

Top Picks

Company	CMP (₹)	TP (₹)
Banking/NBFC		
Dewan Housing	666	762
GIC Housing Finance	481	655
Karur Vysa Bank	127	161
Consumption		
Asian Granito	495	572
Blue Star	692	867
Siyaram Silk Mills	607	650
LT Foods	73	96
Media/Automobiles		
Maruti Suzuki	8,216	8,890
Music Broadcast	387	434
TV Today	379	435
Real Estate/Infra/Logistics/Power		
KEI Industries	338	371
Navkar Corp.	195	265
Pharmaceutical		
Alkem Laboratories	1,926	2,125

Source: Angel Research;

Note: CMP as of November 03, 2017

With 5.3% returns, October proved to be the best month for Indian equities in the last 19 months. While the government signalled its pro growth stance through its bank recapitalization and aggressive capex in the road infrastructure, the 30 rank jump in the World Bank's ease of doing business proved to be sentimental booster. While markets are at all time highs, Angel Broking's Top Picks portfolio has shown a 30% outperformance to BSE 100 index during the last two year period.

Government's focus shifts to growth: Following the slower economic growth in 1QFY18, government had indicated of undertaking a plan to boost the economy. Accordingly, government has announced a ₹2.11 lakh cr plan to recapitalize public sector banks (PSBs) and ₹5.35 lakhs cr plan to undertake road construction projects. With the host of reforms implemented over the last three years, we believe that government's focus has now shifted towards job creation and growth. The same can be seen in revision in the excise duty on petrol and diesel as well as the high probability of revision in the GST rates on common use items to spur the growth in the economy.

Bank recapitalization to revive credit growth: The recapitalization plan of ₹2.11 lakh cr (~\$32.6bn) is expected to be completed over the two fiscals i.e. FY2018 and FY2019. This will be financed by budgetary provisions (₹18,139cr), recapitalization bonds (₹1.35 lakh cr), and by diluting government equity stake by raising funds through financial markets (~₹58,000cr). In our view, capital infusion of PSBs would help to clean-up their NPAs, improve their capital adequacy ratio which will support them in bringing credit growth going ahead.

Several sectors to benefit from road capex: Under the name Bharatmala Pariyojana, govt. has planned to construct 34,800 km of roads over the next 5 years at a capital expenditure of ₹5.35 lakhs cr (\$82.7bn). This is likely to create 14.2cr man days of jobs. The scope of project includes construction of ring roads, bypasses, elevated corridors and logistics parks. The government envisages that this project will help in unclogging the bottlenecks on the existing Golden Quadrilateral highway network. The road capex is expected to be positive for sectors like construction, cement, steel, automobile, etc. while improved efficiency will benefit the sectors like logistics and manufacturing.

India's rank in Ease Of Doing Business improves: With the help of reforms in taxation, licensing, investor protection, and bankruptcy resolution, India's rank in World Bank's Ease Of Doing Business (EODB) jumped 30 spots to 100. We believe that jump in EODB ranking highlights India's firm macro improvement story. The GST implementation and use of Aadhar in transactions are further expected to helping improve the domestic fundamentals and improve this ranking. This is crucial for India to attract the foreign capital and we view this positively.

In the nutshell, we continue to maintain positive stance on the economy and believe that the affordable housing scheme and Bharatmala Pariyojana project will help in job creation which will benefit the Indian economy. With the capital infusion in PSBs we believe that credit growth will also be supported.

We maintain positive outlook on Maruti Suzuki, Asian Granito and Blue Star from consumption sector as well as on the stocks like Music Broadcast, GIC housing finance, Karur Vysa Bank, Navkar Corp, KEI Industries and Siyaram Silk Mills. We add LT Foods in the Top Picks portfolio.

Top Picks

Stock Info

CMP	666
TP	762
Upside	14.5%
Sector	Financials
Market Cap (₹ cr)	20,876
Beta	2.1
52 Week High / Low	679 / 213

3 year-Chart

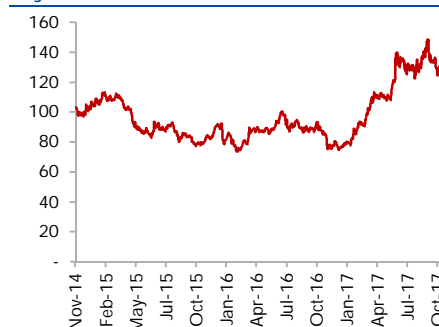


Source: Company, Angel Research

Stock Info

CMP	127
TP	161
Upside	27%
Sector	Banking
Market Cap (₹ cr)	7,699
Beta	0.9
52 Week High / Low	150 / 74

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 2.2x FY2019E ABV. **We maintain Buy on the stock with a target price of ₹762.**

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	17.9	2.5
FY2019E	2,927	2.7	1,556	49.7	305	1.5	16.2	13.5	2.2

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 1.4x FY2019E ABV. **We have a BUY rating on the stock.**

Key Financials

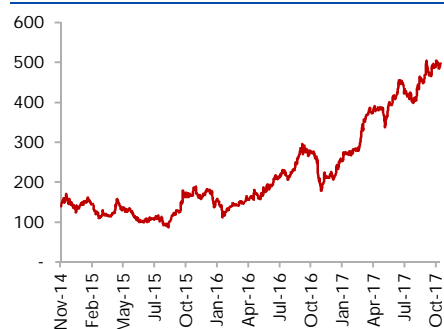
Y/E	Op. Inc	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2018E	2,388	3.7	660	10.8	77.8	1	12.5	11.8	1.6
FY2019E	2,757	3.9	858	14.1	89.6	1.2	14.7	9.0	1.4

Source: Company, Angel Research

Stock Info

CMP	495
TP	572
Upside	15%
Sector	Cons. Durable
Market Cap (₹ cr)	1,488
Beta	1.9
52 Week High / Low	518 / 176

3 year-Chart

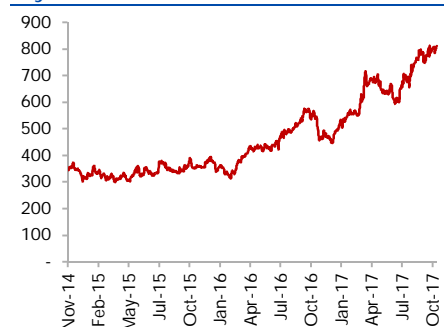


Source: Company, Angel Research

Stock Info

CMP	692
TP	867
Upside	25%
Sector	Cons. Durable
Market Cap (₹ cr)	6,626
Beta	0.7
52 Week High / Low	826 / 436

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	31.0	3.3	12.0	1.5
FY2019E	1,286	12.5	59	19.7	11.6	25.1	2.9	10.7	1.3

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. This has resulted in the Cooling Products Division (CPD)'s share in overall revenues increasing from ~23% in FY2010 to ~45% in FY2017 (expected to improve to ~47-48% 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 Unitary Products, we expect the overall top-line to post a revenue CAGR of ~19% over FY2017-19E and margins to improve from 5.8% in FY2017 to 6.6% in FY2019E. **We recommend an buy rating on the stock.**

Key Financials

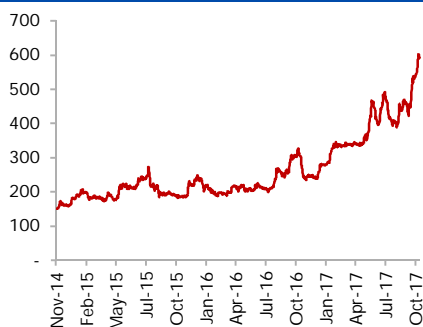
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	5,220	6.3	161	16.8	19.0	41.2	8.2	25.3	1.2
FY2019E	6,207	6.6	214	22.3	23.3	31.1	7.2	18.7	1.0

