

CONCALL SUMMARY



Summary of management concall attended by our Analysts post Q1FY18 earnings

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Company	Apollo Tyres Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Auto Components

7th Aug 2017

Q1FY18 EARNING CONFERENCE CALL**Management Participants****CFO**

Mr. Gaurav Kumar

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com

- Demand in OEM segment is coming back and strong recovery can be seen from Q2 onwards.
- Replacement demand is still sluggish due to slow restocking.
- Raw material prices have come down so there could be expansion in margins and the management
- Due to lower capacity utilization at Hungary plant European margins will be under pressure in FY18.
- The management expects Hungary plant to ramp up in FY19.
- Capex guidance of Rs.2500 crore.
- New car registration is will be normalizing going ahead.



Company	Ashok Leyland Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Automobiles

24th Jul 2017

Q1FY18 EARNING CONFERENCE CALL**Management Participants****CHAIRMAN**

Mr. Dheeraj G. Hinduja

MD

Mr. Vinod K. Dasari

Finance & CFO

Mr. Gopal Mahadevan

- Double digit volume growth guidance for full year.
- Exports may grow 25% in FY18.
- Focus areas- Aftermarket, Defense, Exports and LCV business.
- Capex plan- Rs.500 crore (towards R&D on BS-VI and Electric vehicles).
- Electric vehicles is long term story, will take atleast 18-24 months to get significant orders.
- 7-10 days of inventory at dealer level.
- The company will take 1% price increase from 1st August 2017.

Our Analyst in the Call

Naveen Kumar Dubey

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Company	Aurobindo Pharma Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

10th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

MD

Mr. N. Govindarajan

CFO

Mr. Sudhir Singhi

IR

Ms. Deepika Gupta

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

- Revenue impacted by pricing pressure, GST implementation, and rupee appreciation against dollar
- Management is confident about sales growth in FY18 on back of new launches and change in product mix.
- Acquired brand Activis continues to perform well in the Q1FY18.
- In Q1, company has filed 17 ANDA approvals and 3 tentative approvals, filed 13 ANDA's.
- On cumulative basis 442 ANDA's filed, 292 approved, and 37 Tentative
- In Q1, Agile pharma Switzerland has completed acquisition of Generis Pharmaceuticals Ltd.
- R&D exp. In Q1 is Rs.162 Cr
- 10-11% price erosion is observed on selected drugs in US.
- Capex for FY18E is Rs. 700-800 Cr
- Management has guided for debt level below ~ Rs.3000 Cr (USD 475 mn) till march 2018.
- Unit 10 will be commercialized from 1 April 2018..
- Unit -16 has already started exporting the products.
- Management expects USFDA inspection in this year on oncology and hormonology division for drug approvals.
- EU business delivered EBITDA margin in double-digits



Company	Axis Bank Ltd
SECTOR	Financials
INDUSTRY	Commercial Banks

25th July 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

DEPUTY MD

Mr. V. Srinivasan

SENIOR VICE PRESIDENT

Mr. Suresh Warriar

HEAD IR

Mr. Abhijit Majumder

Our Analyst in the Call

Deepak Kumar

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- Corporate slippages was Rs 2317 Cr. Net retail and SME slippages were Rs 758 Cr and 228 Cr respectively.
- There was treasury gain of Rs 824 Cr.
- Management expect opex growth to moderate in 2H FY18.
- Management maintained the credit cost guidance given earlier (FY18- 1.75%-2.25%).
- Slippages outside watch-list came from iron & steel, infra and power sectors.
- There was increase in slippage in agriculture portfolio.
- No SDR during the quarter.
- One S4A done during the quarter was Rs 384 Cr.
- No addition to Security Receipts.
- Power sector accounts under watchlist are bulky in nature.
- All the divergence pertaining to FY16 was already addressed in FY17, thus there was no impact because of divergence.
- Provision for IBC accounts will start from next quarter.
- Expect to maintain PCR of 65% for FY19.



Company	Bajaj Auto Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Automobiles

21st July 2017

Q1FY18 EARNING CONFERENCE CALL**Management Participants****CHAIRMAN**

Mr. Rahul Bajaj

MD & CEO

Mr. Rajeev Bajaj

DIRECTOR

Mr. Sanjiv Bajaj

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com

- Management expects 10% volume growth going forward for the full year.
- Significant volume increase can happen from September onwards.
- Monthly runrate for Avenger is 12000-15000; for 'V' volumes can go up to 25000 per month from october
- Exports volume guidance for first six months is 800000 units. (April to September)
- Margin guidance of 19-20%; margin in second half would be higher
- Management expects 20000 3Ws per month in the domestic market for the period of July to December.
- 5% growth going forward for next 2 years and major contributor would be Cargo vehicles.
- Major trigger for Domestic 3Ws would be- a) Permits in Delhi-10000 permits, b) Maharashtra and c) 2strokes to 4 strokes auto in Karnataka
- Pulsar has lost market share in UP and TVS Apache has gained market share in that region
- Dealer inventory 4 to 4.5 weeks
- Tax rate in the range of 28-30%
- KTM to sale 50000 bikes in Indian market



Company	Bajaj Corp Ltd
SECTOR	Consumer Staples
INDUSTRY	Household & Personal products

13th July 2017

Q1FY18 EARNING CONFERENCE CALL**Management Participants****Managing Director**

Mr. Sumit Malhotra

CFO

Mr. V C Nagroi

Vice president Finance

Ms. Dilip Maloo

Our Analyst in the Call

Rajeev Anand

rajeev.anand@narnolia.com

- Volume growth will come back in Q3 and Q4 of FY18.
- Company's overall distribution reach went up to 3.8 mn outlets and direct distribution to 575000 outlets.
- ADHO has gained market share in value term by 30 bps YoY. ADHO market share remained 61%(YTD Jun17).
- Due to volatility in crude oil prices, company has not entered into long term contract on LLP yet.
- International business grew by 26.3% in this quarter led by better performance from Bangladesh. The company is witnessing stress in MENA region..
- 31-31.5% EBITDA margin is sustainable.
- Modern trade is demanding more margins in the rage of .5 to 1%. It will not impact company's margin too much.
- BAJAJCORP's 50-55% volume comes from wholesale. The company is planning to expand its direct reach so that in future, company will have a stable distribution channel.
- The company is ready to launch 3 new products. It will be launched when distribution channel will stabilize.
- From Q3FY18, advertisement and promotion expenses will go up as company expects till that time distribution channel will stabilize and need of brand building arise.
- Tax rate: more or less same to Mat rate



Company	Bajaj Finance Ltd
SECTOR	Financials
INDUSTRY	Diversified Financial Services

19th July 2017

Management Participants**Chairman & MD**

Mr. Rajeev Jain

CFO

Mr. Sandeep Bhatt

Enterprise Risk Officer

Mr. Atul Jain

Chief Operating Officer

Mr. Rakesh Bhatt

Our Analyst in the Call

Anu Gupta

anu.gupta@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- Customer franchise grew to 21.7 million customers .Up by 26%.
- 48% growth in terms of number of loan book.
- Out of 42 cr - 24 cr of loan came from consumer business and 18 cr from sale down of infrastructure finance portfolio.
- Burnt 35 bps of net capital in Q1FY18 and also raised 600 cr of tier II bond.
- Change in capital raising plan of 4500 cr because once it is approved by the shareholders it is valid for only 12 months.
- Provisioning cost -24 cr in the Q1FY18 and is expected to be 20 cr in the next 2 quarters.
- Yield is expected to remain same for the last 5 years.
- Loan book:- Consumer-43 cr , SME-15cr , Commercial-34 cr , Rural-132 cr & Total EMI-9.8
- Geographical expansion requires opex in the business.
- Historically Q1 is considered to be stronger quarter.
- Disbursement growth-38%.
- Biggest opportunity during the Deewali quarter is expected.
- Additional customer-1.55 million.
- Cost to income ratio is still elevated due to addition of resources, geographical expansion and
- 40-45 cr additional provisions were made.
- Other operating income has not been mentioned due to change in the SEBI rules.
- NIM growth slower than AUM and expected to be flat further.
- General provision of 280 cr is not taken into consideration under provision coverage.



Company	Balrampur Chini Mills Ltd
SECTOR	Consumer Staples
INDUSTRY	Food Products

1st August 2017

Management Participants**Managing Director**

Mr. Vivek Saraogi

CFO

Mr. Pramod Patwari

Our Analyst in the Call

Pramila Lakra

pramila.lakra@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- Interim dividend @2.50 rupees per equity share of 1 rupees for FY18.
- Ethanol volume target is 9 crore litre in FY18.
- In 2QFY18, Cogeneration volume will also be increased because of increase in sugarcane crushed in 1QFY18 .
- Import duty will be increased to 40-50% in FY18.
- % increase in early variety is 40-60% in FY18.
- Change in UP govt. will not affect the UP FRP pricing in FY18.
- Mgmt will focus on Sustainable development of 2000 mills in UP in FY18.
- Average realization of Cogeneration is 4.8 rupees . This is the benchmark tariff of FY18.
- Early variety production will be 88 lac tonne for current year and 100 lac tonne for the
- Mgmt is planning for early crushing. During 1st week of november crushing will be start in FY18.
- FRP 255 rupees per quintal will not go down in FY18.



Company	Biocon Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

28th July 2017

Management Participants

Chariman & MD

Ms. Kiran Mazumdar Shaw

Inverstior Relations

Mr. Saurabh Paliwal

Vice-President, Finance

Mr. Siddhrath Mittal

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Biocon has received DCGI(Indian Drug regulatory Authority) approval for cancer drug Bevacizumab.
- Maintained USD200m of revenue guidance from Biologics in FY19E; substantial portion will come from European Market.
- Peg Filgrastim Tentative date is 9 th Oct
- Malaysian facility was inspected by EU regulator in Mar/Apr-17. Observations were issued, and Biocon has replied to it
- Witnessed sluggish sales in API on account of channel de-stocking due to GST.
- Syngene growth is muted on account of Fire broke out in dec 2016, full ramp up after fire is under progress
- Commercialization of Malasian facility added expenditure and depreciation in Q1
- R&D exp. In Q1 is Rs.96 Cr.
- Forex gain of Rs.17 Cr in Q1.
- Management estimates market size of Trastuzumab is USD 2.7 billion in US market
- US FDA Oncologic Drugs Advisory Committee (ODAC) recommendation for approval of our biosimilar Trastuzumab.
- Company received GMP compliance certification from France's ANSM for its biologics Drug Substance facility for manufacturing Trastuzumab and Pegfilgrastim. However Drug Product facility will require re inspection.



Company	Blue Star Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Household Durables

16th Aug 2017

Management Participants

Chief Financial Officer

Neeraj Basur

Our Analyst in the Call

Shweta Padhi

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Q1FY18 EARNING CONFERENCE CALL

- Room AC segment grew by 7% in value terms Market remain flat.
- VRF grew by 24% while market grew by 15%.
- Investment in Water purifier will affect the margin by 100-150 bps.
- Water Purifier is now in 100 town,400 channel partner ,1500 retail point.
- Bluestar to enter Egypt Market.
- over all expoert 250 cr in product.
- Commercial Refrigeration & VRF aircon have driven the growth in 1qfy18.
- Energy efficient Systems like Inverter AC & 5 Star rated ac contribute 40 % in unitary product.
- Inverter is 25% can go upto 35 to 40 % in fy18.
- No price hike due to gst, price hike post Q4 due to commodity prices.
- Growth will be 10% for fy18 ,15% for unitary product,15% in E&p.
- Margin 11% for 1QFY18 , 12 % For entire year FY18.
- Margin for E&p will be 4.5% to 5%,Order Book to grow 20-25%.



Company	Britannia Industries Ltd
SECTOR	Consumer Staples
INDUSTRY	Food Products

10th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

- The company has plans to Enter 1 new geography every year. Company is setting Plant in Nepal.
- Good Quarter in the face of challenging market environment and de-stocking in trade due to GST.
- Expected to generate a positive momentum going forward. Sees double digit growth as situation improves.

CFO

Mr. Amlan Datta Majumdar

- Plans to add 2 to 2.5 Lakhs outlets every year.
- International business continued to be under pressure due to deteriorating geopolitical situation and currency fluctuations in geographies like Middle East and Africa.

Investor Relations

Mr. B K Guha

- Growth in Dairy business has also been subdued primarily due to focus on driving products with high profitability and reducing our play in the less profitable commoditized products.
- Britannia Industries would set up its largest plant in Maharashtra at a food park with 6 lines in Ranjangaon.
- The proposed joint venture plant with Greek company Chipita would be also located there, and it would go on stream from June 2018.
- The company is also planning to set up a dairy project at the food park with a capacity of 7 lakh litres per day.
- The company plans 60% more cost saving in this year. It saved around Rs 145 cr previous year.

Head Supply Chain

Mr. Vinay Singh Kushwaha

- The company has not taken any price increase in this quarter on the contrary it passed some GST benefit in terms of prices reduction in some of category. Expects some price increase going forward.

Our Analyst in the Call

Rajeev Anand

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- Expected capex for FY18 and FY19: around Rs 400 cr.
- Income Tax Rate: around 34% in FY18.
- Gained handsome market share in this quarter from National as well as local players.



