



Capital Market Monthly

Equity Research

AUGUST, 2018

Global Market Summary

Global Indices	Value	52 week		Performance (%)					
		High	Low	1 m	3 m	6 m	12 m	YTD	24 m
Developed Countries									
US - S&P 500	2,902	2,917	2,447	2	6	8	17	9	33
Japan - Nikkei	22,751	24,129	19,240	1	3	7	16	-0	34
UK - FTSE 100	7,432	7,904	6,867	-3	-3	5	-0	-3	8
DAX INDEX	12,364	13,597	11,727	-2	-3	4	2	-4	16
CAC 40 INDEX	5,407	5,657	5,038	-1	-1	5	6	2	19
US - Nasdaq Composite	8,110	8,133	6,335	4	7	12	26	17	54
Asia / Pacific									
Hong Kong - Hang Seng	27,661	33,484	26,871	-0	-9	-10	-1	-8	19
South Korea - Kospi	2,311	2,607	2,218	1	-5	-4	-2	-6	13
Taiwan - Taix	10,993	11,270	10,189	-0	0	3	4	3	22
BRICS									
China - HSCEI	10,796	13,963	10,360	1	-10	-12	-4	-8	11
Brazil - Bovespa	76,678	88,318	69,069	-6	-1	-11	7	0	29
India - Sensex	38,645	38,990	31,082	3	10	14	21	13	35
Russia - Micex	2,346	2,379	1,993	2	2	2	17	11	17
MSCI									
MSCI INDIA	1,381	1,388	1,148	4	11	11	16	9	29
MSCI EM ASIA	547	646	520	1	-7	-8	1	-7	24
MSCI EMU	124	133	119	-2	-2	3	1	-2	15
MSCI EM EUROPE	295	387	281	-6	-7	-19	-12	-15	8
MSCI NORTH AMERICA	2,920	2,937	2,478	2	6	8	16	8	32
MSCI WORLD	2,175	2,250	1,948	1	3	4	11	3	25

Source: Bloomberg, data as on July'18

Index	Current Value	Performance (%)				
		1 M	3 M	6 M	12 M	24 M
Brent Crude OIL (USD / Barrel)	77.2	5.6	0.0	19.7	47.2	67.1
Natural Gas (usd/MMBtu)	2.9	4.2	(1.1)	4.6	(0.6)	1.1
Gold (Per Troy Ounce)	1,203.6	(1.7)	(7.3)	(8.7)	(8.9)	(8.0)
Silver (Per Troy Ounce)	14.5	(6.3)	(11.5)	(11.4)	(17.3)	(22.1)
Platinum (Per Troy Ounce)	787.8	(6.1)	(13.1)	(19.9)	(21.2)	(25.1)
Alluminium (USD / MT)	2,101.5	2.0	(8.2)	(2.4)	0.1	31.7
Copper (USD / MT)	5,968.0	(5.0)	(12.8)	(13.4)	(11.7)	29.6
Zinc (USD / MT)	2,461.8	(8.0)	(20.5)	(29.2)	(21.6)	6.2
Iron Ore (USD / Dry MT)	62.0	1.9	0.7	(18.0)	(21.1)	8.2
Thermal Coal (USD / MT)	65.0	(3.0)	(13.9)	(26.1)	(13.3)	10.2
Coking Coal	182.2	6.7	(3.2)	(22.4)	(13.2)	31.8

Source: Bloomberg, data as on July'18

Global Currency Performance



	Performance (%)					
	1M	3M	6M	12M	Ytd	24M
DOLLAR INDEX SPOT	0.62	1.24	5.00	2.67	5.74	(0.92)
INR-USD X-RATE	(3.28)	(4.74)	(7.83)	(9.67)	(8.09)	(5.41)
EUR-USD X-RATE	(0.76)	(0.78)	(4.85)	(2.59)	(5.86)	3.98
JPY-USD X-RATE	0.74	(2.01)	(3.94)	(0.97)	(4.29)	(6.87)
AUD-USD X-RATE	(3.17)	(5.01)	(7.38)	(9.54)	(6.38)	(4.36)
CNH-USD Cross Rate	(0.41)	(6.22)	(7.41)	(3.50)	(8.39)	(2.07)
GBP-USD X-RATE	(1.25)	(2.54)	(5.81)	0.23	(7.53)	(1.35)

Source: Bloomberg, data as on July'18

Interest Rates & Liquidity

Interest Rate Structure

	Current	Abs Change				
	Value	1M	3M	6M	12M	YtD
INR Overnight Deposit	6.40	0.12	0.65	0.55	0.60	0.30
INR CBLO Rate TOD 1D	4.00	-2.14	-1.99	-1.75	-1.80	-1.90
India Treasury Bill Yield 1 Year	6.42	-0.21	0.03	0.18	0.32	0.01
ICE LIBOR USD 3 Month	2.32	-0.03	-0.00	0.30	1.00	0.63
ICE LIBOR USD 12 Month	2.84	0.01	0.12	0.34	1.13	0.73
Reserve Bank of India Reverse REPO Amount	287.77	90.16	168.52	37.34	-185.73	-223.47
Reserve Bank of India REPO Amount Raised	53.01	-90.00	15.33	16.61	32.66	19.51
India Money Market Operations Reverse Repo Amount Outstanding Net	-53.01	-62.21	-52.55	-267.04	-414.71	-530.75
5 Year Liquid India AAA PSU Yield	8.62	0.05	0.04	0.60	1.57	0.96
10 Year Liquid India AAA PSU Yield	8.62	0.09	0.07	0.35	1.27	0.78
India Govt Bond Generic Bid Yield 10 Year	7.95	0.18	0.13	0.23	1.43	0.63
FIMMDA MIFOR Mumbai Interbank Forward Offer Rates Twelve Month	261.00	15.75	-16.50	-16.00	-50.50	-19.50
FIMMDA India INR Commercial Paper Rates 12 Month	7.88	-0.29	0.40	0.85	0.60	0.35

Source: Bloomberg, data as on July'18

G-Sec Yield (India)

Government Yield (10 Yr) Country	Absolute Change					
	Current	1M	3M	6M	12M	Ytd
AUSTRALIA	2.50	-(0.22)	-(0.20)	-(0.23)	-(0.16)	-(0.13)
BRAZIL	12.20	1.02	0.74	2.59	2.22	1.94
BRITAIN	1.43	0.10	0.20	-(0.07)	0.39	0.24
CANADA	2.23	-(0.08)	-(0.02)	-(0.01)	0.38	0.18
CHINA	3.60	0.14	-(0.04)	-(0.26)	-(0.07)	-(0.30)
FRANCE	0.68	-(0.05)	0.01	-(0.24)	0.02	-(0.10)
GERMANY	0.33	-(0.12)	-(0.02)	-(0.33)	-(0.04)	-(0.10)
INDIA	7.95	0.18	0.13	0.23	1.43	0.63
INDONESIA	8.28	0.45	1.28	1.70	1.58	1.96
ISRAEL	1.96	-(0.06)	0.14	0.18	0.33	0.25
ITALY	3.24	0.52	0.44	1.26	1.19	1.22
JAPAN	0.12	0.01	0.07	0.05	0.12	0.07
MALAYSIA	4.04	-(0.05)	-(0.21)	0.01	0.15	0.13
MEXICO	7.92	0.16	0.11	0.29	1.07	0.26
PERU	5.44	0.01	-(0.22)	0.60	0.03	0.27
SPAIN	1.47	0.07	-(0.03)	-(0.07)	-(0.09)	-(0.09)
SWITZERLAND	-(0.10)	-(0.08)	-(0.03)	-(0.19)	0.04	0.05
THAILAND	2.74	0.03	-(0.09)	0.19	0.31	0.20
TURKEY	20.69	2.69	6.86	9.11	10.34	9.34
UNITED STATES	2.86	-(0.09)	-(0.04)	-(0.00)	0.69	0.46

