

Top Picks

Company	CMP (₹)	TP (₹)
Banking/NBFC		
Dewan Housing	449	550
Karur Vysa Bank	137	160
Consumption		
Asian Granito	408	493
Blue Star	683	760
Siyaram Silk Mills	2,024	2,500
Media/Automobiles		
Maruti Suzuki	7,756	8,544
Music Broadcast	350	434
TV Today	235	344
Real Estate/Infra/Logistics/Power		
KEI Industries	225	258
Mahindra Lifespace	421	522
Navkar Corp.	188	265
Pharma		
Alkem Lab.	1,840	2,161

Source: Angel Research;

Note: CMP as of August 08, 2017

While the markets have seen 21% returns in CY17, returns in dollar terms are even higher at 29%. We believe that current economic environment is positive for domestic and foreign inflows. The big picture is that global economy is in healthy shape and in anticipation of faster growth, global markets have seen re-rating.

Current economic environment positive for inflows: As expected by the markets, RBI has cut the repo rates by 25bps in the August monetary policy. With the current inflation trajectory and normal rainfall for 2nd consecutive year, we believe there is further scope for RBI to cut the rates; however it also depends upon a few factors out of RBI's reach. We have already seen saving rates being slashed by 25bps proactively and due to continued pressure on deposit rates, incremental household savings will flow in the equity markets through Mutual funds.

FII's have continued to pour money: After the record inflow of ₹31,000cr in March-2017, FII have continued to remain positive on our economy with sustained inflows. While Indian markets are up 21% in the current calendar year, in dollar terms the returns are even better at 29%. The rupee and other major global currencies have continued to strengthen against USD which will help in bringing more inflows in the emerging markets. We believe that liquidity is likely to remain plenty going ahead in the markets. The current quarterly results have also been decent and not showing severe impact of the GST which is also likely to be taken positively by the investors. Also with GDP growth of >7%, FIIs would be willing to invest more in India which also makes India's case strong to get the inflows.

Improving tax collection to maintain fiscal prudence: The government has set a fiscal deficit target of 3.2% for FY18E which is achievable given the strong tax collection in the current fiscal. The advance tax collection (personal) grew by 42% yoy in August-17 while overall income tax (personal and corporate) grew by 25% yoy. The 25% yoy increase in the tax payers hints at widening of tax base which is a long term positive for our economy as this can boost the public capex.

Valuations high but not expensive – Indian markets are currently valued 23.0x of its FY17 earnings and 18.3x of its 1 year forward earnings. While this valuation is at 7% premium to its 10 year average of 17.2x, it should be noted that major global markets have also seen re-rating. One must look at the big picture globally - the global economy looks in a healthy shape with US economy in nearly full employment stage and GDP growth at ~2%, European economy is also recovering from the crisis period and the same is reflected in 1QCY17 and 2QCY17 GDP growth of 0.5% and 0.6% respectively. While growth in China has stabilized at the rate of above 6%; the manufacturing and service sectors across multiple countries are showing expansion. Overall on the hope of the faster growth, global markets have seen re-rating. Indian economy with stable government, continued reforms and favorable demographics, is likely to see faster growth going ahead and hence valuation at the current rate looks justified to us.

We continue to remain positive on consumption (Maruti Suzuki, Asian Granito Blue Star) and housing theme (Mahindra Lifespace and Dewan Housing). We also remain positive on Karur Vysa Bank, Alkem laboratories, Navkar Corp, KEI Industries and Siyaram Silk Mills. We add Music Broadcast in the portfolio on the back of its attractive business model.

Top Picks

Stock Info

CMP	449
TP	550
Upside	22.5%
Sector	Financials
Market Cap (₹ cr)	14,072
Beta	1.9
52 Week High / Low	478 / 214

3 year-Chart

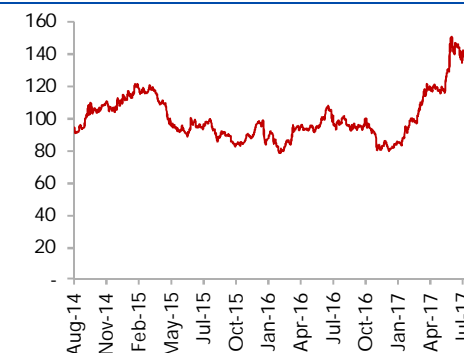


Source: Company, Angel Research

Stock Info

CMP	137
TP	160
Upside	16.8%
Sector	Banking
Market Cap (₹ cr)	8,256
Beta	1.4
52 Week High / Low	153 / 80

3 year-Chart



Source: Company, Angel Research

Dewan Housing

- **Loan growth to remain strong going ahead:** Backed by healthy capital adequacy and increasing demand for home loans DHFL's loan book is expected to report 23% loan growth over next two three years.
- **Strong Capital adequacy lends visibility for growth:** DHFL sold 50% stake held by it in DFHFL Pramerica Life Insurance Co Ltd which added ₹1,969 cr to its net worth and increases its CAR by 400 bps, to 19.3% which should fuel growth for next 2-3 years.
- **Asset quality has been strong:** Strong NIM on the back of lower cost of funds and lower credit cost will ensure healthy return ratios for the company. Despite strong growth the company has maintained stable asset quality and we expect the trend to continue.
- **Outlook:** We expect the company's loan growth to remain 23% over next two years and earnings growth is likely to be more than 28%. The stock currently trades at 1.5x FY2018E ABV. **We maintain Buy on the stock, with a target price of ₹550.**

Key Financials

Y/E	Op. Inc	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2018E	2,279	2.4	1,171	37.4	268	1.3	13.8	12.2	1.7
FY2019E	2,927	2.7	1,556	49.7	305	1.5	16.2	9.2	1.5

Source: Company, Angel Research

Karur Vysa Bank

- **Loan growth to pick up from FY18 onwards:** KVB had a fairly strong loan CAGR of 14.9% over FY11-17. However, FY17 was year of consolidation and loan book grew by only 4.7%. We expect loan growth to pick up to 11% over FY17-19. Deposit growth is expected at 9% during the period.
- **Asset quality likely to stabilize going ahead:** KVB's slippages remained high during FY17 and hence GNPA's % went up to 3.58% vs 1.3%. However, large part of the troubled accounts has been classified as NPAs and hence gradually we expect the asset quality to improve. While in Q1FY18 we saw some pressure on asset quality, it still remained fairly under control.
- **NIM likely to see further improvement:** There were 25 bps improvements in NIM during FY17, with share of CASA growing and cost of fund coming down NIM is expected to improve further going ahead.
- **Outlook:** We expect KVB to post a strong loan book & earnings CAGR of 11% & 22% over FY2017-19E. The stock currently trades at 1.6x FY2019E ABV. **We have a BUY rating on the stock, with a target price of ₹160.**

Key Financials

Y/E	Op. Inc	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2018E	3,289	3.7	660	10.8	75.0	1.0	12.5	12.9	1.8
FY2019E	3,630	3.9	858	14.1	85.7	1.2	14.7	9.9	1.6

Source: Company, Angel Research

Stock Info

CMP	420
TP	493
Upside	20.8%
Sector	Cons. Durable
Market Cap (₹ cr)	1,264
Beta	1.9
52 Week High / Low	470 / 175

3 year-Chart



Source: Company, Angel Research

Asian Granito

- AGIL's current, vitrified sales (35%) are lower as compared to its peers like Somany Ceramics (47%) and Kajaria Ceramics (61%). Recently, AGIL has launched various products in premium segment. Going forward, we expect AGIL's profit margin to improve due to increase in focus for higher vitrified product sales, which is a high margin business.
- AGIL is continuously putting efforts to increase the B2C sales from the current level (35-36% in FY17). It is expected to reach up to 50% in next 2-3 years on the back of various initiatives taken by AGIL to increase direct interaction with customers like strengthening distribution network, participation in key trade exhibition, etc.
- In July FY2016, AGIL acquired Artistique Ceramic which has a better margin profile. Going forward, we expect the company to improve its operating margin from 7.5% in FY16 (excluding merger) to 12-12.5% in coming financial year. Artistique Ceramics has a contract with RAS GAS to supply quality natural gas at a discounted rate of 50% to current market rate, which would reduce the overall power & fuel cost of the company.
- We expect AGIL to report a net revenue CAGR of ~8.5% to ~₹1,286cr and net profit CAGR of ~23% to ~₹59cr over FY2017-19E. **We recommend a Buy rating on the stock.**

Key Financials

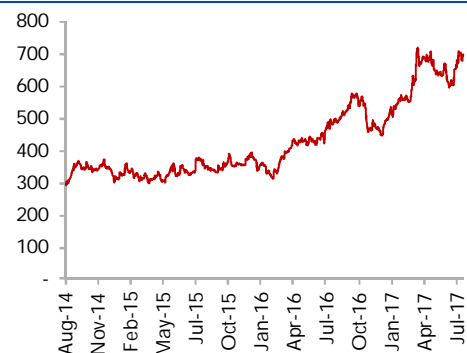
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	1,169	12.5	48	16.0	10.7	26.3	2.8	10.5	1.3
FY2019E	1,286	12.5	59	19.7	10.7	21.3	2.5	9.3	1.2

Source: Company, Angel Research

Stock Info

CMP	683
TP	760
Upside	11.3%
Sector	Cons. Durable
Market Cap (₹ cr)	6,543
Beta	0.8
52 Week High / Low	724 / 435