Company	Cadila Healthcare Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

11th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

CMD

Mr. Pankaj Patel

CFO : Mr. Nitin Parekh

Our Analyst in the Call

Aditya Gupta

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- 3 products are launched in Q1.
- In Q1, 12 ANDA's are filed, 18 approvals are received
- Indian business is impacted by GST de-stocking.
- Launched 1 new product in Brazil market and received approval for 1 new product
- Received approval for oncology drug Bevakizumab from DGCI for the indian market
- Moraiya and Baddi facility has received EIR report
- GST impact is 18% on Indian business
- R&D exp. For Q1 is 8% of sales



Company	CEAT Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Auto Components

9th Aug 2017

Management Participants

Mr. . ANANT GOENKA

CFO

Mr.KUMAR SUBBIAH

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Volume growth in Passenger vehicle segment to pick up from Q2 onwards.
- The management expects restocking to happen from 15th August onwards. Currently there is no growth or restocking happening.
- Due to higher RM cost margins to remain under pressure for couple of quarters.
- Other expenses to remain higher due to continued spend on marketing and advertising
- GST didn't have any major impact in tax rate, earlier it was 26.5% and the new rate is 28%.
- Testing for speciality tyres in process in Europe.
- Chinese tyres have approx. 25% market share in TBB and TBR category.
- The talk on anti dumping duty is in process and the management expects duty in the range of 10-15 percent.

Narnolia™ Century Plyboards (India) Ltd



Company	Century Plyboards (India) Ltd
SECTOR	Materials
INDUSTRY	Paper & Forest Products

3rd August 2017

Management Participants

Chairman

Mr. Mr.Sajjan Bhajanka

MD AND CEO

Mr. Sanjay Agarwal

CFO

Mr. Arun Kumar Julasaria

Our Analyst in the Call

Pramila Lakra

pramila.lakra@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- In FY17, Maynmar govt. banned the the cutting of trees which will affecting in FY18.
- State barriers have been removed.
- Plywood will be improved in 2QFY18.
- EBITDA will have impact due to strong growth in volume in 2QFY18.
- In FY18, Maynmar allowed cutting of timber .
- Export of timber and veneer is banned in FY18.
- Advertisement expenses will be low in FY18.
- Overall volume will be build up by Q2FY18 and will grow in Q3FY18 and Q4FY18.
- In Plywood taxation will be 50% of price
- Introduction of E way bills helped the overall business.It reduces the logistic cost.
- Plwood will be replaced by particle board and MDF vey soon .
- Through GST logistic cost has come down.
- Margin in veneers will be 15-16% in FY18.
- Commercial production will be start in 2QFY18.
- In next few quaters company will tie up with a highest MDF manufacturing company of china.
- Partricle board will contribute to the top line.

Company	Cipla Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

11th Aug 2017

Management Participants

MD & GLOBAL CEO

Mr. Subhanu Saxena

GLOBAL CHIEF FINANCIAL OFFICER

Mr. Rajesh Garg

HEAD OF INVESTOR RELATIONS

Mr. Anant Atal

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- 4 New drugs are launched in Q1 and management guides for 1 differentiated product in every quarter starting from later in Q2.
- 3 AND's filed in Q1, total 96 ANDA's are pending for approval
- Indian business is impacted by GST de-stocking.
- Cost saving techniques has helped to improve margins in Q1 and mgnt expects that it will improve margins ahead
- 10 new products are lined up to be launched in rest of FY18
- Market share in Respiratory segment has gone up to 36% in US market
- GST impact of ~ Rs. 45 Cr. in Q1, major portion of which has impacted revenue
- R&D exp. Is 6% of sales in Q1. expected to remain at 8% in FY18E, and not more than 9% in coming years
- Management guided to maintain EBITDA margin at current levels.
- Cipla guides to launch Renvela in this current fiscal
- Gross margin expected to be ~64% at normalized levels
- Pricing pressure in US stood at high-single-digit to low-double-digit

Company	Cyient Ltd
SECTOR	Information Technology
INDUSTRY	Software & Services

13TH JULY 2017

Management Participants

EXECUTIVE CHAIRMAN

MR. BVR MOHAN REDDY
CEO

MR. KRISHNA BODANAPU
CFO

MR. AJAY AGARWAL

Our analyst in the call

Niharika Ojha

niharika@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Revenue fell 3.6% QOQ to INR 9070 mn . In USD term revenue at USD 140.6mn declined by 0.2% QOQ & EBITDA stood at INR 1160mn.
- Utilisation in service business at 74.1% & 29 client added in core business.
- Capex stood at INR 258mn.
- DLM continues to improve double digit growth in DLM in fy18
- Attrition at 18.5%; lowest ever in last 11 quarters
- Cash and cash equivalent 10Bn rupees no. first time in the history of the company
- Tax rate increased due to majority of things shifted from 100% tax bracket to 50% zone
- tax rate expected to be 26% to 28% in fy 18
- Other income increased from treasury income and actual realise gain
- M&A see to have good pipeline
- Communication continuous to be growth industry
- utilities, geospatial and communication outlook remains positive
- semiconductor - good business but softness in revenue
- Expect a double digit growth in our services business
- Margins are expected to improve by 50bps driven by improvements in operational efficiency through the year



21st July 2017

Management Participants

Group CFO

Mr. P G Mishra

Deputy Managing Director

Mr. Pawan Agarwal

CGM (F & A)

Mr. Rakesh Goswami

Our Analyst in the Call

Rajeev Anand

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Company	DBCORP Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Media

Q1FY18 EARNING CONFERENCE CALL

- On subdued digital business: Last 2 quarters, conscious call to remove irritant ad from websites to improve unique visitors' experience.
- Circulation Revenue: the company will not increase cover price in near future.
- The company is planning to launch some kind of scheme to boost circulation.
- Company will keep working on curtailment of cost.
- GST impact: Growth in April month was: 7-7.5% and June was almost flat.
- Real estate is not doing well for last 9 months. Ad from real estate declined by 20% in Q1FY18.
- Sectors performed well in terms of ad growth are education, Auto and lifestyle.
- Major chunk of advertisement came from national players. Real estate advertisement are mostly local.
- Don't see substantial change in newsprint prices in next 9 months.
- No plans for entering news broadcasting business.
- Radio business: Growth for legacy market remained flat in Q1FY18.
- The company keeps 4 to 6 months stock of newsprint.
- No new launch in FY18.
- Gross cash level: Rs 180 cr.
- Print ad growth: Largely volume driven(approx. 80%).
- Important Redio Matrix: Base 10minutes/hours
- 150-160% capacity utilization.

Dabur India Ltd



Company	Dabur India Ltd
SECTOR	Consumer Staples
INDUSTRY	Household & Personal products

4th July 2017

Management Participants

VP (Finance) & Company Secretary

Mr. Ashok K. Jain

CEO

Mr. Sunil Duggal

CFO

Mr. Lalit Malik

Our Analyst in the Call

Rajeev Anand

rajeev.anand@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- International Business declined by 2.2% on constant currency basis impacted by continued economic slowdown in MENA.
- Profit After Tax was down 9.8% impacted by GST related one offs & currency devaluation.
- Domestic FMCG Business recorded decline of 5% in primary sales. Secondary growth for the business was around 2%.
- Continue to witness slowdown. Promotional intensity impacted margin.
- CSD: demand completely dried up in Q1FY18. Challenge will remain in International business.
- Expect volume growth in the range of 5-10% for FY18. Margin will be same as in previous year.
- 2-3 % pricing increase may happen in 2nd Half of FY18.
- Expect 1-2% improvement in gross margin but it will be mitigated by higher A&P expenses and employee cost.
- The company has strong product launch pipe line. Expect market share in Honey to improve going
- 6% Shrinkage in topline due to GST rate adjustment in Q2FY18.(Just Accounting entry)
- Army canteen is 5-6% of company's sales. North American business is still under stressed.
- Modern Trade is 15% in Q1FY18 . Inventory days went up to 67 days from 45 days.



Company	Dalmia Bharat Ltd
SECTOR	Materials
INDUSTRY	Construction Materials

8th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chairman & MD

Mr. P.K. Khaitan

Joint MD

Mr. Jai H. Dalmia

Corporate Counsel & Company Secretary

Ms. Nidhi Bisaria

Our Analyst in the Call

Bineeta Kumari

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- The company earned the highest ever EBITDA of Rs 557 Cr & EBITDA per tonne of Rs 1405 for the quarter.
- The EBITDA/tonne is highest among the peers.
- The company during the Quarter repaid debt of Rs 329 Cr. Cost of debt reduced from 8.7% to 8.3%. On QoQ basis.
- 6% YoY Volume growth.
- 6-8 MT capacity Addition in East in
- Capex Plan : Not much capex plan, Maintenance capex : 80-90Cr Power projects going on : 250Cr
- Current Petcoke price is 85\$-90\$. It will remain between 80\$-90\$. Consumption of Petcoke in Q4FY17 : 78 & in 1QFY18 : 75.
- Slag Price is Rs 800-1200Cr.
- Capacity Utilization : 67-68%.

DCB Bank Ltd

DCB BANK

Company	DCB Bank Ltd
SECTOR	Financials
INDUSTRY	Commercial Banks

17th July 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

MD & CEO

Mr. Murali Natarajan

CFO

Mr. Bharat Sampat

HEAD MARKETING & PR

Mr. Gaurav Mehta

Our Analyst in the Call

Deepak Kumar

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- There was short term disruption from macro events like demonetization, BS4, GST and loan waiver.
- Close to branch expansion strategy of 310 and will slow the pace of opening new branches. Currently the branches are 290 and employee base of 5258.
- There was no divergence in stress asses reporting as per RBI list.
- Targeting 15%-16% granular fee income growth.
- Have Rs 44 Cr of floating provisions.
- Slippages were not concentrated. From AIB book Rs 15 Cr slipped into NPA of which 80% is from micro finance book.
- Sold 1 account to ARC with minor exposure of Rs 2 Cr.
- DCB bank has around 2% more SLR than regulatory requirement.
- Targeting balance sheet to double in 36 to 40 months.
- Have one account under Insolvency and bankruptcy code and hold more than 50% provisions.
- Will maintain NIM of around 3.7% going forward.



Company	DCM Shriram Ltd
SECTOR	Agritech
INDUSTRY	Diversified

2nd August 2017

Management Participants

Chairman & MD

Mr. Ajay Shriram

Joint MD

Mr. Ajit Shriram

**Corporate Counsel &
Company Secretary**

Pulkit Kakar

Our Analyst in the Call

Ritika Jalan

ritika.jalan@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Sugar-The current inventory which the company holds is valued at Rs30/kg.
- In Distillery Segment management expecting EBITDA of Rs40-50Cr in FY19.
- Sugar volume and sale will be significantly higher than the last year in FY18.(In FY17 Sugar Sale-37lakh quintal).
- Expansion of chemicals at Kota at an investment of Rs97.5Cr is progressing as per plan and is likely to be commissioned by Q4FY18.
- Chloro Vinyl: Newly commissioned facility at Bharuch unit is operating at 82% capacity utilization and management expects that it can reach to 93% utilization till Q4FY18 End as chlorine market picks up.
- This season crushing operations were higher by 47% over last season leading to higher production. Sugar recovery for the season, stood at 11.11% which is same as last season.
- In case DBT will be implemented as per the current structure then it will impact company working cycle in negative way.
- Input costs, especially carbon and coal, are on an uptrend resulting in pressure on costs and margin.
- Tax Rate for FY18=18%-18.5 %.(Tax Rate FY17-13%).

Deep Industries Ltd



Company	Deep Industries Ltd
SECTOR	Energy
INDUSTRY	Energy Equipment & Services

10th Aug 2017

Management Participants

CMD

Mr. Paras Savla

CFO

Mr. Rohan Shah

Q1FY18 EARNING CONFERENCE CALL

- ONGC has terminated 2 gas dehydration projects to be effective from 300 days from termination date. Reason for termination is lack in inadequate technical specifications but required technical specifications are unexplained by ONGC.
- Rs. 20 Cr on 1 Rajmundra project in which 90% work is expected to be completed in 300 days.
- Rs. 120 Cr. on other contract in which 50% work is expected to be completed in 300 days.
- Deep Industries has challenged the termination in High Court.
- As per the Management, taking dispute in court will not affect future relations and business with ONGC.
- Current order book stands at Rs. 720 Cr(without adjusting termination impact which is Rs. 140 Cr)
- Management has guided that revenue visibility for FY18 remain intact.
- Due to slow down in whole industry, the tender awarding process is remain slow in Q1.

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

- Capex guidance for FY18- Rs. 240 Cr. (Rs. 20 Cr is already made and further capex depends upon
- For existing contracts capex is already made.

Dhampur Sugar Mills Ltd



Company	Dhampur Sugar Mills Ltd
SECTOR	Consumer Staples
INDUSTRY	Food Products

9th August 2017**Management Participants****MD**

Mr. Gaurav Goel

C.G.M. (Finance)

Mr. Nalin K Gupta

Chief General Manager (Finance)

Mr. Vineet Gupta

General Manager (Finance)

Mr. Akshat Kapoor

Our Analyst in the Call

Pramila Lakra

pramila.lakra@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- UP govt. is emphasizing on FRP price should be increased and SAP will not be increased in FY18.
- No major plans for subsidiary in FY18.
- CAPEX plan for FY18 will be 40cr for turbine and boiler.
- Import is allowed in seven sister states but the sugar price will not be impacted in FY18.
- FRP and SAP whichever is higher will be charged in FY18.
- Margins of ethanol and power will be increased in FY18 because of higher cane crushed and availability of molasses.
- Availability of Raw material will be increased in FY18.
- EU started contributing in global market therefore sugar price will be down in FY18.
- Entrance of EU will not impact in India.
- For next 8-10 months there will be no expansion and no acquisitions.
- Company does not have any pledge this year.
- 2 new plants will be opened ; one at the end of august and one at the end of september.



