8	8.8
RoA (%)	1.4	0.8	1.1

Valuations

P/E(X)	7.5	11.3	7.0
P/BV (X)	0.7	0.6	0.6
P/ABV (X)	0.7	0.7	0.7

Shareholding pattern (%)

As On	Mar-20	Dec-19	Mar-19
Promoter	0.0	0.0	0.0
DII	34.5	37.2	42.0
FII	28.7	26.1	18.6
Others	36.9	36.7	39.4

FII Includes depository receipts

Moratorium book receding but still elevated

Disbursements recovering; Focus on existing customer base

To share a business update on trends related to disbursements, deposits accretion and moratorium proportion availed across segments, EQUITAS hosted an analyst call. Following are the key takeaways:

Moratorium book receding but elevated

EQUITAS has provided the 'Opt-out' facility to all customers under moratorium 1.0 due to the strict lockdown, which impacted customers severely. However, the 'Opt-in' facility has been provided under moratorium 2.0 as lockdown restrictions eased and economic activity picked up. In the MFI business, ~56% centers opted for moratorium as at Jun'20. Further, the percentage of loan portfolio availed moratorium in other segments: ~42% in Small business loans, ~69% in Vehicle loans and ~96% in Small corporate portfolio while all NBFC customers paid Jun'20 EMIs.

Disbursements improving; focus remains on existing customer base

EQUITAS made almost nil disbursements during Apr'20 and disbursed ~INR0.9b during May'20. However, disbursement trends started improving from Jun'20 with disbursing ~INR4.6b during the month. The bank remains focused on helping its existing customer base to normalize their business. Nearly ~90% of incremental disbursements in the MFI business are to existing borrowers. It is also witnessing strong traction for gold loans with the product available in 100+ banking outlets currently.

MFI: Center meeting rate improves to 95%; offering small top-ups up to INR10k

EQUITAS started conducting center meetings after 3rd Jun'20 and managed to improve the meeting run-rate to ~95%. Currently, ~44% centers have collected payment dues for Jun'20 while 56% centers opted for moratorium in the month. Further, based on customer feedback, the bank expects collection trends to improve in the coming months. EQUITAS is also providing top-up loans up to INR10k to existing customers to help re-start their operations.

Deposit growth at 11% QoQ led by term deposits

Deposits grew 11% QoQ and stood at INR114.7b, mainly led by term deposits, which grew 13% QoQ. CASA deposits grew 7% QoQ and stood at INR23.5b. Thus, CASA ratio stands at 20.5%. Nearly ~57k accounts were acquired through digital products (Selfie SA and Selfie FD) during 1QFY21. It has recently introduced 'Video KYC' to help on-boarding of new customers.

Other business highlights

- **Vehicle segment:** In the vehicle finance portfolio, the bank categorizes exposure of INR11.4b (76% availed moratorium) toward high risk. Therefore, the bank has carried out vehicle inspections to evaluate risk in the portfolio. The entire moratorium book has been inspected, of which ~98% vehicles are in good condition. Overall, the average LTV in vehicle portfolio is ~75.6%.
- **Small business loans:** The incidence of customers availing higher moratorium in small-ticket sized loan (ticket size below INR0.5m) category is higher at 49% v/s high-ticket sized loan (ticket size above INR1m) at 24%. The bank indicated that smaller ticket sized loans, while more vulnerable during the lockdown period but have the ability to return to normalcy faster than high-ticket sized category customers. Further, very few customers are eligible for credit guarantee loans as the guidelines includes group MSME while most of its customers are individuals.

Valuation and view

- We expect business growth to remain modest. The bank is focused on improving collection trends as high proportion of loans are currently under moratorium. Although some improvement is visible towards disbursements made during Jun'20, the focus remains on providing top-up facility to its existing customer base. We maintain a cautious stance on EQUITAS' asset quality and expect credit cost to rise over FY21/FY22E. We maintain our TP of INR65 (0.8x FY22E ABV) with a **Buy** rating.

Disbursement trends over 1QFY21 across segments

Disbursements (INR m)	April'20	May'20	June'20
Micro Finance	-	198	1,112
Small Business Loans (Incl. HF)	44	519	2,088
Vehicle Finance	6	88	950
MSE Finance	15	86	263
Corporate Finance	-	-	190
Others	10	17	48
Total Disbursements	75.0	907.9	4,650.8

Source: MOFSL, Company

Moratorium update across segments as at 30th Jun'20

Asset Products	Opt in (% of Gross Advances)
Micro Finance	56% (of Centers)
Small Business Loans	42%
New Commercial Vehicle Finance	65%
Used Commercial Vehicle Finance	70%
MSE Finance (Working Capital)	48%
Corporate – NBFC Book	0%
Corporate – Small Corporate	96%

Source: MOFSL, Company; Please note Gross Advances data as on FY20

HDFC Bank

BSE SENSEX	S&P CNX
36,021	10,607

Stock Info

Bloomberg	HDFCB IN
Equity Shares (m)	5,483
M.Cap.(INRb)/(USDb)	5897.7 / 80.1
52-Week Range (INR)	1304 / 739
1, 6, 12 Rel. Per (%)	-1/-2/-4
12M Avg Val (INR M)	12707
Free float (%)	78.8

Financials Snapshot (INR b)

Y/E MARCH	FY20	FY21E	FY22E
NII	561.9	657.9	749.0
OP	487.5	565.1	636.3
NP	262.6	271.9	311.2
NIM (%)	4.2	4.2	4.1
EPS (INR)	48.0	49.6	56.7
EPS Gr. (%)	21.2	3.2	14.5
BV/Sh. (INR)	311.8	351.8	398.3
ABV/Sh. (INR)	300.3	335.5	381.2

Ratios

RoE (%)	16.4	14.9	15.1
RoA (%)	1.9	1.7	1.6
Payout (%)	24.8	19.4	18.0

Valuations

P/E(X)	22.4	21.7	18.9
P/BV (X)	3.4	3.1	2.7
P/ABV (X)	3.6	3.2	2.8
Div. Yield (%)	1.1	0.9	1.0

CMP: INR1,074 TP: INR1,250 (+16%) Buy

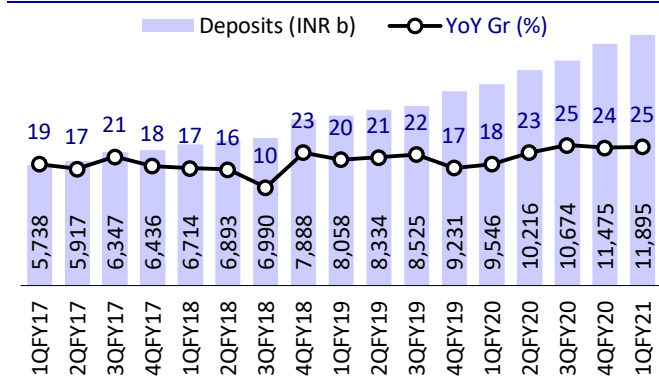
Strong business growth in uncertain macro environment

HDFC Bank released its quarterly update highlighting the key business numbers for 1QFY21. Here are the key details:

- Business growth showed strong momentum in 1QFY21, despite lockdown witnessed due to COVID-19 in April and May'20, with total advances increasing by ~21% YoY (~1% QoQ).
- The deposit base increased to ~INR11.9t, further registering robust growth of 24.6% YoY / 3.7% QoQ v/s 24.3% YoY / 7.5% QoQ in FY20.
- The CASA ratio improved 30bp YoY, but declined 220bp QoQ to 40%. This implies 25.5% YoY growth (1.8% QoQ decline) in CASA deposits; term deposits also rose at ~24% YoY (+7.7% QoQ).
- During the quarter, the bank purchased loans aggregating to INR13.8b (INR54.8b in 4QFY20 and INR72.3b in 1QFY20) through the direct assignment route from HDFC Ltd.

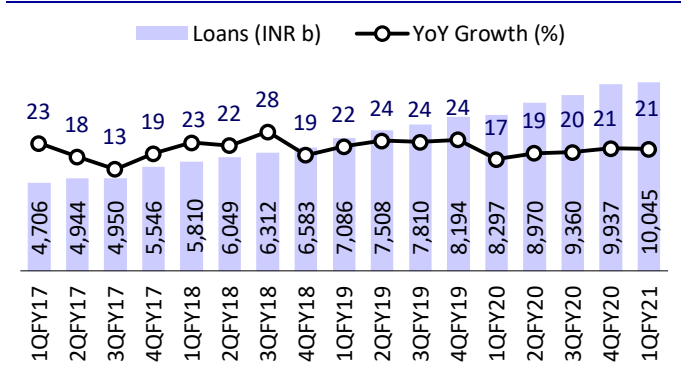
Valuation and view: HDFCB has delivered strong growth despite economic activity being impacted due to the COVID-19 outbreak. On the asset quality front, slippages are likely to remain elevated due to the COVID-19 disruption from 2HFY21, which could keep credit cost higher; however, higher provisioning buffers should limit the overall impact on earnings. Furthermore, a strong liability franchise would support margins, and higher liquidity levels would enable the bank to ride out the current crisis and gain higher market share. However, the CEO's succession remains an important event in the near term. Maintain Buy, with TP of INR1,250 (3.0x FY22E ABV).

Deposit growth remains robust at 24.6% YoY (+3.7% QoQ)



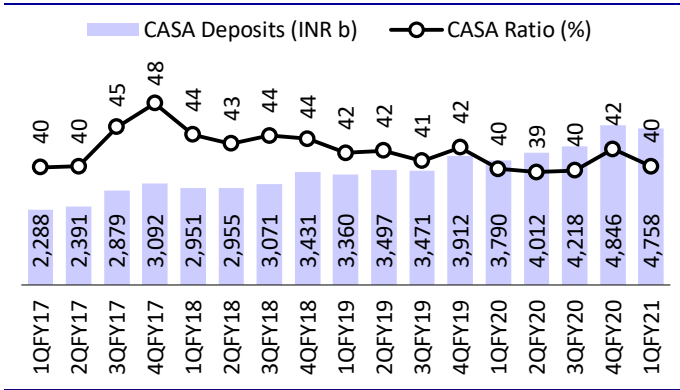
Source: MOFSL, Company

Loan growth comes in strong at 21.2% YoY (+1.1% QoQ)



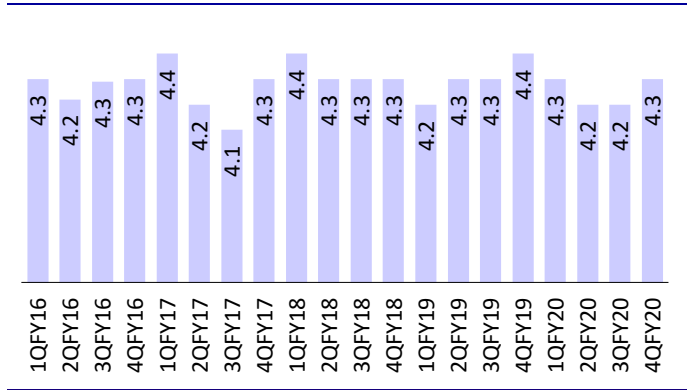
Source: MOFSL, Company

CASA ratio increases 30bp YoY, but declines 220bp QoQ to ~40%



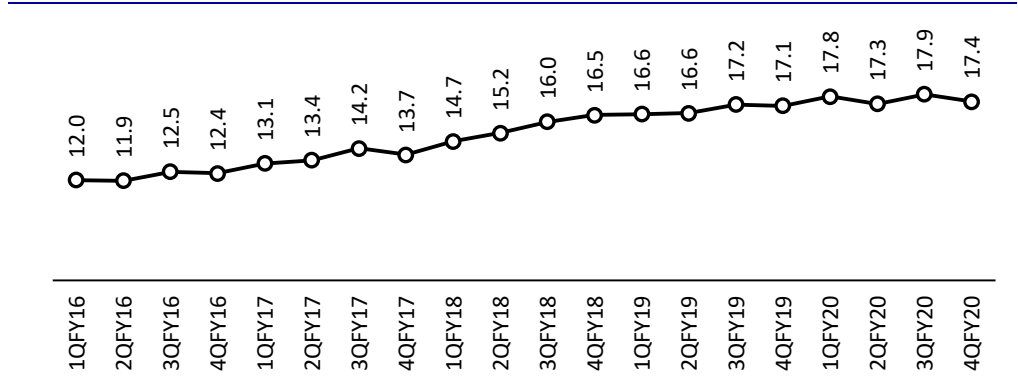
Source: MOFSL, Company

NIM expands 10bp QoQ to 4.3% on decline in cost of funds



Source: MOFSL, Company

Share of unsecured loans declines to 17.4%



Source: MOFSL, Company

BSE SENSEX	S&P CNX
36,021	10,607

CMP: INR1,886

Buy

Motilal Oswal values your support in the Asiamoney Brokers Poll 2020 for India Research, Sales and Trading team. We request your ballot.