3 year-Chart



Source: Company, Angel Research

Blue Star

- BSL is one of the largest air-conditioning companies in India. With a mere 3% penetration level of ACs vs 25% in China, the overall outlook for the room air-conditioner (RAC) market in India is favourable.
- BSL's RAC business has been outgrowing the industry by ~10% points over the last few quarters, resulting in the company consistently increasing its market share (~7% in FY2014 to 10.5% at present). This has resulted in the Cooling Products Division (CPD)'s share in overall revenues increasing from ~23% in FY2010 to ~42% in FY2016 (expected to improve to ~47% in FY2018E). With strong brand equity and higher share in split ACs, we expect the CPD to continue to drive growth.
- Aided by increasing contribution from the CPD, we expect the overall top-line to post a revenue CAGR of ~16% over FY2016-18E and margins to improve from 5.3% in FY2015 to 7.3% in FY2018E. **We recommend an accumulate rating on the stock.**

Key Financials

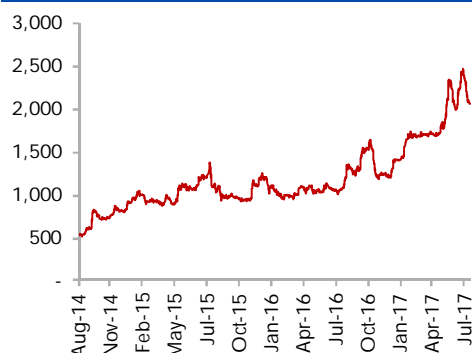
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2017	4,283	5.9	141	14.9	20.4	41.3	8.2	25.3	1.4
FY2018E	5,077	7.3	211	22.1	26.4	28.1	6.9	18.9	1.2

Source: Company, Angel Research

Stock Info

CMP	2,024
TP	2,500
Upside	23.5%
Sector	Textile
Market Cap (₹ cr)	1,909
Beta	0.9
52 Week High / Low	2,491/1,031

3 year-Chart

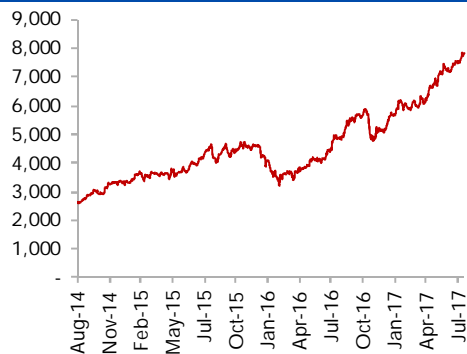


Source: Company, Angel Research

Stock Info

CMP	7,756
TP	8,544
Upside	10.2 %
Sector	Automobiles
Market Cap (₹ cr)	2,34,067
Beta	1.3
52 Week High / Low	7,920/4,769

3 year-Chart



Source: Company, Angel Research

Siyaram Silk Mills

- SSML has strong brands which cater to premium as well as popular mass segments of the market. Further, SSML entered the ladies' salwar kameez and ethnic wear segment. Going forward, we believe that the company would be able to leverage its brand equity and continue to post strong performance.
- The company has a nationwide network of about 1,600 dealers and business partners. It has a retail network of 160 stores and plans to add another 300-350 stores going forward. Further, the company's brands are sold across 3,00,000 multi brand outlets in the country.
- Going forward, we expect SSML to report a net sales CAGR of ~12% to ~₹1,981cr and adj.net profit CAGR of ~16% to ~₹123cr over FY2017-19E on back of market leadership in blended fabrics, strong brand building, wide distribution channel, strong presence in tier II and tier III cities and emphasis on latest designs and affordable pricing points. At the current market price, SSML trades at an inexpensive valuation. **We have Buy recommendation on the stock and target price of ₹2,500.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	1,769	12.7	106	113.1	15.4	21.1	3.2	11.3	1.4
FY2019E	1,981	12.7	123	131.1	15.5	18.0	2.8	9.9	1.3

Source: Company, Angel Research

Maruti Suzuki

- The Automobile sector is expected to benefit from the GST implementation. The sector has seen a pick up in the volumes in FY17 as there were several positive factors like normal monsoon and lower interest rates.
- Maruti Suzuki continues to hold ~50% market share in the passenger vehicles. The launch of exciting models has helped the company to ride on the premiumization wave that is happening in the country. In the last two years, company has seen improvement in the business mix with the pie of the utility vehicles growing from ~4% to current 15%. With the 3-4 months of waiting period on these models, strong demand and GST led price decrease; we believe that this pie is expected to grow to ~20% in FY19E.
- Due to the favorable business mix, company has also been seeing improvement in the margins. Company has already moved from ~11-12% EBITDA margin range to current ~14-15% margin ranges. Together with higher operating leverage at Gujarat plant and improving business mix, we believe that company has further room to improve its margins. **We have an accumulate rating on the stock with the price target of ₹8,544.**

Key Financials

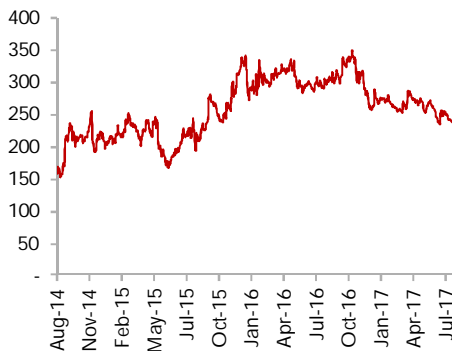
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	81,825	15.0	8,561	283.5	21.8	26.9	5.9	16.5	2.5
FY2019E	101,245	15.0	10,752	356.0	22.3	21.4	4.8	12.8	1.9

Source: Company, Angel Research

Stock Info

CMP	235
TP	344
Upside	46.4%
Sector	Media
Market Cap (₹ cr)	1,405
Beta	0.7
52 Week High / Low	360 / 248

3 year-Chart

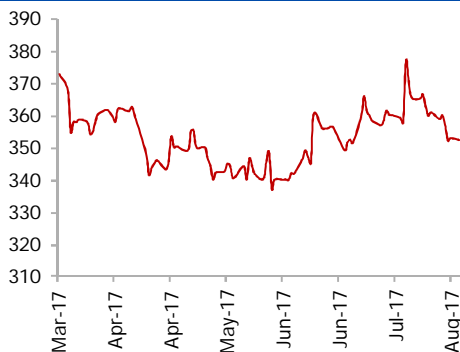


Source: Company, Angel Research

Stock Info

CMP	350
TP	434
Upside	24.0%
Sector	Media
Market Cap (₹ cr)	2,009
Beta	0.4
52 Week High / Low	420/332.9

3 year-Chart



Source: Company, Angel Research

TV Today Network

- TNNL enjoys a strong viewership ranking in the Hindi and English news channel categories. The company's Hindi news channel – Aaj Tak has maintained its market leadership position occupying the No.1 rank for several consecutive years in terms of viewership. Its English news channel - India Today too has been continuously gaining viewership; it has now captured the No. 2 ranking from No. 4 earlier. Its other channels like Dilli Aaj Tak and Tez are also popular among viewers.
- Out of the 7 radio stations, TNNL has sold off 4 (Jodhpur, Amritsar, Patiala and Shimla) for ₹4cr. The remaining 3 stations are in the process of getting sold off to ENIL but the sale will have to wait until concerns raised by the MIB are resolved. Going forward, we expect them to be sold off and this would prop up the company's profitability.
- We expect TNNL to report a net revenue CAGR of ~9% to ~₹727cr and net profit CAGR of ~13% to ₹121cr over FY2017-19E. **We have a Buy recommendation on the stock and target price of ₹344.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	667	23.1	111	18.6	15.6	12.6	2.0	5.9	1.6
FY2019E	727	23.2	121	20.1	17.3	11.7	2.0	5.5	1.5

Source: Company, Angel Research

Music Broadcast

- Radio Industry is protected by licenses for 15 years, thereby restricting the entry of new players. This would support the existing companies to strengthen their position and maintain a healthy growth rate.
- It has grabbed the Number 1 position in Mumbai, Bengaluru and Delhi in terms of number of listener. This is helping MBL to charge premium rate, which resulting into higher EBITDA margin (33.6%) compare to 22% of ENIL.
- MBL outperformed its closest peer with 18.4% CAGR in revenue over FY2013-17 (ENIL reported 13.2% CAGR in revenue). On the profitability front too, MBL, with 32.3% CAGR in PAT over FY2013-17, has performed much better than ENIL (-5.2% CAGR in PAT). Moreover, Radio City posted a six year CAGR of 12.1% v/s. 9.1% of industry owing to higher advertising volumes.
- Capex for 39 licenses have been done for the next 15 years, hence no heavy incremental Capex requirement would emerge. Moreover, the maintenance Capex would be as low as ₹5-10cr. This would leave sufficient cash flow to distribute as dividend. **We have a Buy recommendation on the stock and target price of ₹434.**

Key Financials

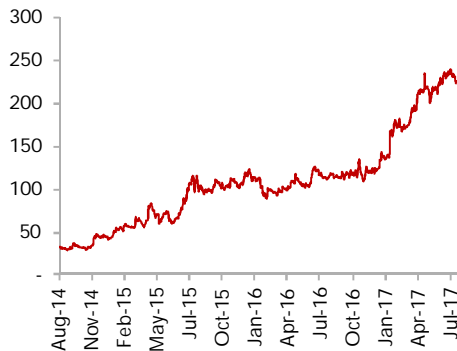
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	317	34.4	56	9.8	9.3	35.8	3.3	16.7	5.7
FY2019E	372	34.9	80	14.0	12.0	25.1	3.0	13.5	4.7