Dhanuka Agritech Ltd

10th August 2017**Management Participants****Chairman & MD**

Mr. Ram Gopal Agarwal

Joint MD

Mr. Mahendra Kumar Dhanuka

Our Analyst in the Call

Ritika Jalan

ritika.jalan@narnolia.com

Company	Dhanuka Agritech Ltd
SECTOR	Agritech
INDUSTRY	Agrochemicals

Q1FY18 EARNING CONFERENCE CALL

- Have a cautious outlook for FY18, dependent on rainfall in South India.
- The Company expects FY18 tax rate of around 29.5-30.0% and for FY19 it estimates full tax rate of 33-34%.
- Management has guided an 18.0-18.5% EBITDA margin in FY18 on the back of higher marketing and distribution expenses.
- Management has indicated that it will launch two new products every year for next 2-3 years.



Company	Dilip Buildcon Ltd
SECTOR	Industrials
INDUSTRY	Construction & Engineering

28th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

- Target 6000-8000 Cr of new projects in FY18 across all the segment.
- Key focus area going ahead are strengthen balance sheet position and improving working capital

Executive Director & CEO

Mr. Devendra Jain

- Expect reduction in cost of debt in second half
- DBL is in final stage to close deal of monetize it's BOT/HAM assets
- Expect to pick up in new orders from 2nd half.
- Working capital days has improved compared to YoY and QoQ
- Management expect 6200 Cr of top line @ 21%. Earlier management guided for 10-15% revenue growth.
- Expect reduction in cost of debt by 100 bps in FY18. Impact will seeing in late H2FY18 and FY19.

CFO

Mr. Vaibhav Rawat

- Expect debt reduction of 300 Cr each in FY18 and FY19
- Till date in FY18 recovered 42 Cr of debtors which resulted in lower working capital.
- Expect debt reduction on the basis of stake sale in BOT/HAM.
- 300 Cr and 100 cr equity requirement in FY18 and FY19 respectively.
- Tax rate for FY18 :- 8-10%
- No plan for enter into affordable housing segment.
- Expect to receive appointment date on HAM projects by Oct-Nov.
- 90% 3D land has been done for 3 HAM projects in Maharashtra and 25% of payment has made to land owner by NHAI.
- Change in strategy for Inventory and come of large size of project resulted into improvement into Inventory.
- FY19 tax rate :- 17-19%
- Expect revenue of 800-1000 Cr in mining for next 2 years.
- Margin in mining is better than road projects.
- 2500 Cr of revenue from HAM projects in FY18
- Targeting only EPC and HAM projects going ahead.
- WCL mining projects of 700 Cr in Maharashtra will terminate and which is not the part of order book.

Head – Strategy & Planning

Mr. Rohan Suryavanshi

Our Analyst in the Call

Sandip Jabuani

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Company	Dishman Pharma Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

17th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

CMD

Mr. Janmejy R Vyas

MD & CFO

Mr.Arpit Vyas

General Manager

Mr. Denish Shah

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

- Successfully completed new merger with Dishman carbogenics
- Company has healthy order book across all business segments
- Revenue is impacted due to rupee appreciation and deferment from one client due to which Rs.22 cr is impacted in each quarter
- Forex loss of Rs.11 Cr in Q1FY18.
- 20 molecules are in phase-III , 110 in pre-clinical and 150 in phase –I of studies
- Management expects USFDA inspection on Unit-9 at any point of time (in next 3-6 months).Unit - 9 produces hypo-toxic products and oncology products.
- Revenue guidance for CRAMS business is 10-15% and in growth in generic segment is 5-10% in FY18
- 1-3 molecules to be commercialized in FY18
- Tax rate of 26-27% in FY18



Company	Drreddy Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

27th July 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

President, CFO and Global Head of IT&BPE

Mr. Saumen Chakraborty

VP Finance

Mr. MV Narasimhan

Chairman

Mr. Satish Reddy

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

- De-stocking, rupee appreciation and increased competition has impacted sales in Q1.
- Price erosion in US market is more than the expectation of the management.
- 2-3 launches are in pipeline to be launched in Q2FY18.
- Commercialization of Bio-similar products has started gaining momentum.
- Company is focusing to diversify its portfolio in emerging markets.
- As per the management, USFDA observation at Srikulam facility does not have any effect on the production in this facility.
- Company has responded to the observation on Bahupally in the last month and waiting for the USFDA response. Planned R&D exp. Is Rs. 500 Cr. per quarter.
- In FY18, DRRD expects its domestic business to grow in high-single-digit/low-double-digit
- Company witnessed double-digit price erosion in the US due to competition in key products and channel consolidation
- Duvvada facility will require re-inspection (expected by Dec'17 end). Copaxone is not from Duvvada.
- Tax rate in FY18 to stay at ~23-25%.
- R&D run-rate to stay at INR5b/quarter in FY18
- Europe business has started gaining momentum on the back of new launches.

Dwarikesh Sugar Industries Ltd



Company	Dwarikesh Sugar Industries Ltd
SECTOR	Consumer Staples
INDUSTRY	Food Products

11th August 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Whole Time Director and CFO

Mr. Vijay S Banka

Our Analyst in the Call

Pramila Lakra

pramila.lakra@narnolia.com

- Estimation of 330 lacs quintal sugarcane will be crushed in FY18.
- Heavy rain in late sept. will affect the sugarcane .In Fy18 crushing will began a week after Diwali.
- Mgmt is expecting more crushing in Fy18. Recovery will not be impacted in FY18.
- In Fy18, due to tariff orders by central govt. revenue of power will go down.But due to high crushing it will balance the revenue to more or less to last year.
- Sugar price will remain firm in FY18 due to increase in FRP by central govt.
- 13% is already crushed in 1QFY18 and rest will be crushed in 2QFY18.
- 2-5lacs tonne of sugar will be imported in FY18.
- Due to Ranga Rajan report transportation and selling cost will be reduced in FY18.
- Power and distillery will go up in FY18.
- Profitability Outlook for Fy18 will be better production and crushing no.s ,nominal sugar cost, overall a decent year.
- In Fy18, Debt repayment plan is going fast and interest rate will be down.
- Q2FY18 will be challenging for every mills.
- No diversion plans in FY18.



Company	Eicher Motors Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Automobiles

9th Aug 2017

Management Participants

Managing Director & CEO

Mr. Siddhartha Lal

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Strong order book for classic 350 models.
- Technical centre at UK will be operational by end of 2017
- CV industry may post good growth in the second half of the year.
- Capacity would be 825000 units per annum in FY18 and 900000 units per annum in FY19
- Waiting period for classic 350 models stands at 2 months and for other models less than a month.
- The management has clarified that the partnership with any international brand is not the desperate need as of now. It is open to any opportunity in the future but only when it matches up with the expectation of the company and doesn't affect the profitability and return ratios.



Company	EID Parry (India) Ltd
SECTOR	Consumer Staples
INDUSTRY	Food Products

7th August 2017

Management Participants

MD

Mr.S. Suresh

CFO

Mr.V. Suri

Our Analyst in the Call

Pramila Lakra

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Q1FY18 EARNING CONFERENCE CALL

- Outlook for FY18 is rain is good in north as well as west so the no.s will bounce back to some big no.s.
- Performance in 1QFY18 is dropped because it is largely impacted by cane availability in Tamil Nad
- Interest cost is reduced significantly. Reduction in short term as well as long term debt.
- In Q2FY18 there will be impact in no.s due to non availability of cane.
- In Q3FY18 situation will be better because Karnataka and Andhra units will be back in operations.
- Andhra will be 15% better as of last year and Karnataka will be 25-30% better as of last year.
- New arrival in Q2FY18 with low price.
- Bio division will bounce back in FY18.
- CAPEX will not be in Tamil Nadu. It will be in area where cane is there i.e. Karnataka and Andhra in FY18.
- Ethanol will be less than FY17.
- Realization will be expected to be 10% in FY18.
- 2 yrs down the line there will be no loans and will get surplus cash.
- Average cost of debt is 7% in FY18.
- CAPEX for FY18 is 60cr. That will be invested in Karnataka plant, bio business, new products, nutraceuticals, and in an expansion of plants.



Company	Emami Ltd
SECTOR	Consumer Staples
INDUSTRY	Household & Personal products

3rd Aug 2017

Management Participants

CHAIRMAN

Mr. R S Agarwal

MD

Mr. Sushil K Goenka

Our Analyst in the Call

Rajeev Anand

rajeev.anand@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Expects 17-18% growth for rest of the year.
- Expects overall volume growth of 7-8% in FY18.
- The company is planning to launch some kind of scheme to boost circulation.
- International business: Worst is over for international business. Expects double digit growth in FY18.
- Current rise in Mentha oil price will not impact margin but sharp increase from here may impact, for that mgt. is ready to take corrective action.
- Restocking has been started, July was better than mgt. expectation.
- The company added 23000 outlets in direct reach in Q1FY18. Total number of outlets became 7.5 lakh, plans to reach to 8 lakh in FY18.
- CSD is still not bounced back.
- Capex: around Rs 150 cr for FY18.
- Tax Rate: MAT for FY18.
- The company will maintain Gross margin and EBITDA margin for the rest of 9 months.



Company	Equitas Holding Ltd
SECTOR	Financials
INDUSTRY	Diversified Financial Services

31st July 2017

Management Participants

Chairman & MD

P N Vasudevan

CFO

Vasudevan S

President

Murthy V S

Our Analyst in the Call

Anu Gupta

anu.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- New branches were added during the quarter. Micro finance stabilizes to be normal.
- The Company is planning to build a robust finance bank over next fiscal year.
- AUM-736 cr (Increase of about 7.3%).
- The Company has revised provision on microfinance loan portfolio.
- Delinquency book amounted to Rs 208 cr whereas securitized book to Rs 14 cr.
- 35% of customers are paying last installment.
- Premium on fee income will be decided in coming quarters between Sept-Dec.
- 30 more branches to open. Mgt do not expect much change in credit cost on QoQ basis.
- 3600 cr PLC certificates were sold. It will mature at the end FY18.
- Provisioning will not be impacted but there will be impact on top line.
- ROA -2.25% and ROE -16-20% is expected in 5 years. In FY18 ROA will be below what it was in
- No priority sector required to be fulfilled.
- PSLC will be effective from March 18 onwards.
- Still have liability branches to open. As per management this FY18 is a fully cost year and the benefit will be seen partly this year and partly next year.
- In Tamil Nadu 55% customer focus on Micro Finance. MFI book to reduce by 30%.
- Commercial vehicle-6.5% on GNPA basis and commercial LAP about 1%.
- Agri loan portfolio is based on term loan of about 5 years. Ongoing market rate for loan is 6.10%
- Sector portfolio affected part does not come in P/L Account because of base increase.



Company	Escorts Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Automobiles

28th July 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants CEO-ESCORTS AGRI MACHINERY

Mr. Ravi Menon

CEO-CONSTRUCTION EQUIPMENT

Mr. Ajay Mandahr

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com

- 15-20% growth for Agri business; Growth in second half to be robust
- Construction Equipment business to grow at 10-12% going ahead and it will be EBITDA positive in FY18
- Railways business to grow at 15-20% CAGR going ahead for next 3 years.
- The company may post double digit margins in FY19
- Capex guidance in the range of Rs.140-150 crore.
- Effective tax rate 30-31%
- Exports to be 20% of the total tractor volumes by FY20 (currently 3-4%).



Company	Federal Bank Ltd
SECTOR	Financials
INDUSTRY	Commercial Banks

26th July 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chairman & MD

MR. SHYAM SRINIVASAN

ED & CFO

MR. ASHUTOSH KHAJURIA

EXECUTIVE DIRECTOR

MR. GANESH SANKARAN

Our Analyst in the Call

Anu Gupta

anu.gupta@narnolia.com

- Growth in NPA impacted Net Interest Income.
- Strong operating performance is seen in this quarter.
- Higher provisioning was made due to operating performance, Capital raise and commissioning of most of compelling field of advertising.
- Cost was well maintained in the current quarter in brand building and digitalization.
- Interest Income Reversal were reduced to 801 cr this quarter from 842 cr in Q4FY17 led by higher slippages, impact in retail and SME business, Flat interest income and base rate cut in MCLR.
- Guidance of Margin in FY18 in the range of 320-325 due to benefit of capital rate.
- Overall credit growth guidance for FY18 is about 20%.
- Retail elevated about 80 crore.
- Kerala estate muted growth led by the NRI related issue which has impacted the economy.
- Guidance for ROA in the FY18-FY19 in the range of 1.1-1.5 and ROE will be around 11%.
- Impact of 60 cr from industrial sector hit this quarter.
- Highlights of Asset Quality – 98 cr from Recovery and up gradation and 198 cr write off and sale
- Total slippages of Rs 169 cr out of which 105 cr was from restructured account.
- Ticket Size guidance in 2 Years will be in the range of 5-40 cr.
- SLR rate carrying right now is about 24.5%.
- SDR ,S4A and 5/25 were added in this quarter.
- Slippages will be in the ratio of 80-20%.



