

# indi15

Stock market is a flowing river with plenty of good fish!!!



The investors hold a diversified list of stocks in **Indi-15** and thereby reduces the risk.

**Indi-15** does not change approaches when markets soar or dip.

The rebalancing is done regularly to return it to the target allocation. The allocation to mid-caps may bring a better chance of higher returns.

Consumer goods have the highest weightage followed by BFSI and Auto segments.

**Indi-15** may not be for everyone but it is a simple, disciplined, effective and time efficient way.

**Happy Investing!!!**

Please read the Disclaimer at the last page.

**IN THE  
SHORT  
RUN,  
THE  
MARKET  
IS A  
VOTING  
MACHINE  
BUT  
IN THE  
LONG  
RUN,  
IT IS A  
WEIGHING  
MACHINE**

# Portfolio at a glance

## PORTFOLIO – ONE UNIT

Sr	Stock	CMP	Qty	Value
1	Amara Raja Batteries	887.2	100	88720
2	Asian Paints	1060.05	100	106005
3	Colgate	1016.15	100	101615
4	HCL Tech	832.8	100	83280
5	ITC	273.50	450	123075
6	Kotak Bank	875.90	100	87590
7	LIC Housing	627.60	100	62760
8	Praj Industries	81.80	700	57,260
9	Reliance Industries	1,381.05	100	138105
10	SBI	289	100	28900
11	P I Industries	810	100	81000
12	Syngene International	537.65	100	107530
13	Tata Motors	475.05	200	95010
14	Triveni Turbine	139.40	200	27880
15	Zee Entertainment	551.55	200	110310
<b>Total Value of 1 Unit</b>				<b>1386630</b>

## FINANCIAL SNAPSHOT\*

Sr	Stock	CMP	Market Cap	P/E	P/BV	RoCE	Beta
1	Amara Raja Batteries	887.2	15154	31	6	36.58	0.96
2	Asian Paints	1060.05	101679	58	15	51.88	0.94
3	Colgate	1016.15	27637	47.5	18.9	92.54	0.45
4	HCL Tech	832.8	118822	17.4	4.9	28.68	0.51
5	ITC	273.50	332230	33	8	47.22	1.03
6	Kotak Bank	875.90	161245	35	4.4	13.01	0.82
7	LIC Housing	627.60	31672	17	3	10.58	1.51
8	Praj Industries	81.80	1469	23	2.1	12.42	0.82
9	Reliance Industries	1,381.05	449025	14.7	1.6	11.54	0.78
10	SBI	289	234374	26.2	1.2	6.19	1.48
11	P I Industries	811	11137	24	6.9	35.75	0.73
12	Syngene International	537.65	10753	39	8.5	18.11	0.70
13	Tata Motors	475.05	137163	16.4	2.52	13.24	1.71
14	Triveni Turbine	139.40	4599	37.3	12.4	58.93	0.44
15	Zee Entertainment	551.55	52973	54	12.7	27.64	0.97

\*Prices and values as at April 10 except in case of PI Industries.

AMARA RAJA BATTERIES		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 887		17.08	1	146	28.5	31	36.6	25.75
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
15,154	Nil	52.06		21.68	7.96	18.3	1079/820	

**Amara Raja Batteries** is a manufacturer of lead-acid storage batteries for industrial and automotive applications in India. The Company supplies to various user segments, such as telecom, railways, power control, solar and to automobile original equipment manufacturers (OEMs). Indian organised battery market is a virtual duopoly with Amara Raja and Exide constituting around 90 per cent of the organised market. While Exide is the leader in the auto segment, Amara Raja leads the industrial segment. But Amara Raja has steadily increased market share in automotive segment to one-third of the market from zero a decade ago.

The battery market grew slowly in the past 2-3 years because of a weak monsoon and slower economic growth. Government's effort to speed up growth and forecast of good monsoon this year augur well for the Industry. Passage of the GST (Goods and Services Tax) Bill will also help organise the market and Amara Raja is well positioned to tap the opportunity. With 35 per cent of the replacement market still untapped, Amara Raja should continue to see higher growth than the broader automotive industry due to savings of 5-7 per cent on taxes, reducing price differential with unorganized players.