Source: Company, Angel Research

Stock Info

CMP	225
TP	258
Upside	14.7%
Sector	Real Estate
Market Cap (₹ cr)	1,756
Beta	0.9
52 Week High / Low	249 / 99

3 year-Chart

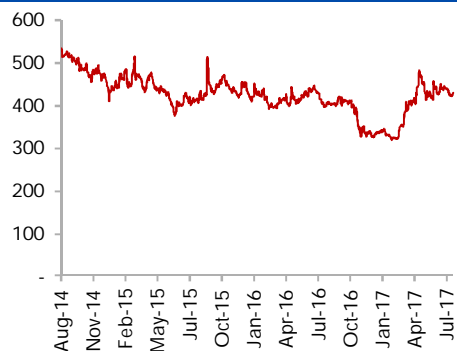


Source: Combanv. Anael Research

Stock Info

CMP	421
TP	522
Upside	24.0%
Sector	Real Estate
Market Cap (₹ cr)	2,156
Beta	0.9
52 Week High / Low	493 / 319

3 year-Chart



Source: Company, Angel Research

KEI Industries

- KEI's current order book (OB) stands at ₹3,233cr (segmental break-up: ₹2,154cr in EPC, ₹667cr in Cable, ₹200cr in EHV, ₹49cr in Substation, rest in EPC L1 business). Its OB grew by ~28% in the last 3 years due to strong order inflows from State Electricity Boards, Power grid, etc.
- KEI's consistent effort to increase its retail business from 30-32% of revenue in FY17 to 40-45% of revenue in the next 2-3 years on the back of strengthening distribution network (currently 926 which is expected to increase ₹1,500 by FY19) and higher ad spend (increased from ₹2cr in FY13 to ₹7cr in FY16 and expected to spend).
- KEI's export (FY17 – 8-10% of revenue) is expected to reach a level of ~14-15% in next two years with higher order execution from current OB of ~₹180cr and participation in various international tenders worth ₹500cr. We expect a strong ~26% growth CAGR over FY2017-19 in exports. We expect KEI to report net revenue CAGR of ~14% to ~₹3,392cr and net profit CAGR of ~13% to ₹125cr over FY2017-19E. **Hence we have an accumulate rating on the stock.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	3,001	10.0	100	13.0	18.2	17.4	3.2	7.5	0.8
FY2018E	3,392	10.0	125	16.1	18.7	14.0	2.6	6.7	0.7

Source: Company, Angel Research

Mahindra Lifespace

- MLF has 13 projects under implementation across cities. MLF has exhibited fast completion of projects compared to others. Sales cycle in ~65% of projects is faster than execution cycle, contrary to industry trends. This fast execution and sales is optimal, as it helps MLF in revenue recognition, inventory cycle (better than Oberoi, DLF), cash flows and profitability.
- MLF as of 4QFY2016 is pursuing ~4.0mn sq. ft. of sale of the total ~15.0mn sq. ft. of saleable area. Having sold ~60% of ongoing projects, we expect MLF to launch ~2.8mn sq.ft. of saleable area in rational way during 4QFY2016-2QFY2018E, across 6 cities. Maturity at existing projects, new launches give better revenue visibility for medium-term. Further, MLF is sitting on land bank of 11.0mn sq.ft across 4 cities, which allay any concern over long-term revenue growth.
- In the longer-term organized, professionally run, well funded players would enjoy strong trust due to their reliable and fast execution strategies. With improvement in company's fundamentals, strong earnings growth visibility and long-term growth outlook, at current valuations of 1.0x FY2017E P/BV, MLF looks attractive. **We maintain Buy on MLF with target price of ₹522.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2017	1,152	22.7	75	29.9	7.6	14.5	1.0	12.0	2.2
FY2018E	1,300	24.6	138	35.8	8.6	12.1	9.0	8.8	1.7

Source: Company, Angel Research

Stock Info

CMP	188
TP	265
Upside	41.0%
Sector	Logistics
Market Cap (₹ cr)	2,685
Beta	0.8
52 Week High / Low	247 / 155

3 year-Chart

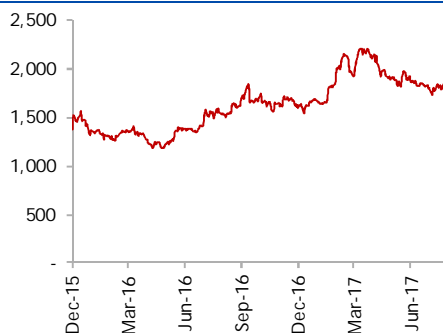


Source: Company, Angel Research

Stock Info

CMP	1,840
TP	2,161
Upside	17.4%
Sector	Pharmaceutical
Market Cap (₹ cr)	22,000
Beta	0.9
52 Week High / Low	2,238 / 1,400

3 year-Chart



Source: Company, Angel Research

Navkar

- NCL is one of the largest and one of the three CFS at JNPT with rail connectivity, helping it garner high market share at the port. NCL is in a massive expansion mode where it is increasing its capacity by 234% to 1,036,889 TEUs at JNPT and coming up with an ICD at Vapi (with Logistics Park).
- The ICD with rail link should benefit from first mover advantage in a region that has huge market potential and accounts for ~27% of volumes at JNPT. The ICD should be able to capture the EXIM volumes from the region through rail link that till now was being custom cleared at JNPT (Import) or being transported via road and consolidated at JNPT (Export). South Gujarat volumes will now head straight to the Vapi ICD; thus the company can now cater to bulk commodities and domestic traffic that it had been rejecting owing to capacity constraints at CFS.
- We expect NCL to successfully use its rail advantage and scale up its utilizations at both JNPT and Vapi ICD. **We have a Buy rating on the stock.**

Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	561	42.3	164	11.5	10.5	16.3	1.7	13.1	5.4
FY2019E	617	42.3	181	12.7	10.4	14.8	1.5	11.4	4.7

Source: Company, Angel Research

Alkem Laboratories

- Alkem is 5th largest pharma company in the domestic market and also has presence in US. It derives 73% of its revenues from the Indian markets while rest come from the other countries. Alkem has leadership position in the domestic anti-infective segment and it is ranked #3 in Gastro-Intestinal and Pain/Analgesics segments. Company holds ~3.6% and ~7.9% market share in the formulations and overall prescriptions in the country.
- In the domestic market, company operates in acute and chronic segments. It is a prominent player in acute segment and has forayed in chronic segment from which it expects faster growth. Alkem has been outperforming the domestic industry growth which is likely to continue. Company is focusing on monetization of its pipeline (91 ANDAs) in the US with annually ~7-8 ANDAs launches growing the US revenues by ~26% growth rate from FY17-FY19E.
- Overall outlook remains strong with 15.8% CAGR in the topline and 15.4% CAGR in the bottom-line. **We have Buy rating on the stock.**

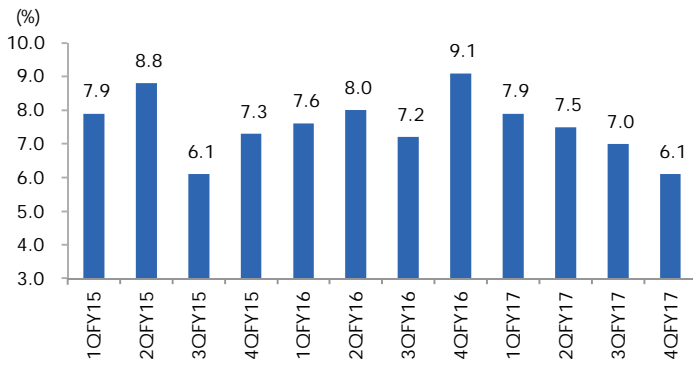
Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	6,901	18.4	1,016	85.0	20.2	21.6	4.4	17.3	3.2
FY2019E	7,850	19.1	1,202	100.5	20.1	18.3	3.7	14.5	2.8