Source: Company, Angel Research

Stock Info

CMP	607
TP	650
Upside	7%
Sector	Textile
Market Cap (₹ cr)	2,845
Beta	0.9
52 Week High / Low	222/626

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 an accumulate recommendation on the stock and target price of ₹650.**

Key Financials

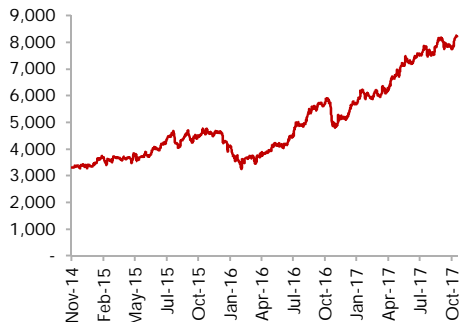
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	1,769	12.7	106	113.1	15.4	26.8	4.1	13.3	1.8
FY2019E	1,981	12.7	123	131.1	15.5	23.1	3.6	11.9	1.6

Source: Company, Angel Research

Stock Info

CMP	8,216
TP	8,890
Upside	8%
Sector	Automobiles
Market Cap (₹ cr)	2,48,201
Beta	1.2
52 Week High / Low	8,370/4,769

3 year-Chart



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 ~51% 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 in FY14 to current ~17% margin range in 2QFY18. Together with higher operating leverage at Gujarat plant, increasing Nexa outlets, and improving business mix, we believe that company has further room to improve its margins. **We have an accumulate rating on the stock.**

Key Financials

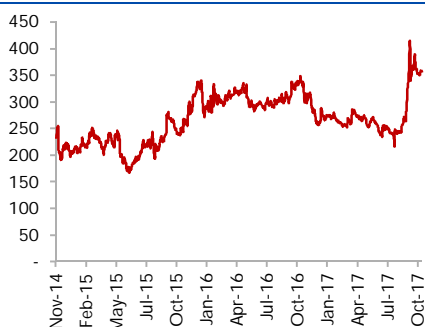
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	80,985	15.6	8,526	282.3	21.8	29.1	6.3	17.5	2.7
FY2019E	97,917	16.9	11,187	370.4	23.1	22.2	5.1	12.7	2.2

Source: Company, Angel Research

Stock Info

CMP	379
TP	435
Upside	15%
Sector	Media
Market Cap (₹ cr)	2,263
Beta	0.6
52 Week High / Low	434 /210

3 year-Chart

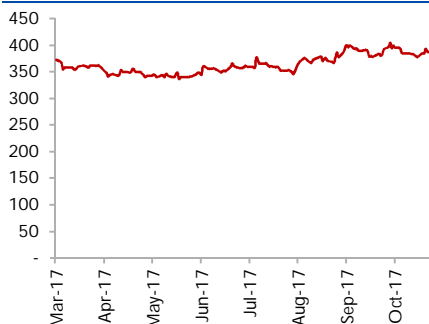


Source: Company, Angel Research

Stock Info

CMP	387
TP	434
Upside	12.1%
Sector	Media
Market Cap (₹ cr)	2,206
Beta	0.6
52 Week High / Low	415/333

3 year-Chart



Source: Company, Angel Research

TV Today Network

- TTNL 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.
- TTNL is a play of higher operating leverage that would be visible as advertisement revenues gain traction. Going ahead, we expect EBITDA margins would improve.
- We expect TTNL to report a net revenue CAGR of ~9% to ~`727cr and net profit CAGR of ~14% to `121cr over FY2017-19E. **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	667	27.7	111	18.6	15.6	20.4	3.2	10.5	2.9
FY2019E	727	27.7	121	20.1	17.3	18.7	3.2	9.8	2.7

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

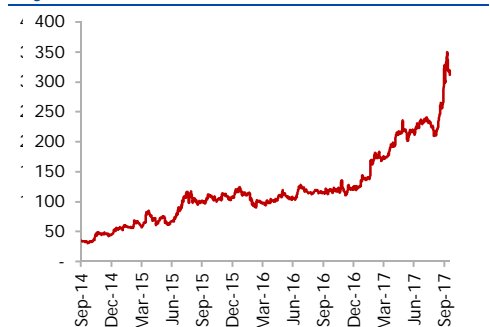
Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	317	34.4	56	9.8	9.3	39.4	3.7	18.5	6.4
FY2019E	372	34.9	80	14.0	12.0	27.7	3.3	15.0	5.2

Source: Company, Angel Research

Stock Info

CMP	338
TP	371
Upside	19%
Sector	Cable
Market Cap (₹ cr)	2,425
Beta	0.9
52 Week High / Low	367 / 99

3 year-Chart



Source: Company, Angel Research

Stock Info

CMP	481
TP	655
Upside	37%
Sector	Financials
Market Cap (₹ cr)	2,586
Beta	1.7
52 Week High / Low	623 / 251

3 year-Chart



Source: Company, Angel Research

KEI Industries

- KEI's current order book (OB) stands at ₹2,780cr (segmental break-up: ₹1,990cr in EPC, ₹560cr in Cable & ₹230cr in EHV). 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 ₹7.5cr in FY17 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 and participation in various international tenders. 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 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	3,001	10.0	100	13.0	18.2	26.0	4.7	10.4	1.0
FY2019E	3,392	10.0	125	16.1	18.7	21.0	3.9	9.2	0.9

Source: Company, Angel Research

GIC Housing Finance Ltd

- Backed by the new management, GICHF is aiming for 2.0x growth in the loan book over the period of FY16-FY19E to ₹16,000cr. GICHF has healthy capital adequacy, and is seeing an increase in demand for home loans. GICHF's loan book is expected to report 24.3% loan growth over next two years.
- GICHF is consistently decreasing bank borrowing and increasing high yield loan book which is expected to boost its Net Interest Margin. The share of bank borrowing was 75% in FY15, which fell to 55% in FY17. In our opinion, the impetus on lower bank borrowings and increasing high yield loan book is likely to result in 17bps NIM over FY16-FY19E.
- GICHF's asset quality is on the higher side compared to other HFCs (As on FY17 GNPA-2.3% and NPA-0.3%). This is primarily due to GICHF has not written off any bad asset and has not sold any bad assets to ARC. New Management is expediting asset quality improvement.
- We expect the GICHF's loan growth to grow at a CAGR of 24.3% over next two years and RoA/RoE to improve from 1.7%/19.0% in FY17 to 2.0%/23.0% in FY19E. The stock is currently trading at 2.2x FY2019E ABV. **We have a Buy rating on the stock.**

Key Financials

Y/E	Op. Inc	NIM	PAT	EPS	ABV	ROA	ROE	P/E	P/ABV
March	(₹ cr)	(%)	(₹ cr)	(₹)	(₹)	(%)	(%)	(x)	(x)
FY2018E	376	3.6	180	33	184	1.7	20	14	2.6
FY2019E	477	3.7	215	40	219	1.9	23	12	2.2

Source: Company, Angel Research

Stock Info

CMP	195
TP	265
Upside	35%
Sector	Logistics
Market Cap (₹ cr)	2,778
Beta	1.0
52 Week High / Low	247 / 155

3 year-Chart

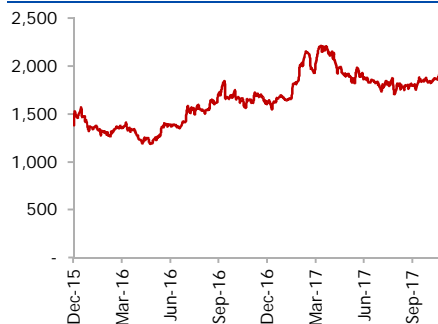


Source: Company, Angel Research

Stock Info

CMP	1,926
TP	2,125
Upside	10%
Sector	Pharmaceutical
Market Cap (₹ cr)	23,028
Beta	0.4
52 Week High / Low	2,400 / 1,455