In the quarter ended, June 2016, sales grew 16.5% Y-O-Y to 1,469 Crores while Net Profit grew 6.8% to 130 Crores. Results are encouraging after few quarters of slower growth. At our entry price of Rs.861/-, the stock trades at 30 times FY2016 earnings, but it is justified due to higher growth prospects, debt free balance sheet and healthy return ratios.

ASIAN PAINTS		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 1060		95.92	1	70	18.25	58.1	52	34.75
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
1,01,679	Nil	52.79		18.03	7.57	21.61	1227/843	

**Asian Paints** is India's largest and Asia's third largest paint company and ranked among the top ten Decorative coatings companies in the world. It, operates in 19 countries and has 26 paint manufacturing facilities. It is the second largest supplier to the auto segment in India. Asian Paints has also marked its foray into the home improvement and décor space in India with the acquisition of Sleek group and Ess Ess Bathroom Products.

The gross margins are pretty much at a 10 year high right now. The market for paints in India is expected to grow at 1.5 times to 2 times GDP in the next five years. The paints sector is raw material intensive, with over 50% petro-based derivatives involved in the manufacturing process. Since most of the raw materials are petroleum based, the industry benefits from softening crude prices. Raw material prices are expected to remain low in the near term and support margins.

The capacity expansion at Rohtak,(Haryana) plant from 200,000 KL per annum to 400,000 KL per annum is in the final stages and is expected to be completed soon. Decorative paints segment is expected to show higher growth as the 7<sup>th</sup> pay commission report implementation could fuel demand. Asian Paints market leadership and pricing power will continue to give a better outlook for long term.

COLGATE PALMOLIVE		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 1016		27.2	1	53.85	21.35	47.6	92.5	64.4
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
27,638	Nil	51		16.46	8.82	23.72	1033/787	

**Colgate-Palmolive (India)** is one company that requires no introduction to investors. Among the FMCG players, Colgate today has one of the widest distribution networks in India - a logistical marvel that makes Colgate available in almost 5.0+ million retail outlets across the country. The company leads the Indian toothpaste market with 55.9% value market share. Colgate Palmolive (India) was ranked as India's #1 Most Trusted Brand across all categories for four consecutive years from 2011 to 2014 by Brand Equity's Most Trusted Brand Survey, conducted by Nielsen. It is the only brand to be in the top three since the inception of the survey in 2001 .

Colgate has now grown to a Rs. 4,000/- Crores turnover company with an outstanding record of shareholder wealth creation. It has rewarded shareholders with 5 liberal Bonus Share issues since 1987, the latest being in 2015. In the last 10 years, the company has grown its sales 3.2 times and Net Profit 3.6 times, translating in to a Net Profit CAGR of 14% and that too with a high dividend pay-out consistently above 50% and robust RoE.

The stock hit yearly high recently after the company reported 8.4% profit growth and 6 % volume growth in the quarter ended June 2016. While top-line grew 12.5% Y-O-Y to Rs 1,149 crore, Net profit rose to Rs 126 crore from Rs 116 crore. EBITDA margin contracted to 18.39% Vs 19.94 % due to higher advertisement expenses, but it is viewed positively due to market share gains, up 0.6% sequentially to 55.9% despite concerns over competition. Market Share in the tooth brush category stood at 46.8% up by 1%.

At our entry price of Rs. 872, the stock trades at 41 times FY 2016 EPS of Rs.21 per share. Valuations have been expensive in the consumer space, especially for high quality companies, and may remain so due to both volume led and value added growth opportunities available.

HCL TECH		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 833		285.36	2	171.8	47.85	17.40	28.7	23.5
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
1,18,822	Nil	60.34		24.27	7.97	7.42	890/706	

**HCL Tech** is India's fourth-largest software exporter, working with clients in the areas that impact and redefine the core of their businesses. A leader in remote infrastructure management, engineering and R&D services and has sizeable BPO, Enterprise Solutions. HCL Technologies have made a unique niche for it in Infrastructure management services (IMS), engineering services.