Source: Company, Angel Research

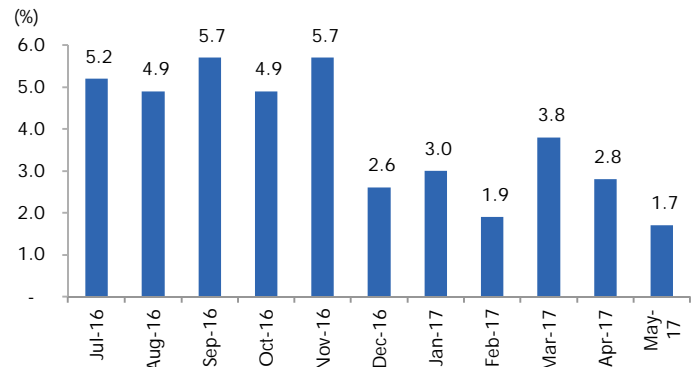
Macro watch

Exhibit 1: Quarterly GDP trends



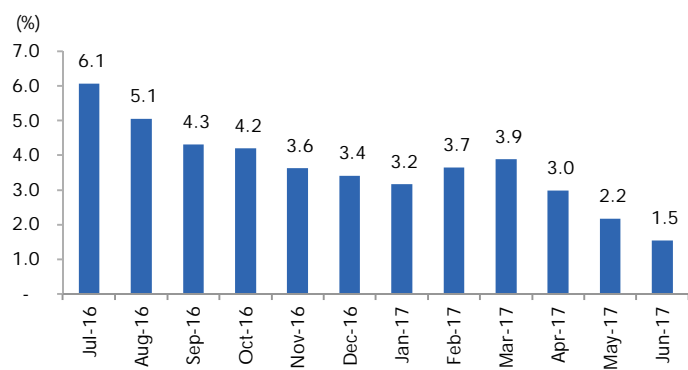
Source: CSO, Angel Research

Exhibit 2: IIP trends



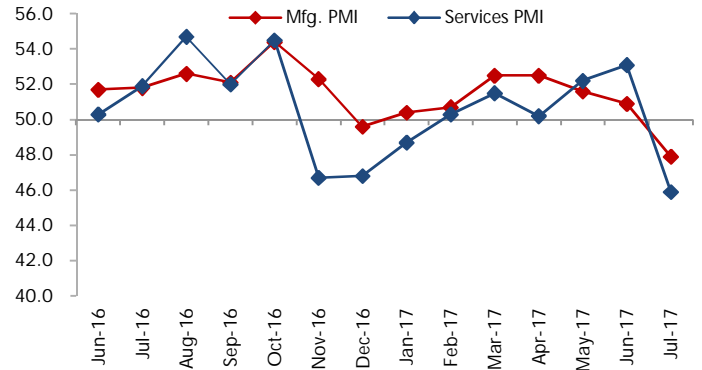
Source: MOSPI, Angel Research

Exhibit 3: Monthly CPI inflation trends



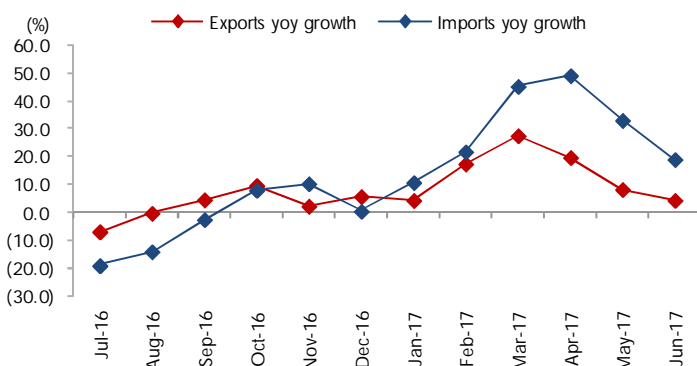
Source: MOSPI, Angel Research

Exhibit 4: Manufacturing and services PMI



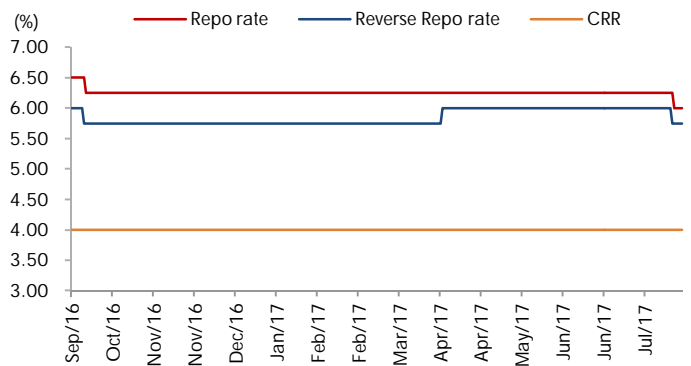
Source: Market, Angel Research; Note: Level above 50 indicates expansion

Exhibit 5: Exports and imports growth trends



Source: Bloomberg, Angel Research

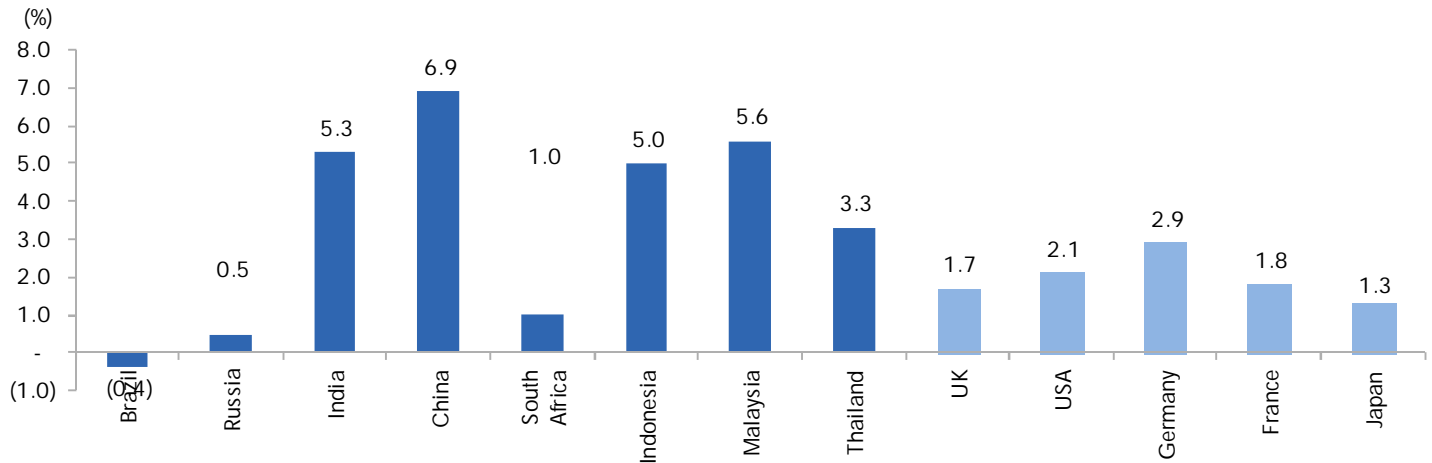
Exhibit 6: Key policy rates



Source: RBI, Angel Research

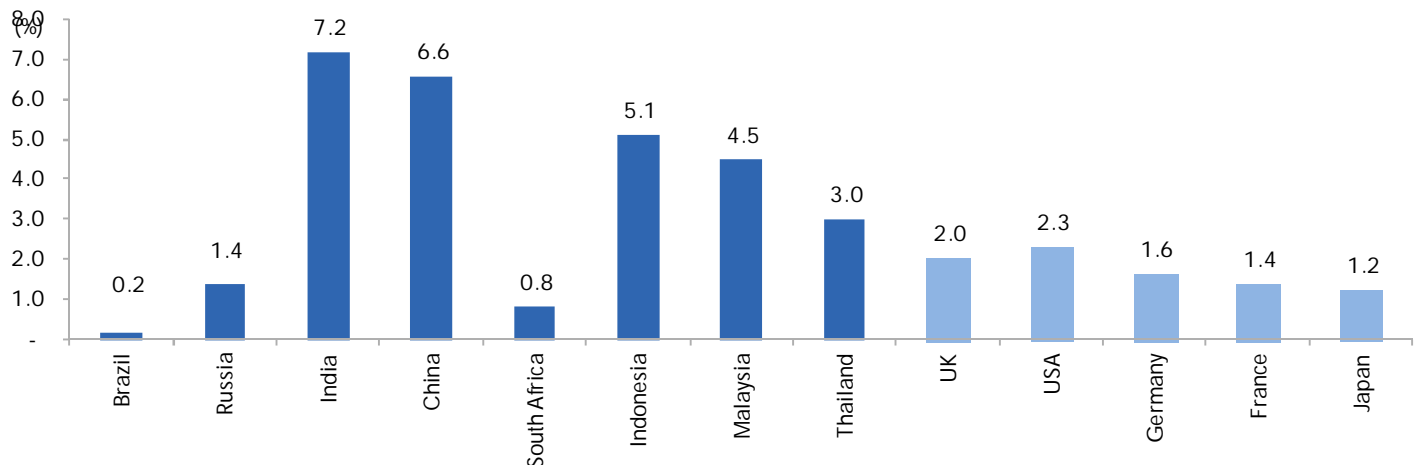
Global watch

Exhibit 8: Latest quarterly GDP Growth (% yoy) across select developing and developed countries



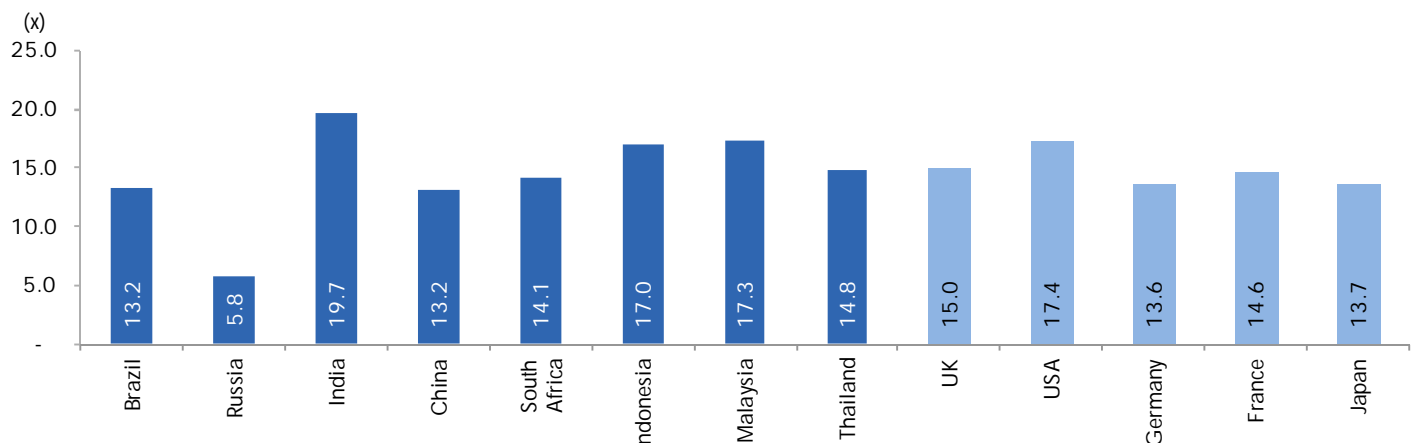
Source: Bloomberg, Angel Research

Exhibit 9: 2017 GDP Growth projection by IMF (% yoy) across select developing and developed countries