Company	GAIL India Ltd
SECTOR	Energy
INDUSTRY	Oil, Gas & Consumable Fuels

10th Aug 2017

Management Participants

Director (Finance)

Mr. Subir Purkayastha

ED (Marketing)

Mr. A K Manchanda

ED (F&A)

Mr. R C Gupta

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Average realization in Q1 is lower as compared to Q4FY17.
- Liquid hydro-carbon production has increased due to good availability of gas in good quality which increased capacity utilization.
- Overall capacity utilization is 100% and management expects to remain same in FY18.
- PNGRB is evaluating tariff revision on Gas transmission, but due to non-availability of quorum decision is delayed. At least 3 members for quorum are required.
- If GST is implemented on gas ,the company may have a benefit of Rs. 100 Cr per annum.
- For Phase-1 of Jagdishpur-Haldia pipeline, all orders have been placed, and the segment is well on schedule.
- Decision on single tariff for the whole nation by year-end, primarily to benefit the customers.
- Out of 78mmscmd of gas sold, 50mmscmd is domestic, rest is LNG. 20mmscmd of gas is long-term sourced, rest on spot/short-term. Sales are also in similar proportion
- GAIL would have the marketing rights to supply gas to the three fertilizer plants on the Jagdishpur-Haldia pipeline.
- The company says that it has achieved some more progress in placing US contracts. For CY18, volume for GAIL stands at 5.2mmtpa, which would rise to 5.8mmtpa in CY19. Most of this is expected to be placed internationally

Glenmark Pharmaceuticals Ltd



Company	Glenmark Pharmaceutical Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

28th July 2017

Management Participants

Charirman & CEO

Mr. Glenn Mario Saldanha

VP & Head

Mr. Jason D'Souza

CFO

Mr. Rajesh Desai

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Business from LATM will gain momentum from Q3
- Management has cut its sales growth guidance to 8-10% from 12-15% due to currency fluctuation
- Indian business to be normalized and grow at 10-15% in Q2 with better margins
- EBITDA margin guidance is unchanged (flat YoY) .Debt repayment guidance for FY18- Rs.
- Management plans to file 2-3 significant filings in Respiratory segment in Q4 FY18.
- During the quarter company filed 2 ANDA and expects 3-4 approvals in 2QFY18 which have market size of ~ Rs. 10,000 Cr in US market
- Management expects price erosion to be in the range of 10-12% and believe is a long term phenomena
- Planned R&D exp. For Full year FY18 is 11% of sales
- Management expects 3-4 meaningful approvals in Q2.
- GBR 830 phase-2 data should come out in a week – positive data would mean high probability of an out-licensing deal
- Effective tax rate to be ~25% in FY18
- The management has guided for growth in LatAm markets to pick up from 3QFY18



Company	Godrej Consumer Products
SECTOR	Consumer Staples
INDUSTRY	Household & Personal products

31st July 2017

Management Participants

Group Chairman

Mr. Adi Godrej

EVP Finance CS

Mr. P Ganesh

CFO & Company Secretary

Mr. V Srinivasan

Our Analyst in the Call

Rajeev Anand

rajeev.anand@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- AD&P high due to new launches.
- Indonesian business: The company is facing intense Competition in home insecticide which is approx. 40% of its business in Indonesia. Due to higher promotional intensity by competitors company has to start giving promotions which impacted margin.
- Management expects Indonesian business to show significant sign of improvement from Q3FY18.
- India business: GST led destocking happened more in HI and Hair colour segment.
- Indian business: HI(Home insecticide): is maintaining and increasing market share in every category. See lots headroom for future growth.
- Indian business: Soaps seen marginal improvement in market share. Approx. 3-4% unorganized player in soap segment.
- 100bps gross margin impacted by excise duty increase in Q1FY18.
- Volume growth in Africa remained high single digit.
- Some margin erosion may happen in some quarter due to product launches but company is focused to get profit growth in line to sales growth.
- Margin: Management is confident on margin improvement of Indian business in full year basis.
- Maintain margin of African business in full year basis.s.
- For Indonesian business, Management is in the wait and watch mode.
- Excise impact is expected to be normal from Q3FY18 onward.
- Akhil Chandra has joined GCPL to assume the responsibility for leading the ASEAN cluster from Naveen Gupta. Akhil Chandra will look after Indonesia business.
- Naveen Gupta will move to Dubai to lead the Africa cluster.
- During the quarter, company has started manufacturing Wet Hair Care products locally in East Africa.



Company	Granules India Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

16th Aug 2017

MD : Mr. C Krishna Prasad

CFO : Mr. VVS MURTHY

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Full affect of launch of Paracetamol will be visible from Q4
- Q1 is affected by forex loss.
- Company didn't face pricing pressure in US market due to product mix and efficient in pricing.
- Expanded capacities and PFI capacities coming on stream will be the key growth drivers for FY18 & 19.
- Company did not witness any significant impact of GST on the business
- Gross R&D exp for Q1FY18 is Rs. 5Cr and guidance for FY18 is Rs. 25 Cr



Company	Greenply Industries Ltd
SECTOR	Materials
INDUSTRY	Paper & Forest Products

2nd August 2017

Management Participants

Director & CEO

Mr. Shobhan Mittal

CFO

Mr.V Venkatramani

Vice President

Mr.Mahabir Agarwal

Our Analyst in the Call

Pramila Lakra

pramila.lakra@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Manufacturing unit in UP and Gujarat plant will be open in 2QFY19.
- PAT is declined by 10% due to the currency losses.
- Working capital days has improved by 2days YoY to 45days. Real growth will be come on FY19.
- Inventory is not the concerned for next quarters.
- From 1st August, Plywood price is increased by 2% and MDF is 5%.
- In 2QFY18,MDF growth will be 8-10% and overall growth will be 5-7%.
- There will be 15-20% growth in MDF in next 2-3 yrs.
- Regarding Timber, Maynmar govt. has announced loggers have to supply to Mynamar team.
- Mgmt expect business volume will start improving from Q3 reflecting the benfits of GST for the organized sector.
- CAPEX for new plant in UP will be 115 cr and for Gujarat 40 cr. FY18 focus will be on Gujarat plant.
- Plywood will be positive in next few quarters.
- No states have come up with GST clarity so as per current Scenario business will maintain the margins
- Depreciation will be 5-6% and for Andhra plant it will be 32 crore annually. Tax overall will be stable
- In 1QFY18 450 crore CAPEX is invested in Andhra plant and in next qtr 225 crore will be invested in Gujarat plant and rest in 2QFY18. Expect a 5-7% growth in FY18.
- Margins expected to improve by 40-50 bps in FY18.



Company	Havells
SECTOR	Industrials
INDUSTRY	Electrical Equipment

19th July 2017

Management Participants

Chairman & MD

MR. ANIL RAI GUPTA

DIRECTOR - FINANCE & GROUP CFC

MR. RAJESH GUPTA

EXECUTIVE PRESIDENT

MR. RAJIV GOEL

Our Analyst in the Call

Shweta Padhi

shweta.padhi@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- maintain 13-13.5 %. wire and cable price to increase from 1st of july.
- rate of gst higher , entire cost to transferred to customer .
- contractor and builders will get credit.
- destocking 30-50%,restocking will Take time, the pricing and policy on different product has been affected 1st july .
- employee cost 13 cr one tym cost,capex 200 cr.
- inhouse and outsource would remain same 30:70 . trade payable have gone up .
- A lyod have tv,washing macine,lyod margin 6-6.5 to be maintained .
- organised ratailer will make better margin .
- VOLUME growth is 13-14 % , wire-9% .
- no of warehouse is maintained .
- 80-ac and balance will be mostly led .



Company	HDFC BANK LTD
SECTOR	Financials
INDUSTRY	Commercial Banks

24th July 2017

Management Participants**MD**

Mr. Aditya Puri

CFO

Mr. Shashidhar Jagdishan

Our Analyst in the Call

Deepak Kumar

deepak.kumar@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- There was several one-offs income in fee income from oil marketing company. Adjusting for one-offs income, fee income would have grown in the range of 18%-20%.
- Slippages during the quarter were Rs 3100. Recovery was Rs 521 Cr, up-gradation of Rs 490 Cr and write offs were Rs 737 Cr. Of the total increase in gross NPA around 60% was contributed by agricultural loan on account of loan waiver sentiment. As a prudent measures management has provided 50% provisions on non-performing agricultural loan.
- GNPA on agri portfolio would be around 5%.
- Provisions of Rs 120 Cr were provided on standard assets to stressed sector as per RBI guideline.
- Number of employee was flat from March quarter, expect employee expense trend to be stable going forward.
- Cost to income ratio will trend downwards due to digitalization initiative.
- Overseas book stands at Rs 20100 Cr.
- HDB Financials- AUM Rs 35000 Cr, PAT Rs 150 Cr for 1Q FY18. Moved to 90 days NPA recognition.



Company	Hero Motocorp Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Automobiles

25th July 2017

Management Participants**CHAIRMAN**

Mr. Brijmohan Lall Munjal

CMD & CEO

Mr. Pawan Munjal

Sr V P & CFO

Ms. Ravi Sud

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- High single digit growth for industry in FY18.
- Double digit growth for Hero in FY18.
- EBITDA Margin would be in the range of 14-15% for long term considering the Haridwar plant benefit expires in 4QFY18.
- Benefit from LEAP program will be similar to last year (approx. 90 bps)
- Growth in the scooter segment will be faster than motorcycles.
- Good monsoon and festive season would be strong growth drivers for rural area.
- Capex guidance of Rs.2500 crore to be spent on R&D (new product development) and Andhra plant.
- Inventory level 5-6 weeks.
- Tax rate would be in the range of 29-30 percent.



Company	ADITYA BIRLA NUVO LTD
SECTOR	Materials
INDUSTRY	Metals/Mining/Minerals

11th August 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

MD

Mr. Satish Pai

Head Copper Business

Mr.J.C.Laddha

Deputy CFO

Mr.Alphonso Richard Das

IR

Mr.Abhishek Rungta

- Rise in Raw Material Prices has been one of the reasons for decline in the Margins.
- Margins would see some correction going forward.
- Dispatches would be disrupted in 2QFY18 because of GST.
- All the Foreign Subsidiaries are either Shut or demerged (except the Abu Dhabi facility in which
- No Cash Support is given to foreign subsidiary..
- In Ductile Iron segment demand is healthy, stable and likely to remain that way.
- Order book of more than 1 million tons.
- Aiming to be a significant player in stainless steel segment in future.
- Conserving Cash with no major expansion plan.
- Dispute with a PSU client. Interim award has been In favor of the company. Final verdict would be out
- Global Scenario: Consistent low oil & gas prices, Middle East is not in good shape, Europe still has to show growth signs, and China is under in its own pressure.
- India is showing good signs with the help of govt. initiatives.
- FY17 sales of DI pipes in terms of tonnage- 3.75 lakh tons, and in terms of value at 2000 cr.
- Expected production of Stainless steel for FY18 would be close to 10000 tons.

Our Analyst in the Call

Sagar Sharma

sagar.sharma@narnolia.com



Company	Hindustan Media Ventures Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Media

19th July 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chief Financial Strategist

Mr. Vinay Mittal

DIRECTOR

Mr. Ajay Relan

CFO

Mr. Ajay Jain

Our Analyst in the Call

Rajeev Anand

rajeev.anand@narnolia.com

- Having good start in April, company witnessed sharp decline in advertisement in remaining months due to GST.
- Advertisement from FMCG and Real Estate is impacted the most.
- Advertisement from education remained flattish whereas Auto and BFSI remained strong.
- Expect strong growth in 2nd half FY18.
- Yield growth for this quarter remained 6% whereas volume growth declined by 6%.
- Rising competition in UP market and lowering cover prices by competitors forced HMVL to lower its cover prices in UP.
- Advertisement from government is stable.
- Goal: focus on volume driven growth with the improvement in operating margin.
- In Bihar, company's realization and cover prices is stable.
- 12 days of July remained stressed as per advertisement revenue.



Company	Hindustan Unilever Ltd
SECTOR	Consumer Staples
INDUSTRY	Household & Personal products

18th July 2017

Management Participants**CEO & MD**

Mr. Sanjiv Mehta

CFO, ED, Finance & IT

Mr. P. B. Balaji

GM

Ms. Dinesh Thapar

Our Analyst in the Call

Rajeev Anand

rajeev.anand@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- Footfalls and off-takes normal, Trade pipeline is thin.
- Sections of trade, particularly wholesale and small retailers still unclear on rules, delaying return to normalcy.
- Benefit of input credit will be passed to the consumer.
- Home Care & Refreshment continued their strong growth momentum.
- Launched 12 SKUs under Citra in the Face Care segment.
- After a successful South launch, Lever Ayush now being rolled out nationally.
- Water business witnessed muted quarter in Q1FY18.
- Goal: focus on volume driven growth with the improvement in operating margin.
- GST implementation remained smooth as company was preparing 2 years before that.
- First 2 weeks of GST witness disruption, now situation is becoming normal.
- Aim of saving 6% of turnover. Last few quarters were tough.
- 2% of the sale impacted due to lull of orders from CSD in Q1FY18 (45 days of destocking). Started buying now. CSD slow to recovery. At distribution level no shortage of stock.
- The company is working with trade partners where their cost is high company has compensated.
- See fundamental shift on whole sale channel after GST.
- Oral care is not performing as per expectation.
- In this quarter urban performed slightly better than rural.
- Doesn't intend to take price hike in foreseeable future.



Company	ICICI BANK LTD
SECTOR	Financials
INDUSTRY	Commercial Banks

27th July 2017

Management Participants**MD & CEO**

Mr. Chanda Kochhar

EXECUTIVE DIRECTOR

Mr. N. S. Kannan

Q1FY18 EARNING CONFERENCE CALL

- Under NCLT the bank had exposure of Rs 6890 Cr towards which they have provided Rs 2800 Cr, the balance provisions of Rs 640 will have to be provided over the next 3 quarters.
- Made standard asset provision of Rs 160 Cr during the quarter towards standard assets outstanding in telecom power, iron & steel, mining & rigs.
- Watchlist exposure increased to Rs 20360 Cr on account of Rs 1420 Cr addition during the quarter.
- Sale to ARCs during the quarter comprised of Rs 167 Cr of one SMA-II account.).
- Bank reversed the provisions on one recovered account which was slipped into NPA in 4Q FY17. Telecom exposure is 1.5%.
- Outside watchlist accounts, lumpy slippages came from electronics sector.