Stock Info

Bloomberg	HDFC IN
Equity Shares (m)	1,721
M.Cap.(INRb)/(USDb)	3271.2 / 43.9
52-Week Range (INR)	2500 / 1473
1, 6, 12 Rel. Per (%)	-3/-10/-8
12M Avg Val (INR M)	10084
Free float (%)	100.0

Financials Snapshot (INR b)

Y/E March	2020	2021E	2022E
Core PPOP	128.0	137.9	152.4
Adj. PAT	96.2	102.8	110.7
Adj. EPS (INR)	49.2	48.0	51.0
EPS Gr. (%)	10.8	-2.4	6.2
BV/Sh. (INR)	497.4	536.4	578.7
ABV/Sh. (INR)	412.3	451.3	493.6
Core RoA (%)	1.8	1.6	1.5
Core RoE (%)	13.4	11.1	10.8
Payout (%)	23.8	43.5	43.5

Valuation

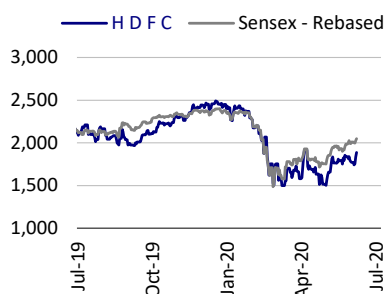
AP/E (x)	20.6	18.4	14.2
P/BV (x)	3.8	3.5	3.3
AP/ABV (x)	2.5	2.0	1.5
Div. Yield (%)	1.1	1.2	1.3

Shareholding pattern (%)

As On	Mar-20	Dec-19	Mar-19
Promoter	0.0	0.0	0.0
DII	18.0	16.7	16.7
FII	70.9	72.8	72.4
Others	11.1	10.6	10.9

FII Includes depository receipts

Stock Performance (1-year)

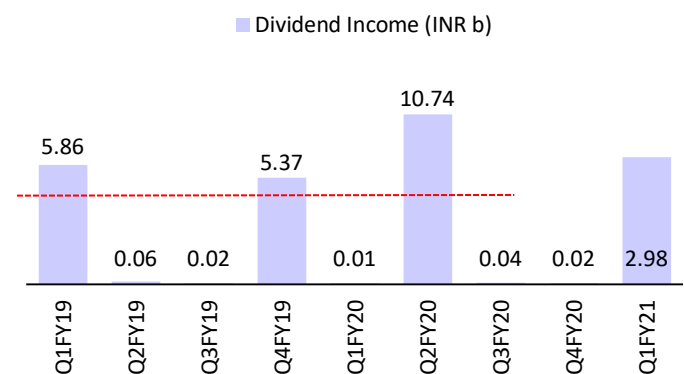


Expect lower share of non-core income in 1QFY21

Takeaways from pre-quarterly release

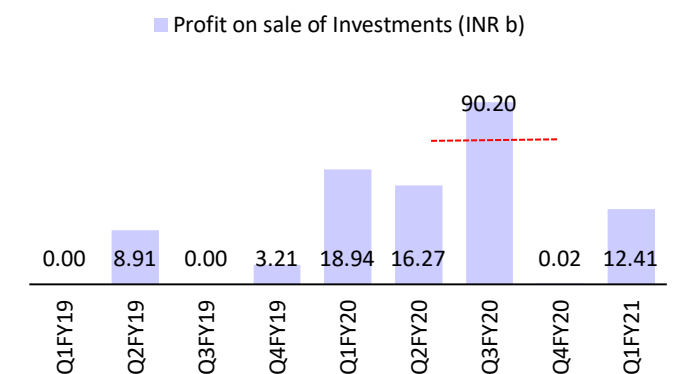
- HDFC’s pre-quarterly update discloses key price-sensitive information regarding its 1QFY21 earnings.
- Profit on sale of investments was down ~34% YoY to INR12.41b. Current quarter gains were largely due to stake sale in HDFCLIFE, wherein HDFC Ltd’s shareholding now stands at 50.1%. The stake reduction is in line with the RBI’s mandate to reduce stake to 50% or below by 16th Dec’20. In 1QFY20, profit on sale of investment (INR18.9b) reflects gains arising out of the stake sale in Gruh.
- HDFC has not disclosed its plans on utilizing the gains. In our view, unlike the earlier practice of making 30% provisions from one-off gains, HDFC may use almost the entire amount for provisioning considering the current macro environment.
- Dividend received amounted to INR2.98b v/s ~INR10m YoY. In line with the RBI/IRDA directive of capital preservation and not paying final dividend for FY20, HDFC did not receive dividends from banks and insurance companies. Dividend received during the quarter, in our view, is from HDFC Investments (holds stake in HDFCB). Also, dividend from both entities is likely to be recognized in 2HFY21 subject to regulatory approval.
- HDFC assigned loans worth INR13.76b to HDFCB during the quarter (down 81% YoY). The company earned an upfront income of INR2.4b from loan assignments in 4QFY20 (INR54.8b worth loans assigned). We expect 1QFY21 assignment income of ~INR600m. Overall, INR183b loans were sold in the preceding 12 months v/s INR227b in the previous year. Lower sell down is also the reflection of comfortable excess liquidity on the balance sheet.
- HDFC remains our top pick in the sector. As mentioned in [our recent note](#), we like HDFC’s ability to gain profitable market share despite significant competitive pressures. Business is normalizing fast with disbursement levels already at 50% of the normal monthly run rate in Jun’20. Even retail moratorium has come down to 14% (v/s 21% in moratorium 1.0). Marginal cost of funds is seeing sharp improvement with 100bp+ decline in the last two months. Subsidiaries are performing well and its share in SOTP has increased to ~54%. One-off gains (like in the current quarter) will be utilized to strengthen HDFC’s balance sheet, in our view.

Trend in dividend income



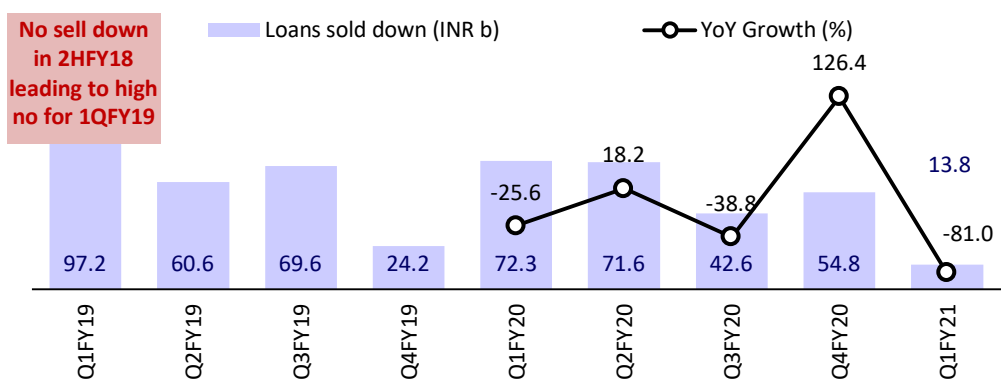
2QFY19 – Special 25yrs celebration dividend from HDFC Bank;
Source: MOFSL, Company, Scale adjusted

HDFCLIFE stake sale executed in the quarter



3QFY20-Gains recognized on Gruh-Bandhan bank merger;
Source: MOFSL, Company, Scale Adjusted

Sharp decline in loans sell down – partially due excess liquidity on Balance Sheet



Note: YoY comparison for FY19 not possible due to no quarterly sell down in 2HFY18 due to lack clarity over GST issue; Source: MOFSL, Company

Marico

BSE SENSEX 36,021 S&P CNX 10,607



Stock Info

Bloomberg	MRCO IN
Equity Shares (m)	1,290
M.Cap.(INRb)/(USDb)	463 / 6.2
52-Week Range (INR)	404 / 234
1, 6, 12 Rel. Per (%)	1/20/6
12M Avg Val (INR M)	888
Free float (%)	40.4

Motilal Oswal values your support in the Asiamoney Brokers Poll 2020 for India Research, Sales and Trading team. We request your ballot.



Financials & Valuations (INR b)

Y/E March	2020	2021E	2022E
Sales	73.2	73.8	84.3
Sales Gr. (%)	-0.3	0.9	14.1
EBITDA	14.7	14.6	16.7
Margin (%)	20.1	19.8	19.9
Adj. PAT	10.5	10.4	12.0
Adj. EPS (INR)	8.1	8.1	9.3
EPS Gr. (%)	13.4	-0.7	14.9
BV/Sh.(INR)	23.4	30.2	30.7

Ratios

RoE (%)	34.9	30.1	30.5
RoCE (%)	31.9	27.3	27.9
Payout (%)	96.0	94.8	94.5

Valuations

P/E (x)	44.1	44.4	38.6
P/BV (x)	15.3	11.9	11.7
EV/EBITDA (x)	31.2	30.7	26.9
Div. Yield (%)	2.1	2.1	2.4

Shareholding pattern (%)

As On	Mar-20	Dec-19	Mar-19
Promoter	59.6	59.6	59.7
DII	10.7	9.7	5.6
FII	22.8	23.9	26.6
Others	6.9	6.8	8.0

FII Includes depository receipts

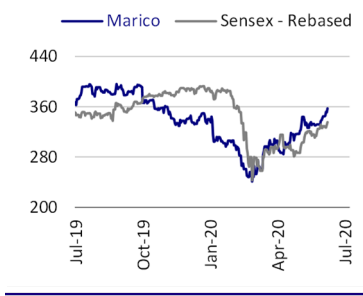
CMP: INR359 TP: INR400(+12%) Buy

1QFY21 update: Double-digit sales decline likely, but signs of strong revival present

Verbatim from Marico's (MRCO) pre-quarterly update for 1QFY21.