Source: IMF, Angel Research

Exhibit 10: One year forward P-E ratio across select developing and developed countries



Source: IMF, Angel Research

Exhibit 11: Relative performance of indices across globe

Country	Name of index	Closing price	1M	Returns (%)	
				3M	1YR
Brazil	Bovespa	67,940	8.8	3.7	19.0
Russia	Micex	1,970	2.5	(1.4)	0.7
India	Nifty	10,057	4.0	8.0	16.6
China	Shanghai Composite	3,279	1.6	6.2	9.3
South Africa	Top 40	49,764	8.2	5.7	9.3
Mexico	Mexbol	51,389	2.7	2.9	8.5
Indonesia	LQ45	955	(1.8)	1.0	6.6
Malaysia	KLCI	1,778	0.4	0.3	7.5
Thailand	SET 50	1,000	0.4	0.1	4.5
USA	Dow Jones	22,118	3.7	5.3	19.4
UK	FTSE	7,532	2.7	3.2	9.9
Japan	Nikkei	20,056	(0.1)	0.8	21.0
Germany	DAX	12,257	(1.0)	(3.4)	14.1
France	CAC	5,208	1.1	(3.5)	15.8

Source: Bloomberg, Angel Research

Stock Watch

Top Picks Report

August 08, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)	
		(₹)	Price (₹)	(₹ cr)	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
Agri / Agri Chemical																		
Rallis	Reduce	239	209	4,651	1,937	2,164	13.3	14.3	9.0	11.0	26.6	21.7	4.6	4.0	18.4	19.8	2.4	2.1
United Phosphorus	Neutral	864	-	43,897	15,176	17,604	18.5	18.5	37.4	44.6	23.1	19.4	4.5	3.8	21.4	21.2	3.0	2.5
Auto & Auto Ancillary																		
Ashok Leyland	Neutral	112	-	32,792	20,019	22,789	11.1	11.7	4.3	5.5	26.1	20.5	5.1	4.5	19.4	22.0	1.6	1.4
Bajaj Auto	Neutral	2,914	-	84,316	25,093	27,891	19.5	19.2	143.9	162.5	20.3	17.9	5.7	4.9	30.3	29.4	3.1	2.7
Bharat Forge	Neutral	1,187	-	27,643	7,726	8,713	20.5	21.2	35.3	42.7	33.6	27.8	6.2	5.6	18.9	20.1	3.6	3.2
Eicher Motors	Neutral	32,121	-	87,440	16,583	20,447	17.5	18.0	598.0	745.2	53.7	43.1	18.4	14.0	41.2	38.3	5.1	4.1
Gabriel India	Neutral	164	-	2,362	1,544	1,715	9.0	9.3	5.4	6.3	30.5	26.1	5.8	5.1	18.9	19.5	1.5	1.3
Hero Motocorp	Neutral	3,913	-	78,135	28,120	30,753	15.2	15.6	169.1	189.2	23.1	20.7	8.0	6.7	30.8	28.2	2.6	2.3
Jamna Auto Industries	Neutral	284	-	2,264	1,486	1,620	9.8	9.9	15.0	17.2	18.9	16.5	4.1	3.5	21.8	21.3	1.6	1.5
L G Balakrishnan & Bros	Neutral	739	-	1,159	1,302	1,432	11.6	11.9	43.7	53.0	16.9	13.9	2.4	2.2	13.8	14.2	1.0	0.9
Mahindra and Mahindra	Neutral	1,396	-	86,717	46,534	53,077	11.6	11.7	67.3	78.1	20.7	17.9	3.4	2.9	15.4	15.8	1.8	1.6
Maruti	Accumulate	7,756	8,495	234,307	67,822	83,717	15.2	15.0	243.0	291.5	31.9	26.6	7.3	6.0	22.9	22.4	3.1	2.5
Minda Industries	Neutral	775	-	6,694	2,728	3,042	9.0	9.1	68.2	86.2	11.4	9.0	2.6	2.0	23.8	24.3	2.5	2.2
Motherson Sumi	Neutral	336	-	70,660	45,896	53,687	7.8	8.3	13.0	16.1	25.7	20.9	8.3	6.6	34.7	35.4	1.6	1.4
Rane Brake Lining	Neutral	1,275	-	1,009	511	562	11.3	11.5	28.1	30.9	45.4	41.3	6.9	6.3	15.3	15.0	2.1	1.9
Setco Automotive	Neutral	38	-	512	741	837	13.0	13.0	15.2	17.0	2.5	2.3	0.4	0.4	15.8	16.3	1.1	1.0
Tata Motors	Neutral	430	-	124,271	300,209	338,549	8.9	8.4	42.7	54.3	10.1	7.9	1.6	1.4	15.6	17.2	0.5	0.5
TVS Motor	Neutral	596	-	28,291	13,390	15,948	6.9	7.1	12.8	16.5	46.7	36.0	11.6	9.2	26.3	27.2	2.2	1.8
Amara Raja Batteries	Buy	801	962	13,686	5,339	6,220	15.9	15.3	28.0	32.3	28.6	24.8	5.5	4.6	19.1	18.5	2.6	2.2
Exide Industries	Neutral	214	-	18,216	7,439	8,307	15.0	15.0	8.1	9.3	26.5	23.0	3.7	3.3	14.3	16.7	2.1	1.8
Apollo Tyres	Neutral	280	-	14,237	12,877	14,504	14.3	13.9	21.4	23.0	13.1	12.2	2.0	1.8	16.4	15.2	1.3	1.2
Ceat	Neutral	1,766	-	7,144	7,524	8,624	13.0	12.7	131.1	144.3	13.5	12.2	2.5	2.1	19.8	18.6	1.0	0.9
JK Tyres	Neutral	161	-	3,655	7,455	8,056	15.0	15.0	21.8	24.5	7.4	6.6	1.5	1.3	22.8	21.3	0.6	0.5
Swaraj Engines	Neutral	1,989	-	2,470	660	810	15.2	16.4	54.5	72.8	36.5	27.3	11.4	10.3	31.5	39.2	3.6	2.9
Subros	Neutral	239	-	1,434	1,488	1,681	11.7	11.9	6.4	7.2	37.4	33.4	3.9	3.6	10.8	11.4	1.2	1.0
Indag Rubber	Neutral	185	-	485	286	326	19.8	16.8	11.7	13.3	15.8	13.9	2.7	2.5	17.8	17.1	1.4	1.2
Capital Goods																		
ACE	Neutral	66	-	648	709	814	4.1	4.6	1.4	2.1	46.8	31.2	1.9	1.8	4.4	6.0	1.1	0.9
BEML	Neutral	1,695	-	7,059	3,451	4,055	6.3	9.2	31.4	57.9	54.0	29.3	3.2	2.9	6.3	10.9	2.2	1.8
Bharat Electronics	Neutral	182	-	40,641	8,137	9,169	16.8	17.2	58.7	62.5	3.1	2.9	0.5	0.4	44.6	46.3	4.0	3.6