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	450	41.5	124	8.7	8.4	22.5	1.8	16.6	6.9
FY2019E	617	41.5	181	12.7	11.0	15.4	1.6	12.0	5.0

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 (92 ANDAs) in the US with high single digit ANDA launches to grow the US revenues at ~20% growth rate from FY17-FY19E.
- Overall outlook remains strong with 9% CAGR in the topline and 13% CAGR in the bottom-line. **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	6,320	17.5	869	72.7	17.7	26.5	4.7	20.4	3.6
FY2019E	7,341	19.8	1,155	96.6	19.8	19.9	4.0	15.2	3.0

Source: Company, Angel Research

Stock Info

CMP	73
TP	96
Upside	31%
Sector	Food Processing
Market Cap (₹ cr)	1,960
Beta	1.0
52 Week High / Low	84 / 21

3 year-Chart



Source: Company, Angel Research

LT Foods

- LT Foods LTD (LTFL) is a branded specialty Foods Company engaged in milling, processing and marketing of branded and non-branded basmati rice and manufacturing of rice food products in the domestic and overseas markets.
- LTFL's flagship brand Daawat enjoys 22% market share in the branded rice market of India. The company also has strong market share in North America selling Basmati rice under the brand name 'Royal'. Currently it has access to 1,40,000 traditional retail outlets Reach –93% of towns with over 2 lakh population Access to 3000 Wholesalers. Moreover, it has also strong network in modern trade. LTFL is the 1st Rice company to place Brown Basmati Rice in Medical Chains.
- The company has a well-diversified product basket catering to consumers of all income groups. The company is present in segments like Basmati rice, Specialty rice (non-Basmati) and Other food products.
- Overall outlook remains strong with ~14% CAGR in the top-line and 20 % CAGR in the bottom-line. **We recommend Buy on the stock with Target Price of ₹ 96 (15x FY2019E EPS).**

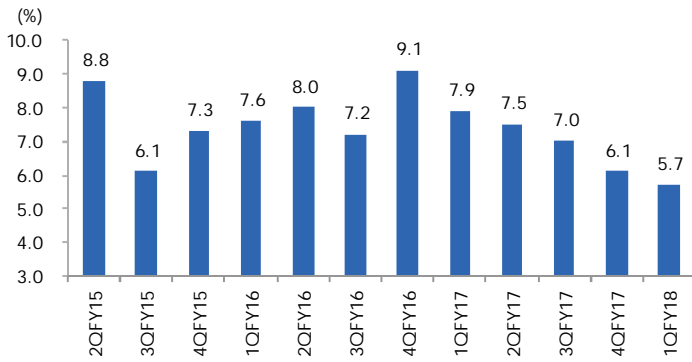
Key Financials

Y/E	Sales	OPM	PAT	EPS	ROE	P/E	P/BV	EV/EBITDA	EV/Sales
March	(₹ cr)	(%)	(₹ cr)	(₹)	(%)	(x)	(x)	(x)	(x)
FY2018E	3,747	11.5	139	5.2	17.5	14.0	2.4	8.2	0.9
FY2019E	4,234	11.5	170	6.4	17.6	11.4	2.0	7.2	0.8

Source: Company, Angel Research

Macro watch

Exhibit 1: Quarterly GDP trends



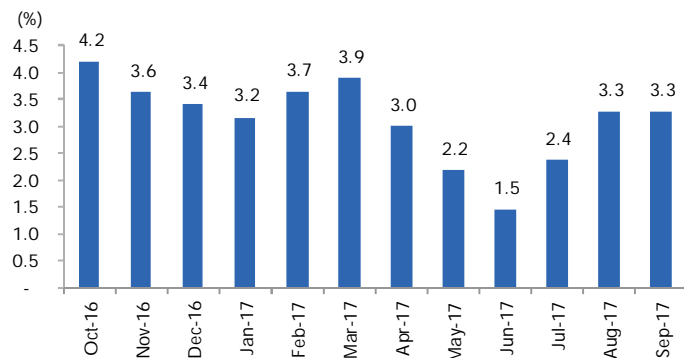
Source: CSO, Angel Research

Exhibit 2: IIP trends



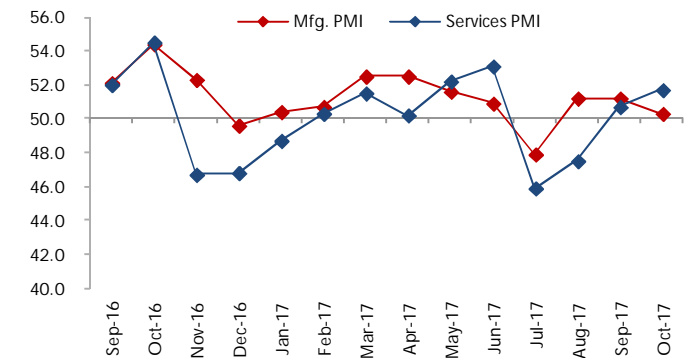
Source: MOSPI, Angel Research

Exhibit 3: Monthly CPI inflation trends



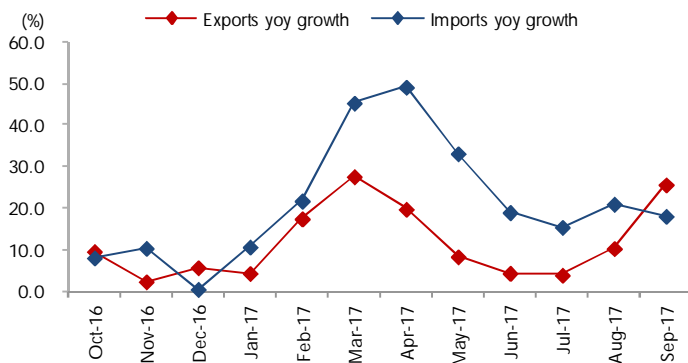
Source: MOSPI, Angel Research

Exhibit 4: Manufacturing and services PMI



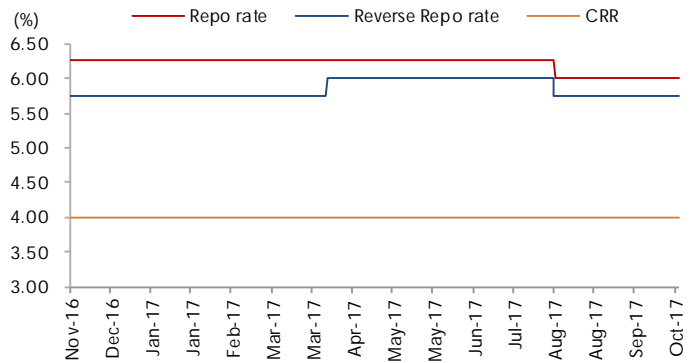
Source: Market, Angel Research; Note: Level above 50 indicates expansion