HCL have network of offices in 31 countries to provide service in key industry verticals including Financial Services, Manufacturing Aerospace & Defense, Telecom, Retail, Life Sciences & Healthcare, Media & Entertainment, Travel, Transportation & Logistics, Automotive, Government, Energy & Utilities. Associate with Major brands like Microsoft, SAP, Oracle, NEC Corporation and Xerox and offers solutions to these brands or partner with these brands to sell their products in the geographies where HCL has a strong foothold. The company gets 59% of its revenue from America and 31% from Europe. The application service segment accounts for 41% of revenue while infrastructure services contribute 35% of revenue. HCL has been positioned as a leader in IDC Market Scape( industry's premier vendor assessment tool) for Worldwide Application Modernization Services for Digital Transformation . 80% of all deals that HCL is winning have a component of digital and cloud.

HCL has established a dedicated Business Unit, IoT Works, in an endeavor to become the most valued IoT services (Internet of Things) provider globally. The Internet of Things (IoT) is the network of devices, vehicles, buildings and other items—embedded with electronics, Software, sensors, and network connectivity that enable these objects to collect and exchange data.

ITC		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 273.50		1214.74	1	34.4	8.25	33.1	47.2	31
Market Cap	Debt	Promoter Holding	FPI	DII	Public	52 Week High/ Low		
3,32,230	Nil	-	20.27	35.41	44.32	292/222		

ITC is a leading player in domestic cigarettes business with leadership across all segments, geography and price. Although India accounts for 17% of world population, its share of world cigarette consumption is just 1.8%. Over the last 3 ½ years, Excise Duty has increased by 98% and VAT by 124% on a per unit level cumulatively Cigarette taxes in India are 13 times higher than USA, 9 times higher than Japan, 7 times higher than China. In 2016 budget Government has hiked Cigarette excise duties by 10% (expected of 15% hike), lowest in last five years.

ITC is the market leader in Value-Added Paperboards in India. Hotel Business: ITC Grand Bharat, ranked No. 4 amongst the 'Top 100 Hotels & Resorts of the World'. 103 properties across 75 locations 20 Five-Star Deluxe/ Five-Star Properties with over 4400 rooms. Projects underway are at Kolkata, Hyderabad, Ahmedabad, Coimbatore, Bhubaneswar and Srinagar. ITC is also one of India's largest agri business Players.

FMCG Businesses have grown at an impressive pace over the past several years with Segment Revenue crossing the ` 9000 crores mark during FY15 Vs 109 cr in 2002-03. Non cigarette FMCG contribution to the top line is around 22% in FY15. However Cigarettes contributes 66% of EBIDTA.

The implementation of the GST is expected to benefit the sector immensely by reducing the overall incidence of taxation. GST aims to reduce the cascading effect by replacing a multitude of indirect taxes such as central excise, service tax, VAT and inter-state sales tax with a single GST rate. Moreover, FMCG companies will be able to optimize logistics and distribution costs in the GST era.

KOTAK MAHINDRA BANK		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 876		920.45	5	201	25	35	13	12.3
Market Cap	Debt	Promoter Holding	FPI	DII	Public	52 Week High/ Low		
1,61,245	-	33.61	36.84	8.47	21.08	897/657		

**Kotak Mahindra Bank** is the 4th Largest Private Sector Bank in terms of size, but 2<sup>nd</sup> largest in terms of Market Capitalisation, only behind HDFC Bank. Kotak Bank is a diversified financials play on the Indian economy as it provides a full suite of financial services including trading, investment banking, car finance, life insurance and mutual funds.

The merger of ING Vysya Bank, effective April 1, 2015, was a big step forward. Despite enhancing its presence, the acquisition gave the bank a big stride in to the high yielding SME segment. From less than 10 per cent of loans, SMEs have jumped to a 5<sup>th</sup> of the loan portfolio. While ING acquisition gave the bank size and scale, asset quality discipline led to value re-rating.

Kotak Bank has been moving fast forward in digital initiatives and was Ranked No. 5 in terms of value of mobile banking transactions across all banks in 2015. It aims to double its customer base to 1.6 crore in 18 months through its latest digital initiative christened "811" which will bring in every aspect of banking on a single mobile platform. It would also enable new account opening in just five minutes using only income tax PAN and Aadhaar number.