Top Picks Report

August 08, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)	
		(₹)	Price (₹)	(₹ cr)	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
Capital Goods																		
Voltas	Neutral	536	-	17,737	6,511	7,514	7.9	8.7	12.9	16.3	41.6	32.9	7.5	6.6	16.7	18.5	2.5	2.1
BGR Energy	Neutral	140	-	1,012	16,567	33,848	6.0	5.6	7.8	5.9	18.0	23.8	1.0	1.0	4.7	4.2	0.2	0.1
BHEL	Neutral	135	-	32,994	28,797	34,742	-	2.8	2.3	6.9	58.6	19.5	1.0	1.0	1.3	4.8	0.8	0.6
Blue Star	Accumulate	683	760	6,544	4,283	5,077	5.9	7.3	14.9	22.1	45.9	30.9	8.9	7.5	20.4	26.4	1.6	1.3
CG Power and Industrial Solutions	Neutral	78	-	4,857	5,777	6,120	5.9	7.0	3.3	4.5	23.5	17.2	1.0	1.0	4.4	5.9	0.8	0.7
Greaves Cotton	Neutral	157	-	3,832	1,755	1,881	16.8	16.9	7.8	8.5	20.1	18.5	4.0	3.7	20.6	20.9	1.9	1.7
Inox Wind	Neutral	135	-	3,000	5,605	6,267	15.7	16.4	24.8	30.0	5.5	4.5	1.5	1.1	25.9	24.4	0.6	0.5
KEC International	Neutral	296	-	7,612	9,294	10,186	7.9	8.1	9.9	11.9	29.9	24.9	4.4	3.8	15.6	16.3	1.1	1.0
KEI Industries	Accumulate	225	258	1,750	2,633	3,001	10.4	10.0	12.7	13.0	17.7	17.3	3.8	3.1	21.4	18.2	0.9	0.8
Thermax	Neutral	901	-	10,736	5,421	5,940	7.3	7.3	25.7	30.2	35.1	29.8	4.2	3.9	12.2	13.1	1.9	1.7
VATech Wabag	Accumulate	641	681	3,500	3,136	3,845	8.9	9.1	26.0	35.9	24.7	17.9	3.1	2.6	13.4	15.9	1.0	0.8
Cement																		
ACC	Neutral	1,808	-	33,954	11,225	13,172	13.2	16.9	44.5	75.5	40.6	24.0	3.9	3.6	11.2	14.2	3.0	2.6
Ambuja Cements	Neutral	275	-	54,605	9,350	10,979	18.2	22.5	5.8	9.5	47.4	29.0	4.0	3.6	10.2	12.5	5.8	5.0
India Cements	Neutral	194	-	5,964	4,364	4,997	18.5	19.2	7.9	11.3	24.5	17.1	1.8	1.7	8.0	8.5	2.1	1.9
JK Cement	Neutral	1,033	-	7,220	4,398	5,173	15.5	17.5	31.2	55.5	33.1	18.6	4.0	3.4	12.0	15.5	2.2	1.8
J K Lakshmi Cement	Neutral	440	-	5,176	2,913	3,412	14.5	19.5	7.5	22.5	58.7	19.6	3.6	3.0	12.5	18.0	2.4	2.0
Orient Cement	Neutral	155	-	3,179	2,114	2,558	18.5	20.5	8.1	11.3	19.2	13.7	2.8	2.4	9.0	14.0	2.1	1.7
UltraTech Cement	Neutral	4,051	-	111,211	25,768	30,385	21.0	23.5	111.0	160.0	36.5	25.3	4.7	4.1	13.5	15.8	4.4	3.7
Construction																		
ITNL	Neutral	87	-	2,852	8,946	10,017	31.0	31.6	8.1	9.1	10.7	9.5	0.4	0.4	4.2	5.0	3.7	3.4
KNR Constructions	Neutral	208	-	2,928	1,385	1,673	14.7	14.0	41.2	48.5	5.1	4.3	0.9	0.8	14.9	15.2	2.2	1.8
Larsen & Toubro	Buy	1,171	1,700	163,946	111,017	124,908	11.0	11.0	61.1	66.7	19.2	17.6	2.3	2.1	13.1	12.9	2.5	2.3
Gujarat Pipavav Port	Neutral	141	-	6,821	705	788	52.2	51.7	5.0	5.6	28.2	25.2	2.8	2.5	11.2	11.2	9.3	7.9
Nagarjuna Const.	Neutral	89	-	4,956	8,842	9,775	9.1	8.8	5.3	6.4	16.8	13.9	1.3	1.2	8.2	9.1	0.7	0.6
PNC Infratech	Neutral	139	-	3,568	2,350	2,904	13.1	13.2	9.0	8.8	15.5	15.8	0.6	0.5	15.9	13.9	1.6	1.3
Simplex Infra	Neutral	467	-	2,309	6,829	7,954	10.5	10.5	31.4	37.4	14.9	12.5	1.5	1.4	9.9	13.4	0.8	0.6
Power Mech Projects	Neutral	576	-	847	1,801	2,219	12.7	14.6	72.1	113.9	8.0	5.1	1.5	1.2	16.8	11.9	0.5	0.4
Sadbhav Engineering	Neutral	289	-	4,958	3,598	4,140	10.3	10.6	9.0	11.9	32.1	24.3	3.4	3.0	9.9	11.9	1.7	1.4
NBCC	Neutral	213	-	19,125	7,428	9,549	7.9	8.6	8.2	11.0	25.9	19.3	1.3	1.0	28.2	28.7	2.3	1.7
MEP Infra	Neutral	119	-	1,931	1,877	1,943	30.6	29.8	3.0	4.2	39.6	28.3	19.2	12.9	0.6	0.6	2.4	2.2



Top Picks Report

August 08, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)	
		(₹)	Price (₹)	(₹ cr)	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
Construction																		
SIPL	Neutral	102	-	3,579	1,036	1,252	65.5	66.2	(8.4)	(5.6)			3.8	4.3	(22.8)	(15.9)	11.7	9.7
Engineers India	Neutral	159	-	10,728	1,725	1,935	16.0	19.1	11.4	13.9	14.0	11.5	1.9	1.9	13.4	15.3	5.1	4.6
Financials																		
Axis Bank	Buy	499	580	119,691	46,932	53,575	3.5	3.4	32.4	44.6	15.4	11.2	2.0	1.7	13.6	16.5	-	-
Bank of Baroda	Neutral	157	-	36,083	19,980	23,178	1.8	1.8	11.5	17.3	13.6	9.1	1.6	1.3	8.3	10.1	-	-
Canara Bank	Neutral	346	-	20,693	15,225	16,836	1.8	1.8	14.5	28.0	23.9	12.4	1.7	1.3	5.8	8.5	-	-
Can Fin Homes	Neutral	2,922	-	7,777	420	526	3.5	3.5	86.5	107.8	33.8	27.1	7.3	6.0	23.6	24.1	-	-
Cholamandalam Inv. & Fin. Co.	Neutral	1,202	-	18,792	2,012	2,317	6.3	6.3	42.7	53.6	28.2	22.4	4.5	3.8	16.9	18.3	-	-
Dewan Housing Finance	Buy	449	550	14,074	2,225	2,688	2.9	2.9	29.7	34.6	15.1	13.0	2.4	1.6	16.1	14.8	-	-
Equitas Holdings	Buy	166	235	5,605	939	1,281	11.7	11.5	5.8	8.2	28.6	20.2	2.5	2.2	10.9	11.5	-	-
Federal Bank	Buy	112	140	21,840	8,259	8,995	3.0	3.0	4.3	5.6	26.1	20.1	2.2	2.0	8.5	10.1	-	-
HDFC	Neutral	1,721	-	274,073	11,475	13,450	3.4	3.4	45.3	52.5	38.0	32.8	7.3	6.5	20.2	20.5	-	-
HDFC Bank	Neutral	1,780	-	458,414	46,097	55,433	4.5	4.5	58.4	68.0	30.5	26.2	5.3	4.5	18.8	18.6	-	-
ICICI Bank	Accumulate	295	335	189,099	42,800	44,686	3.1	3.3	18.0	21.9	16.4	13.5	2.2	2.1	11.1	12.3	-	-
Karur Vysya Bank	Buy	137	160	8,264	5,640	6,030	3.3	3.2	8.9	10.0	15.4	13.7	1.6	1.5	11.2	11.4	-	-
Lakshmi Vilas Bank	Neutral	174	-	3,346	3,339	3,799	2.7	2.8	11.0	14.0	15.9	12.5	1.7	1.5	11.2	12.7	-	-
LIC Housing Finance	Neutral	680	-	34,322	3,712	4,293	2.6	2.5	39.0	46.0	17.4	14.8	3.3	2.8	19.9	20.1	-	-
Punjab Natl.Bank	Neutral	149	-	31,664	23,532	23,595	2.3	2.4	6.8	12.6	21.9	11.8	3.4	2.4	3.3	6.5	-	-
RBL Bank	Neutral	512	-	19,420	1,783	2,309	2.6	2.6	12.7	16.4	40.3	31.2	4.4	3.9	12.8	13.3	-	-
Repco Home Finance	Buy	691	825	4,321	388	457	4.5	4.2	30.0	38.0	23.0	18.2	3.8	3.2	18.0	19.2	-	-
South Ind.Bank	Neutral	29	-	5,140	6,435	7,578	2.5	2.5	2.7	3.1	10.6	9.2	1.4	1.1	10.1	11.2	-	-
St Bk of India	Accumulate	304	335	262,285	88,650	98,335	2.6	2.6	13.5	18.8	22.5	16.2	2.1	1.9	7.0	8.5	-	-
Union Bank	Neutral	143	-	9,796	13,450	14,925	2.3	2.3	25.5	34.5	5.6	4.1	0.8	0.7	7.5	10.2	-	-
Yes Bank	Neutral	1,763	-	80,695	8,978	11,281	3.3	3.4	74.0	90.0	23.8	19.6	4.5	3.8	17.0	17.2	-	-
FMCG																		
Akzo Nobel India	Neutral	1,805	-	8,656	2,955	3,309	13.3	13.7	57.2	69.3	31.6	26.0	10.3	8.7	32.7	33.3	2.7	2.4
Asian Paints	Neutral	1,146	-	109,891	17,128	18,978	16.8	16.4	19.1	20.7	60.0	55.4	20.9	19.7	34.8	35.5	6.3	5.7
Britannia	Neutral	4,071	-	48,875	9,594	11,011	14.6	14.9	80.3	94.0	50.7	43.3	20.8	16.1	41.2	-	5.0	4.3
Colgate	Neutral	1,066	-	28,992	4,605	5,149	23.4	23.4	23.8	26.9	44.8	39.6	24.8	19.4	64.8	66.8	6.2	5.5
Dabur India	Neutral	315	-	55,453	8,315	9,405	19.8	20.7	8.1	9.2	38.9	34.2	10.8	9.0	31.6	31.0	6.3	5.6
GlaxoSmith Con*	Neutral	5,505	-	23,153	4,350	4,823	21.2	21.4	179.2	196.5	30.7	28.0	8.2	6.9	27.1	26.8	4.7	4.2