- Macro view:** The company witnessed significant disruptions during the first fortnight of Apr'20. Since then it has been able to steadily scale up operations to near-normal levels in Jun'20. The Edible Oils and Foods businesses resumed operations in early-Apr'20; however, the Hair Oils & Personal Care businesses could only commence in late-Apr/early-May'20. MRCO's distribution network also improved progressively during the quarter.
 - General Trade and E-commerce channels gained over Modern Trade due to heightened social distancing concerns. Moreover, the CSD business was also reduced to half. To supplement consumer reach in these circumstances, MRCO adopted variety of new-age delivery models.
- Domestic business:** While the India business clocked sales above the annual average monthly run-rate of FY20 during the quarter, the reported volume decline on YoY basis is expected in low teens. This is due to the highly significant skew of revenues (~31% of annual sales) and high base in 1QFY21. With the top line in 1QFY21 translating into single-digit growth over the annual run rate of FY20, the company expects a bounce-back in volume and value growth during the rest of the year.
 - Parachute Coconut Oil** delivered sales at higher than the annual average monthly run-rate of FY20, despite a very slow start in Apr'20.
 - The Value Added Hair Oils (VAHO)** had significantly low throughput during the quarter, sharply impacted by the much delayed resumption of billing in Apr'20. **The franchise saw visibly healthier trends in May-Jun'20, especially in the bottom of the pyramid segment, ending up at more than 90% of the annual average run rate of FY20 during the quarter.** However, there would be a pronounced effect on the reported YoY volume growth of both these portfolios due to the very high skew in the first quarter revenues of last year.
 - Saffola Edible Oils posted healthy volume growth**, partly attributable to increased in-home cooking and consumption.
 - Foods business also continued its good run**, backed by its twin proposition of health and taste.
 - The Premium Personal Care category** (Serums, Skin Care and Male Grooming), **owing to their discretionary nature, remained under significant stress.**
 - Launches:** MRCO launched *Mediker Hand Sanitizers* and *Veggie Clean* in Apr'20. This was followed by the introduction of indoor and outdoor surface disinfectants under the aegis of new brands *House Protect* and *Travel Protect*, respectively. The company also expanded its play within Healthy Foods with the launch of *Saffola Honey*.

Stock Performance (1-year)



- **International business was impacted due to total or partial lockdowns. Overall, the international business witnessed mid-single digit decline in constant currency terms in 1QFY21. However, it should recover during the course of the year as it is now clocking more than 100% of the FY20 monthly average top line, led by the Bangladesh business.**

 - **In Bangladesh**, although operations were affected by the lockdown imposed till end-May'20, the business has been resilient and was able to grow in double-digits in constant currency terms.
 - **In Vietnam**, markets have now opened up completely and business is gradually returning to normal, but the slowdown in discretionary personal care has led to mid-teens decline in CC terms.
 - MRCO's businesses in the **Middle East, South Africa and Egypt** remain affected due to the pandemic coupled with the weakening economic situation in these countries. **Although the impact on business in these geographies has been severe, its impact on the overall business of the company is low to moderate.**
- **Margin likely to expand:** While overall revenues have declined in double-digits, a combination of benign input costs, aggressive cost control and rationalization of A&P spends in few discretionary portfolios on a lower top line, should lead to **expansion of operating margins (v/s 1QFY20). However, for the balance of FY21, the company expects operating margins to hold at least to a minimum of FY20 levels.**
- **Outlook:** MRCO remains cautiously optimistic about the future as it unfolds. While the business environment and consumer sentiment remain volatile, the company is well positioned to withstand these challenging times through innovation, agile execution, aggressive cost management and its portfolio of trusted brands.
- **Valuation and view:** MRCO has a more resilient portfolio of products than peers to withstand the COVID-19-led sales and earnings decline in FY21. This is possible on account of (a) recovery seen in Parachute volumes prior to the COVID-19 outbreak, (b) successful turnaround and strong growth in *Saffola* Edible Oils and Foods, and (c) better outlook for the international business v/s peers. Furthermore, the outlook on material costs is also better than the earlier expectation of possible inflation. However, the longer-term growth trajectory and eventual re-rating would be determined by the success of its new products (an area in which it has seen limited success so far). Nevertheless, valuations at 38.6x FY22E EPS appear comfortable for a business that has better earnings visibility over peers. We maintain **Buy** rating with TP of INR385 (40x Jun'22E EPS).

IndusInd Bank

BSE SENSEX	S&P CNX
36,021	10,607

Stock Info

Bloomberg	IIB IN
Equity Shares (m)	600
M.Cap.(INRb)/(USDb)	337.9 / 4.6
52-Week Range (INR)	1596 / 236
1, 6, 12 Rel. Per (%)	7/-55/-57
12M Avg Val (INR M)	9760
Free float (%)	87.0

Financials Snapshot (INR b)

Y/E MARCH	FY20	FY21E	FY22E
NII	120.6	128.9	141.8
OP	108.3	116.6	129.7
NP	44.6	45.8	63.4
NIM (%)	4.6	4.6	4.5
EPS (INR)	68.8	65.2	89.4
EPS Gr. (%)	25.3	-5.2	37.1
BV/Sh. (INR)	498.4	568.7	643.5
ABV/Sh. (INR)	479.4	545.0	616.8

Ratios

RoE (%)	14.7	12.3	14.8
RoA (%)	1.5	1.4	1.8
Payout (%)	14.3	17.7	16.4

Valuations

P/E (X)	7.1	7.5	5.4
P/BV (X)	1.0	0.9	0.8
P/ABV (X)	1.0	0.9	0.8
Div. Yield (%)	2.0	2.4	3.0

CMP: INR487

TP: INR700 (+44%)

Buy

Business growth moderates; CASA ratio at ~40%

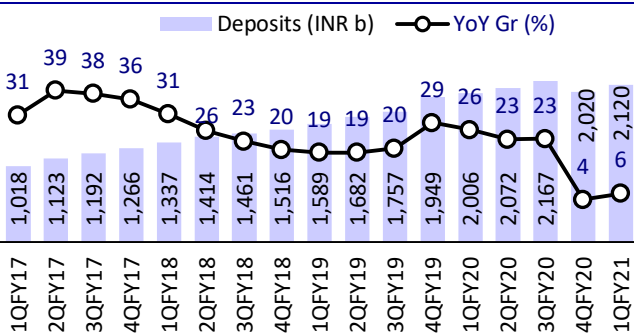
IndusInd Bank (IIB) released its quarterly update highlighting key business numbers for 1QFY21. Below are the main highlights:

- Business growth moderated in 1QFY21 affected by the lockdown in Apr-May'20 due to the COVID-19 pandemic. Advances growth was up 3.5% YoY (but declined 3.1% QoQ) to ~INR2.0t.
- Deposit growth also moderated to INR2.1t, up 5.7% YoY (4.9% QoQ). CD ratio now stands at 94.5%. Retail deposits and deposits from small business customers stood at INR673.2b.
- CASA ratio was broadly stable at 40.2% (declined 20bp QoQ). Overall, CASA deposits declined 1.5% YoY (but increased 4.5% QoQ).

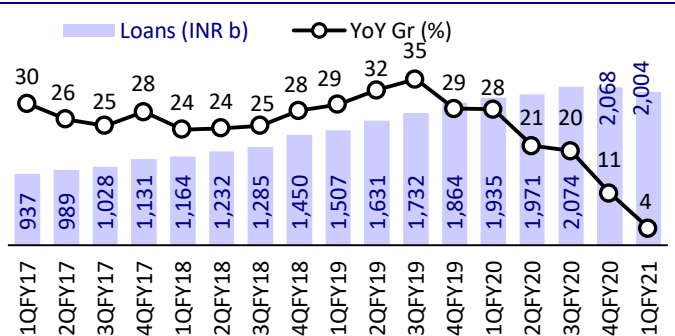
Valuation and view

Loan growth should remain moderate led by the weak environment due to the COVID-19 pandemic. This should drive slowdown in consumer spending. Further, we expect asset quality to deteriorate due to rising stress in MFI, business banking, CV and CE portfolios. Also, credit costs should remain elevated at 2% for FY21E. Maintain **Buy** with PT of INR700 (1.1x FY22E ABV).

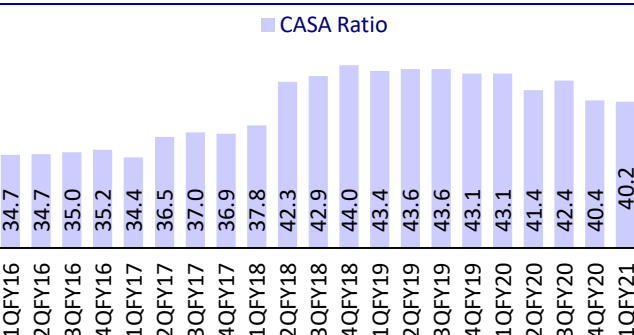
Deposits growth moderates to ~6% YoY (+4.9% QoQ)



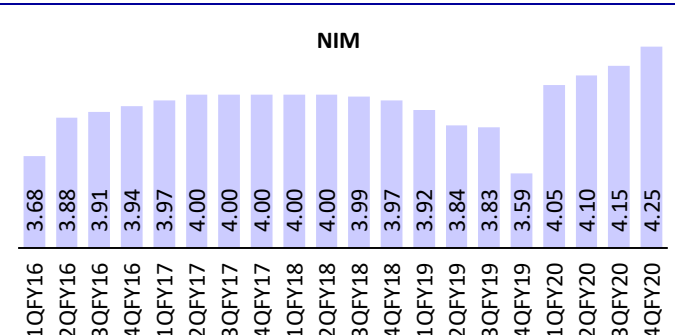
Loan growth moderates to 3.5% YoY (-3.1% QoQ)



CASA ratio broadly stable at ~40.2% (20bp QoQ decline)



NIM stood at 4.25% in 4QFY20



Source: MOFSL, Company

Source: MOFSL, Company

Federal Bank

BSE SENSEX	S&P CNX
36,021	10,607

CMP: INR53 TP: INR65(+23%) Buy

Stock Info

Bloomberg	FB IN
Equity Shares (m)	1,993
M.Cap.(INRb)/(USDb)	105.6 / 1.4
52-Week Range (INR)	110 / 36
1, 6, 12 Rel. Per (%)	7/-29/-42
12M Avg Val (INR M)	1260
Free float (%)	100.0

Financials Snapshot (INR b)

Y/E Mar	FY20	FY21E	FY22E
NII	46.5	49.3	56.0
OP	32.0	34.4	39.2
NP	15.4	11.2	17.3
NIM (%)	3.0	2.9	3.0
EPS (INR)	7.8	5.6	8.7
EPS Gr. (%)	23.4	-27.6	54.5
BV/Sh. (INR)	72.8	77.9	85.3
ABV/Sh. (INR)	64.9	67.4	73.0

Ratios

ROE (%)	11.1	7.5	10.6
ROA (%)	0.9	0.6	0.8
Payout (%)	21.7	10.7	13.9

Valuations

P/E(X)	6.8	9.4	6.1
P/BV (X)	0.7	0.7	0.6
P/ABV (X)	0.8	0.8	0.7
Div. Yield (%)	3.2	1.1	2.3

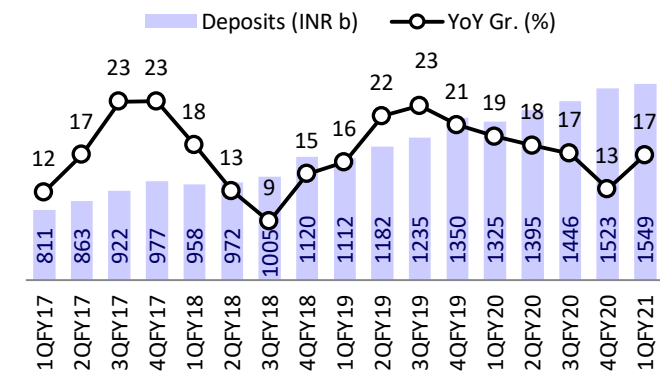
Loan growth moderates; CASA mix improves sequentially

Federal Bank (FB) released its quarterly update highlighting key business numbers for 1QFY21. Below are the main highlights:

- Gross advances growth moderated to ~8% YoY (~1% QoQ decline) to ~INR1.2t, impacted by the lockdown in Apr'20/May'20 due to the COVID-19 pandemic.
- Deposit base for the bank increased to INR1.55t registering robust growth of ~17% YoY (1.7% QoQ) v/s 12.8% YoY (5.3% QoQ) in FY20. CASA growth stood robust at ~19% YoY (~7% QoQ increase) while TD grew ~16% YoY. CASA ratio, thus, improved by 152bp QoQ to ~32%.
- Certificate of deposits increased 10% YoY (but declined 40% QoQ) to INR26.7b. Interbank deposits grew 58% YoY (+30% QoQ) to INR28.5b.
- The bank maintains very high LCR ratio at 227.8% (v/s 196.7% in FY20) compared to other peers.