Source: Bloomberg, data as on July'18

India Sectoral Indices

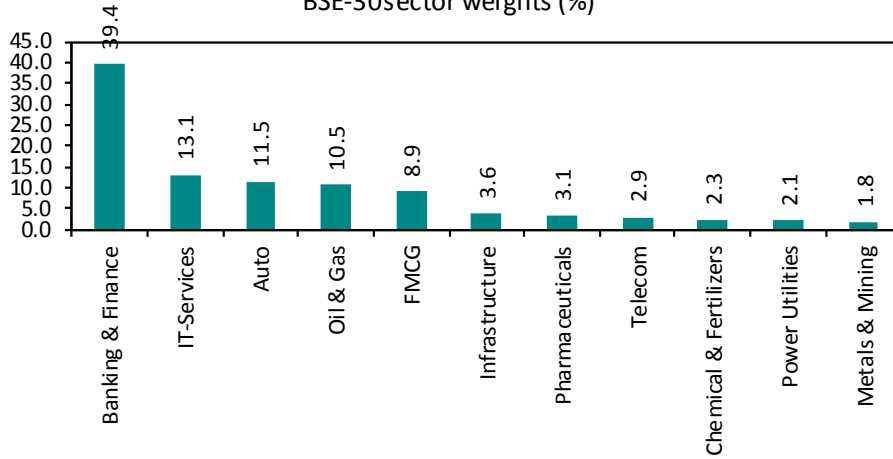
Indices	Current Value	52 week		Performance (%)					
		High	Low	1 m	3 m	6 m	12 m	YTD	24 m
BSE/NSE sectoral indices									
India - Sensex	38,645	38,990	31,082	2.9	9.7	13.5	21.2	13.5	35.4
NSE 50	11,681	11,760	9,688	2.8	9.2	11.7	17.1	10.9	32.6
Auto Index	24,716	27,031	23,494	2.5	0.3	-0.4	2.4	-7.6	10.8
Bankex Index	31,742	32,150	26,418	2.1	6.6	13.1	14.9	10.0	39.2
Consumer Durables Index	21,696	24,238	17,122	1.5	5.5	3.1	22.9	-4.4	73.9
Capital Goods Index	18,997	20,883	16,779	3.8	1.6	-0.2	9.1	-0.7	25.8
FMCG Index	32,912	33,067	24,427	4.7	15.0	24.2	27.0	22.6	44.4
Health Care Index	15,945	15,990	12,606	8.7	23.2	13.6	19.1	7.7	-1.8
IT Index	15,549	15,578	9,882	6.5	16.7	25.0	54.8	37.9	49.5
Metal Index	13,821	16,121	11,623	8.0	2.3	-8.0	2.1	-7.5	39.0
Oil & Gas Index	15,079	16,727	13,232	-0.8	5.1	-2.8	-1.1	-7.4	37.1
Power Index	2,141	2,450	1,877	7.5	2.5	-3.2	-5.5	-10.1	2.3
PSU Index	7,908	9,657	7,076	0.9	1.4	-4.7	-9.0	-13.8	5.4
Realty Index	2,141	2,828	1,946	2.8	-3.1	-12.6	-2.4	-17.9	40.4
Technology Index	7,817	7,843	5,586	5.5	13.0	16.7	37.1	22.0	37.2

Source: Bloomberg, data as on July'18

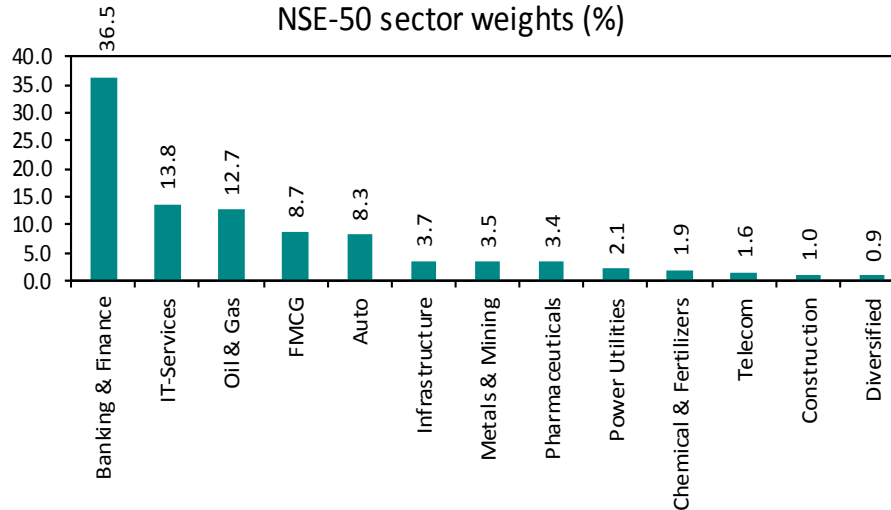
Indian Equity Indices

Sector Weightages

BSE-30 sector weights (%)



NSE-50 sector weights (%)