Exhibit 5: Exports and imports growth trends



Source: Bloomberg, Angel Research

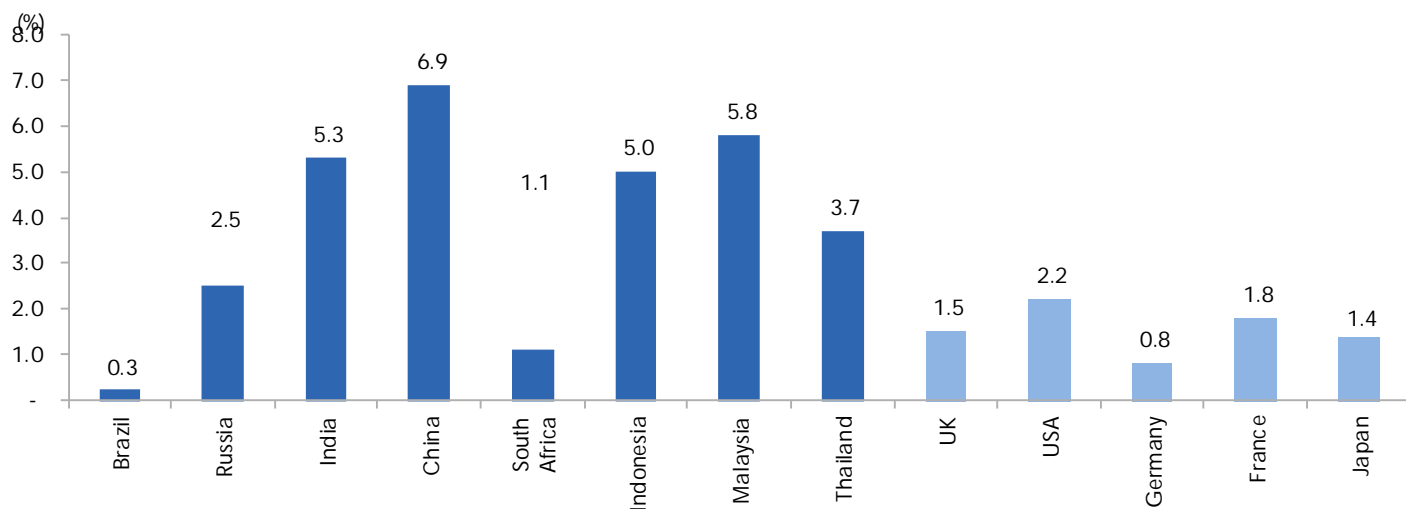
Exhibit 6: Key policy rates



Source: RBI, Angel Research

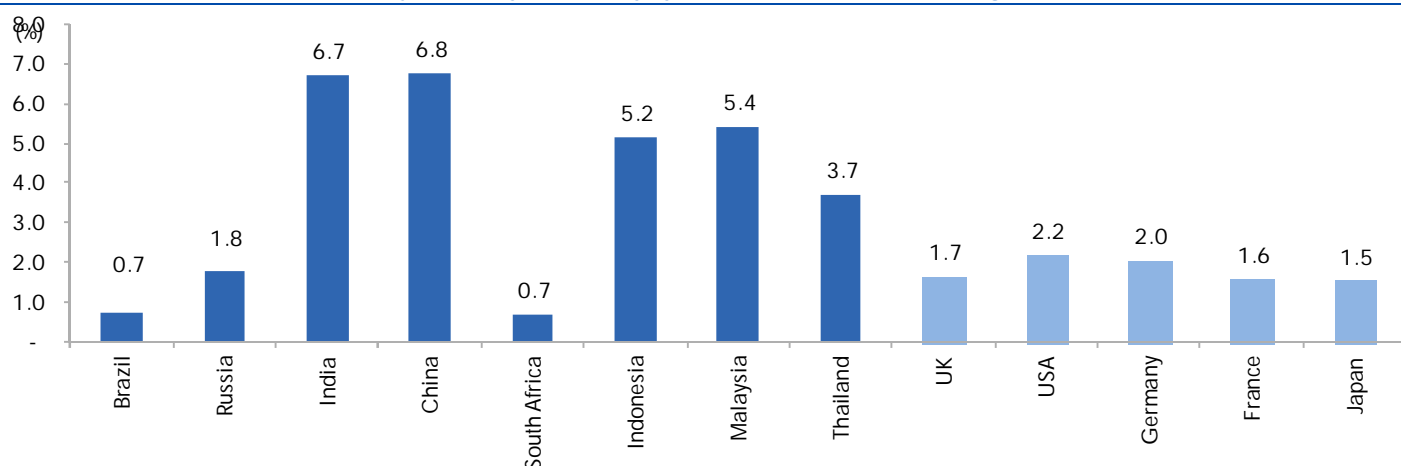
Global watch

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



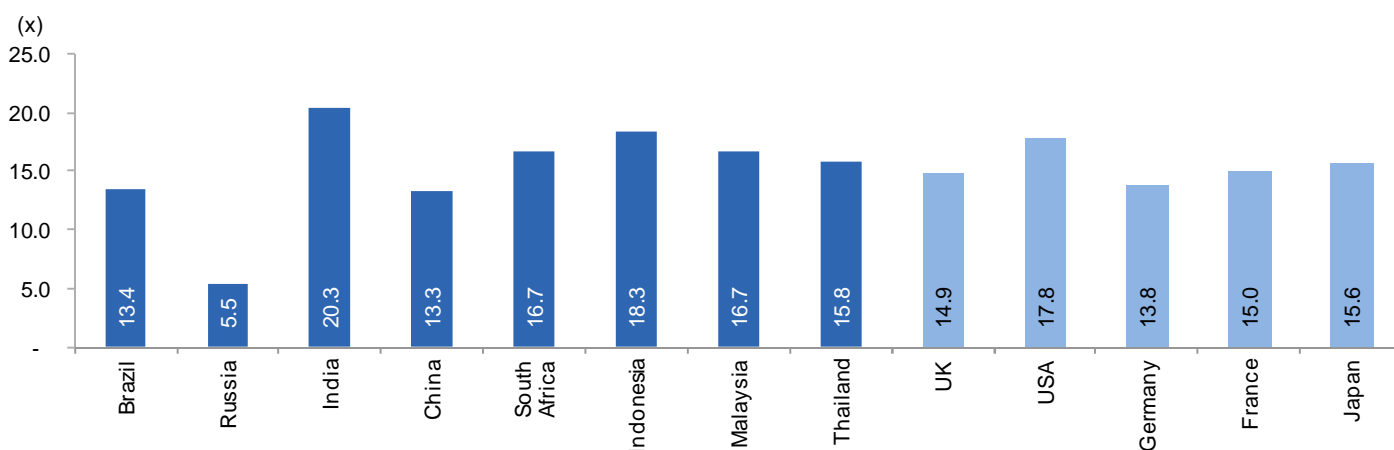
Source: Bloomberg, Angel Research

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	Returns (%)		
			1M	3M	1YR
Brazil	Bovespa	73,915	(0.6)	11.0	14.8
Russia	Micex	2,081	0.4	5.9	6.0
India	Nifty	10,453	6.0	3.3	21.2
China	Shanghai Composite	3,372	0.8	3.0	8.2
South Africa	Top 40	53,199	5.2	7.9	19.6
Mexico	Mexbol	48,535	(4.3)	(5.8)	3.5
Indonesia	LQ45	1,006	1.4	3.4	8.0
Malaysia	KLCI	1,741	(1.1)	(1.1)	4.0
Thailand	SET 50	1,079	0.9	7.6	14.9
USA	Dow Jones	23,539	3.9	6.8	31.2
UK	FTSE	7,560	1.2	0.6	11.1
Japan	Nikkei	22,539	10.5	12.8	30.0
Germany	DAX	13,479	4.5	10.9	28.6
France	CAC	5,518	2.8	5.9	22.9