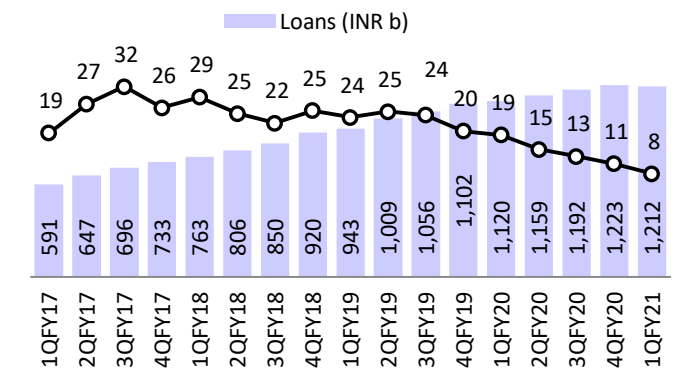
Valuation and View: FB reported moderation in loan growth impacted by the lockdown due to COVID-19. This, we believe, will continue due to the consumption slowdown. We expect banks to take a cautious stance while lending to COVID affected sectors, certain retail and SME segments. However, the bank's liability franchise remains strong with CASA + Retail TD of 91% along with one of the highest LCR amongst banks. On the asset quality front, the bank has lower quantum of stressed assets. We, nevertheless, expect credit cost to stay elevated due to the COVID-19 related provisioning. Overall, we maintain **Buy** with TP of INR65 (0.8x FY22E ABV).

Deposits growth stood at ~17% YoY (+1.7% QoQ)



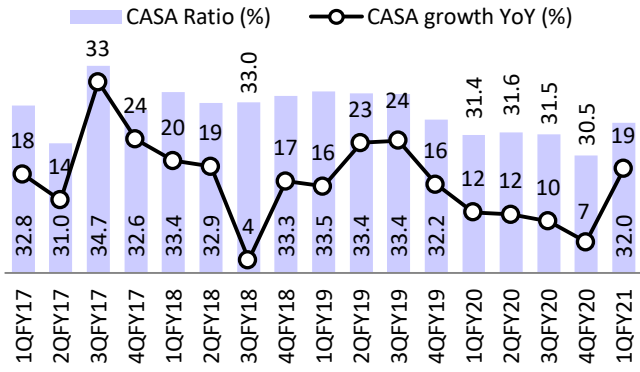
Source: MOFSL, Company

Modest +8% loan growth (dipped 1% QoQ)



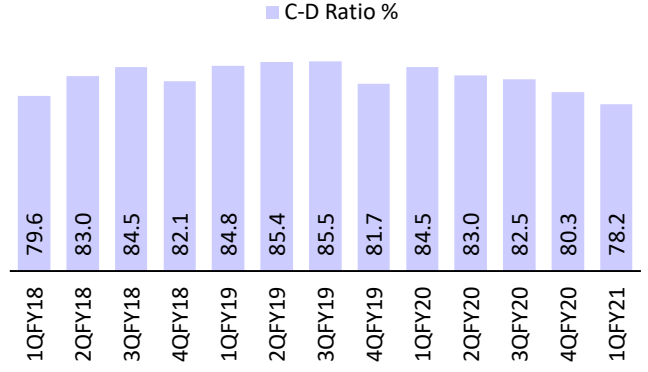
Source: MOFSL, Company

CASA ratio improved to 32% (v/s 30.5% in FY20)



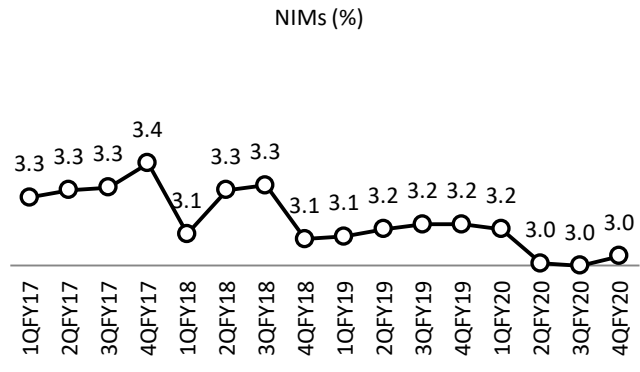
Source: MOFSL, Company

CD ratio stood at 78.2%



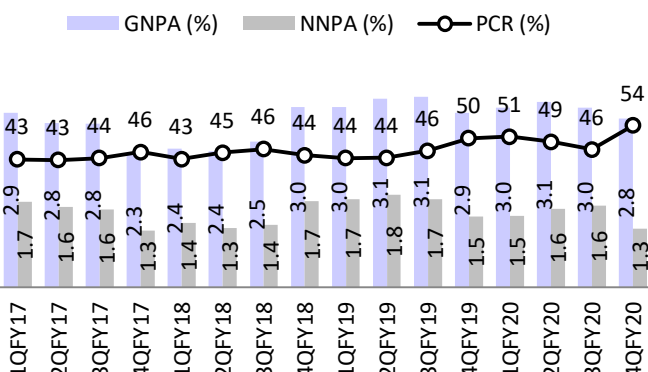
Source: MOFSL, Company

NIMs at 3.04% for 4QFY20 (v/s 3.17% in 4QFY19)



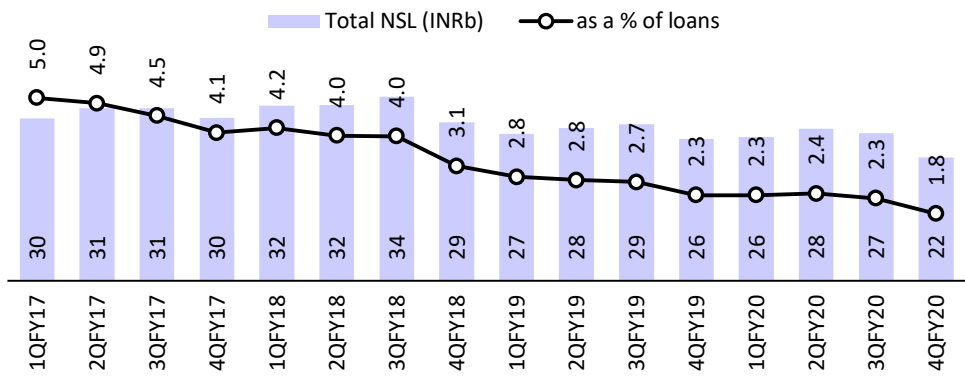
Source: MOFSL, Company

GNPA ratio stood at 2.8%; PCR improved to 54%



Source: MOFSL, Company

Net stress loans decline to 1.8% of total loans





AN ARGUMENT FOR MAKING THE NON-BANKING HFCs BANKABLE

- There had been a huge rush to get HFC licence, considering the low investment threshold needed for a licence and the trading or investor multiples that the HFC investments were seeing. The licence was seen as a lottery ticket rather than the business or the business model. Some of those who had secured HFC licence in the past few years with early stage investors funding, on the back of “affordable housing”, could not increase their business volumes and stagnated or are now in the process of shutting shop. The fact that the industry forgot to celebrate was that this sector (HFC) lends to both realty developers and home buyers. Real estate development is the second largest employer of labour in the country, after agriculture. This was the sector that stood by the home buyers across the country, when banks shied away from the idea and played ‘lazy banking’ to tick-mark their priority sector lender-need by buying portfolio from HFCs annually. This solved HFCs problem of getting capital-release from securitisation and made the banks achieve their targets too. To an extent, it is a conflict of interest: besides banks being a source of funding for HFCs, they also have their own mortgage business line. Since mid-2018, HFCs have stalled or lowered their disbursements, and using securitisation, have generated liquidity to repay their debt obligations. During the same period, banks have increased their retail home loan portfolio. While enough has been written about the opacity or the issues in realty market, the fact remains that any industry that does not have recourse to a formal financial system would be forced over time to get a riskier or a more expensive funding. The end-consumer may still not have access to or the security of the final product! Because of the shock and fear introduced by demonetisation process and establishment of Real Estate Regulatory Authority (RERA), the authorities should take comfort that housing is a regulated sector. On which over 100 other value-chain-sector like labour, professional services, steel, cement, paints sectors are dependent on, amongst others.

[Read More](#)

COVID-19 TRIGGERED UNCONVENTIONAL MONETARY POLICY – INDIA’S CONCERNS

- Since the beginning of 2020, policy makers have been busy fabricating measures to contain the spread of covid-19. This has led to decline in economic activities and rise in unemployment. Besides, unexpected oil price shocks have added to worries of decision makers. In restricting the pandemic and the related economic downturn, many developed economies faced short-term interest rates nearing zero, or even slipping to negative. Several central banks around the world engaged in unconventional monetary policy interventions in the form of long-term asset purchase programs, commonly referred to as quantitative easing (QE). Since March, eight central banks of the developed economies made QE announcements. Notably, US initially announced a \$700 billion purchase on 16 March, followed by an announcement of ‘unlimited’ purchase on 23 March. UK announced a purchase on \$200 billion on 19 March. Covid-19 QE Announcements by Developed Countries Source: Central bank of the respective

eight developed countriesView Full Image; Source: Central bank of the respective eight developed countries; Spillover of QE – India’s concerns. While the central banks of developed economies aim to mitigate the dysfunctionalities in their targeted markets, the QE interventions will have spillover effects linked with higher volatility in capital flows, currency and financial markets in developing economies, including India. An impulse study of QE-triggered US and UK interest rate shock on Indian 10-year sovereign bonds suggests that the spillover effect is immediate and the associated implied volatility subsides in 10 days. The impact primarily depends on the cyclical position of the Indian economy and the stability of its financial system, in other words the scale of its market imperfections.