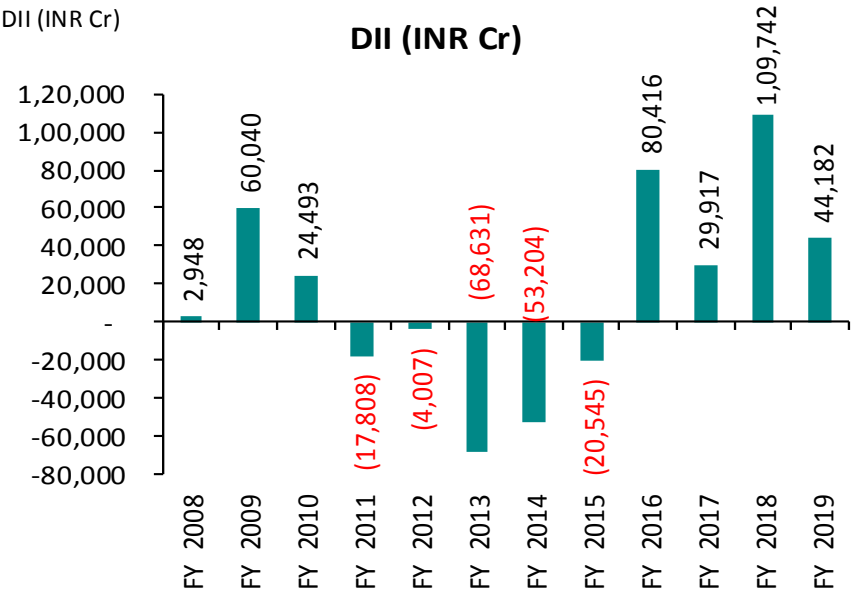
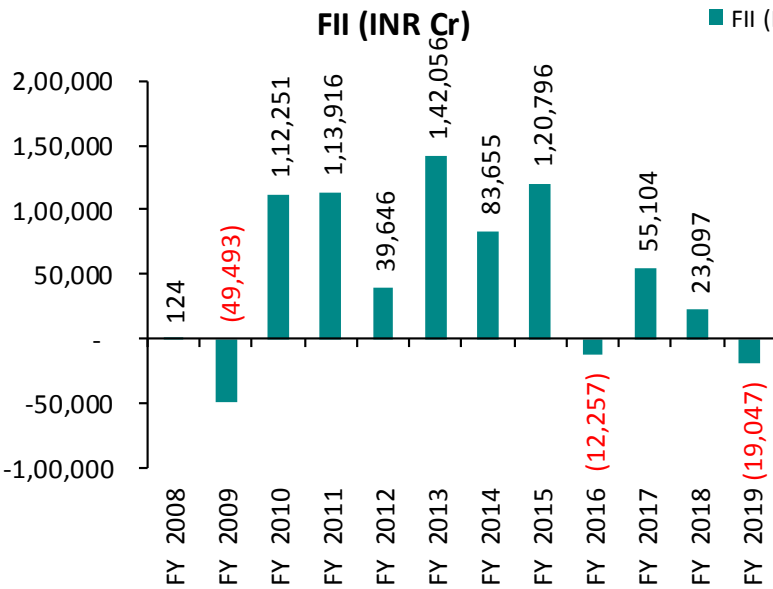
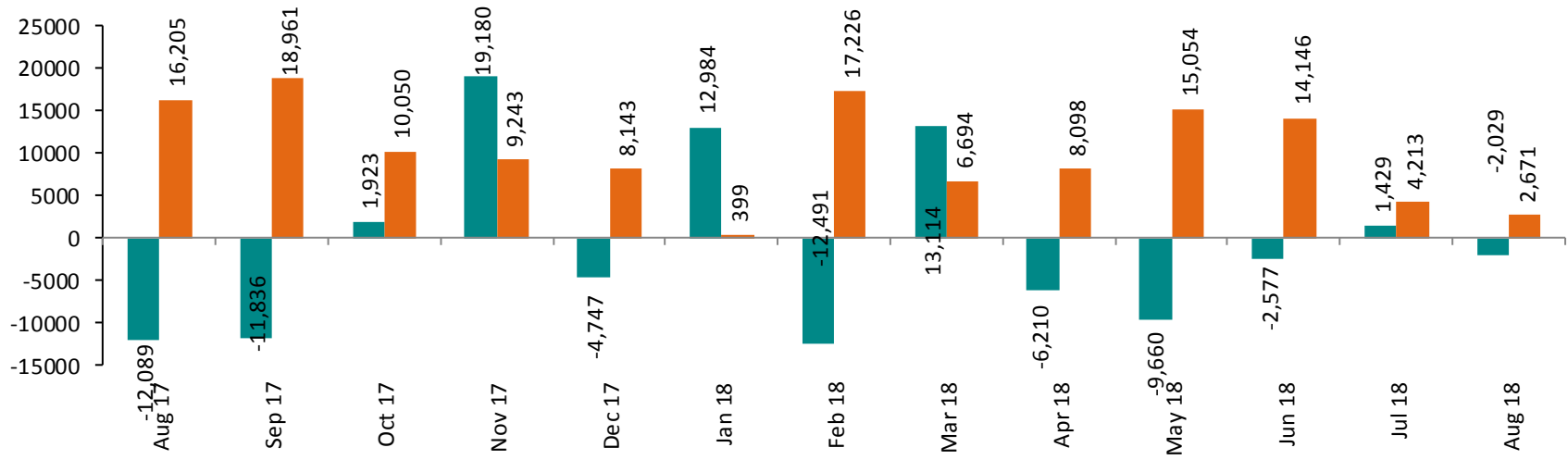


Sectoral Contribution to Index Perf. (%) for Last Month.

Index / Sectors	BSE 30	NSE 50	BSE 100	BSE 200	BSE 500
Index	3.4	3.2	3.8	3.9	3.9
Auto	(1.1)	(1.0)	(0.2)	(0.3)	0.1
Capital Goods			9.3	8.3	5.2
Construction		6.7	7.5	6.7	5.3
Textile				13.1	8.0
Diversified		4.1	4.0	5.8	6.9
FMCG	5.1	5.1	6.3	6.1	6.3
Banking & Finance	0.3	0.5	0.4	1.0	1.0
Pharmaceuticals	15.5	12.6	14.0	12.4	11.9
Miscellaneous		(2.2)	(1.2)	0.8	2.1
Chemical & Fertilizers	(5.3)	(2.3)	0.1	0.8	1.5
Shipping & Transport	(4.2)	(4.2)	(3.8)	(3.8)	(4.6)
IT-Services	6.9	7.3	7.2	7.5	7.2
Oil & Gas	5.5	2.5	2.7	2.5	2.4
Metals & Mining	8.6	7.6	9.5	8.9	8.7
Media		(5.2)	(5.2)	(2.1)	0.6
Infrastructure	5.1	5.2	5.1	5.5	4.2
Power Utilities	10.1	10.7	9.5	9.7	10.3
Retail				3.0	3.8
Telecom	(1.9)	(1.3)	(2.2)	(2.5)	(2.0)
Real Estate			12.4	10.6	2.3
Paper					12.6

Source: Bloomberg, data as on July'18

FII & DII Flows (Indian Equity)



Source: Bloomberg, data as on July'18

Top 5 NIFTY & NIFTY JR STOCK PERFORMANCE

Stock Performance (Nifty)

Top 5 Performer (Nifty)	CMP (Rs)	1 M	3 M	6 M	12 M	YtD
Tech Mahindra Ltd	766	15.5	9.2	25.2	80.9	51.9
Axis Bank Ltd	649	13.0	21.0	23.5	27.9	15.1
Hindalco Industries Ltd	238	12.5	(0.2)	(1.2)	(2.4)	(13.0)
ICICI Bank Ltd	343	12.3	18.4	12.3	14.9	9.1
UPL Ltd	715	11.6	2.5	0.1	(14.1)	(6.2)

Worst 5 Performer (Nifty)	CMP (Rs)	1 M	3 M	6 M	12 M	YtD
Hindustan Petroleum Corp Ltd	254	(13.3)	(18.7)	(32.6)	(47.4)	(39.4)
Bharat Petroleum Corp Ltd	362	(9.7)	(11.5)	(18.1)	(32.6)	(30.1)
Indiabulls Housing Finance Ltd	1,259	(8.6)	2.1	0.2	3.0	5.2
Yes Bank Ltd	344	(8.0)	0.2	7.0	(3.3)	9.0
Indian Oil Corp Ltd	156	(7.7)	(9.7)	(18.5)	(30.6)	(19.9)

Stock Performance (Nifty Jr)

Top 5 Performer (Nifty Jr)	CMP (Rs)	1 M	3 M	6 M	12 M	YtD
JSW Steel Ltd	396	17.5	19.4	29.7	54.4	46.9
DLF Ltd	221	16.9	6.7	(1.6)	15.2	(14.9)
Bosch Ltd	21,990	15.3	20.2	17.5	(0.8)	9.0
Piramal Enterprises Ltd	3,200	14.5	31.2	25.6	16.3	12.3
Aurobindo Pharma Ltd	713	14.4	33.1	14.2	(6.0)	3.6

Worst 5 Performer (Nifty Jr)	CMP (Rs)	1 M	3 M	6 M	12 M	YtD
Idea Cellular Ltd	49	(10.6)	(20.1)	(40.6)	(44.4)	(54.4)
ICICI Prudential Life Insurance C	375	(9.1)	(8.9)	(7.8)	(14.9)	(1.9)
General Insurance Corp of India	334	(7.6)	(6.8)	(8.8)	#N/A N/A	(11.4)
Shriram Transport Finance Co Lt	1,336	(6.8)	(8.5)	(0.2)	31.0	(9.8)
InterGlobe Aviation Ltd	929	(6.8)	(21.1)	(30.3)	(26.0)	(22.9)

Source: Bloomberg, data as on July'18

Nifty 50 Index Levels : A Birdseye View

Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
EPS Growth (%)		10%	15%	10%	15%
PE	414	455	476	501	547
23.0	9515	10466	10942	11513	12583
24.0	9928	10921	11418	12013	13130
25.0	10342	11376	11893	12514	13677
26.0	10756	11831	12369	13014	14224
28.2	11681	12849	13433	14133	15447
29.2	12094	13304	13908	14634	15995
30.2	12508	13759	14384	15135	16542
31.2	12922	14214	14860	15635	17089
32.2	13335	14669	15336	16136	17636
33.2	13749	15124	15811	16636	18183
34.2	14163	15579	16287	17137	18730

Source: NSE, The above data is illustration purpose and EPS growth is calculated assuming 10% & 15%.