Source: Bloomberg, Angel Research

Stock Watch

Top Picks Report

November 06, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
Agri / Agri Chemical																			
Rallis	Reduce	240	209	4,666	1,873	2,099	15.0	15.0	9.5	10.5	25.3	22.9	3.8	3.5	15.8	16.0	2.4	2.2	
United Phosphorus	Accumulate	777	820	39,449	18,922	21,949	18.0	18.5	36.2	45.6	21.5	17.0	4.5	3.7	22.7	23.8	2.2	1.9	
Auto & Auto Ancillary																			
Ashok Leyland	Neutral	124	-	36,187	23,339	27,240	10.1	10.8	4.7	6.2	26.6	19.9	5.3	4.7	20.0	23.6	1.5	1.3	
Bajaj Auto	Neutral	3,223	-	93,266	23,936	27,955	19.5	20.1	142.7	167.3	22.6	19.3	4.9	4.4	21.8	22.8	3.5	2.9	
Bharat Forge	Buy	706	875	32,850	7,637	8,755	21.7	23.2	36.1	47.3	19.6	14.9	3.5	3.0	18.5	20.8	4.2	3.5	
Eicher Motors	Neutral	31,235	-	85,030	19,043	22,837	19.5	19.9	835.4	1,019.0	37.4	30.7	14.0	10.8	40.9	37.8	4.3	3.6	
Gabriel India	Neutral	199	-	2,855	1,782	2,033	9.7	10.2	7.1	8.9	28.0	22.5	5.7	4.8	21.0	22.2	1.6	1.3	
Hero Motocorp	Accumulate	3,691	4,129	73,704	32,239	36,878	16.0	15.6	184.4	206.5	20.0	17.9	6.3	5.5	31.3	30.7	2.1	1.8	
Jamna Auto Industries	Neutral	66	-	2,622	1,441	1,662	14.4	14.8	13.9	17.6	4.7	3.7	1.3	1.1	30.0	31.0	1.8	1.5	
Mahindra and Mahindra	Neutral	1,331	-	82,677	46,971	53,816	13.6	14.0	67.7	79.8	19.7	16.7	2.8	2.5	15.0	15.9	1.6	1.4	
Maruti	Accumulate	8,216	8,658	248,201	81,825	101,245	15.0	15.0	283.5	356.0	29.0	23.1	6.3	5.2	21.9	22.4	2.7	2.1	
Minda Industries	Neutral	910	-	7,867	4,328	5,084	11.0	11.9	27.3	36.4	33.4	25.0	7.1	5.5	23.1	25.6	1.9	1.6	
Motherson Sumi	Neutral	365	-	76,786	55,937	64,445	10.8	11.4	16.9	21.1	21.6	17.3	4.8	4.9	25.2	25.4	1.4	1.2	
Tata Motors	Neutral	447	-	129,036	303,167	343,649	11.8	13.8	33.1	54.7	13.5	8.2	2.2	1.8	16.9	23.0	0.5	0.4	
TVS Motor	Neutral	695	-	33,014	13,992	16,216	9.0	9.4	17.1	20.3	40.8	34.2	10.8	8.4	29.7	27.7	2.3	1.9	
Amara Raja Batteries	Buy	691	858	11,801	6,140	7,122	14.3	15.6	29.3	39.0	23.6	17.7	4.0	3.4	17.1	19.0	1.9	1.6	
Exide Industries	Neutral	205	-	17,421	8,689	9,854	15.1	15.2	9.7	11.0	21.2	18.6	3.8	3.3	15.7	16.1	1.7	1.5	
Apollo Tyres	Neutral	236	-	12,031	15,739	17,326	13.3	14.6	20.4	26.7	11.6	8.9	1.4	1.2	20.4	26.7	1.0	0.9	
Ceat	Neutral	1,695	-	6,856	6,661	7,717	11.1	14.2	116.2	178.2	14.6	9.5	2.5	2.1	15.2	21.3	1.1	1.0	
JK Tyres	Neutral	145	-	3,299	8,318	9,239	16.2	16.4	21.0	27.5	6.9	5.3	1.4	1.1	19.1	20.4	0.8	0.7	
Swaraj Engines	Neutral	1,964	-	2,439	788	889	16.4	16.5	71.6	81.0	27.4	24.3	7.9	7.3	29.6	31.0	2.8	2.4	
Subros	Neutral	252	-	1,513	1,855	2,135	11.6	11.8	10.3	14.7	24.6	17.2	3.7	3.2	15.8	19.1	1.0	0.9	
Capital Goods																			
BEML	Neutral	1,740	-	7,246	4,286	5,194	7.1	8.2	42.9	58.1	40.6	30.0	3.3	3.0	7.6	8.7	1.8	1.4	
Bharat Electronics	Neutral	183	-	44,963	10,258	12,470	19.6	19.5	7.3	8.6	25.1	21.3	0.5	0.4	20.4	21.9	3.9	3.2	
Voltas	Neutral	548	-	18,129	6,778	8,004	9.6	11.0	17.1	22.4	32.0	24.5	7.6	6.7	17.7	19.8	2.4	2.0	
BHEL	Neutral	100	-	36,732	33,200	39,167	6.8	9.5	6.2	11.2	16.1	8.9	0.7	0.7	4.6	8.0	0.7	0.5	
Blue Star	Buy	692	867	6,626	5,220	6,207	6.3	6.6	16.8	22.3	41.2	31.1	8.2	7.2	19.9	23.3	1.2	1.0	
CG Power and Industrial Solutions	Neutral	85	-	5,324	6,555	7,292	7.5	7.5	-	0.8	8,495.0	106.2	1.3	1.3	0.1	1.2	0.9	0.8	
Greaves Cotton	Neutral	128	-	3,123	1,778	1,993	14.7	15.1	8.1	9.1	15.8	14.1	3.5	3.3	21.8	23.6	1.5	1.4	