Top Picks Report

August 08, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)	
		(₹)	Price (₹)	(₹ cr)	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
FMCG																		
Godrej Consumer	Neutral	946	-	64,455	10,235	11,428	18.4	18.6	41.1	44.2	23.0	21.4	5.1	4.3	24.9	24.8	6.4	5.7
HUL	Neutral	1,186	-	256,760	35,252	38,495	17.8	17.8	20.7	22.4	57.5	53.0	54.9	47.1	95.6	88.9	7.1	6.5
ITC	Neutral	274	-	333,477	40,059	44,439	38.3	39.2	9.0	10.1	30.5	27.1	8.5	7.4	27.8	27.5	7.8	7.0
Marico	Neutral	334	-	43,037	6,430	7,349	18.8	19.5	6.4	7.7	52.1	43.3	15.7	13.2	33.2	32.5	6.5	5.6
Nestle*	Neutral	6,685	-	64,452	10,073	11,807	20.7	21.5	124.8	154.2	53.6	43.4	22.0	19.8	34.8	36.7	6.2	5.3
Tata Global	Neutral	166	-	10,477	8,675	9,088	9.8	9.8	7.4	8.2	22.4	20.2	1.8	1.7	7.9	8.1	1.1	1.1
Procter & Gamble Hygiene	Neutral	8,075	-	26,212	2,939	3,342	23.2	23.0	146.2	163.7	55.2	49.3	14.0	11.6	25.3	23.5	8.5	7.4
IT																		
HCL Tech ^	Accumulate	882	1,014	125,825	46,723	52,342	22.1	20.9	60.0	62.8	14.7	14.0	3.7	3.2	25.3	22.4	2.4	2.1
Infosys	Buy	965	1,179	221,563	68,484	73,963	26.0	26.0	63.0	64.0	15.3	15.1	3.2	3.0	20.8	19.7	2.9	2.6
TCS	Accumulate	2,498	2,651	492,174	117,966	127,403	27.5	27.6	134.3	144.5	18.6	17.3	5.5	5.1	29.8	29.7	3.8	3.6
Tech Mahindra	Buy	399	533	38,886	29,141	31,051	14.4	15.0	32.3	35.6	12.3	11.2	2.1	1.9	17.1	17.0	1.2	1.0
Wipro	Neutral	287	-	139,885	55,421	58,536	20.3	20.3	35.1	36.5	8.2	7.9	1.4	1.2	19.2	14.6	1.9	1.7
Media																		
D B Corp	Neutral	374	-	6,885	2,297	2,590	27.4	28.2	21.0	23.4	17.8	16.0	4.2	3.6	23.7	23.1	2.8	2.4
HT Media	Neutral	87	-	2,016	2,693	2,991	12.6	12.9	7.9	9.0	11.0	9.6	0.9	0.9	7.8	8.3	0.3	0.2
Jagran Prakashan	Buy	179	225	5,857	2,283	2,555	28.0	28.0	10.6	12.3	16.9	14.6	3.6	3.1	21.4	21.4	2.6	2.3
Sun TV Network	Neutral	727	-	28,630	2,850	3,265	70.1	71.0	26.2	30.4	27.7	23.9	7.1	6.3	24.3	25.6	9.6	8.3
Hindustan Media Ventures	Neutral	270	-	1,982	1,016	1,138	24.3	25.2	27.3	30.1	9.9	9.0	1.9	1.7	16.2	15.8	1.3	1.1
TV Today Network	Buy	235	344	1,400	608	667	21.5	22.3	15.7	19.2	15.0	12.2	2.3	2.0	16.1	16.0	1.9	1.6
Music Broadcast Limited	Buy	350	434	1,997	271	317	91.0	109.0	6.0	10.0	58.3	35.0	3.6	3.3	6.5	9.3	7.0	5.7
Metals & Mining																		
Coal India	Neutral	245	-	151,833	84,638	94,297	21.4	22.3	24.5	27.1	10.0	9.0	4.2	4.0	42.6	46.0	1.3	1.2
Hind. Zinc	Neutral	285	-	120,253	14,252	18,465	55.9	48.3	15.8	21.5	18.0	13.2	2.9	2.6	17.0	20.7	8.4	6.5
Hindalco	Neutral	235	-	52,733	107,899	112,095	7.4	8.2	9.2	13.0	25.6	18.1	1.2	1.2	4.8	6.6	1.0	0.9
JSW Steel	Neutral	231	-	55,802	53,201	58,779	16.1	16.2	130.6	153.7	1.8	1.5	0.2	0.2	14.0	14.4	1.8	1.6
NMDC	Neutral	127	-	40,324	6,643	7,284	44.4	47.7	7.1	7.7	18.0	16.6	1.6	1.5	8.8	9.2	3.8	3.5
SAIL	Neutral	63	-	25,999	47,528	53,738	(0.7)	2.1	(1.9)	2.6		24.2	0.7	0.7	(1.6)	3.9	1.4	1.3
Vedanta	Neutral	298	-	110,661	71,744	81,944	19.2	21.7	13.4	20.1	22.2	14.8	1.9	1.7	8.4	11.3	1.9	1.6
Tata Steel	Neutral	616	-	59,803	121,374	121,856	7.2	8.4	18.6	34.3	33.1	18.0	2.1	1.9	6.1	10.1	1.1	1.1
Oil & Gas																		
GAIL	Neutral	387	-	65,403	56,220	65,198	9.3	10.1	27.1	33.3	14.3	11.6	1.3	1.2	9.3	10.7	1.4	1.1
ONGC	Neutral	164	-	210,401	137,222	152,563	15.0	21.8	19.5	24.1	8.4	6.8	0.7	0.7	8.5	10.1	1.8	1.6



Top Picks Report

August 08, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)	
		(₹)	Price (₹)	(₹ cr)	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
Oil & Gas																		
Indian Oil Corp	Neutral	413	-	200,670	373,359	428,656	5.9	5.5	54.0	59.3	7.7	7.0	1.2	1.1	16.0	15.6	0.7	0.6
Reliance Industries	Neutral	1,603	-	521,383	301,963	358,039	12.1	12.6	87.7	101.7	18.3	15.8	1.9	1.7	10.7	11.3	2.2	1.8
Pharmaceuticals																		
Alembic Pharma	Accumulate	531	600	10,010	3,101	3,966	19.7	20.5	21.4	25.5	24.8	20.8	5.3	4.3	23.0	22.8	3.2	2.4
Alkem Laboratories Ltd	Buy	1,840	2,161	22,000	5,853	6,901	17.1	18.4	74.6	85.0	24.7	21.7	5.2	4.4	21.1	20.2	3.7	3.2
Aurobindo Pharma	Accumulate	727	823	42,567	14,845	17,086	21.5	22.1	39.4	44.7	18.4	16.3	4.5	3.6	27.6	24.7	3.0	2.6
Aventis*	Neutral	4,225	-	9,730	2,206	2,508	16.6	16.8	128.9	139.9	32.8	30.2	5.6	4.4	21.6	23.5	4.2	3.5
Cadila Healthcare	Sell	530	450	54,274	9,220	11,584	18.4	20.3	14.5	18.7	36.6	28.4	7.8	6.3	23.5	24.6	6.2	4.8
Cipla	Sell	578	461	46,530	14,281	16,619	15.4	16.2	12.5	19.7	46.3	29.4	3.7	3.3	8.4	12.0	3.4	2.9
Dr Reddy's	Neutral	2,102	-	34,837	14,081	15,937	16.1	18.6	72.6	105.9	29.0	19.9	2.8	2.6	9.6	13.6	2.7	2.4
Dishman Pharma	Sell		143		1,718	1,890	22.7	22.8	9.5	11.3					10.1	10.9	3.3	2.9
GSK Pharma*	Neutral	2,381	-	20,167	2,927	3,290	11.8	16.2	34.4	49.6	69.2	48.0	10.1	10.4	13.9	21.3	6.7	6.0
Indoco Remedies	Sell	199	153	1,831	1,067	1,154	12.1	14.9	8.4	11.3	23.7	17.6	2.8	2.5	12.6	15.0	1.9	1.8
Ipca labs	Buy	456	620	5,751	3,211	3,593	13.9	14.5	15.4	19.4	29.6	23.5	2.3	2.1	8.2	9.5	1.9	1.7
Lupin	Buy	974	1,467	44,021	17,120	18,657	24.1	24.1	56.9	61.1	17.1	16.0	3.2	2.7	20.7	18.6	2.9	2.3
Natco Pharma	Accumulate	924	1,060	16,100	2,065	1,988	33.1	33.7	27.9	25.7	33.1	35.9	9.7	8.2	29.2	22.9	7.9	8.0
Sun Pharma	Buy	500	712	120,058	30,264	32,899	29.0	26.9	32.7	31.6	15.3	15.8	3.3	2.8	22.2	18.7	3.7	3.3
Power																		
Tata Power	Neutral	78	-	21,165	36,916	39,557	17.4	27.1	5.1	6.3	15.3	12.4	1.4	1.2	9.0	10.3	1.6	1.4
NTPC	Neutral	171	-	141,327	86,605	95,545	17.5	20.8	11.8	13.4	14.5	12.8	1.5	1.4	10.5	11.1	3.0	3.0
Power Grid	Neutral	222	-	116,246	25,315	29,193	88.2	88.7	14.2	17.2	15.7	13.0	2.4	2.1	15.2	16.1	9.2	8.3
Real Estate																		
Prestige Estate	Neutral	263	-	9,866	4,707	5,105	25.2	26.0	10.3	13.0	25.5	20.2	2.1	1.9	10.3	10.2	3.3	2.9
MLIFE	Buy	421	522	2,160	1,152	1,300	22.7	24.6	29.9	35.8	14.1	11.8	1.0	1.0	7.6	8.6	2.6	2.2
Telecom																		
Bharti Airtel	Neutral	418	-	167,091	105,086	114,808	34.5	34.7	12.2	16.4	34.3	25.5	2.3	2.2	6.8	8.4	2.5	2.2
Idea Cellular	Neutral	92	-	33,127	40,133	43,731	37.2	37.1	6.4	6.5	14.4	14.1	1.2	1.1	8.2	7.6	1.8	1.6
zOthers																		
Abbott India	Neutral	4,376	-	9,298	3,153	3,583	14.1	14.4	152.2	182.7	28.8	24.0	141.2	120.6	25.6	26.1	2.7	2.3
Asian Granito	Buy	409	480	1,230	1,066	1,169	11.6	12.5	13.0	16.0	31.5	25.6	3.1	2.7	9.5	10.7	1.5	1.3
Bajaj Electricals	Buy	330	395	3,350	4,801	5,351	5.7	6.2	10.4	13.7	31.7	24.1	3.9	3.5	12.4	14.5	0.7	0.6
Banco Products (India)	Neutral	225	-	1,608	1,353	1,471	12.3	12.4	14.5	16.3	15.5	13.8	21.4	19.3	14.5	14.6	1.1	121.4
Coffee Day Enterprises Ltd	Neutral	243	-	5,000	2,964	3,260	20.5	21.2	4.7	8.0	-	30.3	2.8	2.6	5.5	8.5	2.1	1.9
Competent Automobiles	Neutral	203	-	130	1,137	1,256	3.1	2.7	28.0	23.6	7.3	8.6	39.1	35.4	14.3	11.5	0.1	0.1