Automobile

August 18 monthly update

In August'18, most OEMs including Bajaj Auto (BJAUT), TVS motors (TVSL) and Ashok Leyland (AL) reported better than expected numbers. During the month Kerala flood impacted MSIL (Maruti Suzuki) and RE (Royal Enfield) sales. While new model launches have kept the consumers' interest up across the segments. We believe recent increase in axle load norms has adjusted and things started normalizing. We believe strong demand from infrastructure, mining and road building activities have boosted the CV sector and would continue to do well.

2W – HMCL sales remained flat at 685K units, TVSL's volumes grew +8% YoY/ +7% MoM (scooters sales grew +11% YoY, motorcycles: +18% YoY and mopeds lose -14% YoY) while exports grew +45% YoY / -7% MoM. TVS recent launched sports motorcycle *RR310* and new scooter *NTORQ 125* has received very good response and would certainly help the company to increase the sales in FY19. Royal Enfield sales increased +2% YoY / +0.5% MoM to ~69K. BJAUT's total 2W volume increased +28% YoY to ~362K, while export sales increased +29% YoY to 144K; domestic 2W sales increased +27% YoY to 218K.

4W - MSIL's domestic sales decreased -2.8% YoY to ~147K; partially impacted by Kerala flood whereas M&M's sales increased +2% YoY to 19,758 units. While Hyundai's domestic sales decreased -3% YoY to 45,801 units, Toyota car sales increased +12% YoY to 14,581 units; whereas M&M UV sales decreased -2% YoY to 17,892 units.

CV's sales were majorly driven by infrastructure, road building activities and robust demand in private led consumption sectors. Tata Motors domestic M&HCV and LCV sales increased +20%/+32% YoY to 16,514 / 23,345 units respectively. Ashok Leyland total CV sales were up +28% YoY to 17,386 units. AL's M&HCV & LCV sales increased +25% / +38% YoY to 13,158 and 4,228 units respectively; whereas VECV sales increased +33% YoY to 6,069 units.

In tractors segment M&M domestic sales grew +7% YoY to 16,375 units whereas Escorts' domestic tractor sales increased +6% YoY to 4,674 units.

Outlook: We believe govt focus on farmers with aim to double the agricultural income by 2022, hike in the MSP of kharif would help agricultural and rural incomes; which would increase demand of tractors, tillers and entry level two wheelers. Govt thrust to increase infrastructure activities which would help all the CV manufacturer. We expect CV would continue to do well on account of healthy replacement-led demand especially in Tractor Trailer segment.

Banking & Financial Services

Business Update

- Bank system credit growth have seen marginal pickup to 12.9% in the fortnight ending Aug 17,2018 as compared to 5.9% last year
- Pickup is seen in retail and services segment which grew by 17% and 23% as against 15% and 5% last year respectively
- Moderate growth of 7% in agriculture segment
- Industry segment growth continues to be dismal at 0.3%
- Within retail, bigger segments like housing and vehicle loans are growing at a modest pace of 17% and 11% respectively, whereas unsecured segments like credit cards and personal loans are growing at 31% and 21%
- Credit to services are driven by NBFC (40%), professional services (17%), trade (14%) and transport operators (12%)
- Deposit growth modest at 8% as against 10% last year
- CD ratio increased to 75.4% against 72.2% last year
- Excess SLR over regulatory requirement remains high at 8.8%

Corporate Borrowing

- For the quarter ending June 2018, Corporate bonds and CPs have grown by 14% and 49% respectively YoY
- Corporate bonds and CPs forms 24% and 4% respectively of overall credit
- Credit growth including corporate bonds and CPs is at 14.4%

Micro-finance

- Overall MFI credit stands at Rs1.5tn cr, which has grown by 40% in June 2018
- Banks have a market share of 36%, NBFC MFI 30%, SFB 27% and balance by other NBFC and non-profit firms
- PAR>30 days has reduced to 3.2% from 4.4% last quarter

Insurance

- Life insurance new business premium has de-grown by 1%, however on a APE basis it has grown by 5%.
- On a YTD basis, overall APE has grown by 6%, private sector has grown by 9%, whereas LIC has grown by 4%.
- On a APE basis, private sector has a market share of 51%, whereas LIC has market share of 49%.
- Growth in premium for Non-Life segment was decent at 20% YoY for the month of July, while on a YTD basis it was 14%. Private sector has grown by 23%, whereas PSU have managed only 4%.
- In non-life, private sector has a market share of 56%.

Cement

- During August, cement prices across regions decreased 1-3% due to seasonally weak season (monsoon). Nevertheless, prices were flat in Northern region. Overall, we expect cement prices to remain weak until second half of September due to slowdown in construction activities.
- Supreme Court has banned construction in Maharashtra, Madhya Pradesh and Uttarakhand until October 9 after these states failed to comply with its order to come up with a policy on solid waste management. This is likely to affect cement demand in the western and central regions during September.
- Amongst our coverage companies, Shree Cement does not have any exposure to the banned states and hence it is unlikely to be affected. ACC, Ambuja and Ultratech are pan India players and hence dispatches are likely to be lower for September.
- We have a Neutral stance on pan-India players given their valuation in the range of 8-15x FY20 EV/EBITDA which capture the potential upsides in our view.
- **We have a HOLD ratings on Ultratech, ACC and Shree cements and an ACCUMULATE on Ambuja.**

Metals & Mining

- August turned out to be a strong month for Metals & Mining stocks with BSE Metal Index rising 8%. BSE Metal Index rally was mainly led by positive results from JSW steel, Hindalco and Nalco which rose 17%, 13% and 14%, respectively. However, non-ferrous prices fell while steel prices improved during the month.
- Amongst non-ferrous pack, zinc, lead and copper saw a decline of 8%, 4% and 5%, respectively, led by continuing dollar rally against the Yuan amid renewed concerns about emerging-market economies.
- Nevertheless, alumina prices rose 16% while aluminum and steel prices saw marginal increases of 2% and 3%, respectively. Nalco is the key beneficiary of higher alumina prices and hence rose 13% during August.
- JSW Steel and Tata Steel also witnessed rally (rising 17% and 8% respectively) on anticipated hike in steel prices (Rs1,500/tonne) in September. Steel price rally across the globe has been led by on-going curbs in China on pollution concerns.