[➔ Read More](#)



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)		
					FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	
Automobiles																	
Amara Raja	Neutral	690	715	4	28.3	38.7	35.7	2.6	36.7	-7.7	17.8	19.3	3.2	2.9	18.9	15.8	
Ashok Ley.	Buy	49	65	32	6.9	1.2	0.0	16.4	-83.1	-98.5	42.1	-	2.0	2.0	4.4	0.1	
Bajaj Auto	Neutral	2934	2811	-4	165.4	187.4	157.6	9.3	13.3	-15.9	15.7	18.6	4.3	3.9	26.0	22.0	
Bharat Forge	Buy	359	385	7	22.2	9.2	2.7	20.3	-58.4	-70.4	38.9	131.5	3.2	3.1	8.1	2.4	
Bosch	Neutral	11775	10250	-13	540.3	418.8	310.2	15.0	-22.5	-25.9	28.1	38.0	3.7	3.5	13.4	9.5	
CEAT	Buy	927	936	1	66.9	57.1	51.3	4.6	-14.7	-10.1	16.2	18.1	1.3	1.2	8.1	7.0	
Eicher Mot.	Buy	18982	19700	4	813.9	669.4	484.2	1.8	-17.8	-27.7	28.4	39.2	5.2	4.8	19.3	12.7	
Endurance Tech.	Buy	877	1065	21	36.2	38.0	31.9	24.5	5.1	-16.2	23.0	27.5	4.1	3.7	19.2	14.2	
Escorts	Neutral	1060	768	-28	53.2	54.0	51.7	34.7	1.4	-4.3	19.6	20.5	3.0	2.3	16.6	13.5	
Exide Ind	Buy	153	205	34	9.1	9.9	9.9	10.6	9.4	0.2	15.5	15.4	2.1	1.9	13.4	12.4	
Hero Moto	Neutral	2738	2350	-14	169.5	153.0	124.4	-8.5	-9.7	-18.7	17.9	22.0	3.9	3.8	22.6	17.5	
M&M	Buy	530	600	13	42.7	34.6	30.1	4.1	-18.9	-13.1	15.3	17.6	1.8	1.7	9.7	7.2	
Mahindra CIE	Buy	117	109	-7	14.1	9.4	3.2	44.7	-33.2	-66.0	12.4	36.5	1.0	0.9	8.0	2.6	
Maruti Suzuki	Buy	5933	5850	-1	253.3	188.0	137.7	-5.1	-25.8	-26.7	31.6	43.1	3.7	3.6	11.7	8.0	
Motherson Sumi	Buy	98	122	24	5.1	3.7	2.2	-5.2	-27.5	-41.0	26.5	44.9	2.8	2.6	10.5	6.0	
Tata Motors	Buy	103	127	23	-4.4	-25.3	-39.0	-119.0	Loss	Loss	NM	NM	0.6	0.8	-14.8	-25.0	
TVS Motor	Neutral	395	310	-22	14.1	11.9	8.5	1.1	-15.4	-28.9	33.1	46.6	5.2	4.9	16.3	10.8	
Aggregate									-43.5	-60.8	333.0	91.8	21.2	2.6	2.4	2.8	11.5
Banks - Private																	
AU Small Finance	Buy	567	675	19	13.2	22.6	21.7	28.9	71	-4.3	25.0	26.2	4.0	3.5	18.0	14.2	
Axis Bank	Buy	429	560	31	18.2	6.0	26.0	1,538.1	-67	331.5	71.0	16.5	1.4	1.3	2.1	8.3	
Bandhan Bank	Buy	347	350	1	16.4	21.6	20.2	39.1	32	-6.4	16.1	17.2	3.7	3.0	22.9	19.2	
DCB Bank	Neutral	80	85	6	10.5	10.9	7.6	32.0	3.6	-30.6	7.3	10.6	0.8	0.7	11.2	7.1	
Equitas Hold.	Buy	54	65	21	6.2	7.1	4.7	3,754.5	15.5	-33.4	7.5	11.3	0.7	0.6	9.7	5.8	
Federal Bank	Buy	53	65	23	6.3	7.8	5.6	32.2	23.4	-27.8	6.8	9.4	0.7	0.7	11.1	7.5	
HDFC Bank	Buy	1074	1250	16	39.6	48.0	49.6	16.9	21.2	3.2	22.4	21.7	3.4	3.1	16.4	14.9	
ICICI Bank	Buy	361	475	32	5.2	12.3	18.9	-52.8	135.0	53.8	29.4	19.1	2.0	1.9	7.2	10.3	
IndusInd	Buy	487	700	44	54.9	68.8	71.0	-8.8	25.3	3.2	7.1	6.9	1.0	0.8	14.7	13.3	
Kotak Mah. Bk	Neutral	1354	1350	0	37.7	44.9	44.7	16.0	19.0	-0.5	30.1	30.3	3.9	3.5	13.1	11.4	
RBL Bank	Buy	174	180	4	20.3	9.9	11.2	34.3	-51.1	12.2	17.5	15.6	0.8	0.8	5.6	5.2	
Aggregate									23.6	20.3	27.3	20.2	15.8	2.4	2.1	11.8	13.3
Banks - PSU																	
BOB	Buy	51	65	28	1.6	1.5	4.3	-116.7	-8.2	187.1	33.8	11.8	0.3	0.3	0.9	2.7	
PNB	Neutral	36	35	-3	-27.1	0.6	7.3	-46.1	LP	1,126	61	4.9	0.4	0.4	0.6	7.6	
SBI	Buy	185	280	52	2.6	22.1	23.6	-148.2	760	6.3	8.3	7.8	0.7	0.6	7.2	7.0	
Aggregate									LP	35	44	8	5.3	0.6	0.5	7.2	9.7
NBFCs																	
Aditya Birla Cap	Buy	66	84	28	4.0	4.3	5.1	25.7	8.3	20.2	15.3	12.7	1.5	1.3	10.2	10.8	
Bajaj Fin.	Neutral	2932	2210	-25	69.3	87.7	67.0	59.6	26.7	-23.6	33.4	43.8	5.4	4.9	20.2	11.8	
Cholaman. Inv.&Fn	Buy	197	200	2	15.2	12.8	9.5	29.1	-15.4	-25.9	15.3	20.7	2.0	1.9	15.0	9.4	
HDFC	Buy	1886	2150	14	44.4	49.2	48.0	28.7	10.8	-2.4	38.3	39.3	3.8	3.5	13.4	11.1	
HDFC Life Insur.	Neutral	572	525	-8	6.3	6.4	6.4	14.6	1.3	-0.4	89.1	89.5	5.6	4.6	12.9	21.4	
ICICI Pru Life	Buy	433	430	-1	8.0	7.4	7.9	-29.5	-6.3	6.4	58.2	54.7	2.7	2.4	6.5	14.3	
IIFL Wealth Mgt	Buy	982	1225	25	44.2	23.1	37.2	-4.1	-47.8	61.1	42.5	26.4	2.9	2.8	6.8	10.7	
L&T Fin Holdings	Buy	68	75	11	11.2	10.9	8.6	74.5	-2.7	-21.3	6.2	7.9	0.9	0.9	15.6	11.3	
LIC Hsg Fin	Buy	274	340	24	48.1	47.6	40.7	21.4	-1.2	-14.5	5.8	6.7	0.8	0.7	14.3	11.0	
MAS Financial	Buy	636	700	10	27.8	32.6	30.8	47.1	17.2	-5.4	19.5	20.6	3.5	3.1	19.4	16.0	
M&M Fin.	Buy	183	200	10	25.3	14.7	8.0	53.9	-41.8	-46.0	12.4	22.9	1.0	0.9	8.3	4.2	
Muthoot Fin	Neutral	1146	1100	-4	49.2	75.3	85.9	10.8	52.9	14.1	15.2	13.3	4.0	3.2	29.0	26.6	
PNB Housing	Neutral	210	190	-10	71.1	38.4	14.9	40.9	-46.0	-61.3	5.5	14.1	0.4	0.4	8.3	3.1	
Repco Home	Buy	123	150	22	37.5	48.9	44.8	16.7	30.5	-8.5	2.5	2.8	0.4	0.4	18.3	14.4	
Shriram City Union	Buy	677	850	25	149.8	151.6	99.5	48.7	1.2	-34.4	4.5	6.8	0.6	0.6	14.7	8.7	