At the end of December 2016, total balance sheet size has grown to over Rs. 2 lakh crore. CASA is at 42%, Net NPA was at 1.07% and CAR is over 17%. Network is spread pretty well in North, South and West with 1,348 branches and 2,051 ATMs. The bank is looking at in-organic growth opportunities as well.

LIC HOUSING		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 627		100.93	2	209	36.7	17	10.6	19.6
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
31,672	-	40.31		31.61	6.26	21.82	633/431	

**LIC Housing Finance** (LIC owns 40%) is the second largest pure housing finance company by assets, next only to HDFC. The Company possesses one of the industry's most extensive marketing network in India. In addition the company has appointed over 10478 Intermediaries to extend its marketing reach. 16 Back Offices spread across the country conduct the credit appraisal and administrative functions. It has Representative Office in Dubai and Kuwait to cater to the NRIs in GLCC countries covering Bahrain, Dubai, Kuwait, Qatar and Saudi Arabia.

Housing Sector is one of the key beneficiaries of rising per-capita income in our country. Macroeconomic factors such as under-penetration of housing finance, urban migration, higher per capita income and more nuclear families remain the key investment argument in favor of housing finance market. LICHF is a stable, conservative, and well-established housing finance company with a track record of consistent growth over the last decade, with advances and net profit growing a CAGR of more than 20%. It has surpassed Rs.1,00,000/- crores in advances in FY2015 with individual loan portfolio comprising 90%.

For the quarter ended June 2016, LIC Housing has reported net profit of Rs.408 crores, a growth of 7% Y-O-Y, but down sequentially. It made a provision of Rs 92 crore on account of aging of old project loan NPAs which had already been classified as NPAs. Barring this, performance has been better with loan growth of 15%, improvement in NIM and asset quality. Management has guided for 15% growth in individual loan segment in this fiscal thereby easing concerns on portfolio mix. At our entry price of Rs.508, the stock trades at 15 times FY2016 earnings and 2.7 times B V, making it the cheapest large pure play housing finance company available in the market with a well recognized brand equity.

PRAJ INDUSTRIES		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 81.80		35.94	2	38.45	3.6	23	12.4	10.5
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
1,470	Nil	33.72		7.96	20.8	37.52	105/70	

**Praj Industries** offers innovative solutions for beverage alcohol and bio-ethanol plant, brewery, water & wastewater treatment plant, critical process equipment and systems and bio products Company is the biggest brewery plant provider in India. Company has an expertise in the Ethanol technology and provides the same for production of Ethanol. The Company is also in the process of setting up the second generation cellulosic ethanol plant which includes the use of agricultural wastes such as corn stover, cobs and bagasse. With a lot of focus on Climate Change by various countries, there has been a strong movement to increase ethanol blending in various countries. The Government has indicated that a larger policy is in the making for ethanol blending. Oil marketing companies are in pact with the company to set up plants to manufacture the so-called second generation (2G) ethanol from non-edible agricultural waste, which will see an investment of over Rs.5,000 crores.

Sugar exports, expected firming up of sugar prices and issuance of soft loans to help improve health of sugar mills also create a positive environment for ethanol.

High Purity Water for pharma and cosmetics. (PHP) PHP is qualified with most pharma and cosmetic companies globally. Indian high purity water market size is 600 crores and management sees huge opportunity here due to entry barriers. Praj HiPurity Systems wins breakthrough orders from multiple international markets viz. Algeria, Turkey, Myanmar including for Biowiz Bioreactor Water & waste water business wins 2 international orders, focus on enhancing ticket size

RELIANCE INDUSTRIES		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 1,381		3,251	10	854	94.1	14.7	11.5	12
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
4,49,025	77,800	46.48		15.88	18.49	19.15	1449/925	

**Reliance Industries** owns businesses across India engaged in energy, petrochemicals, textiles, natural resources, retail and telecommunications. Reliance is the second most profitable company in India. Reliance is India's largest exporter to over 120 countries, accounting for almost 12 % of India's total merchandise exports. Reliance is the largest integrated polyester manufacturer globally. Company is one among the top 10 producers globally of PX, PTA, MEG and PP.