IT Services

- August 2018 saw strong outperformance by BSE IT with a MoM gain of 7% vs. q 2.8% gain in case of SENSEX. We believe that this was driven by improving outlook for the sector given the Q1FY19 result and leverage from INR depreciation to drive growth.
- Most of the large-caps outperformed BSE IT except Infosys (INFO) which saw uptick of 5.6% MoM.
- Tech Mahindra (TECHM) continued saw another month of strong outperformance and was up 12.4% MoM. This was driven by revenue beat in Q1FY19 and improved outlook for the communication vertical. We like TECHM amongst large-caps.
- Wipro (WPRO) saw a uptick of 9% MoM after muted performance in the previous months. Similarly HCL Technologies saw an uptick of 8.7% MoM. Both the stocks did a catch-up to their large-cap peers.
- L&T Infotech (LTI) saw a decline of 3.3% MoM driven by the news of its parent selling ~6.1% stake through OFS. However, it is still up by 62% on YTD basis.
- Cyient (CYL) underperformed with a uptick of only 3.6% given the Q1FY19 miss to consensus forecast. We remain positive on FY19/20 growth and maintain it as our top-pick.
- **We continue to prefer TECHM and TCS amongst large-caps and Cyient (CYL) amongst mid-caps.**

Oil & Gas

- Brent crude oil price remained almost flattish MoM and declined marginally 1.8% MoM to average at US\$73.1/bbl in Aug'18 on the back of strong demand growth, supply side constraints offset by higher production from Non-OPEC countries. Non-OPEC production remained flattish for the month of July'18 owing to higher production from US and Gabon offset by Mexico. US Crude oil inventory also remained flattish for the month of Aug'18 at 409mn bbls which is maintaining the pressure on crude oil prices. Arab Light- Arab Heavy differential slipped further by 22% MoM to US\$2.2/bbl on the back of higher OPEC supply. Rupee depreciated significantly 1.2% MoM against US dollar and averaged at Rs69.6/US\$ in Aug'18 on the back of widening current account deficit and global concern.
- Spot LNG prices for the month of August'18 have bounced back by 8% MoM to average US\$10.4/mmbtu on the back of higher demand growth from China and Japan. As winter is approaching, we expect spot LNG prices to remain on a higher side due to tightening demand scenario. Though, higher gas price along with incremental LNG liquefaction capacity at Australia, US and African countries would bring down the prices in medium to long term.
- Singapore Gross refining margin (GRM) improved 20% MoM in Aug'18 at US\$6.8/bbl due to higher crack spreads from Gasoil, Gasoline and FO which is partially offset by lower Jet Kero cracks. Gross marketing margins for Petrol and Diesel in Aug'18 are moving above 6-months average which would have a positive impact on OMC's marketing profits. Demand from petroleum products increased 7.4% YoY to 17.1mmt led by 7.8% growth in MS, 4.9% in HSD and 6% in LPG. US Refinery utilization increased by 2.2% MoM for the month of Aug'18 to 97.3% which is the highest in 5 years.
- **We keep ONGC, Petronet LNG and GAIL as our top picks**

Pharmaceuticals

India Pharma Market (IPM) highlights for the month of July 18 (one-month lag)

- IPM sales grew 12.7% YoY during July 18 backed by volume and price growth and also backed with new launches. We believe this growth has come because of the a low base (GST-led disruption was witnessed in July 2017).
- The volume growth was 6.6% YoY while the new launches accounted for a 2.6% YoY growth, additionally added this month is the prices led growth (experienced a price decline over a year now) at 1.2%.
- Both DPCO and non DPCO markets continued to grow. DPCO markets grew 5% YoY. Non- DPCO markets grew 13.6% YoY with improvement observed in the volumes for both the categories.
- Both FDC banned and non FDC banned markets continued to show strength. FDC banned markets grew 5.2% YoY . Non- FDC banned markets grew 12.1% YoY. FDC banned drugs account to ~2% of the IPM.
- Indian companies sales (+9%) YoY, while MNC companies (+7.2%) YoY
- Anti-Neoplastic, Hormones and Anti-diabetic segment grew 27.1%, 20%, 18.5% YoY respectively while underperformance was from Anti-infective 8% and Respiratory 8.1% YoY

Company highlights for the month of Aug 2018

- **Alembic Pharmaceuticals:** Received US FDA **TA** for Bimatoprost Ophthalmic Solution (size: USD63mn).
- **Cipla:** Received US FDA **FA** for Diclofenac Sodium Topical Gel (gVoltaren,size:USD353mn), Atazanavir Caps (gReyataz, size:USD324mn). Cipla partners with MSN Laboratories for marketing and distribution of GXeloda (Capecitabine Tabs, size:USD178mn). Its subsidiary - Cipla Quality Chemical Industries Limited has come up with the IPO by way of Offer for Sale through book building process for listing of its shares on Uganda Securities Exchange.
- **Cadila Healthcare:** Received US FDA **FA** for Azithromycin for Oral Suspension (Baddi), Gemfibrozil Tablets (gLOPID, Moraiya), and Aripiprazole ODT (g ABILIFY DISCMELT, Moraiya). While its Biologics manufacturing facility located in Ahmedabad completed USFDA inspection with No 483, its injectable facility of Liva in Vadodara received 5 observations.
- **Glenmark:** Glenmark and Harbour BioMed Sign Agreement for Greater China to Develop GBR 1302, for Treatment of HER2-Positive Cancers. Glenmark partner Elite Pharmaceuticals receives US FDA approval for gmethadone hydrochloride tablets (Glenmark will sell and distribute the product in the US). Glenmark's First New Drug Application for Ryaltris accepted by US FDA.
- **Lupin:** Received US FDA **FA** for Hydrocortisone Butyrate Lotion (gLocoid, size: USD13.8mn), Gabapentin Tablets (gNeurontin, size: USD180.7mn). **Launched** Clobetasol Propionate Cream , Drospirenone, Ethinyl Estradiol, Levomefolate Calcium Tablets and Levomefolate Calcium Tablet in US. EIR received for the Nagpur facility by US FDA..

IDBI Capital Universe (Contd.)