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
Shriram Trans.	Buy	696	960	38	113.0	110.3	66.5	4.2	-2.4	-39.7	6.3	10.5	0.9	0.8	14.9	8.1
Aggregate								8.0	-6.9	25.0	22.8	18.2	2.6	2.3	11.3	12.7
Capital Goods																
ABB	Buy	980	980	0	12.0	16.6	6.2	12.7	38.1	-62.6	59.2	158.1	5.9	5.7	10.0	3.6
Bharat Elec.	Buy	97	108	11	7.9	7.4	6.8	37.7	-6.9	-8.0	13.2	14.4	2.4	2.2	18.1	15.5
BHEL	Sell	39	22	-43	3.5	-4.2	1.0	58.0	PL	LP	NM	37.0	0.5	0.5	-4.9	1.2
Blue Star	Neutral	500	450	-10	19.5	15.3	6.5	34.7	-21.4	-57.2	32.7	76.4	6.2	6.0	18.8	7.8
CG Cons. Elec.	Buy	236	240	2	6.0	7.0	6.0	15.5	16.9	-13.6	33.9	39.2	10.1	8.8	29.8	22.4
Cummins	Neutral	411	360	-12	26.1	23.3	15.3	10.8	-10.8	-34.2	17.7	26.8	2.7	2.6	15.4	9.8
Engineers India	Buy	75	93	24	5.9	6.8	7.4	-8.4	16.3	9.2	11.0	10.1	2.2	2.1	18.3	19.6
Havells	Neutral	580	515	-11	12.6	11.7	7.7	12.3	-6.9	-34.3	49.5	75.3	8.4	7.9	17.0	10.4
K E C Intl	Buy	276	230	-17	18.9	22.0	21.2	6.1	16.3	-3.6	12.6	13.0	2.5	2.2	20.2	16.7
L&T	Buy	945	1120	19	63.5	68.0	54.4	22.8	7.1	-20.1	13.9	17.4	2.0	1.9	13.8	10.2
Siemens	Neutral	1149	1450	26	25.1	30.5	29.4	27.1	21.6	-3.6	37.6	39.0	4.5	4.2	12.0	10.7
Thermax	Neutral	766	757	-1	27.2	18.9	20.9	32.4	-30.6	10.6	40.6	36.7	2.8	2.7	7.0	7.4
Voltas	Buy	559	600	7	15.7	16.7	10.7	-9.1	6.5	-36.3	33.4	52.5	4.3	4.1	12.9	7.8
Aggregate								-10.6	-8.1	37.9	25.1	18.2	2.2	2.0	8.8	11.2
Cement																
Ambuja Cem.	Neutral	196	190	-3	6.1	7.7	5.1	-3.2	26.4	-33.2	25.4	38.1	1.8	1.7	7.1	4.5
ACC	Buy	1315	1430	9	53.5	72.3	40.6	9.9	35.1	-43.8	18.2	32.4	2.1	2.0	12.3	6.5
Birla Corp.	Buy	610	695	14	33.2	65.6	38.4	53.6	97.6	-41.5	9.3	15.9	1.0	0.9	10.9	6.0
Dalmia Bhar.	Buy	713	705	-1	15.8	11.5	-5.5	4.3	-27.3	PL	62.0	NM	1.3	1.3	2.1	-1.0
Grasim Inds.	Neutral	628	630	0	66.1	67.3	43.9	39.7	1.8	-34.8	9.3	14.3	1.1	1.1	3.4	1.7
India Cem	Neutral	125	120	-4	2.3	0.7	-1.5	-31.0	-69.5	PL	182.1	NM	0.7	0.7	0.4	-0.9
J K Cements	Buy	1413	1450	3	34.1	62.6	41.3	-19.8	83.4	-34.0	22.6	34.2	3.6	3.4	16.9	10.2
JK Lakshmi Ce	Buy	276	310	12	6.8	22.6	13.1	-8.7	233.6	-42.1	12.3	21.2	1.9	1.8	16.4	8.6
Ramco Cem	Neutral	641	595	-7	21.6	25.5	20.0	-9.8	18.1	-21.6	25.1	32.0	3.1	2.8	12.8	9.2
Shree Cem	Neutral	22886	19500	-15	324.1	435.2	298.7	-18.2	34.3	-31.4	52.6	76.6	6.4	6.1	13.9	8.1
Ultratech	Buy	3886	4305	11	90.4	147.3	92.8	1.1	62.9	-37.0	26.4	41.9	2.7	2.6	11.7	6.7
Aggregate								30.7	-37.6	65.8	35.5	21.4	2.1	2.0	6.0	9.4
Consumer																
Asian Paints	Sell	1696	1315	-22	23.1	29.0	16.6	9.2	25.5	-42.7	58.5	102.2	16.1	14.7	28.3	15.0
Britannia	Neutral	3540	3470	-2	48.1	58.6	69.5	15.1	21.8	18.5	60.4	51.0	19.3	18.8	32.6	37.5
Colgate	Buy	1382	1520	10	27.8	30.0	30.3	10.3	8.1	1.0	46.0	45.6	23.6	25.7	53.7	54.0
Dabur	Buy	467	535	15	8.5	8.6	8.8	9.5	1.4	2.4	54.1	52.9	12.5	11.7	24.9	22.8
Emami	Buy	230	245	7	12.2	12.4	11.0	0.2	2.0	-11.2	18.5	20.9	5.7	4.7	28.8	24.8
Godrej Cons.	Neutral	718	565	-21	14.6	14.2	14.7	3.6	-2.8	4.0	50.6	48.7	9.3	9.9	19.1	19.7
HUL	Buy	2172	2400	10	28.1	31.2	33.8	14.7	11.1	8.3	69.6	64.3	58.4	38.9	86.0	75.0
ITC	Neutral	207	190	-8	10.2	12.4	11.4	14.8	22.2	-8.4	16.7	18.2	4.0	3.8	25.0	21.2
Jyothy Lab	Neutral	122	116	-5	5.4	4.5	4.3	10.5	-15.8	-6.1	26.9	28.7	3.6	3.8	13.0	12.9
Marico	Buy	359	400	12	7.2	8.1	8.1	13.8	13.4	-0.7	44.1	44.4	15.3	11.9	34.9	30.1
Nestle	Neutral	16690	16385	-2	178.6	206.8	220.6	27.5	15.8	6.7	80.7	75.6	83.3	80.2	71.2	108.0
Page Inds	Neutral	20609	17905	-13	353.2	307.7	240.5	13.5	-12.9	-21.8	67.0	85.7	28.0	25.6	41.9	29.9
Pidilite Ind.	Neutral	1390	1345	-3	18.6	23.1	13.5	-2.0	24.5	-41.5	60.1	102.8	15.8	15.1	27.3	15.0
P&G Hygiene	Neutral	10351	9995	-3	126.3	137.9	158.1	7.3	9.1	14.6	75.1	65.5	32.2	27.9	45.9	45.7
Tata Consumer	Buy	396	450	14	4.8	8.0	9.3	-14.6	66.4	16.1	49.7	42.8	2.6	2.5	6.9	6.1
United Brew	Sell	1037	700	-33	21.3	16.2	4.9	42.8	-24.0	-70.0	64.1	213.6	7.8	7.5	12.8	3.6
United Spirits	Neutral	589	543	-8	9.3	10.9	7.1	38.1	16.9	-34.6	54.1	82.6	11.2	9.9	20.8	12.0
Aggregate								16.0	-4.8	23.2	45.7	37.1	10.9	10.3	23.8	27.8
Healthcare																
Alembic Phar	Neutral	897	705	-21	31.1	45.9	37.9	41.8	47.7	-17.4	19.6	23.7	5.3	4.6	30.1	21.4
Alkem Lab	Buy	2352	2850	21	63.8	95.4	103.3	8.4	49.5	8.2	24.7	22.8	4.6	4.0	19.7	18.6
Ajanta Pharma	Buy	1411	1700	20	44.4	51.1	56.9	-16.1	15.1	11.2	27.6	24.8	4.8	4.2	18.7	18.0
Aurobindo	Buy	778	880	13	43.2	49.2	53.2	1.1	13.9	8.2	15.8	14.6	2.7	2.3	18.8	17.0
Biocon	Neutral	396	355	-10	6.2	6.3	9.2	99.8	2.0	44.9	62.5	43.1	7.1	6.3	11.9	15.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
Cadila	Buy	366	420	15	18.4	14.7	17.3	4.8	-20.0	18.0	24.9	21.1	3.6	3.0	11.3	15.5
Cipla	Neutral	639	550	-14	18.7	19.6	24.1	-3.1	4.8	22.7	32.6	26.5	3.1	2.8	9.4	10.5
Divis Lab	Neutral	2190	2245	3	50.1	48.9	60.2	55.1	-2.3	23.0	44.8	36.4	8.0	6.4	18.2	19.5
Dr Reddy's	Neutral	3921	3775	-4	105.2	121.3	153.9	62.6	15.4	26.8	32.3	25.5	4.2	3.6	13.6	15.3
Glenmark	Neutral	433	430	-1	25.9	24.6	27.1	-9.0	-5.1	10.0	17.6	16.0	2.0	1.8	11.9	11.9
GSK Pharma	Neutral	1467	1300	-11	24.6	25.7	32.9	25.2	4.3	28.1	57.2	44.6	13.6	12.5	23.9	28.0
IPCA Labs	Buy	1663	1800	8	36.3	51.5	65.7	91.3	42.0	27.4	32.3	25.3	5.8	4.8	19.3	20.8
Jubilant Life	Buy	683	515	-25	56.9	59.8	56.6	26.7	5.0	-5.4	11.4	12.1	1.9	1.7	17.9	14.7
Laurus Labs	Buy	530	615	16	31.3	37.8	29.3	49.4	20.6	-22.3	14.0	18.1	2.5	2.7	19.3	15.8
Lupin	Buy	899	1000	11	13.4	19.8	29.5	-58.1	47.7	49.1	45.4	30.5	3.2	3.0	6.8	10.3
Strides Pharma	Buy	413	495	20	8.8	15.3	34.0	-21.6	73.3	122.0	27.0	12.2	1.5	1.4	5.3	11.9
Sun Pharma	Buy	477	525	10	15.1	16.4	19.7	12.2	8.7	20.4	29.1	24.1	2.5	2.4	9.1	10.1
Torrent Pharma	Neutral	2395	2350	-2	42.7	55.9	72.1	-7.1	30.8	29.0	42.9	33.2	8.4	6.9	21.5	22.8
Aggregate								11.7	17.9	19.1	24.9	20.9	3.3	3.0	13.4	14.1
Infrastructure																
Ashoka Buildcon	Buy	62	98	57	11.5	13.8	7.9	35.8	20.2	-42.4	4.5	7.8	0.7	0.6	16.1	8.3
IRB Infra	Neutral	99	66	-33	24.2	18.9	6.9	7.2	-21.9	-63.6	5.2	14.4	0.5	0.5	10.2	3.6
KNR Constructions	Buy	211	280	33	17.7	14.5	11.8	-8.2	-18.3	-18.4	14.6	17.8	1.8	1.7	13.4	9.8
Aggregate											12.9	9.6	0.7	0.7	5.5	7.0
Media																
PVR	Buy	1033	1350	31	37.9	32.2	-68.5	41.9	-15.1	PL	32.1	NM	3.6	4.8	11.1	-27.1
Sun TV	Buy	400	500	25	35.4	34.8	32.4	27.6	-1.7	-6.9	11.5	12.3	2.8	2.7	24.8	22.4
Zee Ent.	Neutral	172	165	-4	16.4	16.9	19.4	12.7	2.9	14.7	10.2	8.9	1.6	1.4	18.1	17.0
Aggregate								3.6	-14.8	35.3	13.4	9.9	2.0	1.8	15.0	18.1
Metals																
Hindalco	Buy	146	190	30	24.7	17.5	10.1	30.9	-29.2	-42.4	8.4	14.5	0.9	0.9	10.1	6.0
Hind. Zinc	Neutral	195	195	0	18.8	16.1	13.6	-10.8	-14.5	-15.3	12.1	14.3	2.0	2.1	18.4	14.5
JSPL	Buy	154	166	8	3.3	-2.8	3.0	-138.7	PL	LP	NM	50.7	0.5	0.5	-0.8	1.0
JSW Steel	Buy	191	199	4	31.8	7.2	1.9	32.4	-77.4	-73.1	26.5	98.6	1.6	1.6	5.4	1.6
Nalco	Buy	32	40	23	9.2	0.7	0.5	79.9	-92.2	-33.2	45.4	67.9	0.6	0.7	1.4	0.9
NMDC	Buy	83	110	33	15.6	15.3	9.1	19.2	-1.9	-40.9	5.4	9.1	0.9	0.9	17.5	9.9
SAIL	Neutral	31	29	-6	6.3	-0.7	-4.4	2,344.1	PL	Loss	NM	NM	0.3	0.3	-0.7	-4.8
Vedanta	Neutral	106	114	7	18.5	8.8	5.7	-9.0	-52.7	-35.1	12.1	18.7	0.7	0.8	5.6	4.0
Tata Steel	Neutral	330	328	-1	88.6	9.1	-29.8	27.3	-89.8	PL	36.4	NM	0.6	0.6	1.6	-5.3
Aggregate								-55.0	-59.6	270.7	34.8	9.4	0.8	0.8	2.4	8.6
Oil & Gas																
Aegis Logistics	Buy	173	245	41	6.6	3.0	10.4	11.9	-55.0	247.4	58.1	16.7	3.5	3.0	6.5	19.3
BPCL	Neutral	385	425	10	43.4	25.3	33.6	-12.9	-41.6	32.6	15.2	11.5	2.1	1.8	13.2	17.1
Castrol India	Buy	121	185	53	7.2	8.4	7.8	2.4	16.8	-6.9	14.5	15.6	8.8	8.0	65.3	53.9
GAIL	Buy	105	155	48	14.0	16.5	12.6	38.4	17.3	-23.3	6.4	8.3	1.0	0.9	15.0	12.4
Gujarat Gas	Buy	322	433	35	6.2	17.3	12.3	47.4	177.8	-28.8	18.6	26.1	6.7	5.6	43.6	23.4
Gujarat St. Pet.	Buy	221	300	36	14.1	19.7	18.0	18.9	39.5	-8.3	11.3	12.3	1.9	1.6	17.8	14.2
HPCL	Buy	216	300	39	43.9	23.9	37.7	-7.3	-45.6	57.7	9.0	5.7	1.1	1.0	11.9	18.0
IOC	Buy	88	145	65	18.8	10.3	15.1	-23.7	-45.4	47.0	8.6	5.8	0.8	0.8	9.1	14.0
IGL	Neutral	447	485	8	11.2	16.2	10.9	19.1	44.5	-32.8	27.6	41.0	6.2	5.5	28.3	14.2
Mahanagar Gas	Buy	1071	1200	12	55.3	80.3	60.1	14.3	45.2	-25.2	13.3	17.8	3.6	3.3	29.7	19.2
MRPL	Neutral	37	40	9	1.9	-15.4	4.1	-84.8	PL	LP	NM	8.9	0.8	0.8	-29.2	9.0
Oil India	Buy	97	110	13	32.0	22.9	10.6	35.6	-28.6	-53.7	4.3	9.2	0.5	0.4	9.9	4.8
ONGC	Buy	82	105	27	27.2	13.1	11.1	34.6	-51.8	-15.7	6.3	7.5	0.5	0.5	7.9	6.7
PLNG	Buy	273	340	25	14.4	18.5	19.2	3.7	28.5	4.1	14.8	14.2	3.7	3.3	26.4	24.7
Reliance Ind.	Buy	1788	1743	-2	62.8	68.1	66.4	10.4	8.4	-2.5	26.2	26.9	2.5	2.3	10.3	8.9
Aggregate								-24.5	4.4	44.1	16.5	11.5	1.6	1.4	9.6	12.6
Retail																
Avenue	Sell	2289	1900	-17	14.5	20.4	20.2	11.9	41.0	-1.0	112.2	113.4	12.9	11.5	15.9	11.1