Top Picks Report

November 06, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
Capital Goods																			
KEC International	Accumulate	314	350	8,071	9,779	11,113	9.4	9.8	14.2	18.2	22.1	17.3	4.2	3.5	21.1	22.1	1.1	1.0	
KEI Industries	Accumulate	338	380	2,629	3,001	3,391	10.0	10.0	13.0	16.1	26.0	21.0	4.7	3.9	18.2	18.7	1.1	0.9	
Thermax	Neutral	959	-	11,429	4,125	4,747	10.3	10.8	26.7	31.5	35.9	30.5	4.0	3.7	11.2	12.0	2.5	2.2	
VATech Wabag	Buy	588	681	3,207	3,867	4,126	9.6	10.0	34.9	39.8	16.8	14.8	2.8	2.4	17.7	17.5	0.8	0.8	
Cement																			
ACC	Neutral	1,804	-	33,870	12,255	13,350	13.5	14.3	58.0	66.2	31.1	27.3	3.7	3.4	11.5	12.2	2.7	2.5	
Ambuja Cements	Neutral	282	-	56,045	10,250	11,450	17.5	19.0	7.2	8.3	39.2	34.0	2.8	2.7	7.0	7.8	5.2	4.6	
India Cements	Neutral	187	-	5,750	6,135	6,750	14.8	15.2	8.5	11.5	22.0	16.2	1.1	1.0	4.8	6.2	1.3	1.1	
JK Cement	Neutral	1,000	-	6,994	4,150	4,775	19.2	20.0	49.0	63.5	20.4	15.8	3.2	2.8	17.0	18.5	2.1	1.8	
J K Lakshmi Cement	Neutral	439	-	5,163	3,422	3,757	15.5	17.0	13.5	23.2	32.5	18.9	3.4	2.9	10.8	15.5	1.9	1.7	
Orient Cement	Neutral	176	-	3,600	2,215	3,233	16.8	17.0	5.9	6.9	29.8	25.5	2.3	2.1	10.8	10.1	2.6	1.7	
UltraTech Cement	Neutral	4,369	-	119,938	28,250	35,150	20.2	23.5	77.5	122.2	56.4	35.8	4.8	4.3	9.6	14.8	4.7	3.8	
Construction																			
KNR Constructions	Neutral	273	-	3,840	1,846	2,203	14.5	14.5	12.1	13.7	22.6	20.0	1.2	1.1	17.5	16.7	2.1	1.8	
Larsen & Toubro	Neutral	1,235	-	172,967	95,787	109,476	10.2	11.6	44.5	50.8	27.8	24.3	3.5	3.2	12.9	13.1	2.4	2.1	
Gujarat Pipavav Port	Neutral	137	-	6,611	739	842	61.6	62.7	5.1	6.2	26.8	22.2	3.3	3.3	12.7	14.9	8.4	7.3	
PNC Infratech	Neutral	199	-	5,114	2,040	2,935	13.0	13.0	6.4	9.0	31.2	22.2	0.8	0.7	9.7	12.2	2.5	1.8	
Simplex Infra	Neutral	524	-	2,591	6,012	6,619	11.6	11.7	21.1	31.0	24.9	16.9	1.7	1.6	6.5	8.6	1.0	0.9	
Sadbhav Engineering	Neutral	308	-	5,287	3,823	4,426	10.7	10.8	10.3	11.8	29.9	26.1	3.6	3.1	10.1	10.5	1.7	1.5	
NBCC	Neutral	263	-	23,652	9,099	12,706	6.4	6.4	7.3	9.6	36.1	27.5	1.6	1.3	27.5	30.5	2.5	1.8	
MEP Infra	Neutral	106	-	1,723	2,403	2,910	18.3	16.8	2.4	6.1	45.1	17.5	17.1	11.5	35.2	55.8	1.9	1.5	
SIPL	Neutral	128	-	4,516	2,060	2,390	46.8	47.7	(5.8)	(3.1)			4.8	5.5	(14.2)	(2.3)	7.0	6.5	
Engineers India	Neutral	192	-	12,942	1,795	2,611	21.1	22.4	5.9	8.1	32.6	23.7	2.3	2.3	12.9	16.1	5.6	3.7	
Financials																			
Axis Bank	Accumulate	540	580	129,470	32,558	35,843	3.5	3.2	27.8	41.0	19.4	13.2	2.1	1.8	11.4	14.9	-	-	
Bank of Baroda	Neutral	172	-	39,574	22,533	26,079	2.4	2.4	12.0	20.9	14.3	8.2	0.9	0.9	6.6	11.0	-	-	
Canara Bank	Neutral	404	-	24,128	17,925	20,235	2.0	2.1	18.5	36.5	21.8	11.1	0.8	0.8	3.4	6.2	-	-	
Can Fin Homes	Buy	467	2,128	6,220	586	741	3.5	3.5	107.8	141.0	4.3	3.3	1.0	0.8	24.1	25.6	-	-	
Cholamandalam Inv. & Fin. Co.	Neutral	1,241	-	19,403	2,826	3,307	6.3	6.3	53.7	64.6	23.1	19.2	3.9	3.4	18.3	18.9	-	-	
Dewan Housing Finance	Accumulate	666	712	20,872	2,676	3,383	2.4	2.7	37.4	49.7	17.8	13.4	2.3	2.0	13.8	16.2	-	-	
Equitas Holdings	Buy	147	235	4,963	1,125	1,380	9.6	9.8	1.5	6.0	97.7	24.4	2.2	2.1	2.4	8.2	-	-	
Federal Bank	Accumulate	116	125	22,597	4,896	5,930	2.8	3.1	5.4	7.6	21.6	15.3	1.8	1.7	8.5	11.0	-	-	

Top Picks Report

November 06, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
Financials																			
GIC Housing	Buy	481	655	2,588	376	477	3.6	3.7	33.0	40.0	14.6	12.0	2.6	2.2	20.0	23.0	-	-	
HDFC Bank	Neutral	1,831	-	473,194	55,236	63,253	4.5	4.4	68.9	82.4	26.6	22.2	4.6	3.8	18.7	18.5	-	-	
ICICI Bank	Neutral	316	-	202,654	42,361	51,378	3.6	3.9	18.4	25.7	17.2	12.3	1.9	1.8	11.3	15.0	-	-	
Karur Vysya Bank	Buy	127	180	7,699	3,289	3,630	3.7	3.9	10.8	14.1	11.8	9.1	1.4	1.3	12.5	14.7	-	-	
LIC Housing Finance	Neutral	609	-	30,721	4,895	6,332	3.4	3.7	50.7	66.8	12.0	9.1	2.4	2.0	21.7	23.8	-	-	
Punjab Natl.Bank	Neutral	207	-	44,113	23,708	25,758	2.1	2.1	5.9	16.4	35.3	12.6	1.0	1.0	3.0	8.3	-	-	
RBL Bank	Neutral	520	-	21,473	2,309	2,888	2.6	2.5	16.4	19.1	31.8	27.3	4.0	3.6	13.3	13.8	-	-	
Repco Home Finance	Buy	613	825	3,838	496	597	4.4	4.2	38.5	48.7	16.0	12.6	2.9	2.4	19.6	20.6	-	-	
South Ind.Bank	Neutral	32	-	5,711	3,195	3,567	3.0	3.1	3.0	3.8	10.5	8.3	1.0	0.9	10.5	11.9	-	-	
St Bk of India	Neutral	325	-	280,542	105,827	121,056	2.4	2.5	16.1	25.6	20.2	12.7	1.6	1.4	6.6	9.9	-	-	
Union Bank	Neutral	173	-	12,589	14,650	16,225	2.3	2.3	23.1	32.5	7.5	5.3	0.6	0.5	7.1	9.2	-	-	
Yes Bank	Neutral	326	-	74,647	11,088	13,138	3.0	2.9	84.0	99.3	3.9	3.3	0.6	0.5	16.3	16.8	-	-	
FMCG																			
Akzo Nobel India	Neutral	1,861	-	8,924	3,164	3,607	13.8	13.7	58.6	67.9	31.8	27.4	7.8	6.9	24.5	25.1	2.7	2.3	
Asian Paints	Neutral	1,173	-	112,552	17,603	20,615	18.6	18.6	2,128.9	2,543.3	0.6	0.5	11.6	9.8	28.0	28.9	6.2	5.2	
Britannia	Neutral	4,654	-	55,871	9,690	11,278	14.8	15.4	84.0	101.0	55.4	46.1	20.2	16.1	40.6	39.0	5.7	4.9	
Colgate	Neutral	1,033	-	28,096	4,420	5,074	24.9	25.3	28.6	32.8	36.1	31.5	14.3	11.5	43.8	40.5	6.1	5.3	
Dabur India	Neutral	340	-	59,892	8,346	9,344	19.6	19.9	7.8	9.0	43.6	37.8	8.8	7.9	25.2	24.8	6.8	6.0	
GlaxoSmith Con*	Neutral	5,370	-	22,586	5,072	5,760	18.2	18.4	176.3	199.2	30.5	27.0	6.5	5.9	21.2	21.7	3.8	3.3	
Godrej Consumer	Neutral	971	-	66,143	10,171	11,682	20.8	21.5	21.7	27.1	44.7	35.8	10.1	8.6	22.3	23.4	6.6	5.7	
HUL	Neutral	1,238	-	267,984	37,077	41,508	20.3	21.8	5,189.9	6,318.5	0.2	0.2	37.8	32.2	74.8	82.0	7.1	6.3	
ITC	Neutral	265	-	323,265	44,588	49,853	37.0	37.3	9.6	11.0	27.7	24.1	6.8	6.5	25.1	27.3	6.7	6.0	
Marico	Neutral	313	-	40,353	6,788	7,766	18.5	19.2	7.1	8.5	44.0	36.8	15.4	13.2	36.9	38.0	5.8	5.0	
Nestle*	Neutral	7,409	-	71,430	10,083	11,182	20.0	20.9	119.7	141.3	61.9	52.4	218.1	199.4	36.7	39.8	6.8	6.0	
Tata Global	Neutral	225	-	14,219	7,121	7,641	11.9	12.3	6.9	8.0	32.7	28.2	2.2	2.1	6.8	7.2	1.8	1.7	
Procter & Gamble Hygiene	Neutral	8,820	-	28,631	3,034	3,579	27.1	27.7	167.7	198.8	52.6	44.4	14.1	12.2	28.8	29.5	8.9	7.4	
IT																			
HCL Tech ^	Buy	848	1,014	120,944	50,009	54,608	22.1	22.1	62.8	67.6	13.5	12.5	3.0	2.6	22.4	20.6	2.1	1.8	
Infosys	Buy	927	1,120	212,851	70,333	75,960	26.0	26.0	61.7	65.9	15.0	14.1	2.8	2.6	18.9	18.7	2.4	2.2	
TCS	Neutral	2,613	-	514,814	123,384	134,488	26.1	26.1	133.2	143.7	19.6	18.2	5.4	5.0	27.6	27.8	3.8	3.5	
Tech Mahindra	Accumulate	464	533	45,228	31,015	33,496	15.0	15.0	35.6	38.1	13.0	12.2	2.2	2.1	17.0	16.3	1.2	1.1	