Company	Sector	CMP		Rating	M_Cap (Rs bn)	Adj.EPS (Rs)		BV (Rs)		PE(x)		P/B (x)		EBITDA Mrgn (%)		PAT Mrgn (%)		ROE (%)		EV/EBITDA (x)			
		(Rs)	TP (Rs)			CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E
		Maruti Suzuki India Ltd	AUTO			8,874	9,100	HOLD	2,681	345.2	398.1	1,644.4	1,946.7	25.7	22.3	5.4	4.6	16.1	16.0	11.2	11.6	22.8	22.2
Bajaj Auto Ltd	AUTO	2,732	2,990	ACCUMULATE	791	149.9	175.8	731.8	823.4	18.2	15.5	3.7	3.3	17.6	18.1	15.1	15.3	21.5	22.6	16.0	13.0		
TVS Motor Co Ltd	AUTO	559	520	REDUCE	265	16.7	20.8	73.1	89.1	33.5	26.9	7.6	6.3	8.1	8.4	4.5	4.9	24.9	25.6	18.5	15.3		
Ashok Leyland Ltd	AUTO	128	140	BUY	376	6.9	8.7	28.4	34.2	18.7	14.6	4.5	3.7	10.6	11.4	6.5	7.1	25.9	27.9	8.7	6.7		
Hero MotoCorp Ltd	AUTO	3,186	3,775	BUY	636	190.0	222.0	672.2	787.1	16.8	14.4	4.7	4.0	15.7	16.5	10.7	11.2	30.1	30.4	10.7	8.8		
Eicher Motors Ltd	AUTO	28,708	32,400	BUY	783	801.7	971.1	2,660.3	3,442.3	35.8	29.6	10.8	8.3	31.3	31.1	24.3	24.3	34.7	31.8	26.5	22.1		
Amara Raja Batteries Ltd	AUTO	822	937	BUY	140	31.7	38.8	188.2	207.1	25.9	21.2	4.4	4.0	14.3	15.3	7.5	8.2	17.6	19.6	13.8	11.6		
Exide Industries Ltd	AUTO	275	300	BUY	233	10.3	12.1	69.9	78.3	26.8	22.7	3.9	3.5	14.4	14.7	8.4	8.7	15.4	16.3	13.1	12.7		
Castrol India Ltd	AUTO	153	237	BUY	151	7.0	7.4	10.3	10.7	21.9	20.8	14.8	14.3	28.8	27.4	19.3	18.6	69.1	70.2	15.3	14.6		
GNA Axles Ltd	AUTO	367	475	BUY	8	25.1	31.5	181.8	210.9	14.6	11.7	2.0	1.7	15.0	14.8	6.7	6.9	14.7	16.1	7.0	5.6		
MM Forgings Ltd	AUTO	669	771	BUY	16	45.7	51.4	129.5	172.7	14.6	13.0	5.2	3.9	19.0	19.1	13.3	10.0	32.4	34.0	12.1	7.9		
Jamna Auto Industries Ltd	AUTO	80	107	BUY	32	4.0	5.4	14.0	18.1	20.0	15.0	5.7	4.4	14.5	15.2	7.6	8.7	32.6	33.4	10.9	8.5		
HDFC Bank Ltd	BANKS & FINANCIAL	2,052	2,600	BUY	5,571	79.7	94.3	537.8	612.5	25.7	21.8	3.8	3.4	NA	NA	NA	NA	16.7	16.2	NA	NA		
Yes Bank Ltd	BANKS & FINANCIAL	335	435	BUY	771	24.1	33.7	125.0	155.0	13.9	9.9	2.7	2.2	NA	NA	NA	NA	19.7	22.8	NA	NA		
Housing Development Finance Corp Ltd	BANKS & FINANCIAL	1,956	2,085	ACCUMULATE	3,306	53.9	61.6	387.9	421.4	36.3	31.8	5.0	4.6	NA	NA	NA	NA	14.2	15.0	NA	NA		
Axis Bank Ltd	BANKS & FINANCIAL	641	545	HOLD	1,645	21.8	43.4	218.3	273.4	29.4	14.8	2.9	2.3	NA	NA	NA	NA	8.5	15.1	NA	NA		
IndusInd Bank Ltd	BANKS & FINANCIAL	1,852	2,100	BUY	1,113	74.6	98.4	452.5	542.2	24.8	18.8	4.1	3.4	NA	NA	NA	NA	17.4	19.4	NA	NA		
LIC Housing Finance Ltd	BANKS & FINANCIAL	504	618	ACCUMULATE	254	45.3	53.3	270.6	309.2	11.1	9.5	1.9	1.6	NA	NA	NA	NA	16.8	17.2	NA	NA		
Repco Home Finance Ltd	BANKS & FINANCIAL	532	705	BUY	33	39.9	46.6	233.2	280.1	13.3	11.4	2.3	1.9	NA	NA	NA	NA	17.3	17.2	NA	NA		
Muthoot Finance Ltd	BANKS & FINANCIAL	400	595	BUY	160	48.9	54.1	193.9	237.5	8.2	7.4	2.1	1.7	70.9	71.1	43.5	43.9	23.1	21.7	NA	NA		
Manappuram Finance Ltd	BANKS & FINANCIAL	97	147	BUY	81	9.7	10.9	51.1	58.6	10.0	8.9	1.9	1.7	49.2	49.0	30.6	30.3	19.7	19.3	NA	NA		
DCB Bank Ltd	BANKS & FINANCIAL	171	210	BUY	53	10.6	14.4	97.5	110.7	16.2	11.9	1.8	1.5	54.2	59.4	27.6	30.5	11.0	13.4	NA	NA		
UltraTech Cement Ltd	CEMENT	4,202	3,910	HOLD	1,154	105.2	150.2	1,038.7	1,317.9	40.0	28.0	4.0	3.2	19.8	19.2	8.1	8.9	10.6	13.0	16.6	12.9		

IDBI Capital Universe (Contd.)



Company	Sector	CMP (Rs)	TP (Rs)	Rating	M_Cap (Rs bn)	Adj.EPS (Rs)		BV (Rs)		PE(x)		P/B (x)		EBITDA Mrgn (%)		PAT Mrgn (%)		ROE (%)		EV/EBITDA (x)	
						CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E
ACC Ltd	CEMENT	1,586	1,553	BUY	298	62.1	69.8	536.1	578.0	25.5	22.7	3.0	2.7	15.2	15.5	7.8	8.2	12.0	12.5	11.2	9.8
Ambuja Cements Ltd	CEMENT	228	228	ACCUMULATE	452	7.1	8.1	103.5	107.2	32.2	28.0	2.2	2.1	19.3	20.3	12.4	13.4	6.9	7.7	17.3	15.1
Shree Cement Ltd	CEMENT	18,325	17,225	HOLD	638	404.8	577.6	2,909.5	3,435.6	45.3	31.7	6.3	5.3	23.1	25.5	11.7	14.4	14.8	18.2	22.4	17.6
Tata Consultancy Services Ltd	IT-SERVICES	2,094	2,042	ACCUMULATE	8,014	82.6	92.8	242.9	251.7	25.3	22.6	8.6	8.3	27.7	28.0	21.7	21.9	35.2	37.5	16.7	14.8
HCL Technologies Ltd	IT-SERVICES	1,077	1,100	ACCUMULATE	1,499	70.3	78.9	293.8	322.1	15.3	13.6	3.7	3.3	23.1	23.4	16.4	16.5	25.0	25.6	9.1	7.8
Wipro Ltd	IT-SERVICES	314	278	HOLD	1,419	18.0	19.6	117.5	128.7	17.5	16.0	2.7	2.4	18.0	18.5	14.1	14.3	16.0	15.9	9.5	8.3
Cyient Ltd	IT-SERVICES	731	889	BUY	83	40.8	49.9	228.5	254.4	17.9	14.6	3.2	2.9	13.9	14.3	9.7	10.2	18.7	20.7	10.6	8.6
Infosys Ltd	IT-SERVICES	736	1,386	ACCUMULATE	3,214	74.5	81.5	319.9	353.4	9.9	9.0	2.3	2.1	26.8	27.0	20.2	20.1	24.1	24.2	12.2	10.9
Tech Mahindra Ltd	IT-SERVICES	763	729	ACCUMULATE	748	45.1	48.6	242.8	273.4	16.9	15.7	3.1	2.8	16.6	17.0	11.6	11.4	19.8	18.8	8.4	7.1
Larsen & Toubro Infotech Ltd	IT-SERVICES	1,860	1,809	HOLD	322	78.6	90.5	267.0	316.6	23.7	20.6	7.0	5.9	18.4	18.3	14.7	14.8	32.0	31.0	18.1	15.2
PVR Ltd	MEDIA	1,341	1,708	BUY	63	36.5	47.5	264.2	309.2	36.7	28.3	5.1	4.3	19.0	19.1	6.4	7.3	14.8	16.6	13.3	11.4
Inox Leisure Ltd	MEDIA	231	299	BUY	22	9.8	13.4	79.4	92.7	23.7	17.3	2.9	2.5	16.6	17.4	5.9	7.2	13.1	15.5	8.2	6.6
UFO Moviez India Ltd	MEDIA	366	547	BUY	10	26.0	31.3	187.3	199.4	14.1	11.7	2.0	1.8	28.4	29.9	12.0	12.8	14.3	15.6	4.9	3.9
Nava Bharat Ventures Ltd	MIDCAP	127	188	BUY	23	21.7	23.1	207.7	227.3	5.9	5.5	0.6	0.6	37.9	37.6	12.5	13.0	10.9	10.6	3.7	3.4
Supreme Industries Ltd	MIDCAP	1,183	1,322	ACCUMULATE	150	35.5	41.3	159.6	186.4	33.3	28.6	7.4	6.3	15.2	15.4	8.0	8.1	24.0	23.9	18.1	15.5
Nilkamal Ltd	MIDCAP	1,868	2,057	BUY	28	89.2	102.9	635.9	728.5	20.9	18.2	2.9	2.6	11.2	11.2	5.6	5.7	14.8	15.1	9.5	8.2
Finolex Industries Ltd	MIDCAP	618	708	BUY	77	27.6	32.2	239.5	258.8	22.4	19.2	2.6	2.4	17.3	17.4	10.6	10.8	11.9	12.9	13.5	11.5
Astral Polytechnik Ltd	MIDCAP	1,150	1,037	REDUCE	138	19.0	23.0	110.7	132.6	60.6	50.1	10.4	8.7	15.1	15.2	9.0	9.2	19.4	18.9	34.8	28.9
Rain Industries Ltd	MIDCAP	191	295	BUY	64	34.3	37.2	149.1	183.9	5.6	5.1	1.3	1.0	19.0	18.1	8.1	7.8	25.7	22.4	4.9	4.3
Trident Ltd/India	MIDCAP	68	64	HOLD	34	6.6	8.1	61.7	67.5	10.3	8.4	1.1	1.0	19.8	20.0	7.2	7.9	11.1	12.5	4.2	3.4
Phillips Carbon Black Ltd	MIDCAP	239	358	BUY	41	23.9	26.2	101.3	124.7	10.0	9.1	2.4	1.9	19.9	20.3	12.3	12.2	26.4	23.2	6.7	5.6
Mold-Tek Packaging Ltd	MIDCAP	315	377	BUY	9	12.5	17.1	69.9	81.6	25.1	18.4	4.5	3.9	18.5	19.6	8.4	9.4	18.9	22.6	12.9	9.8
Century Plyboards India Ltd	MIDCAP	219	340	BUY	48	10.1	13.1	45.3	55.1	21.7	16.7	4.8	4.0	15.9	16.5	9.3	10.4	24.4	26.1	15.6	12.7
Indian Oil Corp Ltd	OIL & GAS	153	197	BUY	1,482	21.5	23.2	125.5	135.3	7.1	6.6	1.2	1.1	7.9	8.7	4.1	4.8	17.7	17.8	5.7	5.4
Bharat Petroleum Corp Ltd	OIL & GAS	352	450	BUY	762	38.0	44.5	209.2	245.1	9.3	7.9	1.7	1.4	4.8	5.8	2.7	3.4	20.1	19.6	7.6	6.2