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
Supermarts																
Aditya Birla Fashion	Buy	121	180	49	1.6	0.7	-4.3	156.7	-56.7	PL	169.3	NM	8.6	12.4	4.4	-36.3
Future Lifestyle	Under Review	156	-		8.6	5.5	-1.5	30.1	-35.6	PL	28.0	NM	1.3	1.4	5.2	-1.3
Future Retail	Under Review	137	-		14.6	10.7	3.7	19.1	-27.0	-65.2	12.8	36.9	1.1	1.0	10.4	2.9
Jubilant Food.	Neutral	1737	1405	-19	24.1	22.5	6.1	62.0	-6.5	-72.8	77.1	283.3	20.4	22.8	26.5	8.1
Shoppers Stop	Neutral	168	190	13	7.8	-13.2	-27.8	-36.3	PL	Loss	NM	NM	21.1	-8.5	-22.4	470.3
Titan Company	Neutral	1003	965	-4	15.7	17.1	12.0	24.0	8.9	-29.9	58.8	83.9	13.3	13.4	23.8	16.0
Trent	Buy	619	610	-2	2.9	3.0	1.1	11.6	2.1	-63.9	207.7	575.1	8.6	8.5	5.3	1.6
V-Mart Retail	Buy	1812	2000	10	39.5	44.3	10.5	-8.0	12.1	-76.2	40.9	172.0	7.1	6.9	18.5	4.1
Aggregate								0.9	-46.2	145.1	142.1	58.0	9.3	8.2	6.5	14.2
Technology																
Cyient	Neutral	267	260	-3	43.4	33.8	22.5	13.4	-22.2	-33.2	7.9	11.8	1.1	1.0	13.5	8.6
HCL Tech.	Buy	579	615	6	36.8	41.0	40.5	-41.1	11.3	-1.1	14.1	14.3	3.2	2.6	24.5	20.2
Hexaware	Neutral	334	306	-8	19.3	21.8	18.4	17.6	12.6	-15.6	15.3	18.2	3.6	3.2	24.9	18.8
Infosys	Buy	763	775	2	37.1	39.0	36.8	3.9	5.3	-5.7	19.5	20.7	5.3	4.5	25.3	21.8
L & T Infotech	Buy	1977	2060	4	86.4	86.7	92.5	36.0	0.4	6.7	22.8	21.4	6.4	5.2	31.1	27.3
Mindtree	Buy	946	1080	14	45.8	38.3	51.0	33.6	-16.4	33.0	24.7	18.6	4.9	4.2	20.0	22.4
Mphasis	Neutral	888	860	-3	56.1	61.5	56.4	27.4	9.6	-8.2	14.4	15.7	2.8	2.6	21.4	17.6
NIIT Tech	Neutral	1421	1370	-4	66.2	73.5	71.0	45.3	11.0	-3.3	19.3	20.0	3.7	3.3	20.5	17.5
Persistent Sys	Buy	641	730	14	44.0	44.4	45.5	8.9	0.9	2.4	14.4	14.1	2.1	1.9	14.3	13.1
TCS	Neutral	2199	1900	-14	83.1	86.2	82.3	23.3	3.7	-4.5	25.5	26.7	9.6	8.2	36.4	33.1
Tech Mah	Neutral	567	590	4	48.8	45.9	34.4	14.2	-5.9	-25.1	12.4	16.5	2.4	2.1	18.5	12.7
Wipro	Neutral	225	188	-16	15.3	16.6	15.4	21.6	8.5	-7.3	13.5	14.6	2.3	2.1	17.3	14.8
Zensar Tech	Neutral	129	100	-22	14.4	11.8	13.1	40.4	-17.6	10.8	10.9	9.9	1.3	1.2	13.0	12.9
Aggregate								3.0	-5.6	18.5	21.2	17.9	4.6	4.0	21.5	22.3
Telecom																
Bharti Airtel	Buy	581	710	22	-8.7	-7.5	3.0	-350.3	Loss	LP	NM	195.6	4.1	4.0	-5.5	2.1
Bharti Infratel	Neutral	227	170	-25	13.6	17.0	15.6	-0.3	25.0	-8.4	13.3	14.5	2.9	3.0	21.7	20.2
Vodafone Idea		10			-18.5	-7.6	-8.0	93.3	Loss	Loss	NM	NM	4.8	-1.7	-66.2	419.1
Tata Comm	Neutral	623	590	-5	-2.2	10.6	27.4	-288.6	LP	158.9	59.0	22.8	-13.9	-35.6	-41	-87.7
Aggregate								Loss	Loss	Loss	-22	-27.4	5.2	6.8	-23.3	-24.7
Utilities																
Coal India	Buy	135	189	40	28.3	27.1	16.1	47.9	-4.4	-40.6	5.0	8.4	2.6	2.3	51.9	27.9
CESC	Buy	629	793	26	88.9	97.7	88.1	43.1	10.0	-9.8	6.4	7.1	0.9	0.8	14.0	11.7
JSW Energy	Buy	49	64	31	4.2	5.1	4.3	40.2	20.0	-15.5	9.6	11.4	0.7	0.7	7.1	6.0
NHPC	Neutral	21	22	7	2.6	2.9	2.7	5.9	10.7	-6.7	7.2	7.7	0.7	0.6	9.2	8.4
NTPC	Buy	94	145	54	11.6	13.8	13.2	30.3	19.2	-4.5	6.8	7.2	0.8	0.7	11.9	10.7
Power Grid	Buy	178	222	25	19.2	21.1	20.4	16.0	10.2	-3.3	8.4	8.7	1.4	1.3	17.9	16.0
Torrent Power	Buy	329	351	7	18.7	28.0	24.0	-4.6	49.7	-14.4	11.7	13.7	1.7	1.6	14.9	12.0
Tata Power	Neutral	50	38	-24	2.1	3.8	3.7	-60.5	78.2	-2.6	13.3	13.6	0.7	0.7	5.9	5.4
Aggregate					6.9	-17.7	35.2	8.0	5.9	1.1	1.0	13.4	16.6			
Others																
Brigade Enterpr.	Buy	132	195	48	11.7	7.1	5.1	72.3	-39.1	-28.5	18.5	25.8	1.2	1.1	6.6	4.5
BSE	Buy	470	630	34	36.9	24.9	20.1	-15.0	-32.5	-19.1	18.9	23.3	1.0	1.0	5.0	4.3
Concor	Buy	430	510	19	19.9	16.6	12.3	14.9	-16.7	-25.7	25.9	34.8	2.6	2.5	9.9	7.3
Coromandel Intl	Buy	749	766	2	25.4	36.3	41.2	7.6	42.8	13.4	20.6	18.2	5.1	4.3	27.7	25.6
Essel Propack	Buy	182	200	10	6.0	6.9	7.7	7.3	14.3	12.3	26.5	23.6	3.7	3.5	14.8	15.3
Indian Hotels	Buy	80	106	32	2.4	2.7	-3.3	235.4	14.8	PL	29.5	NM	2.2	2.5	7.4	-9.4
Interglobe	Neutral	1011	1080	7	4.1	-6.5	-168.9	-93.0	PL	Loss	NM	NM	6.6	-61.7	-3.9	-248.2
Info Edge	Neutral	2767	2550	-8	23.0	16.7	18.7	54.2	-27.1	11.6	165.5	148.3	13.9	13.3	13.8	9.3
Godrej Agrovet	Buy	433	443	2	12.5	13.2	10.5	10.9	5.7	-20.4	32.7	41.1	4.5	4.3	14.6	10.8
Kaveri Seed	Buy	581	561	-3	36.0	43.1	42.5	2.8	19.5	-1.3	13.5	13.7	3.7	3.4	26.4	25.7
Lemon Tree Hotel	Buy	24	25	6	0.7	-0.1	-1.7	271.9	PL	Loss	NM	NM	2.2	2.7	-1.1	-18.0



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
MCX	Buy	1287	1510	17	28.7	46.4	45.4	35.2	61.9	-2.1	27.7	28.3	4.8	4.4	18.1	16.3
Oberoi Realty	Buy	360	535	49	22.5	16.0	16.2	78.1	-29.0	1.3	22.5	22.3	1.5	1.4	7.0	6.7
Phoenix Mills	Buy	564	792	41	24.9	21.5	11.8	57.8	-13.7	-45.1	26.2	47.7	2.3	2.3	9.2	4.8
Qess Corp	BUY	347	360	4	17.5	18.3	17.7	-19.8	4.3	-3.1	19.0	19.6	1.7	1.6	10.4	10.5
PI Inds.	Buy	1576	1835	16	29.7	33.1	46.1	11.6	11.3	39.1	47.6	34.2	8.3	6.9	18.6	22.0
SRF	Buy	3644	4244	16	105.2	157.2	125.7	48.0	49.4	-20.0	23.2	29.0	4.2	3.8	20.1	13.8
S H Kelkar	Buy	68	90	33	6.1	4.2	4.8	-5.8	-31.3	15.0	16.1	14.0	1.2	1.1	7.0	8.1
Tata Chemicals	Buy	309	318	3	33.8	31.7	28.4	-29.7	-6.4	-10.3	9.8	10.9	0.6	0.6	6.4	5.5
Team Lease Serv.	Buy	1709	2600	52	57.3	48.9	67.9	33.4	-14.7	38.8	35.0	25.2	5.1	4.2	15.0	18.4
Trident	Buy	7	6	-20	0.9	0.6	0.7	87.3	-26.9	3.1	10.7	10.4	1.1	1.0	10.7	10.4
UPL	Neutral	444	424	-5	32.2	37.7	39.1	11.3	17.0	3.8	11.8	11.3	2.1	1.8	18.6	17.1



Index	1 Day (%)	1M (%)	12M (%)
Sensex	0.5	5.6	-9.6
Nifty-50	0.5	5.4	-11.0
Nifty Next 50	0.8	5.7	-5.6
Nifty 100	0.6	5.4	-10.3
Nifty 200	0.6	5.7	-10.9
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	0.9	7.3	-13.3
Amara Raja Batt.	0.9	6.1	9.4
Ashok Leyland	0.1	4.2	-45.6
Bajaj Auto	2.3	5.4	1.3
Bharat Forge	7.3	7.3	-22.4
Bosch	-1.2	6.8	-29.5
CEAT	0.9	1.8	-0.2
Eicher Motors	3.4	8.4	-3.4
Endurance Tech.	1.9	10.1	-20.2
Escorts	1.8	9.0	85.2
Exide Inds.	0.2	-9.2	-26.2
Hero Motocorp	2.4	19.1	5.8
M & M	0.1	9.4	-20.9
Mahindra CIE	0.1	7.5	-48.4
Maruti Suzuki	-0.3	5.5	-9.1
Motherson Sumi	-5.4	-2.7	-22.5
Tata Motors	1.9	4.7	-36.3
TVS Motor Co.	2.5	11.1	-9.1
Banks-Private	-0.5	4.4	-30.8
AU Small Fin. Bank	-1.5	25.4	-18.6
Axis Bank	1.2	4.6	-46.9
Bandhan Bank	0.3	39.0	-37.5
DCB Bank	-0.8	16.4	-65.3
Equitas Holdings	-2.4	10.0	-55.8
Federal Bank	-1.0	12.4	-51.7
HDFC Bank	-1.4	5.1	-13.7
ICICI Bank	-0.5	1.2	-17.2
IndusInd Bank	-1.5	13.0	-66.9
Kotak Mah. Bank	0.1	-2.5	-8.2
RBL Bank	-2.2	32.7	-73.4
Banks-PSU	-0.9	14.0	-55.0
BOB	-1.4	17.5	-59.5
PNB	-0.8	18.8	-55.7
SBI	-0.4	5.7	-49.5
NBFCs	-0.3	4.7	-21.0
Aditya Birla Cap	-2.9	22.3	-29.1
Bajaj Fin.	-1.2	21.5	-21.1
Cholaman.Inv.&Fn	-0.3	26.3	-32.4
HDFC	-0.2	2.7	-17.2
HDFC Life Insur.	4.4	14.1	19.4
L&T Fin.Holdings	-2.2	12.4	-43.4
LIC Hsg Fin	-2.7	7.5	-51.7
M&M Fin.	-1.3	18.1	-53.7
Muthoot Fin	3.4	24.2	80.0
MAS Financial Serv.	2.7	0.7	4.1
ICICI Pru Life	1.9	12.9	11.4
ICICI Sec	-0.3	27.7	121.3
IIFL Wealth Mgt	-0.6	8.8	
PNB Housing	-1.2	7.8	-72.9
Company	1 Day (%)	1M (%)	12M (%)
Repco Home	-2.0	23.9	-67.0
Shriram City Union	-1.3	5.9	-56.6
Shriram Trans.	-0.3	12.9	-35.9