Top Picks Report

August 08, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)	
		(₹)	Price (₹)	(₹ cr)	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
zOthers																		
Elecon Engineering	Neutral	49	-	548	1,482	1,660	13.7	14.5	3.9	5.8	12.5	8.4	2.9	2.7	7.8	10.9	0.7	0.6
Finolex Cables	Neutral	490	-	7,489	2,883	3,115	12.0	12.1	14.2	18.6	34.5	26.3	18.3	16.0	15.8	14.6	2.3	2.1
Garware Wall Ropes	Neutral	900	-	1,970	863	928	15.1	15.2	36.4	39.4	24.7	22.9	4.5	3.8	17.5	15.9	2.2	2.0
Goodyear India*	Neutral	871	-	2,010	1,598	1,704	10.4	10.2	49.4	52.6	17.6	16.6	81.4	71.4	18.2	17.0	0.9	134.3
Hitachi	Neutral	2,030	-	5,521	2,081	2,433	8.8	8.9	33.4	39.9	60.8	50.9	49.0	40.9	22.1	21.4	2.6	2.2
HSIL	Neutral	363	-	2,623	2,384	2,515	15.8	16.3	15.3	19.4	23.7	18.7	23.6	20.3	7.8	9.3	1.3	1.2
Interglobe Aviation	Neutral	1,296	-	46,856	21,122	26,005	14.5	27.6	110.7	132.1	11.7	9.8	70.0	50.0	168.5	201.1	2.2	1.7
Jyothy Laboratories	Neutral	382	-	6,934	1,440	2,052	11.5	13.0	8.5	10.0	44.9	38.2	10.9	10.1	18.6	19.3	5.1	3.6
Kirloskar Engines India Ltd	Neutral	395	-	5,712	2,554	2,800	9.9	10.0	10.5	12.1	37.6	32.6	15.7	14.9	10.7	11.7	1.9	1.7
Linc Pen & Plastics	Neutral	259	-	383	382	420	9.3	9.5	13.5	15.7	19.2	16.5	3.3	2.9	17.1	17.3	1.1	1.0
M M Forgings	Neutral	595	-	718	546	608	20.4	20.7	41.3	48.7	14.4	12.2	81.5	72.1	16.6	17.0	1.2	1.0
Manpasand Bever.	Neutral	774	-	4,426	836	1,087	19.6	19.4	16.9	23.8	45.8	32.5	5.5	4.8	12.0	14.8	5.0	3.8
Mirza International	Neutral	155	-	1,868	963	1,069	17.2	18.0	6.1	7.5	25.3	20.7	3.9	3.3	15.0	15.7	2.2	1.9
MT Educare	Neutral	65	-	260	366	417	17.7	18.2	9.4	10.8	7.0	6.0	1.5	1.3	22.2	22.3	0.6	0.5
Narayana Hrudaya	Neutral	301	-	6,147	1,873	2,166	11.5	11.7	2.6	4.0	113.7	75.9	7.0	6.3	6.1	8.3	3.4	2.9
Navkar Corporation	Buy	188	265	2,685	347	371	43.2	37.3	6.7	6.0	28.2	31.4	1.9	1.7	6.2	10.6	8.9	8.3
Navneet Education	Neutral	162	-	3,774	1,062	1,147	24.0	24.0	6.1	6.6	26.5	24.4	5.5	4.8	20.6	19.8	3.6	3.4
Nilkamal	Neutral	1,679	-	2,506	1,995	2,165	10.7	10.4	69.8	80.6	24.1	20.8	96.0	83.3	16.6	16.5	1.3	1.1
Page Industries	Neutral	16,227	-	18,099	2,450	3,124	20.1	17.6	299.0	310.0	54.3	52.3	361.4	275.9	47.1	87.5	7.4	5.9
Parag Milk Foods	Neutral	247	-	2,074	1,919	2,231	9.3	9.6	9.5	12.9	26.1	19.1	4.1	3.3	15.5	17.5	1.2	1.1
Quick Heal	Neutral	209	-	1,465	408	495	27.3	27.0	7.7	8.8	27.0	23.7	2.5	2.5	9.3	10.6	2.7	2.3
Radico Khaitan	Neutral	148	-	1,965	1,667	1,824	13.0	13.2	6.7	8.2	22.2	18.0	2.0	1.8	9.0	10.2	1.6	1.4
Relaxo Footwears	Neutral	497	-	5,974	2,085	2,469	9.2	8.2	7.6	8.0	65.8	62.6	25.5	21.8	17.9	18.8	3.0	2.5
S H Kelkar & Co.	Neutral	260	-	3,754	1,036	1,160	15.1	15.0	6.1	7.2	42.5	36.2	4.5	4.2	10.7	11.5	3.5	3.1
Siyaram Silk Mills	Buy	2,024	2,500	1,897	1,574	1,769	12.5	12.7	97.1	113.1	20.8	17.9	3.2	2.8	15.4	15.5	1.4	1.3
Styrolution ABS India*	Neutral	975	-	1,715	1,440	1,537	9.2	9.0	40.6	42.6	24.0	22.9	61.3	55.8	12.3	11.6	1.2	1.0
Surya Roshni	Neutral	271	-	1,187	3,342	3,625	7.8	7.5	17.3	19.8	15.7	13.7	29.8	23.9	10.5	10.8	0.6	0.6
Team Lease Serv.	Neutral	1,423	-	2,432	3,229	4,001	1.5	1.8	22.8	32.8	62.5	43.3	6.7	5.8	10.7	13.4	0.7	0.5
The Byke Hospitality	Neutral	197	-	790	287	384	20.5	20.5	7.6	10.7	25.9	18.4	5.4	4.4	20.7	23.5	2.8	2.1

Top Picks Report

August 08, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)	
		(₹)	Price (₹)	(₹ cr)	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
zOthers																		
Transport Corporation of India	Neutral	291	-	2,229	2,671	2,911	8.5	8.8	13.9	15.7	21.0	18.6	2.9	2.6	13.7	13.8	0.9	0.9
TVS Srichakra	Neutral	3,536	-	2,708	2,304	2,614	13.7	13.8	231.1	266.6	15.3	13.3	397.4	312.9	33.9	29.3	1.2	1.0
UFO Moviez	Neutral	363	-	1,002	619	685	33.2	33.4	30.0	34.9	12.1	10.4	1.7	1.5	13.8	13.9	1.3	1.0
Visaka Industries	Neutral	475	-	754	1,051	1,138	10.3	10.4	21.0	23.1	22.6	20.5	60.9	57.0	9.0	9.2	1.0	0.9
VRL Logistics	Neutral	344	-	3,135	1,902	2,119	16.7	16.6	14.6	16.8	23.6	20.4	5.2	4.5	21.9	22.2	1.8	1.6
VIP Industries	Accumulate	192	218	2,711	1,270	1,450	10.4	10.4	5.6	6.5	34.3	29.5	7.1	6.2	20.7	21.1	2.1	1.9
Navin Fluorine	Neutral	725	-	3,570	789	945	21.1	22.4	24.0	28.7	30.2	25.3	4.9	4.2	17.8	18.5	4.5	3.6

Source: Company, Angel Research; Note: *December year end; #September year end; &October year end; Price as on August 08, 2017

Research Team Tel: 022 - 39357800

 E-mail: research@angelbroking.com

 Website: www.angelbroking.com

DISCLAIMER

Angel Broking Private Limited (hereinafter referred to as "Angel") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange Limited. It is also registered as a Depository Participant with CDSL and Portfolio Manager with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel Broking Private Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Angel or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment.

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals. Investors are advised to refer the Fundamental and Technical Research Reports available on our website to evaluate the contrary view, if any.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Angel Broking Pvt. Limited or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Angel Broking Pvt. Limited has not independently verified all the information contained within this document. Accordingly, we cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document. While Angel Broking Pvt. Limited endeavors to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This document is being supplied to you solely for your information, and its contents, information or data may not be reproduced, redistributed or passed on, directly or indirectly.

Neither Angel Broking Pvt. Limited, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information.

Ratings (Based on expected returns over 12 months investment period):

Buy (> 15%)

Accumulate (5% to 15%)
Reduce (-5% to -15%)

Neutral (-5 to 5%)
Sell (< -15)