Company	Sector	CMP		Rating	M_Cap (Rs bn)	Adj.EPS (Rs)		BV (Rs)		PE(x)		P/B (x)		EBITDA Mrgn (%)		PAT Mrgn (%)		ROE (%)		EV/EBITDA (x)	
		(Rs)	TP (Rs)			CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E	CY18E/ FY19E	CY19E/ FY20E
Hindustan Petroleum Corp Ltd	OIL & GAS	251	336	BUY	381	45.3	49.1	215.3	248.6	5.5	5.1	1.2	1.0	4.0	4.7	2.4	2.9	23.7	21.2	4.7	3.9
Reliance Industries Ltd	OIL & GAS	1,243	1,200	ACCUMULATE	7,874	63.7	69.0	518.0	578.4	19.5	18.0	2.4	2.1	16.3	17.9	7.6	8.0	13.0	12.6	10.0	8.6
Oil & Natural Gas Corp Ltd	OIL & GAS	175	236	BUY	2,237	25.4	22.7	194.7	207.4	6.9	7.7	0.9	0.8	41.1	40.6	18.0	16.7	13.6	11.3	3.2	3.2
Oil India Ltd	OIL & GAS	210	250	BUY	238	27.3	22.2	219.3	234.5	7.7	9.4	1.0	0.9	41.3	38.9	22.9	20.6	13.3	9.9	5.1	5.7
GAIL India Ltd	OIL & GAS	360	416	BUY	811	22.5	24.1	185.3	186.4	16.0	15.0	1.9	1.9	15.2	15.6	9.4	9.6	12.2	12.9	10.1	9.5
Petronet LNG Ltd	OIL & GAS	237	276	BUY	355	15.2	17.3	69.7	76.7	15.6	13.7	3.4	3.1	11.9	12.3	7.6	8.0	22.6	23.6	10.7	9.1
Gujarat State Petronet Ltd	OIL & GAS	189	210	ACCUMULATE	106	12.1	12.8	98.0	108.7	15.6	14.8	1.9	1.7	86.6	87.0	47.4	47.2	12.9	12.4	9.6	8.3
Cadila Healthcare Ltd	PHARMACEUTICALS	393	483	BUY	402	20.5	23.0	101.8	120.7	19.2	17.1	3.9	3.3	23.8	24.8	16.7	16.9	21.9	20.7	13.2	11.1
Cipla Ltd/India	PHARMACEUTICALS	643	644	HOLD	518	25.2	32.2	181.4	211.3	25.5	20.0	3.5	3.0	18.9	20.8	11.9	13.5	14.8	16.4	16.4	13.0
Torrent Pharmaceuticals Ltd	PHARMACEUTICALS	1,754	1,451	HOLD	297	46.8	66.0	303.6	354.6	37.5	26.6	5.8	4.9	24.0	26.0	10.4	12.8	16.3	20.1	15.7	12.2
Lupin Ltd	PHARMACEUTICALS	918	783	HOLD	415	26.8	41.2	320.6	354.3	34.2	22.3	2.9	2.6	16.1	19.5	7.2	9.9	8.6	12.2	14.9	10.7
Glenmark Pharmaceuticals Ltd	PHARMACEUTICALS	656	556	HOLD	185	27.7	32.7	208.3	238.6	23.7	20.0	3.1	2.7	17.7	19.3	8.3	9.0	14.2	14.7	12.0	10.0
Merck Ltd/India	PHARMACEUTICALS	3,226	2,547	REDUCE	54	78.1	103.5	484.4	570.8	41.3	31.2	6.7	5.7	20.8	25.5	14.9	17.6	16.9	19.6	25.2	17.9
Dishman Carbogen Amcis Ltd	PHARMACEUTICALS	299	321	BUY	48	13.1	17.8	108.6	124.3	22.8	16.8	2.8	2.4	26.5	29.2	11.3	13.4	12.7	15.3	10.4	8.1
Alembic Pharmaceuticals Ltd	PHARMACEUTICALS	604	582	HOLD	114	23.3	29.1	136.4	159.6	25.9	20.8	4.4	3.8	18.9	20.4	12.4	13.8	18.3	19.7	16.9	13.6
Abbott India Ltd	PHARMACEUTICALS	8,315	7,708	HOLD	177	250.1	302.4	996.7	1,249.1	33.2	27.5	8.3	6.7	18.0	18.8	13.6	13.9	27.9	26.9	21.9	17.3
GlaxoSmithKline Pharmaceuticals Ltd	PHARMACEUTICALS	3,448	3,003	HOLD	292	53.6	67.1	251.5	274.6	64.3	51.4	13.7	12.6	19.3	21.8	14.0	15.7	21.7	25.5	40.6	32.0
Sanofi India Ltd	PHARMACEUTICALS	6,483	5,936	ACCUMULATE	149	171.4	202.1	966.9	1,083.5	37.8	32.1	6.7	6.0	23.7	24.6	14.4	15.3	18.6	19.7	16.4	13.9

This document has been prepared by IDBI Capital Markets & Securities Ltd (**formerly known as “IDBI Capital Market Services Ltd.”**) (“IDBI Capital”) and is meant for the recipient only for use as intended and not for circulation. This document should not be reproduced or copied or made available to others. No person associated with IDBI Capital is obligated to call or initiate contact with you for the purposes of elaborating or following up on the information contained in this document. The Report and information contained herein is strictly confidential and meant for 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 the prior written consent of IDBI Capital.