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	0.6	6.0	-10.9
Nifty Midcap 100	0.7	8.0	-15.6
Nifty Smallcap 100	0.2	10.0	-24.7
Nifty Midcap 150	0.7	8.2	-10.2
Nifty Smallcap 250	0.3	9.5	-19.9
Company	1 Day (%)	1M (%)	12M (%)
Capital Goods	1.7	2.2	-34.6
ABB	1.7	17.5	-32.2
Bharat Elec.	9.3	32.0	-14.0
BHEL	5.3	39.5	-47.0
Blue Star	0.0	-6.9	-34.8
CG Cons. Elec.	-1.5	-1.1	0.7
Cummins	3.3	8.0	-46.5
Engineers India	-0.1	6.5	-38.6
Havells	-0.2	4.4	-26.7
K E C Intl	1.5	20.0	-15.8
L&T	0.4	-1.7	-40.1
Siemens	5.0	1.7	-13.8
Thermax	1.5	2.8	-27.1
Voltas	-0.6	-1.9	-12.8
Cement	0.0	5.0	-16.2
Ambuja Cem.	1.1	4.3	-8.8
ACC	-1.0	4.2	-15.9
Birla Corp.	1.6	17.2	5.1
Dalmia Bhar.	1.0	26.0	-30.7
Grasim Inds.	1.7	5.1	-32.2
India Cem	-0.5	-4.5	19.9
J K Cements	1.4	21.3	42.1
JK Lakshmi Ce	6.1	14.4	-16.8
Ramco Cem	-1.2	1.7	-18.9
Shree Cem	0.6	6.3	6.5
Ultratech	-0.7	0.8	-14.8
Consumer	0.7	3.4	2.4
Asian Paints	0.6	-1.2	25.4
Britannia	0.1	0.9	26.8
Colgate	0.5	1.3	20.1
Dabur	0.4	0.9	14.3
Emami	2.2	20.9	-24.3
Godrej Cons.	2.9	8.9	6.7
HUL	0.9	2.5	21.7
ITC	0.7	5.3	-25.1
Jyothy Lab	3.3	12.5	-23.6
Marico	0.3	7.1	-3.8
Nestle	-0.5	-4.2	41.3
Page Inds	1.7	3.0	-0.5
Pidilite Ind.	0.1	-8.0	13.8
P&G Hygiene	1.1	2.7	-5.5
Tata Consumer	1.4	8.1	45.9
United Brew	-1.8	11.2	-25.2
United Spirits	-1.0	2.8	1.6
Healthcare	0.2	1.0	23.1
Alembic Phar	-0.4	5.2	69.6
Alkem Lab	0.1	-2.9	37.0
Ajanta Pharma	-1.1	-1.7	47.4
Aurobindo	-0.2	3.7	30.6
Biocon	0.9	3.5	58.9
Cadila	0.8	3.5	54.5
Cipla	-1.1	-0.4	15.5

Note: Sectoral performance are of NSE/BSE Indices



Company	1 Day (%)	1M (%)	12M (%)
Divis Lab	-0.3	-8.1	34.4
Dr Reddy's	0.0	-1.0	51.0
Glenmark	-0.6	10.9	-2.4
GSK Pharma	0.0	7.4	24.2
IPCA Labs	0.4	9.0	73.5
Jubilant Life	0.4	33.4	38.1
Laurus Labs	1.0	12.6	51.0
Lupin	0.5	3.7	19.5
Strides Pharma	0.0	0.8	4.4
Sun Pharma	0.8	0.2	20.5
Torrent Pharma	1.9	3.8	54.4
Infrastructure	1.5	6.3	-9.3
Ashoka Buildcon	-0.8	17.2	-56.8
IRB Infra.Devl.	4.0	50.5	3.6
KNR Construct.	-2.0	4.7	-25.8
Media	-0.2	8.1	-35.1
PVR	1.7	2.9	-38.9
Sun TV	-0.3	-0.5	-22.1
Zee Ent.	-1.2	-12.0	-52.2
Metals	-0.4	2.9	-32.9
Hindalco	-0.9	2.2	-29.9
Hind. Zinc	-0.6	12.9	-19.0
JSPL	-0.1	20.5	6.6
JSW Steel	-1.8	-0.9	-31.2
Nalco	-1.1	4.7	-35.8
NMDC	1.1	-2.3	-30.2
SAIL	-1.1	-0.2	-40.2
Vedanta	0.0	10.1	-38.3
Tata Steel	-1.5	4.0	-35.4
Oil & Gas	0.9	6.2	-11.7
Aegis Logistics	1.3	-5.7	-13.5
BPCL	0.4	10.3	1.0
Castrol India	-2.1	-2.1	-8.2
GAIL	1.4	8.9	-31.3
Gujarat Gas	0.2	19.6	95.3
Gujarat St. Pet.	-1.6	5.3	12.7
HPCL	0.4	9.6	-25.0
IOC	-0.6	1.0	-43.7
IGL	0.7	-8.6	48.0
Mahanagar Gas	2.2	5.7	31.1
MRPL	-1.7	18.3	-39.1
Oil India	2.0	8.5	-45.4
ONGC	0.6	-4.4	-50.4
PLNG	4.4	7.8	9.4
Reliance Ind.	1.5	15.9	40.7
Aditya Bir. Fas.	-1.8	-6.4	-43.3
Retail			
Avenue Super.	-0.3	-2.7	56.8
Future Lifestyle	-5.0	6.3	-67.4
Future Retail	-3.9	39.2	-71.0
Jubilant Food	0.8	3.0	38.9
Shoppers St.	0.1	-22.2	-66.7
Titan Co.	1.7	2.0	-24.4
Trent	1.3	7.6	36.6
V-Mart Retail	0.0	8.0	-16.8
Technology	1.1	6.4	-4.0
Cyient	-2.6	27.6	-50.6

Company	1 Day (%)	1M (%)	12M (%)
HCL Tech.	1.6	2.8	10.0
Hexaware	-0.6	25.5	-12.4
Infosys	0.8	8.7	4.3
L&T Infotech	0.6	6.9	13.9
Mindtree	0.9	4.1	4.4
Mphasis	2.0	0.7	-10.2
NIIT Tech	0.5	-1.6	6.5
Persistent Sys	-0.3	14.7	4.1
TCS	1.9	7.5	-1.7
Tech Mah	1.1	2.6	-19.1
Wipro	0.0	6.3	-20.6
Zensar Tech	0.0	34.4	-49.7
Telecom	3.4	6.6	35.4
Bharti Airtel	4.0	5.3	64.4
Bharti Infra.	1.9	3.4	-14.8
Idea Cellular	-0.1	23.7	-15.9
Tata Comm	2.0	30.9	115.4
Utilities	1.7	5.8	-25.0
Coal India	1.1	-4.7	-46.2
CESC	-1.0	2.3	-20.5
JSW Energy	-2.8	13.4	-31.5
NHPC Ltd	1.7	3.3	-16.4
NTPC	1.1	-0.4	-34.2
Power Grid	1.5	8.1	-14.9
Tata Power	0.2	19.5	-32.4
Torrent Power	1.3	0.8	6.5
Others			
Brigade Enterpr.	0.3	17.1	-28.2
BSE	-0.8	19.5	-23.7
Coromandel Intl	-0.4	18.0	79.4
Concor	1.8	10.4	-25.5
Essel Propack	-2.3	1.3	39.9
Godrej Agrovet	-0.4	16.2	-13.2
Indian Hotels	1.1	-4.4	-47.2
Interglobe	0.9	-1.4	-36.1
Info Edge	-0.8	7.8	22.3
Kaveri Seed	0.0	16.4	22.5
Lemon Tree Hotel	0.4	14.5	-65.3
MCX	0.7	0.2	49.5
Oberoi Realty	-0.1	-4.4	-40.9
Phoenix Mills	2.7	-6.8	-14.0
PI Inds.	0.9	2.4	32.0
Quess Corp	-4.6	35.2	-33.1
SRF	-0.3	-0.2	20.2
S H Kelkar	-0.5	7.3	-47.6
Tata Chemicals	-0.2	-1.8	13.6
Team Lease Serv.	3.0	-4.7	-44.4
Trident	-0.1	-3.9	10.6
UPL	0.4	6.0	-31.8

NOTES

Explanation of Investment Rating	Expected return (over 12-month)
Investment Rating	
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 is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days 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 Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH00000412. MOFSL, 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. MOFSL is a subsidiary company of Passionate Investment Management Pvt. Ltd., (PIMPL), MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOFSL) 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 Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRIL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>
 MOFSL, its associates, Research Analyst or their relative may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst may have actual/beneficial ownership of 1% or more securities in the subject company in the past 12 months. MOFSL 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 MOFSL 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 past 12 months. MOFSL and/or its associates may have received any compensation from the subject company in the past 12 months.
 In the past 12 months, MOFSL or any of its associates may have:

- a) managed or co-managed public offering of securities from subject company of this research report,
- b) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- c) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.
- d) Subject Company may have been a client of MOFSL or its associates in the past 12 months.

MOFSL 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, MOFSL 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. MOFSL 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 MOFSL 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. Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, it does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures. Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, it does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Terms & Conditions:

This report has been prepared by MOFSL 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 MOFSL. 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. MOFSL 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	Companies where there is interest
Analyst ownership of the stock	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 MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL 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 MOFSL & 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 Financial Services Limited (SEBI Reg No. INH00000412) 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 1 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 Financial Services Limited (MOFSL) 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 MOFSL 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 MOFSL, 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., MOFSL 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. 2011294012) 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 alternations to this statement as may be required from time to time without any prior approval. MOFSL, 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 MOFSL. 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 MOFSL 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 MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL 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, Rahimullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022-71934200/ 022-71934263; Website www.motilaloswal.com.
 CIN No.: L67190MH2005PLC153397. Correspondence Office Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad(West), Mumbai- 400 064. Tel No: 022 7188 1000. Registration Nos.: Motilal Oswal Financial Services Limited (MOFSL): INZ000158836(BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH00000412. AMFI: ARN - 146822; Investment Adviser: INA000007100; Insurance Corporate Agent: CA0579; PMS: INP000006712. Motilal Oswal Asset Management Company Ltd. (MOAMC): PMS (Registration No.: INP00000670); PMS and Mutual Funds are offered through MOAMC which is group company of MOFSL. Motilal Oswal Wealth Management Ltd. (MOWML): PMS (Registration No.: INP000004409) is offered through MOWML, which is a group company of MOFSL. Motilal Oswal Financial Services Limited is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs, Insurance Products and IPOs. Real Estate is offered through Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. which is a group company of MOFSL. Private Equity is offered through Motilal Oswal Private Equity Investment Advisors Pvt. Ltd. which is a group company of MOFSL. Research & Advisory services is backed by peer research. Please read the Risk Disclosure Document prescribed by the Stock Exchanges carefully before investing. There is no assurance or guarantee of the returns. Investment in securities market is subject to market risk, read all the related documents carefully before investing. Details of Compliance Officer: Name: Neeraj Agarwal, Email ID: na@motilaloswal.com, Contact No. 022-71881085. * MOFSL 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 Ben