Reliance is investing over rupees two lakh crores in building new facilities and creating new businesses that will come to fruition in the next 12 to 18 months. All these petrochemical investments are geared to deliver superior performance in the years to come. At Jamnagar, work is going on to complete the projects in petrochemicals and refining. The PTA capacity will be 4.5 million tons per annum soon, making the company, the fifth largest PTA producer in the world. After the expansion in FY 17, Reliance will become second largest PX producer globally. Retail business on fast-track; Distribution of connectivity devices and E-commerce platforms to drive future growth. The Retail segment crossed 3000 stores and a turnover of 6000 cr.

For Reliance Jio, financial year 2016-17 will be the first full year of commercial operations. Reliance Jio is creating the most extensive and future-proof network in India, and perhaps, in the world. In addition to the existing pan India 2300 MHz spectrum and 1800 MHz in 14 circles, Jio invested over Rs 10,000 crore during this year's auction to acquire 800 MHz spectrum in 10 circles and 1800 MHz spectrum in 6 circles. This brings the cumulative investment in spectrum assets to nearly Rs 34,000 crores. Reliance Jio has laid more than 2.5 lakh kilometres of fibre-optic cables, covering 18,000 cities and over 1 lakh villages, with the aim of covering 100% of population by 2018.

SBI		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 289		811	1	233	11	26	6.2	7.3
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
2,34,375	-	62.22		9.48	18.74	9.56	298/166	

**SBI** is our country's largest bank that is spread across the length and breadth of our country with a network of over 17,000 branches and 54,000 ATMs. The bank has total deposits of over 18 lakh crore rupees and advances of 14.8 lakh crore rupees at the end of September, 2016. SBI also has a big retail presence with Home and Auto loans constituting 20% of advances portfolio. SBI also owns majority stake in 5 Associate banks, the merger of those banks with SBI is finally under way. The merger would further augment the total business of SBI by another 25%. With over 20% market share, SBI is the undisputed leader in terms of assets, loans, and deposits.

The banking system in our country has been growing through a period of high stress over the last three years. Barring few private sector banks, all others have faced significant issues with asset quality. The matter has gone worse for PSU banks due to very high exposure to corporate sector, especially very large corporates in stressed sectors like Power, Infrastructure, Iron & Steel, Aviation, etc. Among the PSU banking space, SBI is the one that is better placed to perform well once it comes out of the bad cycle. Its cost of funds is lowest among the banks in the country, has huge reach (branches, touch points, digital) and is well capitalized as well.

For H1 FY2017, SBI has reported net profit of Rs.5,059 crores, a decline of 33% compared to H1 FY2016, despite 39% growth in other income. NIM has been stable at 3.05% while cost of funds have come down to 6.02%. During H1 FY2017, the bank has seen fresh slippages of Rs.19,131 crores, major slippages being from the watch list, which stands reduced by 17% to 25,951 crores at the end of H1 FY2017. SBI will also benefit from demonetization move just announced by the Govt. as deposit rush could further bring down the cost of funds. At the end of H1 FY2017, the book value per share is Rs.184/-. SBI Life Insurance, a subsidiary of the bank has declared embedded value of Rs.13,000/- crores at the end of FY2016.



P I INDUSTRIES		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 810		13.75	1	117	34	24	35.75	30.5
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
11,137 Cr	152 cr	51.55		22.53	12.78	13.14	964/592	

P I Industries is a leading agro-science company in India. Agri inputs is a focus area where it is offering plant protection products and speciality plant nutrient products and solutions. It is involved in in-licensing of newly launched or patented molecules from multinational innovators to register, formulate and market the formulated products in India. The other business involves custom synthesis & manufacturing for global innovator companies.

In the Agro chemicals, P I Industries is among the top 5 companies in India with Pan-India presence through a vast distribution network of over 10,000 distributors. In a recent development, the company has entered into a strategic partnership with BASF to offer farmers in India a broader portfolio of crop protection solutions – thereby expanding their long-term business relationship. P I Industries will market BASF’s innovative fungicide technologies for rice, maize, fruits and vegetables as well as a new herbicide for maize.