Recipients may not receive this report at the same time as other recipients. IDBI Capital will not treat recipients as customers by virtue of their receiving this report.

The information contained herein is from the public domain or sources believed to be reliable. While reasonable care has been taken to ensure that information given is at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the very nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. In so far as this report includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Opinions expressed are current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis, the information discussed in this material, IDBI Capital, its directors, employees are under no obligation to update or keep the information current. Further there may be regulatory, compliance, or other reasons that prevent us from doing so.

Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice.

IDBI Capital, its directors and employees and any person connected with it, will not in any way be responsible for the contents of this report or for any losses, costs, expenses, charges, including notional losses/lost opportunities incurred by a recipient as a result of acting or non-acting on any information/material contained in the report.

This is not an offer to sell or a solicitation to buy any securities or an attempt to influence the opinion or behaviour of investors or recipients or provide any investment/tax advice.

This report is for information only and has not been prepared based on specific investment objectives. The securities discussed in this report may not be suitable for all investors. Investors must make their own investment decision based on their own investment objectives, goals and financial position and based on their own analysis.

Trading in stocks, stock derivatives, and other securities is inherently risky and the recipient agrees to assume complete and full responsibility for the outcomes of all trading decisions that the recipient makes, including but not limited to loss of capital.

Opinions, projections and estimates in this report solely constitute the current judgment of the author of this report as of the date of this report and do not in any way reflect the views of IDBI Capital, its directors, officers, or employees.

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 IDBI Capital and associates 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.

E-mail is not a secure method of communication. IDBI Capital Markets & Securities Ltd (**formerly known as “IDBI Capital Market Services Ltd.”**) cannot accept responsibility for the accuracy or completeness of any e-mail message or any attachment(s).

This transmission could contain viruses, be corrupted, destroyed, incomplete, intercepted, lost or arrive late. IDBI Capital, its directors or employees or associates accept no liability for any damage caused, directly or indirectly, by this email.

Analyst Disclosures



Analyst Disclosures

We, Equity Research Team, hereby certify that the views expressed in this report accurately reflect my personal views about the subject companies and / or securities. We also certify that no part of my compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

Other Disclosures

IDBI Capital Markets & Securities Ltd (formerly known as "IDBI Capital Market Services Ltd.") "IDBI Capital" was incorporated in the year 1993 under Companies Act, 1956 and is a wholly owned subsidiary of IDBI Bank Limited. IDBI Capital is one of India's leading securities firm which offers a full suite of products and services to individual, institutional and corporate clients namely Stock broking (Institutional and Retail), Distribution of financial products, Merchant Banking, Corporate Advisory Services, Debt Arranging & Underwriting, Portfolio Manager Services and providing Depository Services.

IDBI Capital registered trading and clearing member of BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE). IDBI Capital is also a SEBI registered Merchant Banker, Portfolio Manager and Research Analyst.

IDBI Capital is also a SEBI registered depository participant with National Securities Depository Limited (NSDL) and is also a Mutual Fund Advisor registered with Association of Mutual Funds in India (AMFI).

IDBI Capital Markets & Securities Ltd. (formerly known as "IDBI Capital Market Services Ltd.") and its associates (IDBI Bank Ltd. (Holding Company), IDBI Intech Ltd. (Fellow Subsidiary), IDBI Asset Management Ltd. (Fellow Subsidiary) and IDBI Trusteeship Services Ltd. (Fellow Subsidiary).

IDBI Group are a full-serviced banking, integrated investment banking, investment management, brokerage and financing group. Details in respect of which are available on www.idbicapital.com

IDBI Capital along with its associates are leading underwriter of securities and participants in virtually all securities trading markets in India. We and our associates have investment banking and other business relationships with a significant percentage of the companies covered by our Research Department. Investors should assume that IDBI Capital and/or its associates are seeking or will seek investment banking or other business from the company or companies that are the subject of this material. IDBI Capital generally prohibits its analysts, persons reporting to analysts, and their dependent family members having a financial conflict of interest in the securities or derivatives of any companies that the analysts cover.

Additionally, IDBI Capital generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. We are not soliciting any action based on this material. It is for the general information of clients of IDBI Capital. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.

Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur.

We and our associates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. For the purpose of calculating whether IDBI Capital Markets & Securities Ltd (formerly known as "IDBI Capital Market Services Ltd.") and its associates holds beneficially owns or controls, including the right to vote for directors, 1% of more of the equity shares of the subject issuer of a research report, the holdings does not include accounts managed by IDBI Asset Management Company/ IDBI Mutual Fund.

IDBI Capital hereby declare that our activities were neither suspended nor we have materially defaulted with any Stock Exchange authority with whom we are registered in last five years. However SEBI, Exchanges and Depositories have conducted the routine inspection and based on their observations have issued advise letters or levied minor penalty on IDBI Capital for certain operational deviations. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time.

IDBI Capital, its directors or employees or associates, may from time to time, have positions in, or options on, and buy and sell securities referred to herein. IDBI Capital or its associates, during the normal course of business, from time to time, may solicit from or perform investment banking or other services for any company mentioned in this document or their connected persons or 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 their affiliate companies or act as advisor or lender / borrower to such company(ies)/associates companies or have other potential conflict of interest.

This report may provide hyperlinks to other websites. Except to the extent to which the report refers to the website of IDBI Capital, IDBI Capital states that it has not reviewed the linked site and takes no responsibility for the content contained in such other websites. Accessing such websites shall be at recipient's own risk.

IDBI Capital encourages the practice of giving independent opinion in research report preparation by the analyst and thus strives to minimize the conflict in preparation of research report. Accordingly, neither IDBI Capital nor Research Analysts have any material conflict of interest at the time of publication of this report.

We offer our research services to primarily institutional investors and their employees, directors, fund managers, advisors who are registered with us. The Research Analyst has not served as an officer, director or employee of Subject Company.

We or our associates may have received compensation from the subject company in the past 12 months. We or our associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. We or our associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. We or our associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. We or our associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report.

Research Analyst or his/her relative's may have financial interest in the subject company. IDBI Capital Markets & Securities Ltd (formerly known as "IDBI Capital Market Services Ltd.") or its associates may have financial interest in the subject company. Research Analyst or his/her relatives does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. IDBI Capital or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. The Subject Company may have been a client during twelve months preceding the date of distribution of the research report.

Price history of the daily closing price of the securities covered in this note is available at bseindia.com, nseindia.com and economictimes.indiatimes.com/markets/stocks/stock-quotes.