CHAIRMAN

Mr. Mahendra Kumar Sharma

Our Analyst in the Call

Deepak Kumar

deepak.kumar@narnolia.com

- Domestic credit growth was 11% YoY driven by 19% growth in retail segment.
- Domestic corporate de-grew 2.8% YoY.
- Expect 18-20% growth in retail segments and growth in the SME segment within the range of 15-
- Bank expects the contribution of the overseas loan to go down further over next couple of years.
- Management aims to maintain 3% NIM for full year FY18.

Narnolia™

IDFC Bank Ltd



Company	IDFC Bank Ltd
SECTOR	Financials
INDUSTRY	Commercial Banks

27th July 2017

Q1FY18 EARNING CONFERENCE CALL**Management Participants****Former Chairman & MD**

Mr. Rajiv Lall

- Retail banking is shaping up well every month there is a growth of around 200-300 cr on net basis.
- NII down at the moment because of composition of balance sheet and significant problem of legacy.
- Realization of funded book around 16438 cr which is divided into direct (which includes bharat and SME) and Indirect (which includes buying from the market).
- NIM pressure is due to sale of assets to ARC
- About 4000 cr of gross loan is sold to ARC.

Chairman & MD

MR. Sunil Kakar

- 25000 customer from Bharat + and 55000 customer from the combination of loans and savings.
- Professional fees amounted to Rs 43 cr in this quarter.
- Capital is not being used due to risk free asset.
- Within 24 months liability will become more flexible depending upon trading gain.
- 5000 cr of organic retail asset that is the run rate for the Company.
- At the middle of FY18 it is expected liability side to be very clear and asset side to be robust.
- 156 Branch opening for FY18 and guidance for FY19 is 250
- Non infrastructure large corporate is very aggressive. Almost 3 fold growth is seen.
- 142 cr is fee based income.

Chief Risk Officer

MR. Pavan Kausal

- NII will be stable after 9- 12 month according to the Mgmt.
- Asset quality has not been seen any provisioning
- Expectation of merger will be only effective in July18.
- Cost of funding has come down.

Our Analyst in the Call

Anu Gupta

anu.gupta@narnolia.com

Company	IndusInd Bank Ltd
SECTOR	Financials
INDUSTRY	Commercial Banks

11th July 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

MD & CEO

Mr. Romesh Sobti

CFO

Mr. S.V. Zaregaonkar

COO

Mr. Paul Abraham

Our Analyst in the Call

Deepak Kumar

deepak.kumar@narnolia.com

- Rs 122 Cr of standard assets provisioning on Jaiprakash cement got reversal but not utilized in PL. Out of this amount Rs 70 Cr was utilized for floating provisions, Rs 33 Cr was hold back in standard assets provisions pool and Rs 20 Cr was utilized for SR and microfinance provisions.

- Disbursement in vehicle finance was impacted by BS4 and GST. Disbursement in June was better than April and May. But management expects the normalcy to come from 3Q FY18. Management highlighted that there is supply side issue due to BS4 implementation.

- Micro finance business growth was flat during the quarter. Expect 2Q also to be flat. Risk on micro finance book is around Rs 50 Cr.

- Under Insolvency & Bankruptcy Code RBI listed 12 accounts. Out of this IndusInd bank has exposure over 3 accounts with net balance sheet exposure of Rs 50 Cr. One account is provided as per RBI and required incremental provisions on other 2 are not material.

- Telecom exposure is 2.1% which declined from 3.5% last quarter due to higher repayment. None of the exposure in telecom is rated below A.



Company	Infosys Ltd
SECTOR	Information Technology
INDUSTRY	Software & Services

25TH AUGUST 2017

Management Participants

CEO & MD

Mr. Vishal Sikka

COO

Mr. Pravin Rao

CFO

Mr. M. D. Ranganath

Our analyst in the call

Niharika Ojha

niharika@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Revenue rose 3.2% in dollar term
- Revenue per employee has increased from \$51400 in 4qfy17 to \$51900 in 1qfy18
- Company maintained its constant currency revenue growth guideline at 6.5% to 8.5%
- 6 client added in \$25 mn
- Attribution rate at 16.9%
- Utilisation rate all time high at 84%
- Great opportunity in Europe
- 10000 American workers to be hired in next 2 years
- Continuous momentum in NIA
- Capex for 1qfy18 533cr
- Impact on operating cost due to rupee appreciation and visa cost
- Outlook for operating margin at band of 23-25%



Company	Insecticides (India) Ltd
SECTOR	Agritech
INDUSTRY	Agrochemicals

10th August 2017

Management Participants

Chairman & MD

Mr. Hari Chand Agarwal

Joint MD

Mr. Rajesh Agarwal

Our Analyst in the Call

Ritika Jalan

ritika.jalan@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- The Company expects to be debt free by end of FY19.
- In terms of EBITDA Margin for Q2FY18 it will be maintained at the same level as that of Q1FY18. Expectation of 200BPS expansion in EBITDA Margin in FY18.
- Recently launched biological product Kayakalp will generate revenue of Rs100Cr over three years.
- The Company had plans to launch 6-7 products each year. Furthermore, it has launched Suzuka which is expected to contribute meaningfully in FY18.
- It will incur a Capex of Rs50 Crore over six months for capacity expansion at Dahej from September beginning. The impact of the expansion on revenue will be visible from next fiscal.
- The products launched in this year would pick up from next year in terms of meaningful revenue contribution.
- The Company targets to launch new products in rabi season or late kharif season
- Guidance of tax rate going forward- 29%-30% in FY18.

Narnolia™ IRB Infrastructure Developers Ltd



Company	IRB Infrastructure Developers
SECTOR	Industrials
INDUSTRY	Construction & Engineering

24th July 2017

Management Participants

CMD

Mr. Virendra Mhaiskar

GROUP CFO

Mr. Anil Yadav

GROUP CS

Mr. Mehul Patel

Our Analyst in the Call

Sandip Jabuani

sandip.jabuani@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Pathankot Amritsar project will transfer to IRB InvIT at valuation of 1500-1550 CR, debt on the project is 900 Cr.
- Achieved financial closure for Udaipur Gujarat road project
- 18% tariff revision in Mumbai Pune road.
- GST impacted traffic growth.
- 6-7% traffic growth in Mumbai Pune highway.
- 3-4% traffic growth on entire road portfolio
- Maintain 10-12% EPC revenue growth for the year FY18.
- Work on Udaipur Gujarat will commence from Q2FY18 and remaining two projects in state of Rajasthan will come under execution from Q3FY18.
- EBITDA margin will be impacted by 100-200 bps due to GST
- 4-4.5% tariff hike on Ahmadabad- vadodara and Pathankot Amritsar road project
- Tolling on Kaithal Rajasthan (Currently under construction) project will start in month time.
- Targeting 300-400 Km of new road projects in FY18. Understating and observing the bidding of HAM projects.
- Expect good numbers on toll collection from Q3FY18.
- All the six projects has transferred on 9th May 2017 to InvIT. Till 9th may revenue and cost was recognized in IRB's books.
- Higher tax on BOT segment due to full tax provision on project basis



J Kumar Infraprojects Ltd

 J. Kumar Infraprojects Ltd.

Company	Jkumar Infraprojects Ltd
SECTOR	Industrials
INDUSTRY	Construction & Engineering

11th Aug 2017

Management Participants

Executive Chairman

Mr. Jagdishkumar Gupta

CFO

Mr. Arvind Gupta

Our Analyst in the Call

Sandip Jabuani

Q1FY18 EARNING CONFERENCE CALL

- 3 TBM out of 5 is ready and it will arrive at project site in Oct and management expect boring work will start from Jan 18.
- Management expect to book 100 Cr of revenue from JNPT road projects in Q2FY18, which it has not able to recognize in Q1FY18.
- As on 30th June Debt :- 474 Cr, Debtors :- 538, Inventory :- 650 Cr
- Despite Raw material Non-availability during H1FY18 management continue to maintain revenue guidances of 1900 Cr in FY18
- Quarries are closed from April in Mumbai region which was resulted into lower revenue in Q1FY18 and mgt. expects it will sort out in next couple of months.
- Order book at the end of the Q1FY18 is 8939 Cr.



Company	Jagran Prakashan Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Media

9th Aug 2017

Management Participants

CFO:Mr. R K Agarwal

CS and Compliance Officer

Mr. Amit Jaiswal

Director :Mr. Shailesh Gupta
Our Analyst in the Call

Rajeev Anand

rajeev.anand@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- Jagran has reduced cover prices in UP and Bihar after witnessing heightened competitive intensity.
- This result has absorbed recent price cut in UP but effect of Bihar's price cut will come in Q2FY18.
- Lower cover price will not going to impact margins as company is planning to reduce pagination and increasing cover price wherever it possible.
- Expects recovery in ad revenue in 2HFY18. July continues to be bad.
- Newsprint prices will remain stable going ahead
- Radio City: Expects 2% above than industry growth.
- Digital business: Expects above than 20% growth going forward. Expects business to become profitable by 2020.
- IRS: Release date may be in Oct-Nov 18.



Company	Jindal Saw Ltd
SECTOR	Materials
INDUSTRY	Metals/Mining/Minerals

3rd August 2017

Management Participants**CEO & Whole Time Director**

Mr. Neeraj Kumar

Global Head Treasury

Mr. Vinay Gupta

Our Analyst in the Call

Sagar Sharma

sagar.sharma@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- Rise in Raw Material Prices has been one of the reasons for decline in the Margins.
- Margins would see some correction going forward.
- Dispatches would be disrupted in 2QFY18 because of GST.
- All the Foreign Subsidiaries are either Shut or demerged (except the Abu Dhabi facility in which
- No Cash Support is given to foreign subsidiary.
- In Ductile Iron segment demand is healthy, stable and likely to remain that way.
- Order book of more than 1 million tons.
- Aiming to be a significant player in stainless steel segment in future
- Conserving Cash with no major expansion plan.
- Dispute with a PSU client. Interim award has been In favor of the company. Final verdict would be
- Global Scenario: Consistent low oil & gas prices, Middle East is not in good shape, Europe still has to show growth signs, and China is under in its own pressure.
- No Cash Support is given to foreign subsidiary.
- FY17 sales of DI pipes in terms of tonnage- 3.75 lakh tons, and in terms of value at 2000 cr.
- Expected production of Stainless steel for FY18 would be close to 10000 tons.



Company	JK LAKSHMI Cement Ltd
SECTOR	Materials
INDUSTRY	Construction Materials

4th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chairman & MD

Bharat Hari Singhanian

Joint MD

Corporate Counsel & Company Secretary

Shri B.K. Daga

Our Analyst in the Call

Bineeta Kumari

bineeta.kumari@narnolia.com

- The company registered a healthy growth of 8% in its production and sales in 1QFY18.
 - Expect capacity Utilisation at 82%-84% from Q3FY18. Q2FY18 remains a muted one because of the rains.
 - Saw an impact on 70,000-80,000 tonne due to excess rainfall in Rajasthan. Mgt is positive that it will make it up going forward.
 - Cost of inputs have risen, petcoke costs have gone up by 30%, thus impacting company's margin in Q1FY18.
 - Expect Q2FY18 EBITDA/tonne to be muted.
 - RMC Sales for 1QFY18 was Rs 39 Cr.
- To bring down power cost company is installing 7.5 MW Waste Heat Recovery power plant in Durg which is likely to be commissioned in Oct 17.
- Capacity utilization for JPA assets is less than 15%, is expected to increase to ~60% by 1QFY19 and ~70% by FY19-end. EBITDA/t of JPA has been Rs 400, led by incentives.
 - The company is further putting up a 200 MW Thermal Power Plant in Durg which will come into stream in 3QFY19..
 - Company feels cement demand will pick up post monsoons in th 2HFY18



Company	Jubilant Foodwork Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Consumer Services

17th July 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chairman & MD

Mr. Shyam S. Bhartia

Co-Chairman & Director

Mr. Hari S Bhartia

CEO : Mr. Pratik Pota

Our Analyst in the Call

Pramila Lakra

pramila.lakra@narnolia.com

- Operating losses will be cut down in the next few quarters.
 - In FY18 focus will be on already opened stores.
 - In FY18, 40- 50 new stores of Domino's will be open in FY18 both in existing cities as well as in new cities
 - Everyday value will be introduced in Dunkin as well in FY18.
 - New goals are looking for different food combo's in menu and store combo's in FY18.
- No challenge in product quality in FY18.
 - Losses of dunkin will be reduced to half this quarter in 2QFY18.
 - No Investment in Product Quality for few quarters.