In Q4, net profit rose 40.77% to Rs 135.15 crore as against Rs 96.01 crore. Sales growth was muted at 3.63% to Rs 605.59 crore in Q4. For the full year, net profit rose 47.70% to Rs 457.36 crore as against Rs 309.66 crore. Sales rose 8.60% to Rs 2276.46 crore as against Rs 2096.27 crore in FY2016.

At Rs. 806, the stock is trading at 24X FY2017 earnings. The company has a healthy balance sheet and strong return ratios. Management has guided for strong growth in domestic business due to early and robust monsoon forecast. Expect recovery in global business only in late 2018 as agri-growth is yet to pick up.

SYNGENE INTERNATIONAL		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 538		200	10	63	13.8	39	18.1	23.7
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
10,753	890	74.51		8.32	1.33	15.84	663/355	

**Syngene International** is one of Asia’s largest Contract Research organizations which supports R&D programs from lead generation to clinical supplies. It provides discovery and developmental services for new molecular entities across multiple platforms. From a pure play research services company, catering to the research needs of innovative pharma companies, Syngene is now repositioning itself as a fully integrated contract research and manufacturing company.

Syngene’s business is spread across three verticals: Dedicated Centers, Discovery Services and Development & Manufacturing Services. In FY2015, Syngene serviced 221 clients including 8 of the top 10 global pharma companies, 8 of the top 10 clients have been associated with Syngene for over 5 years. Syngene has successfully cleared 5 US FDA audit of the facilities with no 483s or observations in the last 30 months. The 95% of the revenues coming from outside India. The company is having 2,227 qualified scientists.

The phase I of Research Centre, comprising of 50,000 sq. ft. lab space, is scheduled to be commissioned in Q1 FY17. When fully commissioned, this centre will be a 200,000 sq. ft. versatile, state-of-the-art research facility and will support integrated discovery programs in chemistry and biology. Global R&D expenditure expected to increase from \$139bn in 2014 to \$152bn in 2018 75% of R&D spend can be potentially outsourced.

Syngene has outlined \$200 million as capex to expand its contract research and manufacturing facilities between 2015-16 and 2018-19, which should drive growth in the medium to long term.



TATA MOTORS		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 475		577.47	2	188	28.9	16.5	13.2	16.2
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
1,37,163	30,200	34.73		24.21	14.73	26.33	598/374	

**Tata Motors** is one of the largest automobile companies in the world and is the leader in India in trucks & buses. It has manufacturing and assembling plants in Pune, Jamshedpur, Patnagar, Lucknow, Sanand and Dharwad. Despite intense competition from foreign players, Tata Motors has maintained its leadership in CV business and still controls over a lion's share (>50%) of domestic CV market. But, it has lost out heavily in the PV business due to launch failures and absence in key segments. The business is now turning around with "impact design" philosophy, presence in key segments and new marketing strategies.

Tata Motors has seen a big change in fortune over the last several years driven by the stellar show of its Subsidiary, Jaguar Land Rover (JLR). The British Subsidiary, known for its powerful range of Land Rover SUVs has grown from strength to strength and is the crown jewel in Tata Group. It now contributes to the entire profit of Tata Motors, domestic business being in a loss. With sales expected to touch 6,00,000 units in FY2017, JLR has been in a high growth trajectory for 7 consecutive years in a row with China, North America, Europe and U K being the key markets. New launches in FY2018 could carry the sales momentum for both brands.

For FY2016, Tata Motors has consolidated revenue of 2.75 lakh crore rupees and net profit of 11,000 crore rupees. Despite high business growth, FY2017 is turning out to be bad on earnings on account of huge hedging losses at its Subsidiary, JLR (Consequent to BREXIT). With business growth visibility in tact for JLR and change in fortunes in domestic PV business, the company is expected to see significant earnings recovery from FY2018 and continue in a growth path. BREXIT negotiations remain a key long term concern and with its Slovakia plant expected to go on stream in a year, the company may be able to address it.