Top Picks Report

November 06, 2017

Company Name	Reco	CMP (₹)	Target Price (₹)	Mkt Cap (₹ cr)	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
					FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
IT																			
Wipro	Neutral	294	-	143,227	54,164	56,544	22.3	22.3	18.8	19.5	15.7	15.1	2.5	2.2	15.0	13.6	1.9	1.6	
Media																			
D B Corp	Neutral	371	-	6,830	2,404	2,625	30.5	31.5	23.7	26.9	15.7	13.8	3.7	3.1	23.5	22.8	2.7	2.4	
HT Media	Neutral	102	-	2,371	2,589	2,830	15.1	15.4	8.3	10.9	12.3	9.3	1.0	0.9	8.4	10.4	0.5	0.3	
Jagran Prakashan	Buy	177	225	5,788	2,541	2,835	28.5	28.7	12.7	14.1	13.9	12.6	2.9	2.5	21.3	21.4	2.1	1.8	
Sun TV Network	Neutral	881	-	34,733	3,238	3,789	51.9	55.1	30.9	38.0	28.5	23.2	8.1	7.1	30.0	31.0	10.2	8.6	
Hindustan Media Ventures	Neutral	242	-	1,777	1,002	1,074	23.3	23.5	29.2	33.8	8.3	7.2	1.3	1.1	15.6	15.4	0.8	0.5	
TV Today Network	Accumulate	379	435	2,263	667	727	27.7	27.7	18.6	20.1	20.4	18.9	3.2	3.2	15.6	17.3	2.9	2.7	
Music Broadcast Limited	Accumulate	387	434	2,206	271	317	91.0	109.0	6.0	10.0	64.4	38.7	4.0	3.7	6.5	9.3	7.7	6.4	
Metals & Mining																			
Coal India	Neutral	287	-	177,904	82,301	91,235	17.0	18.0	17.1	20.5	16.8	14.0	3.2	3.0	45.0	55.0	1.8	1.6	
Hind. Zinc	Neutral	322	-	136,119	22,108	24,555	57.0	58.0	22.1	26.3	14.6	12.3	4.7	3.8	32.0	35.0	5.2	4.3	
Hindalco	Neutral	269	-	60,241	102,350	105,355	13.5	14.5	21.5	24.5	12.5	11.0	1.7	1.5	15.0	15.2	1.2	1.1	
JSW Steel	Neutral	267	-	64,516	64,500	68,245	21.1	21.5	20.1	21.2	13.3	12.6	2.4	2.1	-	-	1.7	1.7	
NMDC	Neutral	128	-	40,466	10,209	11,450	47.0	48.0	11.1	12.1	11.5	10.6	1.6	1.5	-	-	3.5	3.1	
SAIL	Neutral	87	-	35,829	54,100	63,555	3.0	10.0	(10.0)	1.5	-	57.8	1.2	1.1	-	-	1.7	1.4	
Vedanta	Neutral	338	-	125,678	81,206	87,345	28.0	29.0	26.5	33.5	12.8	10.1	2.9	2.5	-	-	2.3	2.0	
Tata Steel	Neutral	709	-	68,850	121,445	126,500	16.2	17.2	65.4	81.3	10.8	8.7	1.7	1.5	-	-	1.1	1.0	
Oil & Gas																			
GAIL	Neutral	464	-	78,400	53,115	52,344	14.2	15.3	30.0	31.1	15.5	14.9	1.9	1.8	-	-	1.2	1.2	
ONGC	Neutral	191	-	245,564	83,111	84,934	44.2	44.9	16.4	16.9	11.7	11.3	1.4	1.3	-	-	2.8	2.8	
Indian Oil Corp	Neutral	413	-	200,670	396,116	432,560	8.5	8.8	40.1	42.2	10.3	9.8	1.8	1.6	-	-	0.7	0.6	
Reliance Industries	Neutral	946	-	615,000	257,711	267,438	17.0	18.2	89.1	89.5	10.6	10.6	1.0	0.9	-	-	2.0	2.0	
Pharmaceuticals																			
Alembic Pharma	Buy	505	600	9,524	3,903	4,584	18.2	19.2	21.8	27.2	23.2	18.6	4.2	3.5	19.8	20.6	2.5	2.1	
Alkem Laboratories Ltd	Accumulate	1,926	2,079	23,028	6,320	7,341	17.5	19.8	72.7	96.6	26.5	19.9	4.7	4.0	16.7	18.7	3.6	3.0	
Aurobindo Pharma	Neutral	788	-	46,162	17,086	19,478	22.1	22.0	44.7	51.4	17.6	15.3	3.9	3.2	24.7	22.7	2.8	2.5	
Aventis*	Neutral	4,609	-	10,615	2,508	2,862	16.8	16.8	139.9	153.8	33.0	30.0	4.8	3.9	23.5	25.8	3.8	3.2	
Cadila Healthcare	Reduce	496	426	50,819	11,584	13,228	20.3	20.4	18.7	21.3	26.6	23.3	5.9	4.9	24.6	22.9	4.2	3.6	
Cipla	Sell	640	458	51,468	16,619	19,437	15.4	16.2	19.7	24.3	32.5	26.3	3.7	3.3	12.0	13.2	3.3	2.8	
Dr Reddy's	Neutral	2,418	-	40,082	15,844	17,973	17.6	18.2	91.7	111.0	26.4	21.8	3.0	2.7	11.9	13.0	2.7	2.4	
GSK Pharma*	Neutral	2,656	-	22,494	3,260	3,651	15.0	18.0	46.1	58.6	57.6	45.3	11.8	12.2	20.0	26.5	6.8	6.2	
Indoco Remedies	Sell	277	153	2,554	1,154	1,310	14.9	14.9	11.3	12.7	24.5	21.8	3.5	3.1	15.0	15.0	2.3	2.0	