Company	Joythy Laboratories Ltd
SECTOR	Consumer Staples
INDUSTRY	Household & Personal products

4th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chairman & Managing Director

Mr. MP Ramachandran

Joint Managing Director & CFO

Mr. Ullas Kamath

Chief Executive Officer

Mr. S Raghunandan

Our Analyst in the Call

Rajeev Anand

rajeev.anand@narnolia.com

- Blended GST rate is 21% (20.5% in VAT regime)
- Efficiency from supply chain initiative expected 1.5% (Full year benefit)
- Secondary sales is higher by 15% over primary sales
- Management expects 8-10% topline and 15% EBITDA margin for the September quarter (Q2FY18).
- Mgt guided for 50% gross margin and 15-16% of EBITDA margin for FY18. A&P expenses to remain 12% for FY18.
- Kerala contribute 17% of general sale impacted most. Due to this company lost Rs 40 cr of sales in this quarter. Now Normalcy returning.
- The company's sales from CSD impacted. CSD billing has started from August2. Now Normalcy returning.
- Fresh negotiation finalized in end of July for Modern Trade with company. So August onward sale from MT is expected to be normal.
- Wholesale: 60% of business is normalized in Q1FY18, 20% will be normalized by Q2FY18, 10% will be normalized by Q3FY18 and By the whole sale channel will be normal.
- Tax rate: 8-10% for FY18 and FY19: MAT rate.
- Volume declined by 17% in Q1FY18.
- Mgt guided for 10-12% top line growth for FY18.
- Henko and Phril are skewed towards modern trade and CSD that why did slightly better than other brands.
- Ujala Fabric Stiffener gets 75%+ of the sale from Kerala.
- Ujala Detergent - Kerala Market Share% 16.2%.
- CSD normalized now. Modern trade: barring two
- July in the west and August-September in North: season for Mosquito repellent.
- Direct Reach: Close to 1mn outlets.
- Growth was driven 2/3 from urban demand.



Company	KEC Ltd
SECTOR	Industrials
INDUSTRY	Construction & Engineering

2nd Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

MD & CEO

Mr. Vimal Kejriwal

CFO

Mr. Vardhan Dharkar

SR. MANAGER IR

Mr. Nitin Kalani

Our Analyst in the Call

Sandip Jabuani

sandip.jabuani@narnolia.com

- Increase in debt due to higher level of inventory due to GST implementation.
- Management reiterate 15% revenue growth and 9-9.5% of EBITDA for FY18.
- As on 30th June Debt :- 474 Cr,
- Around 100 Cr of lower revenue in Q1FY18 due to GST
- Delivery from SEA was on hold as per customer requirement and SAE received the payment but not booked as revenue based on accounting principle.
- Current order book stands at Rs. 13532 Cr with 4500 Cr of L1. 95-98% of L1 orders belongs to the T&D segment.
- Avg. cost of debt is 7% compared to 7.5% in last year.
- Tax should be around 35% for the FY18.
- Execution cycle for T&D projects is 18-24 Months.
- Order intake remained flat in Q1FY18 and it will be remain depressed in Q2. But expect healthy recovery in second half of the year.
- Received 300 Cr from Saudi and now payment is much regular.
- Management expect some of the railway order in Q2FY18.
- All the SEBs are coming up with continues orders but considering the GST ordering is lull and management expect to pick up from second half.
- KEC put on hold dispatch of some of the orders as per client requirement in cable segment which was resulted into higher level of inventory.
- No pressure on margins due to GST



Company	Karur Vyaya Bank Ltd
SECTOR	Financials
INDUSTRY	Diversified Financial Services

1st August 2018

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Managing Director & CEO

MR. K. VENKATARAMAN

President & COO

MR. K. VENKATESWARA RAO

General Manager & CFO

MR. T. SIVARAMAPRASAD

- 15% advances growth is expected in FY18.
- About 200 cr fresh slippages were added during the quarter. Mgt expects to reduce it to 60 cr in Q2FY18 and Q3FY18 quarters.
- Three recovery branches were set up in Tamil Nadu and partly in Andhra Pradesh. 4 more branches are on way to open.
- Mgt expects recovery to be much faster.
- PCR will remain at 57%.
- Resolution not happened according to the expectations because of which restructured account
- Higher fee income was led by hike in processing fee, rental, ATM transaction commission, and
- About 500 cr income came from ATM transactions at the time of demonetization.
- NIM will be in the range of 3.4-3.5% but not gradually immediately.
- 450 cr weak asset is still remaining.
- Slippage of 150-200cr from other than corporate sector.
- Slippages due to dispensing-20 cr in Q1FY18.
- O/s security receipts amounted to 502 cr.
- Expects good growth from SME side of 15-20%.
- Asset quality will take couple of years to improve.
- Out of 1800 cr 800-900 cr of GNPA is transferred to recovery branches.
- 450 cr weak asset is still remaining.
- Slippage of 150-200cr from other than corporate sector.
- Slippages due to dispensing-20 cr in Q1FY18.
- O/s security receipts amounted to 502 cr.
- Expects good growth from SME side of 15-20%.
- Asset quality will take couple of years to improve.
- Out of 1800 cr 800-900 cr of GNPA is transferred to recovery branches.
- Capital consumption is 80 bps due to increase in investments and Mutual funds.
- Private power exposure -295 cr and govt. power exposure-442 cr.
- Under private power exposure one account gone to NPA of about 40 cr ,90 cr restructured and all
- Fee income is expected to grow 25 % YoY basis.

Our Analyst in the Call

Anu Gupta

anu.gupta@narnolia.com

Company	KNR constructions Ltd
SECTOR	Industrials
INDUSTRY	Construction & Engineering

16th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

MD & CEO

Mr.Vimal Kejriwal

CFO

Mr. Vardhan Dharkar

SR. MANAGER IR

Mr. Nitin Kalani

Our Analyst in the Call

Sandip Jabuani

sandip.jabuani@narnolia.com

- Slow land acquisition and GST has impacted new orders during the quarter.
- Management expects to receive Rs.2000-2500 Cr in next 9 months time period.
- Debt on standalone book is 141 Cr
- Other income includes interest on IT refund of Rs.7 Cr
- KNRCON has submitted 3 bids in irrigation projects in Telangana. Management expects to win at least one bid amounting around 500 Cr.
- Company is evolving new opportunity in elevated metro and Railway.
- Tax rate will be 8% in FY18 and 15% in FY19.
- 80 new HAM projects will come under bidding in next 4-5 months and KNR expect to win Rs.1500 Cr worth of projects.
- Traffic should be go up on Muzaffarpur Barauni BOT project once company receive 100% CoD. #Management expects 100% CoD in months time period.
- EBITDA margin in range of 14-15%
- Depreciation was higher as the change in estimated life of machinery used for the irrigation projects and it will remain higher until irrigation projects complete.



Company	LIC Housing Finance Ltd
SECTOR	Financials
INDUSTRY	Diversified Financial Services

31st July 2017

Management Participants

MD & CEO

Mr. Rana Kapoor

SENIOR GROUP PRESIDENT & CFO

Mr. Rajat Monga

SENIOR GROUP PRESIDENT

Mr. Pralay Mondal

Our Analyst in the Call

Deepak Kumar

deepak.kumar@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Sanctions grew by 21% YoY.
- During the quarter 10% loans of the portfolio re-priced at lower rates which has an impact on NIM. Management stated re-pricing pressure is easing out.
- Targeting loan book growth of 15% in FY18. NIM target of 2.7% in FY18.
- Comfortable with capital position and there is no plan for capital raising.
- Disbursement in LAP book was Rs 1390 Cr and in core retail segment it was Rs 6895 Cr. Good growth was witnessed in southern, western and central part of the country.
- Number of loans disbursed during the quarter was 43000.
- Incremental yield breakup- LAP at 10-11%, retail at 8.50-8.60% and developer at 14%.
- On book yield breakup- LAP at 11%, retail at 9% and developer at 15%.
- Launched products in affordable housing segment catering to MIG 1 and MIG 2 category. This segment contributed 6% of the loans done during the quarter. Number of loans were 2600 of Rs 187 Cr out of total
- In the current month of July management has done more than 1000 cases in affordable segment.
- Non-performing assets spiked during the quarter. Management stated it to be seasonal, temporary and confident of reducing it in coming quarters.
- Margins declined due to reduction in lending rates in May and spike in bond rate in April and May. Also spike in GNPA has some impact. However with rates declining in June and July management is confident of recouping the margins. Currently LICHSGFIN is raising funds about 15-20 bps points lower than 1Q FY17 level.
- Out of the total slippages 75% was from retail segment.



Company	Lupin Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

3rd Aug 2017

Management Participants

CFO & President

Mr. Ramesh Swaminathan

Chairman : Mr. D B Gupta

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Single digit price erosion in Q1. Major decline in drug glumetza and portamet. In FY17, glumetza has contributed majorly
- Very small contribution from new products in Q1.
- Management expects domestic growth of 15% in FY18.
- Gross margin to remain at Q1 level of 68%, EBITDA margin is expected to improve to 21%
- Indore unit2 facility is inspected by USFDA with 2 observations, management expects 2 months time to get clarity from USFDA
- Goa facility is inspected by USFDA with 3 observations, management expects 1 month time to get clarity from USFDA.
- Lupin expect to launch Tamiflu soon depends on approval. Market size of around \$500 million in the US.
- Lupin plans to file 35-40 ANDA in FY18.
- Growth guidance for FY18 is 15 %, management is optimistic about significant growth in FY19.



Company	Mahanagar Gas Ltd
SECTOR	Utilities Industry
INDUSTRY	Gas Utilities-Sub Ind

9th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

MANAGING DIRECTOR

Mr. RAJEEV MATHUR

CFO

Mr. SUNIL RANADE

SR. VICE PRESIDENT

Mr. RAJESH WAGLE

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

- Demand of natural gas in India has increased due to its increased availability and infrastructure.
- MGL's pipeline network has reached to 4890 km.
- MGL plans to add 1000 PNG connections in Raigad in this year.
- Govt. aims to create Green corridor on NH 4(Mumbai Pune expressway). MGL is authorized to open CNG outlets on this highway.
- GST has abolished Octroi but company is facing loss due to non-availability of input credit and thus company has passed it to the customers.
- MGL plans to add 20-25 CNG outlets in FY18, 3 outlets already opened in Q1 which increased total count to 206.
- CNG vehicles addition every month-(1000-1100 autos,4000-4500 cars,100-200 buses)
- CNG volume in Kg has increased by 5% YoY, but CNG volume in SCM has grown by 1.5%.
- MGL's focus is to acquire new commercial and industrial customers every year.
- Capex guidance for FY18 is Rs. 250-300 Cr.
- Demand of alternate fuel like natural gas by commercial and industrial customers depends upon



Company	Mahindra & Mahindra Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Automobiles

4th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

CEO

Mr. Dr Pawan Goenka

CFO

Mr. V.S.Parthasarathy

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com

- Management expects good growth in the tractor and auto segments in FY18.
- Margins to be maintained going ahead. (4% in Auto and 17% in Tractor segment)
- Tax rate will be on 32.5% for FY18 (29% in FY17).
- Rs.144 crore of one time impact (dealer compensation due to GST).
- One new launch in FY18 (MUV U-301).
- Urban-rural split is 50-50.
- Market share is 45% in the tractor segment.
- Ssangyong losses will come down in FY18.
- One new launch in the second half of this fiscal (MUV code named: U-301)



Company	Marico Ltd
SECTOR	Consumer Staples
INDUSTRY	Household & Personal products

2nd Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

MD & CEO

Mr. Saugata Gupta

CFO

Mr. Vivek Karve

Head-Treasury, IR, Secretarial & MA

Mr. Ravin Mody

Our Analyst in the Call

Rajeev Anand

rajeev.anand@narnolia.com

- Q2FY18 will be near to normal.
- Witnessing headwind in rural whole sale. South and west are almost normal.
- 8-10% overall volume growth for balance of the year.
- In Suffola and VAHO passed the benefit of GST to the consumer.
- Bangladesh is back to normal. Expects double digit growth in FY18.
- Margin will be around 17-18% in FY18.
- Ad & P expenses will be back to normal in the range of 11-12% for balance of the year.
- In 2-5 years , digital business will be significant driver for Marico.
- The company took price cut in Suffola and VAHO of around 3-4% and 5% respectively to pass GST benefit.



Company	Maruti Suzuki India Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Automobiles

27th Jul 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

CFO

Mr. Ajay Seth

Senior Vice President

Mr. Pradeep Garg

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com

- Strong double digit growth guidance
- Exports to be around 125000 units
- First time buyers have increased to 50%
- Royalty stood Rs.886 crore for the quarter.
- Waiting period for Baleno: 16 weeks, Dzire: 16 weeks and Brezza: 20 weeks.
- Discounts during the quarter were at Rs.16600.
- 24000 units were produced in 1QFY18 from Gujarat plant. It will produce total of 150000 units this year
- Tax rate in the range of 27-28%
- Capex Rs.4500 crores

Narnolia™ Motherson Sumi Systems Ltd



Company	Motherson Sumi System Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Auto Components

10th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chairman

Mr. . Vivek Chand Sehgal

CFO :Mr.G.N.Gauba

COO : Mr. Pankaj Mittal

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com

- Revenue guidance of USD 18 billion and ROCE of 40% by 2020. (Current order book is
- Capex guidance for FY18 would be Rs.2,000 crores and major portion would be in new plants. Maintenance capex will be 30% of total capex
- 10-20 percent increase in content per vehicle going ahead under BS-VI
- The depreciation will be on higher side due to Mexico plant and it will take atleast 3 quarters to ramp up production.
- Average interest cost is around 2%
- The company has enough capacity to cater current order book
- New models of Passenger vehicles are coming up with more complex content which provides Motherson huge opportunity to grow.



Persistent Systems Ltd



Company	Persistent Systems Ltd
SECTOR	Information Technology
INDUSTRY	Software & Services

21th JULY 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

CHAIRMAN & MD

Dr. Anand Deshpande

Executive Director & President - Se

Mr. Mritunjay Singh

Chief Financial Officer

Mr. Sunil Sapre

Our analyst in the call

Niharika Ojha

niharika@narnolia.com

- Revenue for the 1QFY18 is \$ 112.97mn, 3.6% QOQ and in INR term 728.01cr increased of 0.1%QOQ.
- .PAT for 1qfy18 is 750.89m.
- Expanding the presence in europe through new acquisition
- Aquisition of PARX.
- 15 Client added in this quarter
- Revenue came flat for digital.
- Deals gain one in UP & other deal in US for service.
- Onsite revenue grew by 11.2% QOQ and offshore fall by -0.3QO
- EBITDA was impacted due to currency appreciation , hiring proportion & investment, lower offshore utilisation , seasonal cost due to visa cost , investment in sales, provision for debt.
- Treasury income is 183m.
- 2 customer in IP& 10 in Service left.
- Risk of onsite number will go up.