TRIVENI TURBINE		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP:139.40		33	1	11	3.7	37	59	39
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
4,600	Nil	67.73		20.69	6.16	5.42	148/95.5	

**Triveni Turbine** (TTL) is a leading steam turbines manufacturer from India with a global footprint spanning over 50 countries. Its products find applications in a wide range of industries such as Sugar, Steel, Pulp & Paper, Textiles, Chemical, Palm Oil, Food Processing etc. The turbines are used in multiple applications like Co-generation, Combined Heat & Power Generation, Waste to Energy, Captive Power Generation and Independent Power Generation.

Triveni Turbine is the market leader in India with a dominant 63% market share in the sub 30MW range of turbines. Higher capacity turbines in the range of 30 MW to 100 MW are manufactured through its subsidiary, GE Triveni Ltd., a joint venture company with G E. With over 2500 turbines installations in over 50 countries globally, the Company is fast spreading its global footprint to more countries and geographies.

For the quarter ended June 2016, the company has grown its turnover and net profit by more than 30% Y-O-Y. Turnover increased to 162 crores from 124 crores, while net profit increased to 27 crores from 20 crores during export orders forming 52% of the order book.

At Rs.127.50, the stock trades at 36 times FY2016 earnings while Q1 FY2017 earnings growth has come in at 33%. Healthy order book with higher export mix and scalability of JV with GE provides earnings growth visibility through FY2017 also. The company is debt free and has very high return ratios as well.

ZEE ENTERTAINMENT		Equity	FV	BV	EPS	PE	RoCE	RoE
CMP: 551		96.04	1	43.3	10.2	54	27.6	30.7
Market Cap	Debt	Promoter Holding		FPI	DII	Public	52 Week High/ Low	
52,973	Nil	43.07		46.61	4.27	6.05	590/387	

**Zee Entertainment** is one of India's leading television, media and entertainment companies. It is amongst the largest producers and aggregators of Hindi programming in the world, with an extensive library housing over 210,000+ hours of television content. ZEEL entertains over 959+ million viewers across 169 countries. The company also has a strong offering in the regional language domain. ZEE and its affiliate companies have leading presence across the media value chain including television broadcasting, cable distribution, direct-to-home satellite services, digital media and print media amongst others. Zee has content in nearly every local language.

The company is also seeking to expand in global markets, launching an English news channel through its Zee Media unit, next year, targeting international viewers.

The new initiatives being planned by the government on both investment and policy front are likely to fuel economic growth. Media industry will reap the benefits of the improved environment through higher advertisement and subscription revenue. The E-commerce, FMCG, Telcos and Consumer Durables could help the ad revenue to grow. FMCG is going to spend at a certain threshold level as they had the input cost benefit and when the rural demand slows down, they have to spend to activate that. - the past couple of years you have had sectors like ecommerce increasing the ad rates, we have seen the telcos get a lot more aggressive again on advertising.

**Disclaimer :** This report has been prepared by Inditrade Capital Ltd. This does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. The information contained herein is from publicly available data or other sources believed to be reliable. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this report (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. The investment discussed or views expressed may not be suitable for all investors. This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. The information given in this report is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. Inditrade capital reserves the right to make modifications and alterations to this statement as may be required from time to time. Inditrade or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Neither Inditrade Capital nor any of its affiliates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including loss of revenue or lost profits that may arise from or in connection with the use of the information. The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views in the report.

**Prepared by:** Inditrade Capital Limited

SEBI Registration No: INZ000093831. NSDL DP ID: IN301895 CDSL DP ID: 12048100

NMCE: CL0101 NCDEX: 00224 | MCX: 10190 IPSTA: 351 MUTUAL FUNDS: ARN 53315

Customer Care : 18605006543 / 0484-4100200

Send your grievances to [investorgrievance@inditrade.com](mailto:investorgrievance@inditrade.com) | Customer Care Email-id [customercare@inditrade.com](mailto:customercare@inditrade.com)

**Analyst Certification:** The analyst for this report certifies that all of the views expressed in this report accurately reflect his personal views about the subject company or companies and its or their securities, and no part of his compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report. Neither the analyst, nor Inditrade Capital holds not more than 1% in any of the company discussed in this report. The analyst is neither a previous employee nor, getting any kind of remuneration from any of the company discussed in this report. **SEBI Reg No: INH200001418**