Top Picks Report

November 06, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
Pharmaceuticals																			
Ipca labs	Neutral	525	-	6,623	3,593	4,022	14.5	15.5	19.4	25.2	27.1	20.8	2.5	2.2	9.5	11.2	1.9	1.7	
Lupin	Buy	1,049	1,467	47,405	18,657	21,289	21.3	23.3	52.8	66.7	19.9	15.7	3.0	2.6	16.3	17.5	2.6	2.1	
Natco Pharma	Accumulate	955	1,057	16,638	1,886	2,016	32.3	29.5	23.2	22.0	41.2	43.3	8.6	7.6	20.9	17.6	8.7	8.1	
Sun Pharma	Neutral	552	-	132,486	32,899	36,451	26.9	25.4	31.6	32.3	17.5	17.1	3.1	2.7	18.7	18.8	3.7	3.1	
Syngene International	Accumulate	505	557	10,108	1,402	1,823	32.8	36.0	15.9	20.7	31.8	24.5	5.9	4.9	18.7	20.0	7.2	5.5	
Power																			
Tata Power	Neutral	85	-	22,855	32,547	33,806	20.5	20.5	4.7	5.4	18.0	15.8	1.7	1.5	10.5	10.5	1.7	1.6	
NTPC	Neutral	182	-	150,191	86,070	101,246	28.3	30.7	12.9	16.2	14.1	11.2	1.5	1.3	10.6	12.4	3.1	2.8	
Power Grid	Accumulate	211	223	110,177	29,183	32,946	89.7	90.0	18.0	20.8	11.7	10.1	2.0	1.7	17.7	18.2	7.7	7.2	
Real Estate																			
Prestige Estate	Neutral	298	-	11,166	4,607	5,146	21.0	22.2	7.9	9.8	37.7	30.4	2.3	2.2	10.3	12.0	3.6	3.3	
MLIFE	Buy	431	522	2,211	487	590	12.3	17.8	21.0	31.2	20.5	13.8	1.1	1.0	5.2	7.4	3.3	2.7	
Telecom																			
Bharti Airtel	Neutral	541	-	216,399	97,903	105,233	36.0	36.3	9.3	11.1	58.2	49.0	2.8	2.7	5.0	5.6	3.2	2.9	
Idea Cellular	Neutral	106	-	38,251	35,012	37,689	27.1	27.7	(4.4)	(2.7)			1.7	1.7	(6.8)	(4.6)	2.4	2.2	
zOthers																			
Abbott India	Neutral	4,329	-	9,198	3,244	3,723	14.9	16.1	167.5	209.4	25.8	20.7	5.7	4.8	23.7	24.8	2.5	2.1	
Asian Granito	Buy	495	570	1,488	1,169	1,286	12.5	12.5	16.0	19.7	31.0	25.1	3.3	2.9	10.7	11.6	1.5	1.3	
Bajaj Electricals	Neutral	394	-	3,997	4,646	5,301	6.7	7.6	16.1	22.3	24.5	17.7	4.0	3.4	16.4	19.2	0.9	0.8	
Banco Products (India)	Neutral	214	-	1,533	1,530	1,695	13.2	12.7	19.0	20.0	11.3	10.7	1.8	1.6	0.2	0.2	0.9	101.2	
Coffee Day Enterprises Ltd	Neutral	223	-	4,600	3,494	3,913	17.4	18.0	4.8	5.7	-	39.2	2.0	1.9	-	0.1	1.8	1.6	
Elecon Engineering	Neutral	75	-	840	171	201	15.0	16.2	36.0	43.0	2.1	1.7	0.2	0.2	0.1	0.1	4.3	3.6	
Garware Wall Ropes	Neutral	920	-	2,014	928	1,003	15.2	15.2	39.4	43.2	23.3	21.3	3.9	3.3	16.5	15.4	2.0	1.8	
Goodyear India*	Neutral	814	-	1,878	1,717	1,866	11.8	12.3	47.9	49.8	17.0	16.4	2.6	2.3	15.6	15.7	0.8	112.9	
Hitachi	Neutral	2,385	-	6,485	2,355	2,715	10.3	10.8	49.0	60.9	48.7	39.2	11.4	9.0	0.2	0.2	2.8	2.4	
HSIL	Neutral	420	-	3,037	2,240	2,670	14.6	15.0	17.0	22.0	24.7	19.1	2.0	1.9	0.1	0.1	1.6	1.3	
Interglobe Aviation	Neutral	1,254	-	45,344	22,570	27,955	14.2	15.0	63.6	81.8	19.7	15.3	10.4	8.8	0.5	0.6	1.7	1.3	
Jyothy Laboratories	Neutral	383	-	6,956	1,781	2,044	14.1	15.0	9.4	10.5	41.0	36.5	8.7	8.2	0.2	0.2	4.1	3.5	
Linc Pen & Plastics	Neutral	248	-	367	420	462	9.3	9.3	15.3	17.1	16.2	14.5	2.7	2.8	16.9	19.5	0.9	0.8	
M M Forgings	Neutral	860	-	1,038	542	642	20.1	21.0	41.6	56.8	20.7	15.2	2.9	2.4	0.1	0.2	2.3	2.0	
Mirza International	Neutral	162	-	1,948	1,148	1,285	18.0	18.0	8.0	9.4	20.1	17.3	3.3	2.8	16.3	16.1	1.9	1.6	
Navkar Corporation	Buy	195	265	2,778	561	617	41.5	41.5	11.5	12.7	16.9	15.3	1.8	1.6	10.5	10.4	5.6	4.9	
Nilkamal	Neutral	1,612	-	2,405	2,317	2,525	11.4	11.1	96.0	105.0	16.8	15.4	2.9	2.5	0.2	0.2	1.0	0.9	

Top Picks Report

November 06, 2017

Company Name	Reco	CMP (₹)	Target Price (₹)	Mkt Cap (₹ cr)	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
					FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
zOthers																			
Parag Milk Foods	Neutral	278	-	2,339	1,987	2,379	7.6	9.0	12.4	18.3	22.4	15.2	3.2	2.8	8.2	13.2	1.3	1.1	
Radico Khaitan	Neutral	212	-	2,819	1,811	1,992	13.2	13.2	8.1	8.8	26.1	24.1	2.6	2.9	10.1	12.0	1.9	1.7	
Relaxo Footwears	Neutral	589	-	7,074	1,981	2,310	13.7	14.5	12.0	15.5	49.1	38.0	9.6	7.7	0.2	0.2	3.6	3.1	
Siyaram Silk Mills	Accumulate	607	650	2,845	1,769	1,981	12.7	12.7	22.6	26.2	26.8	23.1	4.2	3.6	15.5	15.5	1.8	1.6	
Styrolution ABS India*	Neutral	948	-	1,667	1,800	1,980	8.0	8.1	42.0	46.2	22.6	20.5	2.5	2.3	0.1	0.1	1.0	1.0	
Surya Roshni	Neutral	372	-	1,629	4,870	5,320	7.7	7.8	22.8	28.1	16.3	13.2	2.2	1.9	0.1	0.1	0.6	0.5	
TVS Srichakra	Neutral	3,205	-	2,454	2,729	2,893	12.7	12.5	248.5	265.0	12.9	12.1	3.7	3.0	0.3	0.3	0.9	0.8	
Visaka Industries	Neutral	687	-	1,092	1,104	1,214	12.1	12.6	31.0	37.9	22.2	18.2	2.7	2.4	0.1	0.1	1.2	1.1	
VIP Industries	Accumulate	280	300	3,957	1,450	1,693	10.4	10.5	6.5	7.8	42.8	35.9	9.0	7.9	21.1	22.1	2.7	2.3	
Navin Fluorine	Neutral	727	-	3,586	945	1,154	22.4	22.6	28.7	34.8	25.4	20.9	4.2	3.6	-	-	3.3	2.6	

Source: Company, Angel Research; Note: *December year end; #September year end; &October year end; Price as on November 03, 2017

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Buy (> 15%)

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

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