Company	Petronet LNG Ltd
SECTOR	Energy
INDUSTRY	Oil, Gas & Consumable Fuels

10th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chairman

Mr. K D Tripathi

Director (Finance)

Mr. R K Garg

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

- Capacity utilization at Kochi terminal reached 12% to 8 TBTU in Q1FY18.
- Revenue has increased due to volume increment and higher capacity utilization at Dahej.
- Till date 8 LNG cargoes have been imported in Gorgon. In Q1, 4 cargoes received, 12 TBTU gas is imported.
- Management expects volume to pick up in later FY18.
- Management expects 4.5 cargoes per quarter.
- Ministry has allowed use of LNG gas in heavy transport vehicles. company aims to do a pilot of LNG trucking by end of FY18.
- Tax rate will be in range of 34% due to non-availability of MAT, which is available in previous
- GST may not have any impact on volume.
- Management doesn't expect any problem to its ramp-up to 17.5mmtpa at Dahej, despite the domestic gas production increase
- Investment decision of USD1b in LNG terminal in Bangladesh at a mature stage.
- Gorgon landed price is USD7.5-8/mmBtu, Rasgas long-term price is a bit lower
- Three fertilizer plants – Chambal, Matix and Ramagundam – could add to the increased offtake of gas, thereby domestic gas increase might not be that big a problem to LNG offtake in the near term



Company	PI Industries Ltd
SECTOR	Agritech
INDUSTRY	Agrochemicals

14th August 2017

Management Participants

Chairman & MD

Mr. Salil Singhal

**Corporate Counsel &
Company Secretary**

Nishid Solanki

Our Analyst in the Call

Ritika Jalan

ritika.jalan@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Capex outlook of Rs150 Cr in FY18.
- Some of the molecule will likely to commercialize at 4QFY18 and in 1st half of next financial year
- Five new product launches expected to be scheduled in FY18 and three product launches in FY19
- Company order book is for a longer period of time ranging between 3-4 year
- Maintain revenue growth guidance at ~10% in both the businesses, with stable EBITDA margin.
- Expected Tax Rate for FY18-20%-21%(FY17-14%-15%).
- Good momentum in export expected in second half of financial year.



Company	PNC Infratech Ltd
SECTOR	Industrials
INDUSTRY	Construction & Engineering

17th Aug 2017

Management Participants

CHAIRMAN & MD

Mr. Pradeep Kumar Jain

CFO

Mr. D K Agarwal

AVP

Mr. D.K. Maheshwari

Our Analyst in the Call

Sandip Jabuani

sandip.jabuani@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Currently 40 km land parcel out of 98 km on Nagina Kashipur has been acquired and another 30 km #land will be acquired by September and management expect appointment in October 2017.
- Take appointment date on 4th July 2017 for the Koliwar Bhojpur and work is progressing well.
- 30% land is available on Bhojpur Buxar and management expects 50% by September and will take appointment date in December 2017.
- All the 3 stalled EPC projects and 3 new HAM projects will start contributing in revenue from Q4FY18.
- 53 km out of 73 km land is available on Chitradurg to Davanagere HAM project and company will take appointment date in November 2017.
- Management expects appointment date on both the package of Jhansi-Khajuraho in Mid November.
- Expect 25-30% revenue growth in FY18 with 13.05-13.15% EBITDA margin and at least 25% revenue growth in FY19.
- Capex requirement of 120 Cr in FY18 and 20-25 Cr in FY19
- Tariff revision of 3-5% across all the projects.
- PNC expects to receive 4000-5000 Cr of new projects in FY18.
- 400 Cr of equity requirement in 4 HAM projects over period of 3 years.
- 96 Cr will be booked in revenue from Agra Firozabad project as early completion bonus in H2FY18.
- Debtors a day looking higher as the 90 Cr of payment from Dusa HAM project is not received at the end of the quarter.
- Working capital loan will be zero in FY18 as the interest free mobilization advances are available.
- Tax rate in FY18 will be 12-15% and 18-20% in FY19
- 30-40% of required equity needs to infuse upfront in HAM projects



Company	Ratnamani Metals & Tubes Ltd
SECTOR	Materials
INDUSTRY	Metals/Mining/Minerals

14th August 2017

Management Participants

Chairman & MD

Mr. Prakash Sanghvi

CFO :Mr. Vimal Katta

Our Analyst in the Call

Sagar Sharma

sagar.sharma@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Company looking at Capacity expansion of LSAW segment taking it to 100000 tons from current level of 40000 tons at kutchh facility. (Not final yet)
- In addition to Rs.1391 cr. order book new orders bagged in carbon steel segment worth Rs.455 cr. (80000 tone) in August 2017 from Sauni project.
- Management expects FY18 sales to be same as FY15 and FY16. Company expects reasonable visibility for FY19 as well though it would be more clear after 2QFY18.
- Few orders would pass on to 2QFY19.
- EBITDA margins to be in the range of 16%-18% going forward.
- Order inflows in Stainless Steel were on lower side . Company expects pick up in next 2-3 months.



Company	RBL Bank Ltd
SECTOR	Financials
INDUSTRY	Commercial Banks

20th July 2017

Management Participants**Chairman & MD**

VISHWAVIR AHUJA

ED & CFO

NARESH KARIA

EXECUTIVE DIRECTOR

RAJEEV AHUJA

Our Analyst in the Call

Anu Gupta

anu.gupta@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- GST implementation brought greater transparency in the business and there is no negative significant cost due to it.
- Margins are expected to remain stable.
- Loan growth -40 % YoY.
- Credit cost flat at 31bps YoY and increase of 19bps QoQ.
- Advances grew by 63% YoY.
- Advances YoY growth in:- wholesale -37%
- Deposits increased by 37% YoY and CASA grew by 64% YoY.
- RBL raises 1680 cr via preferential allotments.
- Cost to income ratio is expected to be in the range 51-54% for the vision 2020.
- Approx 50% of growth is seen in branch expansion every year.
- Expect faster and higher growth in non wholesale sale book.
- Cost incurred in acquisition 63-65% of regular income.
- Cost of saving -6.67% and is expected to go down further.



Company	Sadbhav Engineering Ltd
SECTOR	Industrials
INDUSTRY	Construction & Engineering

16th Aug 2017

Management Participants**CHAIRMAN & MD**

Mr. Vishnubhai M Patel

JOINT MD

Mr. Shashin V Patel

EXECUTIVE DIRECTOR

Mr. Vasistha C Patel

Our Analyst in the Call

Sandip Jabuani

sandip.jabuani@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- Debt of 1450 Cr at the end of the Q1FY18 which is down by 200 Cr from March and management is fully focused on Balance sheet improvisation.
- 5 irrigation, 2 DMRC projects and Road EPC projects are nearing to completion.
- Service tax issue at BCCL project will solve in month time period and management expect 45-50 Cr quarterly Revenue run rate.
- Evaluating new opportunity in Metro segment.
- 15 EPC projects worth of 12000 Cr will be bidding out by NHAI in next couple of months.
- SADBHAV expects to receive 7000 Cr of new projects in transportation segment only in FY18.
- 400 Cr of Debt and 450 Cr of debtors will come down in FY18
- 3800 Cr plus top line in FY18 with 11.50-12% EBITDA margin.
- Earlier PSUs are reluctant to fund HAM projects but now we have seen improvement in scenario.
- Margin on HAM project is 14% plus 2% for the contingency.
- 120 Cr of MAT credit is available which will nullify tax in FY18.
- Expect 90 Cr revenue run rate from second half in mining.
- No additional capex required for current order book.
- Expects 325-350 Cr of revenue from irrigation in next 3 quarter.
- 440 Cr of loan outstanding to SIPL
- Expect 15-18% revenue growth in FY19



Company	Shriram City Union Finance Ltd
SECTOR	Financials
INDUSTRY	Diversified Financial Services

2nd August 2017

Management Participants

CFO

MR. RAMASUBRAMANIAN
CHANDRASEKAR

EXECUTIVE DIRECTOR

MR. Y. S. CHAKRAVARTI

Our Analyst in the Call

Anu Gupta

anu.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Coverage of 73.8% on Net NPA.
- No change in branch expansion. Right now have 998 branches and 26000 employees A/C.
- Total borrowing -17500 cr. About 50% of borrowing from fixed rate of interest, 25% Semi fixed rate and 16% floating rate.
- Issue on registration effected Tamil Nadu business which impacted disbursement previous guidance of 2800-3000 cr in SME slowed down. High court has permitted the registration in June 18.
- Housing Finance segment disbursement was slowed down. Overall 500 cr disbursement is expected from housing finance business for the next three quarters
- Focus will be on retail side of business.
- Number of 2 wheeler finance-242000 (more or less flat)
- Write off will be back to 2.21% but it will take some time. Bulk of write off has come from South.
- Average ticket size in Housing Loan-13 Lakh.
- Limit of 20000 on cash disbursement has impacted the gold loan business. There will be loss to the fund
- Under Housing Finance business LAP is NIL and construction finance amounts to 131 cr till now.
- Mgt decided to recruit special team in construction finance business which will take 6 month to pick up
- Mgt hopes to reduce funding cost by 30-40bps at the end of FY18 but not sure of it.
- Loan growth target of about 18-20% within which 2 wheeler 15-17 % and gold expected to be stable.
- In 90+dpd buckets 200-220 bps addition were made.
- Will move to 90+dpd by March 18.



Company	Sonata Software Ltd
SECTOR	IT
INDUSTRY	IT SOFTWARE AND SERVICES

16TH AUGUST 2017

Management Participants

CHAIRMAN & MD

MR. SRIKAR REDDY

Chief Financial Officer

MR. PRASANNA OKE

Our analyst in the call

Niharika Ojha

niharika@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Revenue at 635 crore in 1qfy18 decline of 7% qoq
- 6 new customer were added in International IT services, 3 from US , 1 from Asia and 2 from Europe.
- Cash and cash equivalents of approx 357 crore in 1qfy18
- Revenue from International IT Service for 1qfy18 is 211.3 crore sequential growth of 4% and for domestic product & service is 434 crore decline of 11% qoq.
- For fy18, pipeline is good in International IT services.
- Revenue decline due to dollar decline , change in other income and due to operational reasons . No finance cost within the company.
- Guideline for fy18 , EBITDA to be 15- 20% in India business. 20% target in HP led business.
- Other income is 15 crore for 1qfy18 , other income included in EBITDA but not in revenue



Company	SREI Infrastructure Finance Ltd
SECTOR	Financials
INDUSTRY	Diversified Financial Services

24th July 2017

Management Participants

Chairman & MD

MR. SUNIL KANORIA

CEO

MR. SAMEER SAWHNEY

CFO

MR. KISHORE LODHA

Our Analyst in the Call

Anu Gupta

anu.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- The Company resolved one of the cases which led to decrease in the NPA.
- Sectors like road ,minning,railways and smart city projects are providing good opportunity for the equipment demand.
- Infra portfolio is showing negative growth and it will take some more time for recovery.
- Margins were impacted due to shift from 120 days to 90 days.
- Yield growth in equipment finance is due to surge in volumes and fee income.
- AUM is expected in double digit for the FY18.
- Increase in the average cost of fund led by the high percentage of bank borrowing.
- Total recovery of 140 cr for which the principle amounted to Rs 240 cr. Write off of about 97-98 cr.
- About 700 cr amount is expected to come from partly equity and partly debt. Out of which 370 is equity.
- About 700 cr amount is expected to come from partly equity and partly debt. Out of which 370 is equity.
- ROE is expected to be better for the coming quarters.
- GNPA stood at 439 cr and Restructured asset amounted to Rs 293 cr.

Sun Pharmaceuticals Industries Ltd



Company	Sun Pharmaceuticals Industries Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals

11th Aug 2017

Management Participants

MD

Mr. Dilip Shanghvi

CEO

Mr. Abhay Gandhi

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Halol remediation process is completed and waiting for USFDA re-inspection
- Company is shifting products from Halol to other facilities
- Taro revenue US 161 Mn and PAT US 55 Mn in Q1
- Branded formulations business impacted due to GST implementation
- New GST rates are higher than the prior GST rates.
- Market share of sun pharma is 8%.
- In Q1, 5 ANDA's are filed and 8 approved
- Tildrakizuab received approval from USFDA to market in US.Expects launch by early-2019E
- Management has guided for single digit negative growth for FY18



Company	Symphony Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Household Durables

10th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants Chairman & Managing Director

Mr. Achal Bakeri
Executive Director, Corporate Affairs

Mr. Nrupesh Shah
Vice President Finance & Chief Financial Officer

Mr. Bhadresh Mehta
Our Analyst in the Call
Shweta Padhi
shweta.padhi@narnolia.com

- Topline was affected due to bad summers and rainfall .
- while margin was affected due to introductory prices of Touch series models.
- post July there is 15-23% price hike adjusted in distributor and customer level both for touch series, therefore revival of margins pre Dec level is expected .
- GST has helped in ease of business especially Logistics.
- Organise market share is to increase.
- Due to gst 3% price level have fallen which is used to maintain profitability and rest is passed on to customer .
- Robust international growth into new markets in South America & Africa but Middle East affected.
- Hike in advances to OEMS.
- Cloud is introduced pan India .
- Growth will be 10% for fy18 ,15% for unitary product,15% in E&p.
- Margin 11% for 1QFY18 , 12 % For entire year FY18.
- Margin for E&p will be 4.5% to 5%, Order Book to grow 20-25%.



Company	Tata consultancy Services Ltd
SECTOR	Information Technology
INDUSTRY	Software & Services

13th JULY 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

CHAIRMAN & MD
Mr. Rajesh Gopinathan

COO
Mr. N.G. Subramaniam
Chief Financial Officer

Mr. V. Ramakrishnan
Our analyst in the call
Niharika Ojha
niharika@narnolia.com

- Attrition rate fell to 11.60%
- Retail sector continues to be under structural stressed.
- Optimistic for banking & financial service, insurance for fy18
- Added new client- 8 client in \$ 1mn, 12 client in \$ 10mn, 1 client in \$100mn.
- Digital revenue made up for 18.9% of revenue compared to 17.9% in previous year FY17
- Net headcount dropped
- Expected to hire fresher in 2qfy18
- Delegation will be very attractive business
- Europe was most lucrative market for the company showing 5.9% sequential growth.
- Operating margin low - impact of wage increase and appreciation in rupees
- restructure of service line.



Company	TV Motor Company Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Automobiles

9th Aug 2017

Management Participants**CEO**

Mr. K.N. Radhakrishnan

CFO

Mr. S.G.Murali

Our Analyst in the Call

Naveen Kumar Dubey

Naveen.dubey@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- Industry growth guidance of 10%. Festivals would be strong growth levers in FY18
- The management is focusing on to increase the market share.
- Double digit margin guidance. Operating leverage and product mix to drive the margins up going ahead.
- Exports 2 wheeler volumes to be 40000+ per months going ahead.
- There is deficit rain fall in the southern region.
- Compensation paid to dealers Rs.16 crores on GST and additional Rs.6 crores on BS-III inventory.
- BMW motorcycles are being exported and the monthly runrate is around 2000 per month.
- New launches in scooters and premium bike segment to happen in the second half of the year
- Tax rate to be 28% for the full year in FY18.
- Capex guidance of Rs.500 crores in FY18.
- Inventory days: 35 days.
- Capacity utilization at 85%. Total capacity is approx. 4 mn units.



Company	Tech Mahindra Ltd
SECTOR	Information Technology
INDUSTRY	Software & Services

31th JULY 2017

Management Participants**EXECUTIVE CHAIRMAN &CEO**

MR. CP GURNANI

CFO : MR. MILIND KULKARN**PRESIDENT**

MR. MANISH VYAS

Our analyst in the call

Niharika Ojha

niharika@narnolia.com**Q1FY18 EARNING CONFERENCE CALL**

- Revenue for 1qfy18 is 7336.1 crore fell of 2.1% QOQ
- Total headcount fell 1713 to 115980 people for the quater ended 1qfy18.
- Employees utilisation stood at 81%
- Gain of 1 large network deal in communication and one large manufacturing deal in enterprise for 1qfy18.
- No more intervention is required in restructuring of network business.
- Cross currency benefit is 120 bps n 1qfy18
- Aquisition of HCL group in this quater, amount included in revenue.
- Other income growth was on the back of USD 20 m gain in its hedges , USD 9m benefit
- Tax rate is 25% around for the year & \$100 mn is paid for aquisition of HCL group
- \$325 mn for TCV business.
- Gain of 1 large network deal in communication and one large manufacturing deal in enterprise for 1qfy18.

Titan Company Ltd



3rd August 2017

**Management Participants
MD**

Mr. Bhaskar Bhat

CFO

Mr. Subbu Subhramaniam

CEO

Mr. C. K. Venkataraman

Our Analyst in the Call

Pramila Lakra

pramila.lakra@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Sales margin and ticket size will grow in 2QFY18.
- In FY18, jewellery revenue will be higher in numbers as comparison to FY17.
- FY17 gold were available at discounted rates which impacted in FY18.
- Expansion of same store growth in jewellery will be start on Q2FY18 and Q3FY18.
- Diamond will be discounted in the month of July.
- In watch segment, there will an expansion in premium brands and no expansion in luxury brands.
- Impact of GST is pretty high on watches.
- Total tax has come up to 38% as compared to 22-23%
- Banks started helping in procurement of gold.
- In FY18, commercial production will start on oct-nov.

Company	Titan Company Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Textiles, Apparel & Luxury Good

Torrent Pharmaceuticals Ltd



31st July 2017

Management Participants

Executive Director

Mr. Ashok Modi

Chief Marketing Officer

Mr. Ruchir Modi

AGM (Finance)

Mr. Rishi Shah

Our Analyst in the Call

Aditya Gupta

aditya.gupta@narnolia.com

Q1FY18 EARNING CONFERENCE CALL

- Present Inventory level gone up from 75 days to 90 days.
- Filed 1 new product with USFDA. More filings in H2.
- 3 new launches are lined up for next quarter but no major launches
- Price erosion in US market varies from product to product and the company is now managing the product mix to lower price erosion impact
- There is no change in business dynamics in Germany and Brazil, company is growing constantly at 15% from last 5 years in these 2 geographies
- company expects India business to grow in double-digits, led by strategic initiatives undertaken since 2QFY16
- Management expect US business to remain under pressure in FY18 due to further price erosion in base business, partially offset by 5-6 new launches in FY18E (~25 pending ANDAs).
- Company plans to launch more limited-competition products in FY19.
- Dahej- formulations facility inspected in Jun-17, and received five 483 observations.
- 4 minor observations in Indrad facility, but no manufacturing hindrance from this facility.
- Tax rate guidance of 21-22% in FY18
- Capex FY18- Rs.400 Cr, major portion is going to Sikkim expansion for domestic market and

Company	Torrent Pharmaceuticals Ltd
SECTOR	Health Care
INDUSTRY	Pharmaceuticals



Company	Ujjivan Financial Services Ltd
SECTOR	Financials
INDUSTRY	Diversified Financial Services

4th August 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chairman & MD

MS. SUDHA SURESH

ED & CFO

MR. HIREN SHAH

Our Analyst in the Call

Anu Gupta

anu.gupta@narnolia.com

- Total amount of provisions overdue was about 150 cr . Out of which extra provisions of 43 cr were done to cover hard core NPAs of Nov-Jan period in this quarter and about 9 cr written off.

- Expect credit cost to be normal in the next two quarters.

- Loan book is expected to grow by 10 % in FY18.

- Planning to convert 160 branches into small finance bank this year.
- Completed all the process for Schedule bank startup to increase liability branches.

- Added 1.76 lakh new borrowers this quarter.
- C/I ratio will consistently come down in the next few quarters.
- NIM is slightly lower due to impact of the regulatory investment.
- Funding cost is expected to steadily come down by at least 150 bps during this FY18.
- CAR-19.83% and is expected to improve further.
- No plan for raising capital at least around next 2 years.
- Expected to grow portfolio by 20% in FY18.
- Mgt sees opportunity to sell 30% PSL certificates.
- Expects disbursal rates to come up on QoQ basis.
- Increment in Opex cost by 40-50% is expected due to branch expansion and addition of new



Company	Ultra Tech Cement Ltd
SECTOR	Materials
INDUSTRY	Construction Materials

19th Jul 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Chairman & MD

Mr. Kumar Mangalam Birla
K. K. Maheshwari

Joint MD

Corporate Counsel & Company Secretary

S K Chatterjee

Our Analyst in the Call

Bineeta Kumari
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- The cement industry is facing short-term challenges on account of RERA, problems of housing in tier II cities, and sand mining ban. The oversupply in the real estate market will take time to improve.
- The outlook remains positive due to demand generated by affordable housing, better monsoon and rural demand.
- Industry has effortlessly passed the 2-3% tax benefit from GST to the customers. GST implementation can lower freight cost going forward (72% road transport for Ultratech).
- Utilization levels for Ultratech's eastern plant stands at 90%, north and west at 80%, south at 60% and central at 70%
RMC sales : Rs 475 Cr WC : Rs 370 Cr
- The company completed the acquisition of JPA assets, through which it acquired 11 additional plants with aggregate capacity of 21mt. The company will be adding 19mt of capacity by FY18 and remaining by end-FY19.
- Capacity utilization for JPA assets is less than 15%, is expected to increase to ~60% by 1QFY19 and ~70% by FY19-end. EBITDA/t of JPA has been Rs 400, led by incentives.
- The company is likely to incur additional expenditure in 2QFY18 for integration and maintenance of new assets and rebranding activities. This is likely to hurt EBITDA/ton in that quarter. However, management is confident to cash break even in the next few quarters.
- The company is likely to incur capex of Rs 2000 Cr annually for FY18/FY19, led by ongoing Dhar expansion.



Company	V-Guard industries Ltd
SECTOR	Consumer Discretionary
INDUSTRY	Household Durables

1st Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Managing Director

Mr. Mithun Chittilappilly

Senior VP & Chief Financial Officer

Mr. Sudarshan Kasturi

Our Analyst in the Call

Shweta Padhi
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- sales was affected by gst & low intensity summer.
- prices of cables and wire increased 7-9% for gst & another 2% for copper prices.
- prices of stabilisers were increased by 2% . 15% volume growth guidance
- 80% of unorganised market are now billing ,the price difference has scaled down from 30% to
- ESOP cost 8Cr every quarter due to GST,160 per year accounting 12% annual increase.
- Advt cost to increase .
- inventory level between Distributor & Retailer have fallen from 40 days to 2 weeks level,restocking may take sometime .



Company	Welsun corp Ltd
SECTOR	Materials
INDUSTRY	Metals/Mining/Minerals

4th August 2017

Management Participants

Director

Mr. Akhil Jindal

Managing Director

Mr. B.K. Mishra

Our Analyst in the Call

Sagar Sharma

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Q1FY18 EARNING CONFERENCE CALL

- Rise in margins are due to execution of niche product.
- Margins are not sustainable for the whole year.
- 49 days Cash Conversion cycle as at June 2017, which was at 53 days in March 2017.
- Capex of not more than 100 Cr. at global level.
- Order book at 700 KMT
- 3.2 million ton bid book , of which 1 million ton is expected to be awarded to the company.
- Demand would be positive at domestic level.
- Saudi would continue to be sluggish , U.S would be better , and India is expected to drive the demand in Last two quarters of the year.



Company	Yes Bank Ltd
SECTOR	Financials
INDUSTRY	Commercial Banks

26th July 2017

Management Participants

MD & CEO

Mr. Rana Kapoor

SENIOR GROUP PRESIDENT & CFO

Mr. Rajat Monga

SENIOR GROUP PRESIDENT

Mr. Pralay Mondal

Our Analyst in the Call

Deepak Kumar

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Q1FY18 EARNING CONFERENCE CALL

- Targeting to achieve retail deposits to 70% till FY20.
- Recovered 60% of the amount from one account that slipped into NPA in 4Q FY17. Expect 15% to recover in 2Q FY18. Provisions of Rs 272 Cr created on this account have remained in the balance sheet.
- Reiterated credit cost guidance of 50-70 bps in FY18.
- There is only two accounts for Yes Bank of Rs 343 Cr under the Insolvency and Bankruptcy code list of RBI. Held 50% provisions on these accounts as per RBI guideline. As of date these accounts are secured and standard for Yes bank.
- Provision breakup- NPA provision Rs 158 Cr, Provision for NCLT a/c- Rs 95 Cr and general provisions of Rs 32 Cr.
- Gradually divesting its exposure in electricity portfolio over a period of time.
- Telecom exposure declined by 1% due to one account under SDR got repaid.
- Management has revised the branch opening target from 2500 earlier to 1800 till FY20 and shifted its focus on digitalization.
- Targeting 4% NIM by FY20. Driver for this NIM would be CASA which should reach to 40% level by September 2018. Saving account which cost at 6.1%-6.2% will gradually reduce over a period of time at least by 30-35 bps.
- Slippage- One corporate account of Rs 128 Cr slipped into NPA. From restructured book 3 accounts and from SDR book 1 account slipped into NPA.
- Management stated that apart from 12 accounts referred to NCLT, accounts with exposure of more than Rs 5000 Cr which may potentially referred to NCLT under IBC, Yes Bank has only Rs 300 Cr kind of exposure.



Company	Zydus Wellness Ltd
SECTOR	Consumer Staples
INDUSTRY	Food Products

11th Aug 2017

Q1FY18 EARNING CONFERENCE CALL

Management Participants

Group CFO

Mr. NITIN PAREKH

CFO

Mr. AMIT JAIN

COO

Mr. TARUN ARORA

Our Analyst in the Call

Rajeev Anand

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- June remained sluggish due to GST destocking.
- April and May sales grew by 8.2%.
- PAT for this quarter declined by 57.4% in the like to like basis. The company got Rs 18 cr of additional excise duty benefit (ZYDUWE
- As per AC Nilson (June, 2017), sugar substitute category grew by 14.1%. Sugarfree maintained leadership with the market share of 94.6% (50 bps improvement YoY).
- Scrub category has grown by 8.6% (Everyuth scrub market share:31.7%,30 bps YoY improvement). Peel off Mask category grew by 11.1% (Everyuth Peel off maintained leadership with market share of 88.9%)
- Mgt. sees Softening of input prices going forward. New sugar free green is doing reasonably well.
- Less than 1% is CSD for ZYDUSWELL.
- Sugar free: most of sale from chemist channel which was severely impacted due to GST
- Employee cost: cost went up due to salary increment. This run rate will continue.



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